

**Invitation to the Annual General Meeting
of Gigaset AG with registered offices in Munich**

**WKN 515 600
ISIN DE0005156004**

Munich, June 2014

Dear shareholders,

We hereby invite you to the Annual General Meeting of Gigaset AG, Munich, on

August 12, 2014 at 10:00 a.m.

at the location

**Conference Center Munich
Hanns-Seidel-Stiftung
Lazarettstr. 33
80636 Munich**

The Annual General Meeting (AGM) has the following agenda:

Item 1

Presentation of the adopted annual financial statements of Gigaset AG and the approved consolidated financial statements at December 31, 2013, the combined management report for Gigaset AG and the Group including the explanatory report of the Executive Board relating to the disclosures pursuant to Section 289 (4), Section 315 (4) of the German Commercial Code [Handelsgesetzbuch - HGB], as well as the report of the Supervisory Board for the 2013 fiscal year

The documents set out above may be viewed in the offices of Gigaset AG, Hofmannstr. 61, 81379 Munich (Germany), as well as on the Internet at www.gigaset.ag, and will also be sent to shareholders upon request. The Supervisory Board has already approved the annual and consolidated financial statements. In accordance with the provisions of law, therefore, no resolution will be adopted on this item.

Item 2

Resolution regarding approval of the actions of the members of the Executive Board

The Supervisory Board and the Executive Board propose that approval be granted to the members of the Executive Board in the 2013 fiscal year for their actions in the said period.

Item 3

Resolution regarding approval of the actions of the members of the Supervisory Board

The Supervisory Board and the Executive Board propose that approval be granted to the members of the Supervisory Board in the 2013 fiscal year for their actions in the said period.

Item 4

Resolution regarding the appointment of the independent auditor for the 2014 fiscal year

The Supervisory Board proposes, at the recommendation of the Audit Committee, that PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, be appointed independent auditors of the separate and consolidated financial statements for the 2014 fiscal year.

Item 5

Resolution regarding the creation of Authorized Capital 2014, revocation of the Authorized Capital 2013 and the corresponding amendment to Article 4 (6) of the Articles of Incorporation

The Authorized Capital 2013 currently specified in Article 4 (6) of the Articles of Incorporation is largely exhausted as a result of the exercise of the authorization and only EUR 98,509.00 remains. Consequently, this Authorized Capital 2013 should be revoked. In order to give the Company the greatest possible flexibility with regard to its financing, further new Authorized Capital 2014 is to be created in addition to the Authorized Capital of EUR 25,000,000.00 adopted by the General Meeting on December 19, 2013.

The Supervisory Board and the Executive Board propose that the following resolution be adopted:

1. The Executive Board is authorized to increase the share capital, with the consent of the Supervisory Board, by up to a total of EUR 22,000,000.00, once or in partial amounts, through the issuance of up to 22,000,000 new no par bearer shares qualifying for dividends as of the beginning of the fiscal year in which they are issued, in exchange for cash contributions, in the time until August 11, 2019 (Authorized Capital 2014). The shareholders are entitled to a subscription right.

The new shares may be underwritten by one or more banks with the obligation to offer them to the shareholders (indirect subscription right).

The Executive Board is authorized, with the consent of the Supervisory Board, to decide the content of the share rights and the terms and conditions of the share issue, and to specify the details for the execution of the capital increase.

The Supervisory Board is further authorized to amend the current version of the Articles of Incorporation in accordance with the respective amount of the capital increase from the Authorized Capital 2014.

2. The Authorized Capital 2013 and the corresponding authorization of the Executive Board under Article 4 (6) of the Articles of Incorporation are revoked.
3. Paragraph 6 in Article 4 of the Articles of Incorporation is revoked and replaced by the following:

"6. The Executive Board is authorized to increase the share capital, with the consent of the Supervisory Board, by up to a total of EUR 22,000,000.00, once or in partial amounts, through the issuance of up to 22,000,000 new no par bearer shares qualifying for dividends as of the beginning of the fiscal year in which they are issued, in exchange for cash contributions, in the time until August 11, 2019 (Authorized Capital 2014). The shareholders are entitled to a subscription right.

