Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2013

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
GLEASON CORPORATION RETIREMENT SAVINGS PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/1987

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

GLEASON CORPORATION

P.O. BOX 22970
1000 UNIVERSITY AVENUE
ROCHESTER, NY 14692-2970

2b Employer Identification Number (EIN)
16-1224655

2c Sponsor's telephone number
585-473-1000

2d Business code (see instructions)
333510

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2014	MICHELLE HARDEN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2014	NANCI MALIN-PECK
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

3a Plan administrator's name and address [ ] Same as Plan Sponsor Name [X] Same as Plan Sponsor Address

RETIREMENT COMMITTEE OF GLEASON CORPORATION

3b Administrator's EIN
16-1224655

3c Administrator's telephone number
585-473-1000

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	1333
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	1062
b	Retired or separated participants receiving benefits	**6b**	14
c	Other retired or separated participants entitled to future benefits	**6c**	212
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	1288
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	2
f	Total. Add lines **6d** and **6e**.	**6f**	1290
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	1285
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	1
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2F 2G 2J 2K 2S 2T

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	[ ]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	[ ]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	[X]	**R** (Retirement Plan Information)
(2)	[ ]	**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	[ ]	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	[X]	**H** (Financial Information)
(2)	[ ]	**I** (Financial Information – Small Plan)
(3)	[ ]	**A** (Insurance Information)
(4)	[X]	**C** (Service Provider Information)
(5)	[X]	**D** (DFE/Participating Plan Information)
(6)	[ ]	**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2013** **This Form is Open to Public Inspection.**

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan GLEASON CORPORATION RETIREMENT SAVINGS PLAN	**B** Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 GLEASON CORPORATION	**D** Employer Identification Number (EIN) 16-1224655

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

THE VANGUARD GROUP, INC.

23-1945930

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 25 26 37 52	NONE	43661	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2013

This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
GLEASON CORPORATION RETIREMENT SAVINGS PLAN

B Three-digit plan number (PN) ▶ 002

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
GLEASON CORPORATION

D Employer Identification Number (EIN)
16-1224655

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD RETIREMENT SAVINGS TRUST

b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
23-2186884-022	C	25056416

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2013

This Form is Open to Public Inspection

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
GLEASON CORPORATION RETIREMENT SAVINGS PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
GLEASON CORPORATION

D Employer Identification Number (EIN)
16-1224655

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	96908	118274
(2) Participant contributions	1b(2)	87890	89712
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	3042338	3315865
(9) Value of interest in common/collective trusts	1c(9)	24434169	25056416
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	135800976	169242210
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	163462281	197822477
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	163462281	197822477

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	3860052	
	(B) Participants	2a(1)(B)	7176334	
	(C) Others (including rollovers)	2a(1)(C)	362324	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		11398710
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	134686	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		134686
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	3954801	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		3954801
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		418780
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		25346768
c Other income	2c		0
d Total income. Add all **income** amounts in column (b) and enter total	2d		41253745
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	6855632	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		6855632
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		5766
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	32151	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		32151
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		6893549
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		34360196
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MENGEL, METZGER AND BARR LLP **(2)** EIN: 16-1092347

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		5000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ..... ☐ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2013

This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan
GLEASON CORPORATION RETIREMENT SAVINGS PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
GLEASON CORPORATION

D Employer Identification Number (EIN)
16-1224655

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 23-2186884

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

GLEASON CORPORATION
RETIREMENT SAVINGS PLAN

ROCHESTER, NEW YORK

FINANCIAL STATEMENTS

SUPPLEMENTAL SCHEDULE

AND

INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2013 AND 2012



MENGEL METZGER BARR & CO. LLP

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Retirement and Savings Plan Committee
Gleason Corporation Retirement Savings Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Gleason Corporation Retirement Savings Plan, which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, the related statement of changes in net assets available for benefits for the year ended December 31, 2013, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements and Supplemental Schedule

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform and we did not perform, any auditing procedures with respect to the information summarized in Note D, which was certified by Vanguard Fiduciary Trust Company, the trustee of the plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2013 and 2012 and for the year ended December 31, 2013, that the information provided to the plan administrator by the trustee is complete and accurate.

100 Chestnut Street | Suite 1200 | Rochester, NY 14604 | P 585.423.1860 | F 585.423.5966 | mengelmetzgerbarr.com
Additional Offices: Elmira, NY • Hornell, NY • An Independent Member of the BDO Seidman Alliance

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Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental Schedule of Assets Held for Investment Purposes at End of Year December 31, 2013 is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the ERISA.

Mengel, Metzger, Barr & Co. LLP

Rochester, New York
October 13, 2014

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GLEASON CORPORATION RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2013	2012
Investments:		
Registered investment companies	$ 169,242,210	$ 135,800,976
Common collective trust	25,754,689	25,729,453
	194,996,899	161,530,429
Receivables:		
Notes receivable from participants	3,335,675	3,056,382
Employee contributions	89,712	87,890
Employer contributions	118,274	96,908
	3,543,661	3,241,180
NET ASSETS REFLECTING INVESTMENTS AT FAIR VALUE	198,540,560	164,771,609
Adjustments from fair value to contract value for fully benefit-responsive investment contracts	(698,273)	(1,295,284)
NET ASSETS AVAILABLE FOR BENEFITS	$ 197,842,287	$ 163,476,325

See accompanying independent auditor's report and notes to financial statements.

GLEASON CORPORATION RETIREMENT SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEAR ENDED DECEMBER 31, 2013

ADDITIONS		
Additions to net assets attributed to:		
Employee contributions (includes rollovers of $362,324)		$ 7,538,658
Employer contributions		3,860,052
Interest and dividend income		4,373,581
Net appreciation in fair value of investments		25,346,768
		41,119,059
Interest income from participants' notes receivable		134,686
	TOTAL ADDITIONS	41,253,745
DEDUCTIONS		
Deductions from net assets attributed to:		
Benefits paid to participants		6,855,632
Administrative fees		32,151
	TOTAL DEDUCTIONS	6,887,783
	NET INCREASE	34,365,962
Net assets available for benefits at beginning of year		163,476,325
	NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	$ 197,842,287

See accompanying independent auditor’s report and notes to financial statements.

GLEASON CORPORATION RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared on the accrual basis of accounting.

Investment valuation and income recognition

The Plan's investments are stated at fair value. Shares of registered investment companies are valued at quoted market prices which represent the net asset value of shares held by the Plan at year-end. Units of the Retirement Savings Trust are valued at net asset value at year-end.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is accrued when earned. Dividend income is recorded on the ex-dividend date. Capital gain distributions are included in dividend income. The net appreciation (depreciation) in fair value of investments consists of realized gains or losses and the unrealized appreciation or depreciation on those investments.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported and changes therein, in the financial statements and accompanying footnotes. Actual results could differ from those estimates.

Investment contracts

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through common/collective trusts. The statements of net assets available for benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit responsive investment contracts from fair value to contract value, if applicable. The statement of changes in net assets available for benefits is prepared on a contract value basis.

For 2013 and 2012, the average yield was 1.98% and 2.22% and the crediting interest rate was 1.56% and 1.82%, respectively. The portfolio is managed to maintain a $1 unit price, however there is no guarantee to do so.

Payment of benefits

Benefits are recorded when paid.

NOTE B: DESCRIPTION OF THE PLAN

The following description of the Gleason Corporation Retirement Savings Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a retirement savings plan which covers employees of Gleason Corporation, The Gleason Works, Gleason Sales (Americas) Corporation, Gleason Metrology Systems Corporation (GMS), formerly known as Gleason-M&M Precision Systems Corporation, and Gleason Cutting Tools Corporation (GCTC). Employees who participated in the Savings Plan of American Pfauter, L.P. and Gleason-Pfauter-Hurth Cutting Tools Corporation (the Former Plan) were merged into the Gleason Corporation Retirement Plan effective January 1, 1999. Effective January 1, 2005, the Gleason Corporation Retirement Plan merged into the Gleason Corporation Retirement Savings Plan. Employees are eligible to make contributions to the Plan on the first day of the month following the first day of employment. Employer matching contributions begin on the first day of the month coinciding with or immediately following the participant's first anniversary and employer contributions begin on the first day of the month following one year of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Employees may contribute up to 75% of their annual gross wages, including shift premiums, overtime, sick pay, and bonuses, to the Plan through payroll deductions subject to Internal Revenue Code (IRC) limitations.

Effective January 1, 2008 the Company had an employer match of 100% of participant's pre-tax savings contributions, up to a maximum of 6% of compensation and any contributions made after January 1, 2008 are considered fully vested. On May 1, 2008, an automatic enrollment feature commenced. This automatically enrolls an eligible employee at a predetermined contribution rate of 6% of compensation, unless the employee has elected to defer another amount to the Plan (or not contribute at all). The Plan will not accept any additional after-tax contributions.

Non-elective employer contributions are discretionary and no non-elective employer contributions were made for the 2013 or 2012 plan years.

NOTE B: DESCRIPTION OF THE PLAN, Cont'd

Vesting

Employee, employer matching and rollover contributions from another qualified plan to this Plan are fully vested at all times. Non-elective employer contributions vest in accordance with the following schedule:

Years of Service	Contributions after January 1, 2007 Vesting Percentage
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

Notwithstanding the foregoing schedule, a participant who was fully vested under the Former Plan shall remain 100% vested under this Plan and a participant who was less than fully vested upon entering this Plan shall be 100% vested upon attaining three years of service.

Participant accounts

Each participant account is credited with contribution amounts and any attributable investment earnings and market appreciation or depreciation. The benefit to which a participant is entitled is the final market value of the participant's account.

Participants may direct the investment of contributions into any of the Vanguard investment funds. Changes in investment choices and transfers among funds are made directly between the participant and the trustee and may be made at any time.

NOTE B: DESCRIPTION OF THE PLAN, Cont'd

Account balance forfeited

Forfeitures of terminated participants are used to reduce the required Company contribution. Non-vested forfeitures used to offset employer contributions amounted to $851 for the year ended December 31, 2013. There were no non-vested forfeitures used to offset employer contributions for the year ended December 31, 2012.

