

## Annual General Meeting of Saab AB on 17 April 2013

### **The Board of Directors' proposal for a resolution on acquisition and transfer of the Company's own shares**

#### **Agenda item 14**

#### **Complete proposal**

**(a) The Board proposes that the Annual General Meeting authorize 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 series B.
- ii) Acquisition shall take place on NASDAQ OMX Stockholm or through an offer directed to all shareholders.
- iii) The acquisition of shares on 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 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 authorization 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 closely corresponds 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 based on this authorization.
- xi) The authorization may be utilized on one or more occasions before the next Annual General Meeting.

The purpose of the authorization is to provide the Board with increased scope for action in working with the Company's capital structure and to enable financing of acquisitions

where considered appropriate and also to give the Company the possibility to secure costs and delivery associated with the Company's Share Matching Plans and Performance Share Plans.

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 for such acquisitions.

In order to be valid, a resolution on authorization of the Board to decide on the acquisition and transfer of the Company's own shares under item 14 (a) requires that shareholders representing at least two thirds of both the votes cast and the shares represented at the meeting vote for the proposal.

**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 2013 on the following terms.**

- i) A maximum of 1,040,000 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 of the Share Matching Plan 2013. 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 shares free of consideration to their employees covered by the terms of the Share Matching Plan 2013.
- 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 2013, i.e. during the period from January 2014 up to and including January 2018.
- iv) Employees covered by the terms of the Share Matching Plan 2013 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 2014, transfer no more than 233,000 shares of series B, out of the holding of 1,040,000 shares of series B, in order to cover certain payments, mainly social security payments. Transfer of the shares shall be effected at NASDAQ OMX Stockholm at a price at each time within the 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 2013 on the following terms.**

- i) A maximum of 300,000 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 2013. 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 shares free of consideration to their employees covered by the terms of the Performance Share Plan 2013.

- 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 2013, i.e. during the period from January 2014 up to and including January 2018.
- iv) Employees covered by the terms of the Performance Share Plan 2013 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 2014, transfer no more than 67,000 shares of series B, out of the holding of 300,000 shares of series B, in order to cover certain payments, mainly social security payments. Transfer of the shares shall be effected at NASDAQ OMX Stockholm at a price at each time within the 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 2009, 2010, 2011 and 2012 as well as Performance Share Plan 2009, 2010, 2011 and 2012 on the following terms.**

The Company shall furthermore have the right to, prior to the Annual General Meeting 2014, transfer a maximum of 1 200 000 shares of series B, in order to cover certain payments, mainly social security payments that may arise in relation to Share Matching Plan 2009, 2010, 2011 and 2012 as well as Performance Share Plan 2009, 2010, 2011 and 2012. Transfer of the shares shall be effected at NASDAQ OMX Stockholm at a price at each time within the registered price interval for the share.

The reasons for deviation from the shareholders' preferential rights and the base for determination of the transfer price in accordance with the proposal under item 14 (b), (c), and (d) above are as follows.

The transfer of own shares forms part of the previously implemented Share Matching Plan 2009, 2010, 2011 and 2012 and Performance Share Plan 2009, 2010, 2011 and 2012 as well as the implementation of the proposed Share Matching Plan 2013 and Performance Share Plan 2013. 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 is described in the Board of Directors proposals under the relevant heading above.

In order for the Annual General Meeting's resolution in accordance with the proposal under item 14 (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 favour of the proposal. A valid resolution by the shareholders meeting according to the proposal under item 14 (d) requires that shareholders representing at least two thirds of both the votes cast and the shares represented at the meeting vote for the proposals.

**(e)** The Board proposes that in the event that the required majority is not reached under item 14 (b) and/or (c) above, the financial exposure of the Share Matching Plan 2013 and the Performance Share Plan 2013 shall be hedged by the Company by 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 shall not exceed 15 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.

The Board's statement pursuant to Chapter 19, Section 22, of the Swedish Companies Act is attached to this proposal.

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**Linköping in March 2013**

**The Board of Directors in Saab AB (publ)**

**Attachment**

**Statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act**

The Board of Directors is of the opinion, with reference to the statement in connection with the proposed dividend in the Annual Report 2012, that this proposal is considered justifiable, with regard to the requirements that the nature and scope of the business and the risks involved impose on the size of the company's and the group's equity, and the company's and the group's consolidation needs, liquidity and financial position in other respects.

**Linköping in March 2013**

**The Board of Directors in Saab AB (publ)**