The new shares may be underwritten by one or more banks with the obligation to offer them to the shareholders (indirect subscription right).

The Executive Board is authorized, with the consent of the Supervisory Board, to decide the content of the share rights and the terms and conditions of the share issue, and to specify the details for the execution of the capital increase."

Item 6

Resolution regarding the authorization of the Executive Board to issue warrant-linked bonds and/or convertible bonds, creation of a Contingent Capital 2014 and corresponding addition of Article 4 (8) to the Articles of Incorporation

Warrant-linked and/or convertible bonds can be significant instruments for ensuring an adequate equity base as a critical cornerstone for corporate development. Outside capital flows into a company, usually with a low interest rate, and may later be retained as equity under certain circumstances. A corresponding authorization and creation of contingent capital is required in order to issue such bonds.

The authorization of the Executive Board to issue warrant-linked bonds and/or convertible bonds dated June 12, 2012, and the Contingent Capital created for that is largely exhausted as a result of the issuance of a convertible bond for EUR 23,340,289.00 in 2013.

In order to preserve the greatest possible flexibility for the Company in using this important financing instrument in the future, it is proposed to the General Meeting that it adopt a new additional authorization to issue warrant-linked bonds and/or convertible bonds and a new Contingent Capital 2014, in addition to the authorization created by the General Meeting on December 19, 2013, to issue warrant-linked bonds and/or convertible bonds with a Contingent Capital of EUR 9,500,000.00, and to amend the Articles of Incorporation accordingly.

The Supervisory Board and Executive Board therefore propose that the following resolution be adopted:

1. Authorization of the Executive Board to issue warrant-linked bonds and/or convertible bonds

a) Authorization period, nominal amount, number of shares

The Executive Board is authorized, with the consent of the Supervisory Board, once or more than once, up to August 11, 2019,

- To issue bearer or registered warrant-linked bonds and/or convertible bonds with a total nominal amount of EUR 150,000,000.00 ("bonds"), with or without a term limit, by the Company or by companies in which the Company directly or indirectly holds a majority stake ("subordinated Group companies"), and
- To assume the guarantee for such bonds issued by subordinate Group companies, and
- To grant warrant rights and/or conversion rights to the holders or creditors of bonds for a total of up to 35,000,000 no par bearer shares of the Company with a proportional share in the share capital of up to EUR 35,000,000.00 after further specification of the individual terms and conditions of the bonds.

The individual issues can be subdivided into fractional bonds, each with equal rights, and shall be issued against a cash contribution.

If warrant-linked bonds are issued, each fractional bond will include one or more warrants that entitle the bearer or creditor to purchase Gigaset shares in accordance with the terms of the bond or warrant.

The relevant warrants may be separable from the individual fractional bonds. The bond or warrant terms may provide that the payment of the strike price can also be satisfied by transfer of fractional bonds and possibly by a cash payment. The proportional amount of the share capital of the shares to be purchased for each fractional bond shall be, at a maximum, the nominal amount of the warrant-linked bond or the issue price lower than the nominal amount.

If convertible bonds are issued, the bearers or creditors receive the right and/or have the obligation to convert their convertible bonds into Gigaset shares in accordance with the provisions in the terms of the convertible bonds. The conversion ratio is determined by dividing the nominal amount or the lower issue price of a fractional bond by the established conversion price for a bearer no par value share in the Company. The conversion ratio shall be rounded to the fourth decimal place. The bond terms may

stipulate an additional payment in cash and provide that fractional amounts that cannot be converted are merged and/or compensated in cash. Moreover, the bond terms may also provide for a conversion obligation. The proportional amount of the share capital of the shares to be purchased for each fractional bond shall be, at a maximum, the nominal amount of the convertible bond or the issue price lower than the nominal amount.

b) Subscription right

The shareholders are entitled to a subscription right to the bonds; the bonds can also be accepted by a bank or a banking consortium with the obligation to offer them to the shareholders for purchase.