Benefit payments

The full value of the participant's account is payable in a lump sum upon retirement, disability, death, or termination of employment. A participant whose account balance was transferred to this Plan from the Former Plan may receive such transferred balance in either a lump-sum payment or equal installment payments over any number of years selected by the participant but not to exceed the joint life expectancies of the participant and its designated beneficiary, all as determined as of the date benefits commence. Employee pre-tax contributions may be withdrawn in case of financial hardship, subject to the Plan Administration Committee's approval and within the scope of the IRC regulations.

Subsequent events

Management evaluated subsequent events, occurring after the date of the statement of net assets available for benefits through October 13, 2014, which is the date the financial statements are available to be issued. In May of 2014, the Corporation acquired Distech Systems, Inc. Upon acquisition the employees of Distech Systems, Inc. received credit for service performed while an employee of Distech Systems, Inc. for purposes of eligibility and vesting for participation in the Gleason Corporation Retirement Savings Plan. The retirement plan held by Distech Systems, Inc. was not merged with the Gleason Corporation Retirement Savings Plan and will not be. No other subsequent events requiring disclosure were noted through October 13, 2014.

NOTE C: INVESTMENTS

The value of individual investments that represent 5% or more of the Plan's net assets available for benefits are as follows:

	December 31,	
	2013	2012
Investments, at fair value:		
Vanguard Total Stock Market Index Fund Institutional Shares	$ 29,391,407	*
Vanguard Retirement Savings Trust	25,754,689	$ 25,729,453
Vanguard Wellington Fund Investor Shares	16,777,507	13,044,846
Vanguard Target Retirement 2020 Fund	14,852,035	11,793,712
Vanguard Total Bond Market Index Fund Institutional Shares	13,286,567	*
Vanguard Target Retirement 2025 Fund	10,737,029	*
Vanguard 500 Index Fund Investor Shares	10,547,581	8,220,634
Vanguard Target Retirement 2015 Fund	*	8,490,023
Vanguard Total Stock Market Index Fund Signal Shares	*	21,895,648
Vanguard Total Bond Market Index Fund Investor Shares	*	14,383,531
	$ 121,346,815	$ 103,557,847

* Less than 5% of net assets available for benefits

During 2013, the Plan's investments (including gains and losses on investments bought and sold as well as held during the year) appreciated in value by $25,346,768.

NOTE D: FINANCIAL INFORMATION CERTIFIED BY THE TRUSTEE (UNAUDITED)

The following is a summary of the unaudited information regarding the Plan, included in the Plan's financial statements and supplemental schedule, that was prepared by Vanguard Fiduciary Trust Company, the trustee of the Plan, and furnished to the plan administrator. The plan administrator has obtained certifications from the trustee that such information is complete and accurate:

	December 31,	
	2013	2012
Investments, at fair value	$ 194,996,899	$ 161,530,429
Notes receivable from participants	3,335,675	3,056,382
Interest and dividend income	4,373,581	
Interest income from participants' notes receivable	134,686	
Net appreciation in fair value of investments	25,346,768	

All information included in the attached supplemental Schedule of Assets Held for Investment Purposes at End of Year - December 31, 2013.

NOTE E: FAIR VALUE MEASUREMENTS

GAAP establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 Measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GAAP are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

NOTE E: FAIR VALUE MEASUREMENTS, Cont'd

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013 and 2012.

Registered Investment Companies: Shares of registered investment companies are valued at quoted market prices which represent the net asset value of shares held by the Plan.

Registered Investment Companies are registered with the SEC and are required to report their policies and financial conditions, much like a publicly-traded company. Most investment companies in the United States must register with the SEC; they are regulated by the Investment Company Act of 1940.

Common Collective Trust: Value at the net asset value ("NAV") of shares held by the Plan at year end.

The Trust provides for the collective investment of assets of tax-exempt pension and profit-sharing plans, primarily in a pool of investment contracts that are issued by insurance companies and commercial banks and in contracts that are backed by high quality bonds, bond trusts and bond mutual funds that are selected by the Trustee.

Additional Common Collective Trust information:

The fair values of these funds have been estimated using the net asset value per share of the underlying investments. There are no unfunded commitments for the common trust funds as of December 31, 2013 and 2012. There is no waiting period or other restrictions on redemptions from the common trust funds. The following are descriptions of the common trust funds:

NOTE E: FAIR VALUE MEASUREMENTS, Cont'd

Traditional Investment Contracts

This fund invests in traditional investment contracts issued by insurance companies and banks which are nontransferable, but provide for benefit-responsive withdrawals by plan participants at contract value. Traditional investment contracts are individually negotiated investments, the terms of which specify liquidity, yield, interest payments, and maturity. These contracts are direct obligations of the issuing companies and are backed only by the financial strength of those companies. Fair value comprises the expected future cash flows for each contract discounted to present value. Contract value represents contributions made plus interest accrued at the contract rate, less withdrawals. The crediting rate on traditional contracts is typically fixed for the life of the investment. Management of the fund seeks to provide a relatively predictable return from current income, with no change in principal value.

Synthetic Investment Contracts

This fund invests in synthetic investment contracts which consist of investments together with contracts under which a bank or other institution provides for benefit-responsive withdrawals by plan participants at contract value. Synthetic investment contracts are individually negotiated investments and these contracts are supported by a portfolio of high-quality fixed income assets and mutual funds as well as the financial strength of the issuing financial institution. Returns earned on the contracts vary with the performance of the underlying fixed income assets and mutual funds. These assets back the contract and are owned by the trustee on behalf of the Master Trust. Fair value comprises the aggregate market values of the underlying investments in bond trusts and funds, and the value of the wrap contracts, if any. The difference between valuation at contract value and fair value is reflected over time through the crediting rate formula provided for in the Trust's synthetic contracts. The crediting rate of the contract resets every quarter based on the performance of the underlying investment portfolio. To the extent that the Trust has unrealized gains and losses (that are accounted for, under contract value accounting, through the value of the synthetic contract), the interest crediting rate may differ from then-current market rates. An investor currently redeeming Trust units may forego a benefit, or avoid a loss, related to a future crediting rate different from then-current market rates. Management of the fund seeks to provide a relatively predictable return from current income, with no change in principal value.

Short Term Investments

This fund invests in short term investments in Vanguard mutual funds and bond trusts which are valued at the net asset value of each fund or trust determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Management of the fund seeks to provide a relatively predictable return from current income, with no change in principal value.

NOTE E: FAIR VALUE MEASUREMENTS, Cont'd

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2013 and 2012:

	Level 1	Level 2	Level 3	Total
December 31, 2013				
Registered Investment Companies				
Short Term Reserves	$ 77,641	$ -	$ -	$ 77,641
Bond Funds	30,108,751	-	-	30,108,751
Domestic Stock Funds	70,202,411	-	-	70,202,411
International Stock Funds	9,309,307	-	-	9,309,307
Target Funds	59,544,100	-	-	59,544,100
Common Collective Trust				
Short Term Reserves	-	25,754,689	-	25,754,689
Total assets at fair value	$ 169,242,210	$ 25,754,689	$ -	$ 194,996,899
December 31, 2012				
Registered Investment Companies				
Short Term Reserves	$ 75,961	$ -	$ -	$ 75,961
Bond Funds	27,428,378	-	-	27,428,378
Domestic Stock Funds	53,192,376	-	-	53,192,376
International Stock Funds	7,265,635	-	-	7,265,635
Target Funds	47,838,626	-	-	47,838,626
Common Collective Trust				
Short Term Reserves	-	25,729,453	-	25,729,453
Total assets at fair value	$ 135,800,976	$ 25,729,453	$ -	$ 161,530,429

NOTE F: PLAN TERMINATION

Although it has not expressed any intent to do so, the Gleason Corporation has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants are 100% vested in their accounts.

NOTE G: TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service dated November 7, 2011, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the "Code") and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification.

The Plan files tax returns in the U.S. federal jurisdiction. With few exceptions, as of December 31, 2013, the Company is no longer subject to U.S. federal income tax examinations by tax authorities for years ended prior to December 31, 2010. The tax returns for the years ended December 31, 2010 through December 31, 2013 are still subject to potential audit by the IRS. Management of the Plan believes it has no material uncertain tax positions and, accordingly it has not recognized any liability for unrecognized tax benefits.

NOTE H: PARTICIPANT NOTES RECEIVABLE

Participant notes receivable are measured and valued at their unpaid principal balance, plus any accrued but unpaid interest. Participants may borrow against their account balances. The principal amount of the note must be between $1,000 and $50,000 and cannot exceed 50% of the participant's vested account balance. A participant may have up to two outstanding notes at one time, as long as the total of the notes does not exceed 50% of the participant's account balance and the total notes do not exceed $50,000. The interest rate applied to the note equals the prime rate plus 1%; the interest rate is established on January 1 and July 1 of each year. The interest rate applied to a participant's note will remain fixed for the life of the note. Loans must be repaid within five years, except notes used to purchase a participant's principal residence, which may be repaid over fifteen years.

The note must be repaid by payroll deductions over the term of the note. If a participant's employment terminates for any reason, the total balance of the note will be due at the end of the quarter in which the participant is removed from the payroll. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

NOTE I: TRANSACTIONS WITH PARTIES-IN-INTEREST

All legal, accounting, and trustee services, except for loan administration and purchase fees, are paid by Gleason Corporation (Plan sponsor). The Plan invests in shares of mutual funds managed by an affiliate of Vanguard Fiduciary Trust Company (VFTC). VFTC acts as trustee for only those investments as defined by the Plan. Transactions in such investments qualify as party-in-interest transactions, which are exempt from the prohibited transaction rules.

NOTE J: RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	December 31,	
	2013	2012
Net assets available for benefits per the financial statements	$ 197,842,287	$ 163,476,325
Less:		
Deemed distributions for participant loans for the Gleason Corporation Retirement Plan per Schedule H of Form 5500	(19,810)	(14,044)
Net assets available for benefits per Form 5500	$ 197,822,477	$ 163,462,281

The following is a reconciliation of net increase in net assets available for benefits per the accompanying financial statements to Form 5500 for the year ended December 31, 2013:

Net increase in net assets available for benefits per the financial statements	$ 34,365,962
Less:	
Deemed distributions for participant loans for the Gleason Corporation Retirement Plan per Schedule H of Form 5500	(5,766)
Net income per Form 5500	$ 34,360,196

NOTE K: RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

GLEASON CORPORATION RETIREMENT SAVINGS PLAN

SUPPLEMENTAL SCHEDULE

GLEASON CORPORATION RETIREMENT SAVINGS PLAN
EIN: 16-1224655
PLAN NUMBER: 002

FORM 5500 – SCHEDULE H – PART IV

LINE 4i – SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
AT END OF YEAR - DECEMBER 31, 2013

* Party-in-interest.
** Stated at contract value.

