

Annual General Meeting of Saab AB (publ) on 16 April 2009

**The Board's proposal for decision to decide on acquisition and transfer of the company's own shares**

**Agenda item 15**

**Complete proposal**

- (a) The Board proposes that the Annual General Meeting empower the Board to decide on acquisition and transfer of the company's own shares in accordance with the following conditions.**
- i) Acquisition shall be limited to the company's shares of share class B.
  - ii) Acquisition shall take place on the Nasdaq OMX Stockholm or through an offer directed to all shareholders.
  - iii) The acquisition of shares on the Nasdaq OMX Stockholm may take place only at a price within the officially quoted price range on each occasion, which is the interval between the highest buying price and the lowest selling price.
  - iv) The acquisition of shares through an offer to all shareholders in the company shall take place at a price that is neither lower nor 20 per cent higher than the Stock Exchange price at the time of the offer.
  - v) The number of shares acquired shall be such that the company's holding on no occasion exceeds 10 per cent of all the shares in the company.
  - vi) Transfer may take place on the Nasdaq OMX Stockholm at a price within the officially quoted price range on each occasion.
  - vii) Transfer may take place under the Companies Act, Chapter 19, Articles 35 - 37, i.e. in other way than on the Stock Exchange.
  - viii) The empowerment includes the right to resolve on deviations from shareholders' preferential rights and entitlement to make payment in other than monetary form.
  - ix) The transfer of shares in connection with acquisitions of companies or operations shall take place at a price that corresponds closely to the market value of the company's share at the time of the transaction.

- x) The number of shares transferred shall not exceed the number acquired with the support of this empowerment.
- xi) The empowerment may be utilized on one or more occasions before the next Annual General Meeting.

The purpose of the empowerment is to provide the Board with increased scope for action in working with the company's capital structure and to enable acquisitions to be made where considered appropriate and also to give the Company the possibility to secure costs and delivery associated with the Share Matching Plan and Performance Share Plan.

The reason for permitting deviations from shareholders' preferential rights in transfers relating to acquisitions of companies and operations is to enable alternative forms of payment in the event of such acquisitions.

In order to be valid, decision on empowerment of the Board to decide on the acquisition and transfer of the company's own shares under item 15 (a) shall be approved by shareholders with at least two thirds of both the number of shares for which shareholders have voted in person at the Annual General Meeting and the number of shares for which shareholders have been represented.

**(b) The Board of Directors further proposes that the Annual General Meeting resolves to transfer own shares in the Company as a result of Share Matching Plan 2009 on the following terms.**

- i) No more than 840,000 shares of series B can be transferred.
- ii) Right to acquire shares shall be granted to such individuals within the Saab group covered by the terms and conditions for the Share Matching Plan 2009. Further, subsidiaries within the Saab group shall have the right to acquire shares free of consideration and such subsidiaries shall be obligated to immediately transfer free of consideration shares to their employees covered by the terms of the Share Matching Plan 2009.
- iii) The employee shall have the right to receive shares during the period when the employee is entitled to receive shares in accordance with the terms of the Share Matching Plan 2009, i.e. during the period from January 2010 up to and including January 2014.
- iv) Employees covered by the terms of the Share Matching Plan 2009 shall subject to certain conditions, receive shares of series B free of consideration.
- v) Further the Company shall have the right to, prior to the Annual General Meeting 2010, transfer no more than 188,000 shares of series B, out of the holding of 840,000 shares of series B, in order to cover certain payment, mainly social security payment. Transfer of the shares shall be effected at the Nasdaq OMX Stockholm at a price within the, at each time, registered price interval for the share.