c) Warrant or conversion price, anti-dilution protection

aa) The warrant or conversion price must not be less than 80% of the price of the Gigaset share in Xetra trading (or in a comparable successor system). The average closing price on the ten stock exchange trading days prior to the final decision of the Executive Board on publication of an offer to subscribe bonds or on the statement of acceptance by the Company following a public request to issue subscription offers shall prevail. In the case of trading in subscription rights, the days of subscription right trading shall prevail, excluding the last two stock exchange days of subscription rights trading, unless the Executive Board conclusively determines the option or conversion price already prior to the beginning of subscription rights trading.

bb) Notwithstanding Section 9 (1) AktG, the warrant or conversion price can be reduced or cash components can be changed or subscription rights can be granted based on an anti-dilution protection clause following further specification of the terms, if the Company increases its share capital or issues or guarantees additional bonds by the expiration of the warrant or conversion period while granting a subscription right to its shareholders, while the bearers of warrant rights and/or the creditors of convertible bonds are not granted any subscription right to which they would be entitled after exercise of their warrant or conversion rights or conversion obligations. The same also applies to other measures that may lead to dilution of the value of the warrant and/or conversion rights or conversion obligations. In any case, however, the proportional amount of the share capital of the shares to be purchased per fractional bond shall correspond at a maximum to the nominal amount of the fractional bond or any lower issue price.

Section 9 (1) and Section 199 AktG shall remain unaffected thereby.

d) Further terms and conditions

The Executive Board is authorized, with the consent of the Supervisory Board, to independently establish the further details of the issuance and features of the bonds and their terms while complying with the foregoing requirements, or to establish them by mutual consent with the executive bodies of the subordinate Group company issuing the bonds, particularly the warrant or conversion price, interest rate, issue price, maturity period and trading units, establishment of an option or conversion requirement, setting an additional cash payment, compensation for or pooling of fractional shares, cash payment instead of delivery of shares, delivery of treasury shares instead of issuing new shares, anti-dilution protection provisions, and the warrant or conversion period.

2. Contingent capital increase

The share capital is contingently increased by up to EUR 35,000,000.00 by issuing up to 35,000,000 new no par bearer shares qualifying for dividends as of the beginning of the fiscal year in which they are issued. The conditional capital increase will be used to grant shares to the holders or creditors of warrant-linked bonds and/or convertible bonds that are issued by the Company or a subordinated Group company up to August 11, 2019, against cash payment, based on the authorization of the General Meeting on August 12, 2014. This issue of new shares shall occur at the warrant or conversion price individually determined in accordance with the authorization described above. The contingent capital increase shall only be implemented insofar as the warrant and/or conversion rights from the bonds are exercised, or conversion obligations from the bonds are satisfied and thus no cash

settlement is granted or treasury shares are used for service. The Executive Board is authorized, with the consent of the Supervisory Board, to determine the further details for carrying out the contingent capital increase (Contingent Capital 2014).

3. Amendment of the Articles of Incorporation

The following Paragraph 8 is added to Article 4 of the Articles of Incorporation:

"8. The share capital is contingently increased by up to EUR 35,000,000.00 by issuing up to 35,000,000 new no par bearer shares qualifying for dividends as of the beginning of the fiscal year in which they are issued. The conditional capital increase will be used to grant shares to the holders or creditors of warrant-linked bonds and/or convertible bonds that are issued by the Company or a subordinated Group company up to August 11, 2019, against cash payment, based on the authorization of the General Meeting on August 12, 2014. This issue of new shares shall occur at the warrant or conversion price individually determined in accordance with the authorization described above. The contingent capital increase shall only be implemented insofar as the warrant and/or conversion rights from the bonds are exercised, or conversion obligations from the bonds are satisfied and thus no cash settlement is granted or treasury shares are used for service. The Executive Board is authorized, with the consent of the Supervisory Board, to determine the further details for carrying out the contingent capital increase (Contingent Capital 2014)."