	(a)	(b) & (c) Identity of issue, borrower, lessor or similar party, description of investment including maturity date, rate of interest, collateral, par or maturity value	(e) Current value	
		Registered Investment Companies		
*		Vanguard 500 Index Fund Investor Shares	$ 10,547,581	
*		Vanguard Balance Indexed Fund Investor Shares	1,337,910	
*		Vanguard Growth Index Fund Investor Shares	8,454,166	
*		Vanguard Mid-Cap Index Fund Investor Shares	4,719,144	
*		Vanguard Prime Money Market	77,641	
*		Vanguard Small-Cap Index Fund Investor Shares	6,167,655	
*		Vanguard Target Retirement 2010 Fund	2,678,747	
*		Vanguard Target Retirement 2015 Fund	9,432,682	
*		Vanguard Target Retirement 2020 Fund	14,852,035	
*		Vanguard Target Retirement 2025 Fund	10,737,029	
*		Vanguard Target Retirement 2030 Fund	7,725,811	
*		Vanguard Target Retirement 2035 Fund	5,165,211	
*		Vanguard Target Retirement 2040 Fund	2,171,307	
*		Vanguard Target Retirement 2045 Fund	1,811,430	
*		Vanguard Target Retirement 2050 Fund	1,765,651	
*		Vanguard Target Retirement 2055 Fund	445,362	
*		Vanguard Target Retirement 2060 Fund	95,510	
*		Vanguard Target Retirement Income	2,663,325	
*		Vanguard Total Bond Market Index Fund Institutional Shares	13,286,567	
*		Total International Bond Market Index Fund Institutional Shares	44,677	
*		Vanguard Total International Stock Index Fund	9,309,307	
*		Vanguard Total Stock Market Index Fund Institutional Shares	29,391,407	
*		Vanguard Value Index Fund Investor Shares	9,584,548	
*		Vanguard Wellington Fund Investor Shares	16,777,507	
			169,242,210	
		Common Collective Trust		
*		Vanguard Retirement Savings Trust	25,056,416	**
*		Participant loans Maturity dates through September 2028, interest rates from 4.25% to 9.50% per annum	3,335,675	
		TOTAL	$ 197,634,301	

Note: Column (d) has been omitted because the assets held for investment purpose are participant directed.

GLEASON CORPORATION
RETIREMENT SAVINGS PLAN

ROCHESTER, NEW YORK

FINANCIAL STATEMENTS

SUPPLEMENTAL SCHEDULE

AND

INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2013 AND 2012



MENGEL METZGER BARR & CO. LLP

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Retirement and Savings Plan Committee
Gleason Corporation Retirement Savings Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Gleason Corporation Retirement Savings Plan, which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, the related statement of changes in net assets available for benefits for the year ended December 31, 2013, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements and Supplemental Schedule

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform and we did not perform, any auditing procedures with respect to the information summarized in Note D, which was certified by Vanguard Fiduciary Trust Company, the trustee of the plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2013 and 2012 and for the year ended December 31, 2013, that the information provided to the plan administrator by the trustee is complete and accurate.

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WE VALUE YOUR FUTURE

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental Schedule of Assets Held for Investment Purposes at End of Year December 31, 2013 is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the ERISA.

Mengel, Metzger, Barr & Co. LLP

Rochester, New York
October 13, 2014

WE VALUE YOUR FUTURE

GLEASON CORPORATION RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2013	2012
Investments:		
Registered investment companies	$ 169,242,210	$ 135,800,976
Common collective trust	25,754,689	25,729,453
	194,996,899	161,530,429
Receivables:		
Notes receivable from participants	3,335,675	3,056,382
Employee contributions	89,712	87,890
Employer contributions	118,274	96,908
	3,543,661	3,241,180
NET ASSETS REFLECTING INVESTMENTS AT FAIR VALUE	198,540,560	164,771,609
Adjustments from fair value to contract value for fully benefit-responsive investment contracts	(698,273)	(1,295,284)
NET ASSETS AVAILABLE FOR BENEFITS	$ 197,842,287	$ 163,476,325

See accompanying independent auditor's report and notes to financial statements.

GLEASON CORPORATION RETIREMENT SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEAR ENDED DECEMBER 31, 2013

ADDITIONS		
Additions to net assets attributed to:		
Employee contributions (includes rollovers of $362,324)		$ 7,538,658
Employer contributions		3,860,052
Interest and dividend income		4,373,581
Net appreciation in fair value of investments		25,346,768
		41,119,059
Interest income from participants' notes receivable		134,686
	TOTAL ADDITIONS	41,253,745
DEDUCTIONS		
Deductions from net assets attributed to:		
Benefits paid to participants		6,855,632
Administrative fees		32,151
	TOTAL DEDUCTIONS	6,887,783
	NET INCREASE	34,365,962
Net assets available for benefits at beginning of year		163,476,325
	NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	$ 197,842,287

See accompanying independent auditor’s report and notes to financial statements.

GLEASON CORPORATION RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared on the accrual basis of accounting.

Investment valuation and income recognition

The Plan's investments are stated at fair value. Shares of registered investment companies are valued at quoted market prices which represent the net asset value of shares held by the Plan at year-end. Units of the Retirement Savings Trust are valued at net asset value at year-end.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is accrued when earned. Dividend income is recorded on the ex-dividend date. Capital gain distributions are included in dividend income. The net appreciation (depreciation) in fair value of investments consists of realized gains or losses and the unrealized appreciation or depreciation on those investments.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported and changes therein, in the financial statements and accompanying footnotes. Actual results could differ from those estimates.

Investment contracts

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through common/collective trusts. The statements of net assets available for benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit responsive investment contracts from fair value to contract value, if applicable. The statement of changes in net assets available for benefits is prepared on a contract value basis.

For 2013 and 2012, the average yield was 1.98% and 2.22% and the crediting interest rate was 1.56% and 1.82%, respectively. The portfolio is managed to maintain a $1 unit price, however there is no guarantee to do so.

Payment of benefits

Benefits are recorded when paid.

NOTE B: DESCRIPTION OF THE PLAN

The following description of the Gleason Corporation Retirement Savings Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a retirement savings plan which covers employees of Gleason Corporation, The Gleason Works, Gleason Sales (Americas) Corporation, Gleason Metrology Systems Corporation (GMS), formerly known as Gleason-M&M Precision Systems Corporation, and Gleason Cutting Tools Corporation (GCTC). Employees who participated in the Savings Plan of American Pfauter, L.P. and Gleason-Pfauter-Hurth Cutting Tools Corporation (the Former Plan) were merged into the Gleason Corporation Retirement Plan effective January 1, 1999. Effective January 1, 2005, the Gleason Corporation Retirement Plan merged into the Gleason Corporation Retirement Savings Plan. Employees are eligible to make contributions to the Plan on the first day of the month following the first day of employment. Employer matching contributions begin on the first day of the month coinciding with or immediately following the participant's first anniversary and employer contributions begin on the first day of the month following one year of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Employees may contribute up to 75% of their annual gross wages, including shift premiums, overtime, sick pay, and bonuses, to the Plan through payroll deductions subject to Internal Revenue Code (IRC) limitations.

Effective January 1, 2008 the Company had an employer match of 100% of participant's pre-tax savings contributions, up to a maximum of 6% of compensation and any contributions made after January 1, 2008 are considered fully vested. On May 1, 2008, an automatic enrollment feature commenced. This automatically enrolls an eligible employee at a predetermined contribution rate of 6% of compensation, unless the employee has elected to defer another amount to the Plan (or not contribute at all). The Plan will not accept any additional after-tax contributions.

Non-elective employer contributions are discretionary and no non-elective employer contributions were made for the 2013 or 2012 plan years.

NOTE B: DESCRIPTION OF THE PLAN, Cont'd

Vesting

Employee, employer matching and rollover contributions from another qualified plan to this Plan are fully vested at all times. Non-elective employer contributions vest in accordance with the following schedule:

Years of Service	Contributions after January 1, 2007 Vesting Percentage
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

Notwithstanding the foregoing schedule, a participant who was fully vested under the Former Plan shall remain 100% vested under this Plan and a participant who was less than fully vested upon entering this Plan shall be 100% vested upon attaining three years of service.

Participant accounts

Each participant account is credited with contribution amounts and any attributable investment earnings and market appreciation or depreciation. The benefit to which a participant is entitled is the final market value of the participant's account.

Participants may direct the investment of contributions into any of the Vanguard investment funds. Changes in investment choices and transfers among funds are made directly between the participant and the trustee and may be made at any time.

NOTE B: DESCRIPTION OF THE PLAN, Cont'd

Account balance forfeited

Forfeitures of terminated participants are used to reduce the required Company contribution. Non-vested forfeitures used to offset employer contributions amounted to $851 for the year ended December 31, 2013. There were no non-vested forfeitures used to offset employer contributions for the year ended December 31, 2012.

Benefit payments

The full value of the participant's account is payable in a lump sum upon retirement, disability, death, or termination of employment. A participant whose account balance was transferred to this Plan from the Former Plan may receive such transferred balance in either a lump-sum payment or equal installment payments over any number of years selected by the participant but not to exceed the joint life expectancies of the participant and its designated beneficiary, all as determined as of the date benefits commence. Employee pre-tax contributions may be withdrawn in case of financial hardship, subject to the Plan Administration Committee's approval and within the scope of the IRC regulations.

Subsequent events

Management evaluated subsequent events, occurring after the date of the statement of net assets available for benefits through October 13, 2014, which is the date the financial statements are available to be issued. In May of 2014, the Corporation acquired Distech Systems, Inc. Upon acquisition the employees of Distech Systems, Inc. received credit for service performed while an employee of Distech Systems, Inc. for purposes of eligibility and vesting for participation in the Gleason Corporation Retirement Savings Plan. The retirement plan held by Distech Systems, Inc. was not merged with the Gleason Corporation Retirement Savings Plan and will not be. No other subsequent events requiring disclosure were noted through October 13, 2014.

