

Annual General Meeting of Saab AB on 8 April 2014

## **The Board's proposal on acquisition and transfer of own shares**

### **Agenda item 14**

#### **14 a) Authorization for the Board of Directors to resolve on acquisition of own shares**

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors, for the period until the next Annual General Meeting, to resolve on acquisitions of own shares in accordance with the following conditions.

- Acquisitions shall be limited to the Company's shares of series B.
- Acquisitions shall take place on NASDAQ OMX Stockholm
- Acquisitions may only be made at a price per share within the price range (spread) applicable from time to time, meaning the spread between the highest purchase price and the lowest selling price.
- The maximum number of shares that may be acquired shall be such that the Company's holding on no occasion exceeds 10 per cent of the total number of shares in the Company.
- The authorization may be utilized on one or several occasions up to the next Annual General Meeting.

The purpose of the authorization is to be able to adjust the Company's capital structure and thereby contribute to an increased shareholder value as well as to enable a continuous use of acquired shares in connection with potential acquisitions of companies and for the Company's share-related incentive programs.

#### **b) Authorization for the Board of Directors to resolve on transfer of own shares in connection with acquisitions of companies**

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors, for the period until the next Annual General Meeting, to resolve on transfers of own shares in connection with or as a result of any acquisition of companies, in accordance with the following conditions.

- Transfers may be made on NASDAQ OMX Stockholm at a price per share within the price range (spread) applicable from time to time, meaning the spread between the highest purchase price and the lowest selling price.
- Transfers may take place as set out in the Companies Act, Chapter 19, Sections 35 - 37, i.e. in other way than on the Stock Exchange.

- Transfers 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 resolution on the transfer.
- No more than the number of shares of series B that the Company holds at the time of the Board of Directors' resolution may be transferred based on this authorization.
- The authorization includes the right to resolve on deviation from shareholders' preferential rights and that payments could be made other than in cash.
- 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 of Directors with increased scope for action in connection with financing of acquisitions of companies.

The reason for deviating from shareholders' preferential rights is to enable alternative forms of payment for such acquisitions of companies or businesses.

### **c) Transfer of own shares to cover costs as a result of previous year's implementation of incentive programs**

The Board of Directors proposes that the Annual General Meeting resolves on transfers of own shares as a result of the previous year's implementation of incentive programs on the following terms.

The Board of Directors proposes that the Annual General Meeting resolves that the Company shall have the right, prior to the Annual General Meeting 2015, to transfer a maximum of 1,200,000 shares of series B, in order to cover certain costs, mainly social security costs that may arise in relation to Share Matching Plan 2010, 2011, 2012 and 2013 as well as Performance Share Plan 2010, 2011, 2012 and 2013. Transfers of the shares shall be effected at NASDAQ OMX Stockholm at a price within the price range (spread) applicable from time to time, meaning the spread between the highest purchase price and the lowest selling price.

### **Majority requirements**

Resolutions in accordance with the proposal under 14 a), b) and c) above require that shareholders representing at least two-thirds of the votes cast as well as the shares represented at the meeting are in favour of the proposal.

**The Board of Directors' statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act regarding the proposals for resolution on acquisition of own shares**

The Board of Directors of Saab AB has proposed that the Annual General Meeting 2014 authorizes the Board of Directors, for the period until the next Annual General Meeting, to resolve on acquisitions of shares in the company. See items 13 b) and 14 a) on the agenda for the Annual General Meeting 2014.

The Board of Directors is of the opinion, with reference to the statement in connection with the proposed dividend in the Annual Report 2013, that the proposals are justified, taken into account the demands 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.

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**Linköping in March 2014**

**The Board of Directors of Saab Aktiebolag (publ)**