Item 7

Amendments to the Articles of Incorporation

1. Amendment to Article 5 of the Articles of Incorporation

Article 5 (3) of the Articles of Incorporation specifies to date that the Executive Board shall adopt by-laws subject to the approval of the Supervisory Board. This is now to be amended to specify that the Supervisory Board issues the by-laws for the Executive Board.

The Supervisory Board and Executive Board therefore propose that the following resolution be adopted:

Article 5 (3) of the Articles of Incorporation is revoked and replaced by the following paragraph:

"3. The relationships among the members of the Executive Board shall be governed by the by-laws of the Executive Board. The Supervisory Board shall issue the by-laws for the Executive Board."

Otherwise Article 5 of the Articles of Incorporation remains unchanged.

2. Amendment to Article 6 of the Articles of Incorporation

In relation to the amendment to Article 5 of the Articles of Incorporation, Article 6 of the Articles of Incorporation is to be amended so that transactions by the Executive Board which require the consent of the Supervisory Board shall be defined in the by-laws issued by the Supervisory Board.

The Supervisory Board and Executive Board therefore propose that the following resolution be adopted:

Article 6 (4) of the Articles of Incorporation is revoked and replaced by the following paragraph:

"4. Except in the cases provided by law, measures of the Executive Board shall require the consent of the Supervisory Board in accordance with by-laws or resolutions adopted by the Supervisory Board."

Otherwise Article 6 of the Articles of Incorporation remains unchanged.

Participation in the Annual General Meeting

By virtue of Article 14 of the Articles of Incorporation, those shareholders are entitled to take part in the AGM and exercise their voting right who have registered with the Company at the address, fax number or e-mail address specified below and submitted special evidence of their shareholding issued by their custodian bank to the same address, fax number or e-mail address:

Gigaset AG
c/o Commerzbank AG
Group Markets Operations
GS-MO 4.1.1 General Meetings
D-60261 Frankfurt am Main
Germany
Fax: +49 (0) 69 1362 6351
E-mail: hv-eintrittskarten@commerzbank.com

The evidence of shareholding must reflect the status at the beginning of July 22, 2014 (24:00 CEST) (referred to as the evidence date) and must be in writing to be effective (Section 126b BGB). The evidence of shareholding and the registration must be received by the Company no later than by the end of August 5, 2014 (24:00 CEST).

Importance of the evidence date

The evidence date is decisive for the purpose of exercising the participation right and the extent of the voting right at the Annual General Meeting. In relationship to the Company, a person is considered a shareholder for purposes of participating in the Annual General Meeting and exercising the voting right only if that person has submitted special evidence of shareholding as of the evidence date. Changes in the shareholding amount after the evidence date are irrelevant for purposes of the participation right and the extent of the voting right. Consequently, persons who did not hold any shares at the evidence date, and who acquired shares only after the evidence date, are not entitled to participate or vote unless they obtain a proxy or an authority to exercise their rights. Shareholders who have duly registered and submitted special evidence of shareholding shall still be entitled to participate and exercise their voting right to the extent reflected by their evidenced shareholding, even if they sell their shares in full or in part after the evidence date. The evidence date is not relevant for the dividend qualification. Shareholders can still dispose freely of their shares even after the evidence date and registration.

After the receipt of the registration and evidence of shareholding, the registration office will send AGM admission tickets to the shareholders entitled to participate. To ensure the timely receipt of the tickets, we ask the shareholders to make sure that the registration and the shareholding evidence are sent to the Company at an early stage.

Proxy

Shareholders may also exercise their voting right in the AGM by being represented by a proxy holder, e.g. by a financial institution or an association of shareholders. Also in this case, timely registration and evidence of shareholdings according to the foregoing provisions are required. If neither a financial institution, nor an association of shareholders, nor other persons or institutions declared equivalent to financial institutions pursuant to Section 135 (8) or (10) in conjunction with Section 125 (5) AktG have been authorized, the granting and the revocation of the proxy and evidence of proxy authorization vis-à-vis the Company requires text form (Section 126b BGB).