NOTE C: INVESTMENTS

The value of individual investments that represent 5% or more of the Plan's net assets available for benefits are as follows:

	December 31,	
	2013	2012
Investments, at fair value:		
Vanguard Total Stock Market Index Fund Institutional Shares	$ 29,391,407	*
Vanguard Retirement Savings Trust	25,754,689	$ 25,729,453
Vanguard Wellington Fund Investor Shares	16,777,507	13,044,846
Vanguard Target Retirement 2020 Fund	14,852,035	11,793,712
Vanguard Total Bond Market Index Fund Institutional Shares	13,286,567	*
Vanguard Target Retirement 2025 Fund	10,737,029	*
Vanguard 500 Index Fund Investor Shares	10,547,581	8,220,634
Vanguard Target Retirement 2015 Fund	*	8,490,023
Vanguard Total Stock Market Index Fund Signal Shares	*	21,895,648
Vanguard Total Bond Market Index Fund Investor Shares	*	14,383,531
	$ 121,346,815	$ 103,557,847

* Less than 5% of net assets available for benefits

During 2013, the Plan's investments (including gains and losses on investments bought and sold as well as held during the year) appreciated in value by $25,346,768.

NOTE D: FINANCIAL INFORMATION CERTIFIED BY THE TRUSTEE (UNAUDITED)

The following is a summary of the unaudited information regarding the Plan, included in the Plan's financial statements and supplemental schedule, that was prepared by Vanguard Fiduciary Trust Company, the trustee of the Plan, and furnished to the plan administrator. The plan administrator has obtained certifications from the trustee that such information is complete and accurate:

	December 31,	
	2013	2012
Investments, at fair value	$ 194,996,899	$ 161,530,429
Notes receivable from participants	3,335,675	3,056,382
Interest and dividend income	4,373,581	
Interest income from participants' notes receivable	134,686	
Net appreciation in fair value of investments	25,346,768	

All information included in the attached supplemental Schedule of Assets Held for Investment Purposes at End of Year - December 31, 2013.

NOTE E: FAIR VALUE MEASUREMENTS

GAAP establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 Measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GAAP are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

NOTE E: FAIR VALUE MEASUREMENTS, Cont'd

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013 and 2012.

Registered Investment Companies: Shares of registered investment companies are valued at quoted market prices which represent the net asset value of shares held by the Plan.

Registered Investment Companies are registered with the SEC and are required to report their policies and financial conditions, much like a publicly-traded company. Most investment companies in the United States must register with the SEC; they are regulated by the Investment Company Act of 1940.

Common Collective Trust: Value at the net asset value ("NAV") of shares held by the Plan at year end.

The Trust provides for the collective investment of assets of tax-exempt pension and profit-sharing plans, primarily in a pool of investment contracts that are issued by insurance companies and commercial banks and in contracts that are backed by high quality bonds, bond trusts and bond mutual funds that are selected by the Trustee.

Additional Common Collective Trust information:

The fair values of these funds have been estimated using the net asset value per share of the underlying investments. There are no unfunded commitments for the common trust funds as of December 31, 2013 and 2012. There is no waiting period or other restrictions on redemptions from the common trust funds. The following are descriptions of the common trust funds:

NOTE E: FAIR VALUE MEASUREMENTS, Cont'd

Traditional Investment Contracts

This fund invests in traditional investment contracts issued by insurance companies and banks which are nontransferable, but provide for benefit-responsive withdrawals by plan participants at contract value. Traditional investment contracts are individually negotiated investments, the terms of which specify liquidity, yield, interest payments, and maturity. These contracts are direct obligations of the issuing companies and are backed only by the financial strength of those companies. Fair value comprises the expected future cash flows for each contract discounted to present value. Contract value represents contributions made plus interest accrued at the contract rate, less withdrawals. The crediting rate on traditional contracts is typically fixed for the life of the investment. Management of the fund seeks to provide a relatively predictable return from current income, with no change in principal value.

Synthetic Investment Contracts

This fund invests in synthetic investment contracts which consist of investments together with contracts under which a bank or other institution provides for benefit-responsive withdrawals by plan participants at contract value. Synthetic investment contracts are individually negotiated investments and these contracts are supported by a portfolio of high-quality fixed income assets and mutual funds as well as the financial strength of the issuing financial institution. Returns earned on the contracts vary with the performance of the underlying fixed income assets and mutual funds. These assets back the contract and are owned by the trustee on behalf of the Master Trust. Fair value comprises the aggregate market values of the underlying investments in bond trusts and funds, and the value of the wrap contracts, if any. The difference between valuation at contract value and fair value is reflected over time through the crediting rate formula provided for in the Trust's synthetic contracts. The crediting rate of the contract resets every quarter based on the performance of the underlying investment portfolio. To the extent that the Trust has unrealized gains and losses (that are accounted for, under contract value accounting, through the value of the synthetic contract), the interest crediting rate may differ from then-current market rates. An investor currently redeeming Trust units may forego a benefit, or avoid a loss, related to a future crediting rate different from then-current market rates. Management of the fund seeks to provide a relatively predictable return from current income, with no change in principal value.

Short Term Investments

This fund invests in short term investments in Vanguard mutual funds and bond trusts which are valued at the net asset value of each fund or trust determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Management of the fund seeks to provide a relatively predictable return from current income, with no change in principal value.

NOTE E: FAIR VALUE MEASUREMENTS, Cont'd

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2013 and 2012:

	Level 1	Level 2	Level 3	Total
December 31, 2013				
Registered Investment Companies				
Short Term Reserves	$ 77,641	$ -	$ -	$ 77,641
Bond Funds	30,108,751	-	-	30,108,751
Domestic Stock Funds	70,202,411	-	-	70,202,411
International Stock Funds	9,309,307	-	-	9,309,307
Target Funds	59,544,100	-	-	59,544,100
Common Collective Trust				
Short Term Reserves	-	25,754,689	-	25,754,689
Total assets at fair value	$ 169,242,210	$ 25,754,689	$ -	$ 194,996,899
December 31, 2012				
Registered Investment Companies				
Short Term Reserves	$ 75,961	$ -	$ -	$ 75,961
Bond Funds	27,428,378	-	-	27,428,378
Domestic Stock Funds	53,192,376	-	-	53,192,376
International Stock Funds	7,265,635	-	-	7,265,635
Target Funds	47,838,626	-	-	47,838,626
Common Collective Trust				
Short Term Reserves	-	25,729,453	-	25,729,453
Total assets at fair value	$ 135,800,976	$ 25,729,453	$ -	$ 161,530,429

NOTE F: PLAN TERMINATION

Although it has not expressed any intent to do so, the Gleason Corporation has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants are 100% vested in their accounts.

NOTE G: TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service dated November 7, 2011, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the "Code") and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification.

The Plan files tax returns in the U.S. federal jurisdiction. With few exceptions, as of December 31, 2013, the Company is no longer subject to U.S. federal income tax examinations by tax authorities for years ended prior to December 31, 2010. The tax returns for the years ended December 31, 2010 through December 31, 2013 are still subject to potential audit by the IRS. Management of the Plan believes it has no material uncertain tax positions and, accordingly it has not recognized any liability for unrecognized tax benefits.

NOTE H: PARTICIPANT NOTES RECEIVABLE

Participant notes receivable are measured and valued at their unpaid principal balance, plus any accrued but unpaid interest. Participants may borrow against their account balances. The principal amount of the note must be between $1,000 and $50,000 and cannot exceed 50% of the participant's vested account balance. A participant may have up to two outstanding notes at one time, as long as the total of the notes does not exceed 50% of the participant's account balance and the total notes do not exceed $50,000. The interest rate applied to the note equals the prime rate plus 1%; the interest rate is established on January 1 and July 1 of each year. The interest rate applied to a participant's note will remain fixed for the life of the note. Loans must be repaid within five years, except notes used to purchase a participant's principal residence, which may be repaid over fifteen years.

The note must be repaid by payroll deductions over the term of the note. If a participant's employment terminates for any reason, the total balance of the note will be due at the end of the quarter in which the participant is removed from the payroll. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

NOTE I: TRANSACTIONS WITH PARTIES-IN-INTEREST

All legal, accounting, and trustee services, except for loan administration and purchase fees, are paid by Gleason Corporation (Plan sponsor). The Plan invests in shares of mutual funds managed by an affiliate of Vanguard Fiduciary Trust Company (VFTC). VFTC acts as trustee for only those investments as defined by the Plan. Transactions in such investments qualify as party-in-interest transactions, which are exempt from the prohibited transaction rules.

NOTE J: RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	December 31,	
	2013	2012
Net assets available for benefits per the financial statements	$ 197,842,287	$ 163,476,325
Less:		
Deemed distributions for participant loans for the Gleason Corporation Retirement Plan per Schedule H of Form 5500	(19,810)	(14,044)
Net assets available for benefits per Form 5500	$ 197,822,477	$ 163,462,281

The following is a reconciliation of net increase in net assets available for benefits per the accompanying financial statements to Form 5500 for the year ended December 31, 2013:

Net increase in net assets available for benefits per the financial statements	$ 34,365,962
Less:	
Deemed distributions for participant loans for the Gleason Corporation Retirement Plan per Schedule H of Form 5500	(5,766)
Net income per Form 5500	$ 34,360,196

NOTE K: RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

GLEASON CORPORATION RETIREMENT SAVINGS PLAN

SUPPLEMENTAL SCHEDULE

GLEASON CORPORATION RETIREMENT SAVINGS PLAN
EIN: 16-1224655
PLAN NUMBER: 002

FORM 5500 – SCHEDULE H – PART IV

LINE 4i – SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
AT END OF YEAR - DECEMBER 31, 2013

* Party-in-interest.
** Stated at contract value.