**(c) The Board of Directors further proposes that the Annual General Meeting resolves to transfer own shares in the Company as a result of Performance Share Plan 2009 on the following terms.**

- i) No more than 500,000 shares of series B can be transferred.
- ii) Right to acquire shares shall be granted to such individuals within the Saab group covered by the terms and conditions for the Performance Share Plan 2009. Further, subsidiaries within the Saab group shall have the right to acquire shares free of consideration and such subsidiaries shall be obligated to immediately transfer free of consideration shares to their employees covered by the terms of the Performance Share Plan 2009.
- iii) The employee shall have the right to receive shares during the period when the employee is entitled to receive shares in accordance with the terms of the Performance Share Plan 2009, i.e. during the period from January 2010 up to and including January 2014.
- iv) Employees covered by the terms of the Performance Share Plan 2009 shall subject to certain conditions, receive shares of series B free of consideration.
- v) Further the Company shall have the right to, prior to the Annual General Meeting 2010, transfer no more than 112,000 shares of series B, out of the holding of 500,000 shares of series B, in order to cover certain payment, mainly social security payment. Transfer of the shares shall be effected at the Nasdaq OMX Stockholm at a price within the, at each time, registered price interval for the share.

**(d) The Board of Directors further proposes that the Annual General Meeting resolves to transfer own shares in the Company as a result of Share Matching Plan 2007 on the following terms.**

Further the Company shall have the right to as a result of the Company's Share Matching Plan 2007, prior to the Annual General Meeting 2010, transfer no more than 250,000 shares of series B, out of the holding of 977,769 shares of series B, in order to cover certain payment, mainly social security payment. Transfer of the shares shall be effected at the Nasdaq OMX Stockholm at a price within the, at each time, registered price interval for the share.

**(e) The Board of Directors further proposes that the Annual General Meeting resolves to transfer own shares in the Company as a result of Share Matching Plan 2008 on the following terms.**

Further the Company shall have the right to as a result of the Company's Share Matching Plan 2008, prior to the Annual General Meeting 2010, transfer no more than 188,000 shares of series B, out of the holding of 840,000 shares of series B, in order to cover certain payment, mainly social security payment. Transfer of the shares shall be effected at the Nasdaq OMX Stockholm at a price within the, at each time, registered price interval for the share.

**(f) The Board of Directors further proposes that the Annual General Meeting resolves to transfer own shares in the Company as a result of Performance Share Plan 2008 on the following terms.**

Further the Company shall have the right to as a result of the Company's Share Matching Plan 2008, prior to the Annual General Meeting 2010, transfer no more than 112,000 shares of series B, out of the holding of 500,000 shares of series B, in order to cover certain payment, mainly social security payment. Transfer of the shares shall be effected at the Nasdaq OMX Stockholm at a price within the, at each time, registered price interval for the share.

The reasons for deviation from the shareholders preferential rights and the base for determination of the transfer price resolution in accordance with the proposal under item 15 (b), (c), (d), (e) and (f) above are as follows.

The transfer of own shares forms part of the previously implemented Share Matching Plan 2007 and 2008 and Performance Share Plan 2008 as well as the implementation of the proposed Share Matching Plan 2009 and Performance Share Plan 2009. The Board of Directors considers it an advantage for the Company and its shareholders that the employees are shareholders in the Company.

The base for determination of the transfer prices follows from the Board of Directors proposal under the relevant heading above.

In order for the Annual General Meeting's resolution in accordance with the proposal under item 15 (b) and (c) above to be valid, shareholders representing at least nine tenths of the votes cast as well as the shares represented at the meeting must be in favor of the proposal. A valid resolution by the shareholders meeting according to the proposal under item 15 (d), (e) and (f) requires that shareholders representing at least two thirds of both the votes cast and the shares represented at the meeting vote for the proposals.

In the event that the required majority is not reached under item 15 (b) and/or (c) above, the financial exposure of Share Matching Plan 2009 and Performance Share Plan 2009 shall be hedged by the Company entering into an equity swap agreement with a third party, under which the third party shall, in its own name, acquire and transfer shares in the Company to employees covered by the plans. The cost for the swap will not exceed 12 MSEK. A valid resolution by the shareholders meeting according to this latter proposal requires that shareholders representing more than 50 per cent of the votes cast vote for the proposal or, in case of parity of votes, the chairman of the meeting being in favour of such proposal.

**Linköping, March 2009**

**The Board of Directors**