Shareholders will receive additional information on the proxy and a proxy form with their admission ticket. Use of the proxy form is not mandatory. Shareholders are free to issue the proxy in some other text form (Section 126b BGB).

Declarations vis-à-vis the Company concerning the granting of a proxy, the revocation of a proxy and the transmission of evidence of a proxy granted to a representative should be sent to the address shown below:

Gigaset AG
Investor Relations – Annual General Meeting 2014
Hofmannstr. 61
D-81379 Munich
Germany
or by fax: +49 (0) 89 444456 930
or electronically by e-mail: Hauptversammlung@gigaset.com

This can also occur on the date of the Annual General Meeting at the entrance or exit controls.

Financial institutions and persons or institutions declared equivalent to them may require special forms of proxies, as they have to record the proxy in a verifiable manner. The proxy declaration must also be complete and may only contain declarations related to the exercise of voting rights. Therefore, please coordinate the form of proxy to be used with the authorized proxy holder if you wish to authorize a financial institution, association of shareholders or other institutions, companies or persons declared equivalent to them in accordance with Section 135 AktG.

Our Company wishes to simplify the proxy procedure for its shareholders. For this purpose, the Executive Board has appointed two employees of Gigaset AG as representatives for the exercise of the shareholders' voting right bound by instructions. All shareholders who neither appear in person nor wish to instruct their custodian bank or any other third party to exercise their voting right may choose this option. The proxy holders are obliged to vote in accordance with the instructions. Without instruction, the proxy is totally invalid or – if the instruction was not given only for one item on the agenda – invalid for the relevant item. For this reason, the proxy holders will abstain from voting completely or in relation to the item on the agenda for which no instruction was given. If separate votes are to be held in relation to a single agenda item, an instruction given for that item shall apply accordingly for every sub-item. Please note that the proxies will not accept any instructions to speak, to submit objections to resolutions adopted by the Annual General Meeting or to ask questions or submit resolutions.

Proxies and instructions to the proxy holders appointed by the Company which are not given in the AGM must be received by the Company on or before August 10, 2014.

The shareholders wishing to grant a proxy to the proxy holders appointed by the Company need an admission ticket to the AGM to do so. It is therefore necessary to register and submit evidence of shareholding as specified above even if a proxy is granted to the proxy holders appointed by the Company. To make sure that the ticket and the other documents for the authorization of the proxy holders will be received in due time, the registration should be received as early as possible at the address, fax number or e-mail address specified above for registration.

If the proxy holders appointed by the Company are authorized to exercise the voting right, the proxy may be granted in text form or by electronic data transmission (e-mail) also to the address, fax number or e-mail address specified above for the registration of a proxy. The revocation of the proxy must also be in text form (Section 126b BGB).

If a shareholder has authorized more than one person to represent him, the Company may refuse admission to one or more of them.

Rights of shareholders

Requests for additions to the meeting agenda pursuant to Section 122 (2) AktG

Pursuant to Section 122 (2) AktG, those shareholders whose combined shareholdings are at least equal to one twentieth of the Company's share capital or the proportional amount of EUR 500,000.00 (corresponding to 500,000 shares at the present time) may demand that items be added to the agenda and announced. A justification or draft resolution must be included with every new agenda item. The request must be submitted to the Executive Board of the Company in writing (Section 126 BGB) and must be received by the Company at least thirty days prior to the Annual General Meeting, thus by no later than July 12, 2014, 12:00 midnight CEST. Requests for additions to the meeting agenda received after that time will be disregarded. Any requests for additional agenda items should be submitted to the following address:

Gigaset AG
-The Executive Board-
Hofmannstr. 61
D-81379 Munich
Germany

The applicants must prove that they have held the shares meeting the minimum shareholding requirement for at least three months prior to the date of the Annual General Meeting (Section 142 (2) 2 AktG in conjunction with Section 122 (1) 3, (2) 1 AktG). A corresponding confirmation of the custodian bank suffices for the evidence of shareholding.