	(a)	(b) & (c) Identity of issue, borrower, lessor or similar party, description of investment including maturity date, rate of interest, collateral, par or maturity value	(e) Current value	
		Registered Investment Companies		
*		Vanguard 500 Index Fund Investor Shares	$ 10,547,581	
*		Vanguard Balance Indexed Fund Investor Shares	1,337,910	
*		Vanguard Growth Index Fund Investor Shares	8,454,166	
*		Vanguard Mid-Cap Index Fund Investor Shares	4,719,144	
*		Vanguard Prime Money Market	77,641	
*		Vanguard Small-Cap Index Fund Investor Shares	6,167,655	
*		Vanguard Target Retirement 2010 Fund	2,678,747	
*		Vanguard Target Retirement 2015 Fund	9,432,682	
*		Vanguard Target Retirement 2020 Fund	14,852,035	
*		Vanguard Target Retirement 2025 Fund	10,737,029	
*		Vanguard Target Retirement 2030 Fund	7,725,811	
*		Vanguard Target Retirement 2035 Fund	5,165,211	
*		Vanguard Target Retirement 2040 Fund	2,171,307	
*		Vanguard Target Retirement 2045 Fund	1,811,430	
*		Vanguard Target Retirement 2050 Fund	1,765,651	
*		Vanguard Target Retirement 2055 Fund	445,362	
*		Vanguard Target Retirement 2060 Fund	95,510	
*		Vanguard Target Retirement Income	2,663,325	
*		Vanguard Total Bond Market Index Fund Institutional Shares	13,286,567	
*		Total International Bond Market Index Fund Institutional Shares	44,677	
*		Vanguard Total International Stock Index Fund	9,309,307	
*		Vanguard Total Stock Market Index Fund Institutional Shares	29,391,407	
*		Vanguard Value Index Fund Investor Shares	9,584,548	
*		Vanguard Wellington Fund Investor Shares	16,777,507	
			169,242,210	
		Common Collective Trust		
*		Vanguard Retirement Savings Trust	25,056,416	**
*		Participant loans Maturity dates through September 2028, interest rates from 4.25% to 9.50% per annum	3,335,675	
		TOTAL	$ 197,634,301	

Note: Column (d) has been omitted because the assets held for investment purpose are participant directed.

GLEASON CORPORATION
RETIREMENT SAVINGS PLAN

ROCHESTER, NEW YORK

FINANCIAL STATEMENTS

SUPPLEMENTAL SCHEDULE

AND

INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2013 AND 2012



MENGEL METZGER BARR & CO. LLP

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Retirement and Savings Plan Committee
Gleason Corporation Retirement Savings Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Gleason Corporation Retirement Savings Plan, which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, the related statement of changes in net assets available for benefits for the year ended December 31, 2013, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements and Supplemental Schedule

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform and we did not perform, any auditing procedures with respect to the information summarized in Note D, which was certified by Vanguard Fiduciary Trust Company, the trustee of the plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2013 and 2012 and for the year ended December 31, 2013, that the information provided to the plan administrator by the trustee is complete and accurate.

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Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental Schedule of Assets Held for Investment Purposes at End of Year December 31, 2013 is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the ERISA.

Mengel, Metzger, Barr & Co. LLP

Rochester, New York
October 13, 2014

WE VALUE YOUR FUTURE

GLEASON CORPORATION RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2013	2012
Investments:		
Registered investment companies	$ 169,242,210	$ 135,800,976
Common collective trust	25,754,689	25,729,453
	194,996,899	161,530,429
Receivables:		
Notes receivable from participants	3,335,675	3,056,382
Employee contributions	89,712	87,890
Employer contributions	118,274	96,908
	3,543,661	3,241,180
NET ASSETS REFLECTING INVESTMENTS AT FAIR VALUE	198,540,560	164,771,609
Adjustments from fair value to contract value for fully benefit-responsive investment contracts	(698,273)	(1,295,284)
NET ASSETS AVAILABLE FOR BENEFITS	$ 197,842,287	$ 163,476,325

See accompanying independent auditor's report and notes to financial statements.

GLEASON CORPORATION RETIREMENT SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEAR ENDED DECEMBER 31, 2013

ADDITIONS		
Additions to net assets attributed to:		
Employee contributions (includes rollovers of $362,324)		$ 7,538,658
Employer contributions		3,860,052
Interest and dividend income		4,373,581
Net appreciation in fair value of investments		25,346,768
		41,119,059
Interest income from participants' notes receivable		134,686
	TOTAL ADDITIONS	41,253,745
DEDUCTIONS		
Deductions from net assets attributed to:		
Benefits paid to participants		6,855,632
Administrative fees		32,151
	TOTAL DEDUCTIONS	6,887,783
	NET INCREASE	34,365,962
Net assets available for benefits at beginning of year		163,476,325
	NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	$ 197,842,287

See accompanying independent auditor’s report and notes to financial statements.

GLEASON CORPORATION RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared on the accrual basis of accounting.

Investment valuation and income recognition

The Plan's investments are stated at fair value. Shares of registered investment companies are valued at quoted market prices which represent the net asset value of shares held by the Plan at year-end. Units of the Retirement Savings Trust are valued at net asset value at year-end.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is accrued when earned. Dividend income is recorded on the ex-dividend date. Capital gain distributions are included in dividend income. The net appreciation (depreciation) in fair value of investments consists of realized gains or losses and the unrealized appreciation or depreciation on those investments.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported and changes therein, in the financial statements and accompanying footnotes. Actual results could differ from those estimates.

Investment contracts

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through common/collective trusts. The statements of net assets available for benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit responsive investment contracts from fair value to contract value, if applicable. The statement of changes in net assets available for benefits is prepared on a contract value basis.

For 2013 and 2012, the average yield was 1.98% and 2.22% and the crediting interest rate was 1.56% and 1.82%, respectively. The portfolio is managed to maintain a $1 unit price, however there is no guarantee to do so.

Payment of benefits

Benefits are recorded when paid.

NOTE B: DESCRIPTION OF THE PLAN

The following description of the Gleason Corporation Retirement Savings Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a retirement savings plan which covers employees of Gleason Corporation, The Gleason Works, Gleason Sales (Americas) Corporation, Gleason Metrology Systems Corporation (GMS), formerly known as Gleason-M&M Precision Systems Corporation, and Gleason Cutting Tools Corporation (GCTC). Employees who participated in the Savings Plan of American Pfauter, L.P. and Gleason-Pfauter-Hurth Cutting Tools Corporation (the Former Plan) were merged into the Gleason Corporation Retirement Plan effective January 1, 1999. Effective January 1, 2005, the Gleason Corporation Retirement Plan merged into the Gleason Corporation Retirement Savings Plan. Employees are eligible to make contributions to the Plan on the first day of the month following the first day of employment. Employer matching contributions begin on the first day of the month coinciding with or immediately following the participant's first anniversary and employer contributions begin on the first day of the month following one year of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Employees may contribute up to 75% of their annual gross wages, including shift premiums, overtime, sick pay, and bonuses, to the Plan through payroll deductions subject to Internal Revenue Code (IRC) limitations.

Effective January 1, 2008 the Company had an employer match of 100% of participant's pre-tax savings contributions, up to a maximum of 6% of compensation and any contributions made after January 1, 2008 are considered fully vested. On May 1, 2008, an automatic enrollment feature commenced. This automatically enrolls an eligible employee at a predetermined contribution rate of 6% of compensation, unless the employee has elected to defer another amount to the Plan (or not contribute at all). The Plan will not accept any additional after-tax contributions.

Non-elective employer contributions are discretionary and no non-elective employer contributions were made for the 2013 or 2012 plan years.

NOTE B: DESCRIPTION OF THE PLAN, Cont'd

Vesting

Employee, employer matching and rollover contributions from another qualified plan to this Plan are fully vested at all times. Non-elective employer contributions vest in accordance with the following schedule:

Years of Service	Contributions after January 1, 2007 Vesting Percentage
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

Notwithstanding the foregoing schedule, a participant who was fully vested under the Former Plan shall remain 100% vested under this Plan and a participant who was less than fully vested upon entering this Plan shall be 100% vested upon attaining three years of service.

Participant accounts

Each participant account is credited with contribution amounts and any attributable investment earnings and market appreciation or depreciation. The benefit to which a participant is entitled is the final market value of the participant's account.

Participants may direct the investment of contributions into any of the Vanguard investment funds. Changes in investment choices and transfers among funds are made directly between the participant and the trustee and may be made at any time.

NOTE B: DESCRIPTION OF THE PLAN, Cont'd

Account balance forfeited

Forfeitures of terminated participants are used to reduce the required Company contribution. Non-vested forfeitures used to offset employer contributions amounted to $851 for the year ended December 31, 2013. There were no non-vested forfeitures used to offset employer contributions for the year ended December 31, 2012.

Benefit payments

The full value of the participant's account is payable in a lump sum upon retirement, disability, death, or termination of employment. A participant whose account balance was transferred to this Plan from the Former Plan may receive such transferred balance in either a lump-sum payment or equal installment payments over any number of years selected by the participant but not to exceed the joint life expectancies of the participant and its designated beneficiary, all as determined as of the date benefits commence. Employee pre-tax contributions may be withdrawn in case of financial hardship, subject to the Plan Administration Committee's approval and within the scope of the IRC regulations.

Subsequent events

Management evaluated subsequent events, occurring after the date of the statement of net assets available for benefits through October 13, 2014, which is the date the financial statements are available to be issued. In May of 2014, the Corporation acquired Distech Systems, Inc. Upon acquisition the employees of Distech Systems, Inc. received credit for service performed while an employee of Distech Systems, Inc. for purposes of eligibility and vesting for participation in the Gleason Corporation Retirement Savings Plan. The retirement plan held by Distech Systems, Inc. was not merged with the Gleason Corporation Retirement Savings Plan and will not be. No other subsequent events requiring disclosure were noted through October 13, 2014.

NOTE C: INVESTMENTS

The value of individual investments that represent 5% or more of the Plan's net assets available for benefits are as follows:

	December 31,	
	2013	2012
Investments, at fair value:		
Vanguard Total Stock Market Index Fund Institutional Shares	$ 29,391,407	*
Vanguard Retirement Savings Trust	25,754,689	$ 25,729,453
Vanguard Wellington Fund Investor Shares	16,777,507	13,044,846
Vanguard Target Retirement 2020 Fund	14,852,035	11,793,712
Vanguard Total Bond Market Index Fund Institutional Shares	13,286,567	*
Vanguard Target Retirement 2025 Fund	10,737,029	*
Vanguard 500 Index Fund Investor Shares	10,547,581	8,220,634
Vanguard Target Retirement 2015 Fund	*	8,490,023
Vanguard Total Stock Market Index Fund Signal Shares	*	21,895,648
Vanguard Total Bond Market Index Fund Investor Shares	*	14,383,531
	$ 121,346,815	$ 103,557,847

* Less than 5% of net assets available for benefits

During 2013, the Plan's investments (including gains and losses on investments bought and sold as well as held during the year) appreciated in value by $25,346,768.

NOTE D: FINANCIAL INFORMATION CERTIFIED BY THE TRUSTEE (UNAUDITED)

The following is a summary of the unaudited information regarding the Plan, included in the Plan's financial statements and supplemental schedule, that was prepared by Vanguard Fiduciary Trust Company, the trustee of the Plan, and furnished to the plan administrator. The plan administrator has obtained certifications from the trustee that such information is complete and accurate:

	December 31,	
	2013	2012
Investments, at fair value	$ 194,996,899	$ 161,530,429
Notes receivable from participants	3,335,675	3,056,382
Interest and dividend income	4,373,581	
Interest income from participants' notes receivable	134,686	
Net appreciation in fair value of investments	25,346,768	

All information included in the attached supplemental Schedule of Assets Held for Investment Purposes at End of Year - December 31, 2013.

NOTE E: FAIR VALUE MEASUREMENTS

GAAP establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 Measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GAAP are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

NOTE E: FAIR VALUE MEASUREMENTS, Cont'd

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013 and 2012.

Registered Investment Companies: Shares of registered investment companies are valued at quoted market prices which represent the net asset value of shares held by the Plan.

Registered Investment Companies are registered with the SEC and are required to report their policies and financial conditions, much like a publicly-traded company. Most investment companies in the United States must register with the SEC; they are regulated by the Investment Company Act of 1940.

Common Collective Trust: Value at the net asset value ("NAV") of shares held by the Plan at year end.

The Trust provides for the collective investment of assets of tax-exempt pension and profit-sharing plans, primarily in a pool of investment contracts that are issued by insurance companies and commercial banks and in contracts that are backed by high quality bonds, bond trusts and bond mutual funds that are selected by the Trustee.

Additional Common Collective Trust information:

The fair values of these funds have been estimated using the net asset value per share of the underlying investments. There are no unfunded commitments for the common trust funds as of December 31, 2013 and 2012. There is no waiting period or other restrictions on redemptions from the common trust funds. The following are descriptions of the common trust funds:

NOTE E: FAIR VALUE MEASUREMENTS, Cont'd

Traditional Investment Contracts

This fund invests in traditional investment contracts issued by insurance companies and banks which are nontransferable, but provide for benefit-responsive withdrawals by plan participants at contract value. Traditional investment contracts are individually negotiated investments, the terms of which specify liquidity, yield, interest payments, and maturity. These contracts are direct obligations of the issuing companies and are backed only by the financial strength of those companies. Fair value comprises the expected future cash flows for each contract discounted to present value. Contract value represents contributions made plus interest accrued at the contract rate, less withdrawals. The crediting rate on traditional contracts is typically fixed for the life of the investment. Management of the fund seeks to provide a relatively predictable return from current income, with no change in principal value.

Synthetic Investment Contracts

This fund invests in synthetic investment contracts which consist of investments together with contracts under which a bank or other institution provides for benefit-responsive withdrawals by plan participants at contract value. Synthetic investment contracts are individually negotiated investments and these contracts are supported by a portfolio of high-quality fixed income assets and mutual funds as well as the financial strength of the issuing financial institution. Returns earned on the contracts vary with the performance of the underlying fixed income assets and mutual funds. These assets back the contract and are owned by the trustee on behalf of the Master Trust. Fair value comprises the aggregate market values of the underlying investments in bond trusts and funds, and the value of the wrap contracts, if any. The difference between valuation at contract value and fair value is reflected over time through the crediting rate formula provided for in the Trust's synthetic contracts. The crediting rate of the contract resets every quarter based on the performance of the underlying investment portfolio. To the extent that the Trust has unrealized gains and losses (that are accounted for, under contract value accounting, through the value of the synthetic contract), the interest crediting rate may differ from then-current market rates. An investor currently redeeming Trust units may forego a benefit, or avoid a loss, related to a future crediting rate different from then-current market rates. Management of the fund seeks to provide a relatively predictable return from current income, with no change in principal value.

Short Term Investments

This fund invests in short term investments in Vanguard mutual funds and bond trusts which are valued at the net asset value of each fund or trust determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Management of the fund seeks to provide a relatively predictable return from current income, with no change in principal value.

NOTE E: FAIR VALUE MEASUREMENTS, Cont'd

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2013 and 2012:

	Level 1	Level 2	Level 3	Total
December 31, 2013				
Registered Investment Companies				
Short Term Reserves	$ 77,641	$ -	$ -	$ 77,641
Bond Funds	30,108,751	-	-	30,108,751
Domestic Stock Funds	70,202,411	-	-	70,202,411
International Stock Funds	9,309,307	-	-	9,309,307
Target Funds	59,544,100	-	-	59,544,100
Common Collective Trust				
Short Term Reserves	-	25,754,689	-	25,754,689
Total assets at fair value	$ 169,242,210	$ 25,754,689	$ -	$ 194,996,899
December 31, 2012				
Registered Investment Companies				
Short Term Reserves	$ 75,961	$ -	$ -	$ 75,961
Bond Funds	27,428,378	-	-	27,428,378
Domestic Stock Funds	53,192,376	-	-	53,192,376
International Stock Funds	7,265,635	-	-	7,265,635
Target Funds	47,838,626	-	-	47,838,626
Common Collective Trust				
Short Term Reserves	-	25,729,453	-	25,729,453
Total assets at fair value	$ 135,800,976	$ 25,729,453	$ -	$ 161,530,429

NOTE F: PLAN TERMINATION

Although it has not expressed any intent to do so, the Gleason Corporation has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants are 100% vested in their accounts.

NOTE G: TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service dated November 7, 2011, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the "Code") and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification.

The Plan files tax returns in the U.S. federal jurisdiction. With few exceptions, as of December 31, 2013, the Company is no longer subject to U.S. federal income tax examinations by tax authorities for years ended prior to December 31, 2010. The tax returns for the years ended December 31, 2010 through December 31, 2013 are still subject to potential audit by the IRS. Management of the Plan believes it has no material uncertain tax positions and, accordingly it has not recognized any liability for unrecognized tax benefits.

NOTE H: PARTICIPANT NOTES RECEIVABLE

Participant notes receivable are measured and valued at their unpaid principal balance, plus any accrued but unpaid interest. Participants may borrow against their account balances. The principal amount of the note must be between $1,000 and $50,000 and cannot exceed 50% of the participant's vested account balance. A participant may have up to two outstanding notes at one time, as long as the total of the notes does not exceed 50% of the participant's account balance and the total notes do not exceed $50,000. The interest rate applied to the note equals the prime rate plus 1%; the interest rate is established on January 1 and July 1 of each year. The interest rate applied to a participant's note will remain fixed for the life of the note. Loans must be repaid within five years, except notes used to purchase a participant's principal residence, which may be repaid over fifteen years.

The note must be repaid by payroll deductions over the term of the note. If a participant's employment terminates for any reason, the total balance of the note will be due at the end of the quarter in which the participant is removed from the payroll. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

NOTE I: TRANSACTIONS WITH PARTIES-IN-INTEREST

All legal, accounting, and trustee services, except for loan administration and purchase fees, are paid by Gleason Corporation (Plan sponsor). The Plan invests in shares of mutual funds managed by an affiliate of Vanguard Fiduciary Trust Company (VFTC). VFTC acts as trustee for only those investments as defined by the Plan. Transactions in such investments qualify as party-in-interest transactions, which are exempt from the prohibited transaction rules.

NOTE J: RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	December 31,	
	2013	2012
Net assets available for benefits per the financial statements	$ 197,842,287	$ 163,476,325
Less:		
Deemed distributions for participant loans for the Gleason Corporation Retirement Plan per Schedule H of Form 5500	(19,810)	(14,044)
Net assets available for benefits per Form 5500	$ 197,822,477	$ 163,462,281

The following is a reconciliation of net increase in net assets available for benefits per the accompanying financial statements to Form 5500 for the year ended December 31, 2013:

Net increase in net assets available for benefits per the financial statements	$ 34,365,962
Less:	
Deemed distributions for participant loans for the Gleason Corporation Retirement Plan per Schedule H of Form 5500	(5,766)
Net income per Form 5500	$ 34,360,196

NOTE K: RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

GLEASON CORPORATION RETIREMENT SAVINGS PLAN

SUPPLEMENTAL SCHEDULE

GLEASON CORPORATION RETIREMENT SAVINGS PLAN
EIN: 16-1224655
PLAN NUMBER: 002

FORM 5500 – SCHEDULE H – PART IV

LINE 4i – SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
AT END OF YEAR - DECEMBER 31, 2013

* Party-in-interest.
** Stated at contract value.

	(a)	(b) & (c) Identity of issue, borrower, lessor or similar party, description of investment including maturity date, rate of interest, collateral, par or maturity value	(e) Current value	
		Registered Investment Companies		
*		Vanguard 500 Index Fund Investor Shares	$ 10,547,581	
*		Vanguard Balance Indexed Fund Investor Shares	1,337,910	
*		Vanguard Growth Index Fund Investor Shares	8,454,166	
*		Vanguard Mid-Cap Index Fund Investor Shares	4,719,144	
*		Vanguard Prime Money Market	77,641	
*		Vanguard Small-Cap Index Fund Investor Shares	6,167,655	
*		Vanguard Target Retirement 2010 Fund	2,678,747	
*		Vanguard Target Retirement 2015 Fund	9,432,682	
*		Vanguard Target Retirement 2020 Fund	14,852,035	
*		Vanguard Target Retirement 2025 Fund	10,737,029	
*		Vanguard Target Retirement 2030 Fund	7,725,811	
*		Vanguard Target Retirement 2035 Fund	5,165,211	
*		Vanguard Target Retirement 2040 Fund	2,171,307	
*		Vanguard Target Retirement 2045 Fund	1,811,430	
*		Vanguard Target Retirement 2050 Fund	1,765,651	
*		Vanguard Target Retirement 2055 Fund	445,362	
*		Vanguard Target Retirement 2060 Fund	95,510	
*		Vanguard Target Retirement Income	2,663,325	
*		Vanguard Total Bond Market Index Fund Institutional Shares	13,286,567	
*		Total International Bond Market Index Fund Institutional Shares	44,677	
*		Vanguard Total International Stock Index Fund	9,309,307	
*		Vanguard Total Stock Market Index Fund Institutional Shares	29,391,407	
*		Vanguard Value Index Fund Investor Shares	9,584,548	
*		Vanguard Wellington Fund Investor Shares	16,777,507	
			169,242,210	
		Common Collective Trust		
*		Vanguard Retirement Savings Trust	25,056,416	**
*		Participant loans Maturity dates through September 2028, interest rates from 4.25% to 9.50% per annum	3,335,675	
		TOTAL	$ 197,634,301	

Note: Column (d) has been omitted because the assets held for investment purpose are participant directed.