Counter-motions and nominations by shareholders pursuant to Section 126 (1) and Section 127 AktG

Shareholders may submit counter-motions against the proposals of the Executive Board and/or Supervisory Board for certain agenda items and make nominations.

Motions by shareholders including the name of the shareholder, the reasons and any comments by the management are made accessible to those entitled to such information named in Section 125 (1) to (3) AktG on the conditions stated therein (these are, inter alia, shareholders who demand this) if the shareholder sends a counter-motion against a proposal by the Executive Board and/or Supervisory Board on a specific item on the agenda with reasons to the address shown below at least 14 days before the AGM of the Company, not counting the date of receipt. The last valid date of receipt is thus July 28, 2014, 12:00 midnight CEST. A counter-motion is not required to be made accessible if one of the exclusion clauses under Section 126 (2) AktG applies. If several shareholders submit counter-motions on the same subject for decision-making, the Executive Board may combine the counter-motions and their reasons.

Reasons do not need to be given for nominations by shareholders in accordance with Section 127 AktG. Nominations are made accessible only if they contain the name, the profession practiced and the place of residence of the person proposed and, in case of an election of members of the Supervisory Board, information on their membership on other statutory supervisory boards. Pursuant to Section 127 sentence 1 AktG in conjunction with Section 126 (2) AktG, there are further cases in which nominations are not required to be made accessible on the website. In other respects the preconditions and rules for making motions accessible apply accordingly, in particular the date of July 28, 2014, 12:00 midnight CEST, also applies in this connection as the last possible date by which nominations must have been received at the address shown below in order to be made accessible.

Any motions (including the reasons) or nominations by shareholders in accordance with Section 126 (1) and Section 127 AktG before the AGM and other inquiries by shareholders about the AGM shall be addressed solely to:

Gigaset AG
Investor Relations – Annual General Meeting 2014
Hofmannstr. 61
D-81379 Munich
Germany
or by fax: +49 (0) 89 444456 930
or electronically by e-mail: Hauptversammlung@gigaset.com

Counter-motions and nominations by shareholders (along with the name of the shareholder and - in case of counter-motions - the reasons) will be made accessible after receipt on the Internet at www.gigaset.ag. Any comments by the management will also be published at the Internet address named above.

Right to information pursuant to Section 131 (1) AktG

Pursuant to Section 131 (1) AktG, every shareholder is entitled, upon request in the Annual General Meeting, to request information from the Executive Board concerning the affairs of the Company, insofar as such information is required to make an informed decision regarding an item of the agenda and there is no reason to refuse it. The right to information also extends to the legal and business relationships of the Company with an affiliated company, and to the situation of the Group and the companies included in the consolidated financial statements.

Publications on the Company's website

Additional information on the above-mentioned rights of shareholders, the invitation to the General Meeting, the documents to be made accessible, and the information required pursuant to Section 124a AktG can be found on the Company's website at www.gigaset.ag. The adopted voting results will also be published on the website after the General Meeting.

The documents to be made accessible are also available for inspection at the business premises of the Company (Gigaset AG, Hofmannstr. 61, 81379 Munich) and will also be sent to shareholders free of charge upon request.

The documents listed will also be available during the Annual General Meeting on August 12, 2014.

Any counter-motions, nominations, and requests for additional agenda items received by the Company that are subject to the publication requirement will also be published on the above-mentioned website.

Publication in the Federal Gazette

The invitation to the Annual General Meeting was published in the Federal Gazette on June 10, 2014 and has also been submitted to such media as can be assumed will distribute the information throughout the European Union.

Information pursuant to Section 30b of the German Securities Trading Act (WpHG)

As provided in Section 30b (1) (1) WpHG, we provide the following information:

At the time of calling the Annual General Meeting 2014, Gigaset AG had issued a total of 96,402,685 no par value shares, each of which confers one vote. At the time the meeting was called, this total includes 38,118 treasury shares which currently grant no rights pursuant to Sections 71b and 71d AktG.

Gigaset AG
The Executive Board