GLEASON CORPORATION
RETIREMENT SAVINGS PLAN

ROCHESTER, NEW YORK

FINANCIAL STATEMENTS

SUPPLEMENTAL SCHEDULE

AND

INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2013 AND 2012



MENGEL METZGER BARR & CO. LLP

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Retirement and Savings Plan Committee
Gleason Corporation Retirement Savings Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Gleason Corporation Retirement Savings Plan, which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, the related statement of changes in net assets available for benefits for the year ended December 31, 2013, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements and Supplemental Schedule

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform and we did not perform, any auditing procedures with respect to the information summarized in Note D, which was certified by Vanguard Fiduciary Trust Company, the trustee of the plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2013 and 2012 and for the year ended December 31, 2013, that the information provided to the plan administrator by the trustee is complete and accurate.

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Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental Schedule of Assets Held for Investment Purposes at End of Year December 31, 2013 is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the ERISA.

Mengel, Metzger, Barr & Co. LLP

Rochester, New York
October 13, 2014

WE VALUE YOUR FUTURE

GLEASON CORPORATION RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2013	2012
Investments:		
Registered investment companies	$ 169,242,210	$ 135,800,976
Common collective trust	25,754,689	25,729,453
	194,996,899	161,530,429
Receivables:		
Notes receivable from participants	3,335,675	3,056,382
Employee contributions	89,712	87,890
Employer contributions	118,274	96,908
	3,543,661	3,241,180
NET ASSETS REFLECTING INVESTMENTS AT FAIR VALUE	198,540,560	164,771,609
Adjustments from fair value to contract value for fully benefit-responsive investment contracts	(698,273)	(1,295,284)
NET ASSETS AVAILABLE FOR BENEFITS	$ 197,842,287	$ 163,476,325

See accompanying independent auditor's report and notes to financial statements.

GLEASON CORPORATION RETIREMENT SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEAR ENDED DECEMBER 31, 2013

ADDITIONS		
Additions to net assets attributed to:		
Employee contributions (includes rollovers of $362,324)		$ 7,538,658
Employer contributions		3,860,052
Interest and dividend income		4,373,581
Net appreciation in fair value of investments		25,346,768
		41,119,059
Interest income from participants' notes receivable		134,686
	TOTAL ADDITIONS	41,253,745
DEDUCTIONS		
Deductions from net assets attributed to:		
Benefits paid to participants		6,855,632
Administrative fees		32,151
	TOTAL DEDUCTIONS	6,887,783
	NET INCREASE	34,365,962
Net assets available for benefits at beginning of year		163,476,325
	NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	$ 197,842,287

See accompanying independent auditor’s report and notes to financial statements.

GLEASON CORPORATION RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared on the accrual basis of accounting.

Investment valuation and income recognition

The Plan's investments are stated at fair value. Shares of registered investment companies are valued at quoted market prices which represent the net asset value of shares held by the Plan at year-end. Units of the Retirement Savings Trust are valued at net asset value at year-end.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is accrued when earned. Dividend income is recorded on the ex-dividend date. Capital gain distributions are included in dividend income. The net appreciation (depreciation) in fair value of investments consists of realized gains or losses and the unrealized appreciation or depreciation on those investments.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported and changes therein, in the financial statements and accompanying footnotes. Actual results could differ from those estimates.

Investment contracts

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through common/collective trusts. The statements of net assets available for benefits present the fair value of the investment contracts as well as the adjustment of the fully benefit responsive investment contracts from fair value to contract value, if applicable. The statement of changes in net assets available for benefits is prepared on a contract value basis.

For 2013 and 2012, the average yield was 1.98% and 2.22% and the crediting interest rate was 1.56% and 1.82%, respectively. The portfolio is managed to maintain a $1 unit price, however there is no guarantee to do so.

Payment of benefits

Benefits are recorded when paid.

NOTE B: DESCRIPTION OF THE PLAN

The following description of the Gleason Corporation Retirement Savings Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a retirement savings plan which covers employees of Gleason Corporation, The Gleason Works, Gleason Sales (Americas) Corporation, Gleason Metrology Systems Corporation (GMS), formerly known as Gleason-M&M Precision Systems Corporation, and Gleason Cutting Tools Corporation (GCTC). Employees who participated in the Savings Plan of American Pfauter, L.P. and Gleason-Pfauter-Hurth Cutting Tools Corporation (the Former Plan) were merged into the Gleason Corporation Retirement Plan effective January 1, 1999. Effective January 1, 2005, the Gleason Corporation Retirement Plan merged into the Gleason Corporation Retirement Savings Plan. Employees are eligible to make contributions to the Plan on the first day of the month following the first day of employment. Employer matching contributions begin on the first day of the month coinciding with or immediately following the participant's first anniversary and employer contributions begin on the first day of the month following one year of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Employees may contribute up to 75% of their annual gross wages, including shift premiums, overtime, sick pay, and bonuses, to the Plan through payroll deductions subject to Internal Revenue Code (IRC) limitations.

Effective January 1, 2008 the Company had an employer match of 100% of participant's pre-tax savings contributions, up to a maximum of 6% of compensation and any contributions made after January 1, 2008 are considered fully vested. On May 1, 2008, an automatic enrollment feature commenced. This automatically enrolls an eligible employee at a predetermined contribution rate of 6% of compensation, unless the employee has elected to defer another amount to the Plan (or not contribute at all). The Plan will not accept any additional after-tax contributions.

Non-elective employer contributions are discretionary and no non-elective employer contributions were made for the 2013 or 2012 plan years.

NOTE B: DESCRIPTION OF THE PLAN, Cont'd

Vesting

Employee, employer matching and rollover contributions from another qualified plan to this Plan are fully vested at all times. Non-elective employer contributions vest in accordance with the following schedule:

Years of Service	Contributions after January 1, 2007 Vesting Percentage
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

Notwithstanding the foregoing schedule, a participant who was fully vested under the Former Plan shall remain 100% vested under this Plan and a participant who was less than fully vested upon entering this Plan shall be 100% vested upon attaining three years of service.

Participant accounts

Each participant account is credited with contribution amounts and any attributable investment earnings and market appreciation or depreciation. The benefit to which a participant is entitled is the final market value of the participant's account.

Participants may direct the investment of contributions into any of the Vanguard investment funds. Changes in investment choices and transfers among funds are made directly between the participant and the trustee and may be made at any time.

NOTE B: DESCRIPTION OF THE PLAN, Cont'd

Account balance forfeited

Forfeitures of terminated participants are used to reduce the required Company contribution. Non-vested forfeitures used to offset employer contributions amounted to $851 for the year ended December 31, 2013. There were no non-vested forfeitures used to offset employer contributions for the year ended December 31, 2012.

Benefit payments

The full value of the participant's account is payable in a lump sum upon retirement, disability, death, or termination of employment. A participant whose account balance was transferred to this Plan from the Former Plan may receive such transferred balance in either a lump-sum payment or equal installment payments over any number of years selected by the participant but not to exceed the joint life expectancies of the participant and its designated beneficiary, all as determined as of the date benefits commence. Employee pre-tax contributions may be withdrawn in case of financial hardship, subject to the Plan Administration Committee's approval and within the scope of the IRC regulations.

Subsequent events

Management evaluated subsequent events, occurring after the date of the statement of net assets available for benefits through October 13, 2014, which is the date the financial statements are available to be issued. In May of 2014, the Corporation acquired Distech Systems, Inc. Upon acquisition the employees of Distech Systems, Inc. received credit for service performed while an employee of Distech Systems, Inc. for purposes of eligibility and vesting for participation in the Gleason Corporation Retirement Savings Plan. The retirement plan held by Distech Systems, Inc. was not merged with the Gleason Corporation Retirement Savings Plan and will not be. No other subsequent events requiring disclosure were noted through October 13, 2014.

NOTE C: INVESTMENTS

The value of individual investments that represent 5% or more of the Plan's net assets available for benefits are as follows:

	December 31,	
	2013	2012
Investments, at fair value:		
Vanguard Total Stock Market Index Fund Institutional Shares	$ 29,391,407	*
Vanguard Retirement Savings Trust	25,754,689	$ 25,729,453
Vanguard Wellington Fund Investor Shares	16,777,507	13,044,846
Vanguard Target Retirement 2020 Fund	14,852,035	11,793,712
Vanguard Total Bond Market Index Fund Institutional Shares	13,286,567	*
Vanguard Target Retirement 2025 Fund	10,737,029	*
Vanguard 500 Index Fund Investor Shares	10,547,581	8,220,634
Vanguard Target Retirement 2015 Fund	*	8,490,023
Vanguard Total Stock Market Index Fund Signal Shares	*	21,895,648
Vanguard Total Bond Market Index Fund Investor Shares	*	14,383,531
	$ 121,346,815	$ 103,557,847

* Less than 5% of net assets available for benefits

During 2013, the Plan's investments (including gains and losses on investments bought and sold as well as held during the year) appreciated in value by $25,346,768.

NOTE D: FINANCIAL INFORMATION CERTIFIED BY THE TRUSTEE (UNAUDITED)

The following is a summary of the unaudited information regarding the Plan, included in the Plan's financial statements and supplemental schedule, that was prepared by Vanguard Fiduciary Trust Company, the trustee of the Plan, and furnished to the plan administrator. The plan administrator has obtained certifications from the trustee that such information is complete and accurate:

	December 31,	
	2013	2012
Investments, at fair value	$ 194,996,899	$ 161,530,429
Notes receivable from participants	3,335,675	3,056,382
Interest and dividend income	4,373,581	
Interest income from participants' notes receivable	134,686	
Net appreciation in fair value of investments	25,346,768	

All information included in the attached supplemental Schedule of Assets Held for Investment Purposes at End of Year - December 31, 2013.

NOTE E: FAIR VALUE MEASUREMENTS

GAAP establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 Measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GAAP are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

NOTE E: FAIR VALUE MEASUREMENTS, Cont'd

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013 and 2012.

Registered Investment Companies: Shares of registered investment companies are valued at quoted market prices which represent the net asset value of shares held by the Plan.

Registered Investment Companies are registered with the SEC and are required to report their policies and financial conditions, much like a publicly-traded company. Most investment companies in the United States must register with the SEC; they are regulated by the Investment Company Act of 1940.

Common Collective Trust: Value at the net asset value ("NAV") of shares held by the Plan at year end.

The Trust provides for the collective investment of assets of tax-exempt pension and profit-sharing plans, primarily in a pool of investment contracts that are issued by insurance companies and commercial banks and in contracts that are backed by high quality bonds, bond trusts and bond mutual funds that are selected by the Trustee.

Additional Common Collective Trust information:

The fair values of these funds have been estimated using the net asset value per share of the underlying investments. There are no unfunded commitments for the common trust funds as of December 31, 2013 and 2012. There is no waiting period or other restrictions on redemptions from the common trust funds. The following are descriptions of the common trust funds:

NOTE E: FAIR VALUE MEASUREMENTS, Cont'd

Traditional Investment Contracts

This fund invests in traditional investment contracts issued by insurance companies and banks which are nontransferable, but provide for benefit-responsive withdrawals by plan participants at contract value. Traditional investment contracts are individually negotiated investments, the terms of which specify liquidity, yield, interest payments, and maturity. These contracts are direct obligations of the issuing companies and are backed only by the financial strength of those companies. Fair value comprises the expected future cash flows for each contract discounted to present value. Contract value represents contributions made plus interest accrued at the contract rate, less withdrawals. The crediting rate on traditional contracts is typically fixed for the life of the investment. Management of the fund seeks to provide a relatively predictable return from current income, with no change in principal value.

Synthetic Investment Contracts

This fund invests in synthetic investment contracts which consist of investments together with contracts under which a bank or other institution provides for benefit-responsive withdrawals by plan participants at contract value. Synthetic investment contracts are individually negotiated investments and these contracts are supported by a portfolio of high-quality fixed income assets and mutual funds as well as the financial strength of the issuing financial institution. Returns earned on the contracts vary with the performance of the underlying fixed income assets and mutual funds. These assets back the contract and are owned by the trustee on behalf of the Master Trust. Fair value comprises the aggregate market values of the underlying investments in bond trusts and funds, and the value of the wrap contracts, if any. The difference between valuation at contract value and fair value is reflected over time through the crediting rate formula provided for in the Trust's synthetic contracts. The crediting rate of the contract resets every quarter based on the performance of the underlying investment portfolio. To the extent that the Trust has unrealized gains and losses (that are accounted for, under contract value accounting, through the value of the synthetic contract), the interest crediting rate may differ from then-current market rates. An investor currently redeeming Trust units may forego a benefit, or avoid a loss, related to a future crediting rate different from then-current market rates. Management of the fund seeks to provide a relatively predictable return from current income, with no change in principal value.

Short Term Investments

This fund invests in short term investments in Vanguard mutual funds and bond trusts which are valued at the net asset value of each fund or trust determined as of the close of the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Management of the fund seeks to provide a relatively predictable return from current income, with no change in principal value.

NOTE E: FAIR VALUE MEASUREMENTS, Cont'd

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2013 and 2012:

	Level 1	Level 2	Level 3	Total
December 31, 2013				
Registered Investment Companies				
Short Term Reserves	$ 77,641	$ -	$ -	$ 77,641
Bond Funds	30,108,751	-	-	30,108,751
Domestic Stock Funds	70,202,411	-	-	70,202,411
International Stock Funds	9,309,307	-	-	9,309,307
Target Funds	59,544,100	-	-	59,544,100
Common Collective Trust				
Short Term Reserves	-	25,754,689	-	25,754,689
Total assets at fair value	$ 169,242,210	$ 25,754,689	$ -	$ 194,996,899
December 31, 2012				
Registered Investment Companies				
Short Term Reserves	$ 75,961	$ -	$ -	$ 75,961
Bond Funds	27,428,378	-	-	27,428,378
Domestic Stock Funds	53,192,376	-	-	53,192,376
International Stock Funds	7,265,635	-	-	7,265,635
Target Funds	47,838,626	-	-	47,838,626
Common Collective Trust				
Short Term Reserves	-	25,729,453	-	25,729,453
Total assets at fair value	$ 135,800,976	$ 25,729,453	$ -	$ 161,530,429

NOTE F: PLAN TERMINATION

Although it has not expressed any intent to do so, the Gleason Corporation has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants are 100% vested in their accounts.

NOTE G: TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service dated November 7, 2011, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the "Code") and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification.

The Plan files tax returns in the U.S. federal jurisdiction. With few exceptions, as of December 31, 2013, the Company is no longer subject to U.S. federal income tax examinations by tax authorities for years ended prior to December 31, 2010. The tax returns for the years ended December 31, 2010 through December 31, 2013 are still subject to potential audit by the IRS. Management of the Plan believes it has no material uncertain tax positions and, accordingly it has not recognized any liability for unrecognized tax benefits.

NOTE H: PARTICIPANT NOTES RECEIVABLE

Participant notes receivable are measured and valued at their unpaid principal balance, plus any accrued but unpaid interest. Participants may borrow against their account balances. The principal amount of the note must be between $1,000 and $50,000 and cannot exceed 50% of the participant's vested account balance. A participant may have up to two outstanding notes at one time, as long as the total of the notes does not exceed 50% of the participant's account balance and the total notes do not exceed $50,000. The interest rate applied to the note equals the prime rate plus 1%; the interest rate is established on January 1 and July 1 of each year. The interest rate applied to a participant's note will remain fixed for the life of the note. Loans must be repaid within five years, except notes used to purchase a participant's principal residence, which may be repaid over fifteen years.

The note must be repaid by payroll deductions over the term of the note. If a participant's employment terminates for any reason, the total balance of the note will be due at the end of the quarter in which the participant is removed from the payroll. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

NOTE I: TRANSACTIONS WITH PARTIES-IN-INTEREST

All legal, accounting, and trustee services, except for loan administration and purchase fees, are paid by Gleason Corporation (Plan sponsor). The Plan invests in shares of mutual funds managed by an affiliate of Vanguard Fiduciary Trust Company (VFTC). VFTC acts as trustee for only those investments as defined by the Plan. Transactions in such investments qualify as party-in-interest transactions, which are exempt from the prohibited transaction rules.

NOTE J: RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	December 31,	
	2013	2012
Net assets available for benefits per the financial statements	$ 197,842,287	$ 163,476,325
Less:		
Deemed distributions for participant loans for the Gleason Corporation Retirement Plan per Schedule H of Form 5500	(19,810)	(14,044)
Net assets available for benefits per Form 5500	$ 197,822,477	$ 163,462,281

The following is a reconciliation of net increase in net assets available for benefits per the accompanying financial statements to Form 5500 for the year ended December 31, 2013:

Net increase in net assets available for benefits per the financial statements	$ 34,365,962
Less:	
Deemed distributions for participant loans for the Gleason Corporation Retirement Plan per Schedule H of Form 5500	(5,766)
Net income per Form 5500	$ 34,360,196

NOTE K: RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

GLEASON CORPORATION RETIREMENT SAVINGS PLAN

SUPPLEMENTAL SCHEDULE

GLEASON CORPORATION RETIREMENT SAVINGS PLAN
EIN: 16-1224655
PLAN NUMBER: 002

FORM 5500 – SCHEDULE H – PART IV

LINE 4i – SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
AT END OF YEAR - DECEMBER 31, 2013

* Party-in-interest.
** Stated at contract value.

	(a)	(b) & (c) Identity of issue, borrower, lessor or similar party, description of investment including maturity date, rate of interest, collateral, par or maturity value	(e) Current value	
		Registered Investment Companies		
*		Vanguard 500 Index Fund Investor Shares	$ 10,547,581	
*		Vanguard Balance Indexed Fund Investor Shares	1,337,910	
*		Vanguard Growth Index Fund Investor Shares	8,454,166	
*		Vanguard Mid-Cap Index Fund Investor Shares	4,719,144	
*		Vanguard Prime Money Market	77,641	
*		Vanguard Small-Cap Index Fund Investor Shares	6,167,655	
*		Vanguard Target Retirement 2010 Fund	2,678,747	
*		Vanguard Target Retirement 2015 Fund	9,432,682	
*		Vanguard Target Retirement 2020 Fund	14,852,035	
*		Vanguard Target Retirement 2025 Fund	10,737,029	
*		Vanguard Target Retirement 2030 Fund	7,725,811	
*		Vanguard Target Retirement 2035 Fund	5,165,211	
*		Vanguard Target Retirement 2040 Fund	2,171,307	
*		Vanguard Target Retirement 2045 Fund	1,811,430	
*		Vanguard Target Retirement 2050 Fund	1,765,651	
*		Vanguard Target Retirement 2055 Fund	445,362	
*		Vanguard Target Retirement 2060 Fund	95,510	
*		Vanguard Target Retirement Income	2,663,325	
*		Vanguard Total Bond Market Index Fund Institutional Shares	13,286,567	
*		Total International Bond Market Index Fund Institutional Shares	44,677	
*		Vanguard Total International Stock Index Fund	9,309,307	
*		Vanguard Total Stock Market Index Fund Institutional Shares	29,391,407	
*		Vanguard Value Index Fund Investor Shares	9,584,548	
*		Vanguard Wellington Fund Investor Shares	16,777,507	
			169,242,210	
		Common Collective Trust		
*		Vanguard Retirement Savings Trust	25,056,416	**
*		Participant loans Maturity dates through September 2028, interest rates from 4.25% to 9.50% per annum	3,335,675	
		TOTAL	$ 197,634,301	

Note: Column (d) has been omitted because the assets held for investment purpose are participant directed.