

## PRESS RELEASE

### Notice of Annual General Meeting 2011

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**AB Industrivärden (publ) will hold its Annual General Meeting at 2 p.m. on May 5, 2011, at the Grand Hotel, Vinterträdgården, (entrance at the corner of Stallgatan/Blasieholmsgatan), in Stockholm. Registration opens at 1 p.m.**

#### **Right to attend and notification**

Persons who on April 29, 2011, are registered as shareholders in the shareholder register maintained by Euroclear Sweden AB and who have notified the Company of their intention to attend the Annual General Meeting by no later than April 29, 2011, have the right to attend the Annual General Meeting. Notification can be made by post to AB Industrivärden (publ), Box 5403, SE-114 84 Stockholm, Sweden; by phone at +46-8-666 64 00; by fax at +46-8-661 46 28; or by e-mail at [agm.industrivarden.se](mailto:agm.industrivarden.se). Notification by e-mail requires confirmation from the Company by e-mail (weekdays within 24 hours) that notification has been received. Notification can also be made using the form on Industrivärden's website: [www.industrivarden.net](http://www.industrivarden.net). Upon notification, shareholders must provide their name, national ID number/corporate registration number, address and phone number. The same dates, addresses, etc. apply for notification of any assistants accompanying the shareholder. Proxies, certificates of incorporation and other authorization documents must be on hand at the Annual General Meeting, and to facilitate entry to the Meeting, they should be sent to the Company not later than April 29, 2011. Any proxies must be shown in original and may not be older than one year unless a longer validity period (max. 5 years) is stated on the proxy form. The Company provides proxy forms on its website: [www.industrivarden.net](http://www.industrivarden.net).

Shareholders whose shares are registered in the name of a nominee must, in order to be entitled to attend the Meeting, request that their nominee re-register their shares in their own names, so that the shareholder is registered in the shareholder register on April 29, 2011. Such registration may be temporary. Shareholders who wish to register their shares in their own names should inform their nominee well in advance of April 29, 2011.

#### **The Board's proposed agenda**

- 1 Opening of the meeting
- 2 Election of a chairman to preside over the AGM
- 3 Drawing-up and approval of the register of voters
- 4 Approval of the agenda
- 5 Election of persons to check the minutes
- 6 Decision as to whether the AGM has been duly convened
- 7 Presentation of:
  - a. the annual report and audit report, and of the consolidated accounts and audit report for the Group,
  - b. the auditor's statement on whether the guidelines for compensation of senior executives, which have applied since the previous Annual General Meeting, have been followed,
  - c. the Board's proposed distribution of earnings and statement in support of such proposal
- 8 Address by the CEO

9 Decisions concerning:

- a. adoption of the Income Statement and Balance Sheet, and the Consolidated Income Statement and Consolidated Balance Sheet,
- b. distribution of the Company's earnings as shown in the adopted Balance Sheet
- c. the record date, in the event the AGM resolves to distribute earnings
- d. discharge from liability to the Company of the members of the Board of Directors and the CEO

10 Decision on the number of directors

11 Decision regarding directors' fees for each of the Company directors

12 Election of directors and the Chairman of the Board

13 Decision on auditor's fees

14 Decision on a nominating committee

15 Decision on guidelines for executive compensation

16 Decision on the Board's proposed amendment to the Articles of Association

## The Board's other proposals

### Dividend and record date

The Board of Directors and CEO propose a dividend of SEK 4.00 per share.

May 10, 2011, has been proposed as the record date for payment of the dividend. Provided that the Annual General Meeting votes in favor of this proposal, dividends are expected to be sent out via Euroclear Sweden AB on May 13, 2011.

### Guidelines for executive compensation

The Board proposes that the AGM resolve in accordance with the same guidelines that were adopted at the 2010 AGM, as follows: Compensation paid to the CEO and other members of the executive management shall consist of a base salary, a variable salary component, other benefits and pension. The total compensation should be in line with the going rate in the market and competitive, and shall be commensurate with the executive's responsibilities and authority. The variable component consists of a short-term variable salary component (yearly) and a long-term variable salary component. The short-term variable salary component is based on outcome in relation to set targets and on individual performance, and shall have a cap and never exceed the base salary. The long-term variable salary is based on incentive programs that are coupled to the long-term performance of the Company's stock. None of the variable components shall be pensionable. Upon cancellation of an executive's employment contract by the Company, a two-year notice period applies. No severance pay should be payable. Pension benefits shall be either defined-benefit or defined-contribution, or a combination of both, and give the members of the executive management the right to retire from 60 or 65 years of age, depending on their position. The Board may depart from these guidelines if there are special reasons for doing so in individual cases.

### Amendment of the Articles of Association

In order to increase flexibility for the shareholders, the Board proposes that a new, third paragraph be added to the Articles of Association under § 6, Point 1:

*"At the request of a shareholder, Class A shares (one or more) belonging to the shareholder shall be converted to Class C shares. A request for conversion, which shall be made in writing and specify the number of shares to be converted, shall be submitted to the Board of Directors. The Company shall, without delay, report the conversion to the Swedish Companies Registration Office, for registration."*

## Nominating Committee's proposals

The Nominating Committee has consisted of Sverker Martin-Löf, Chairman of the Board; Bo Damberg, the Jan Wallander och Tom Hedelius Foundation and others; Ulf Lundahl, L E Lundbergföretagen; Anders Nyberg, SCA pension foundations and others; and Håkan Sandberg, Handelsbanken Pension Foundation and Handelsbanken Pension Fund. Håkan Sandberg served as Nominating Committee chair. The Nominating Committee has made the following proposals:

Chairman to preside over the AGM:  
Attorney Sven Unger.

Number of directors:  
Seven directors and no deputies.

Directors' fees:  
SEK 1,500,000 (preceding year: SEK 1,200,000) for the Chairman of the Board, SEK 500,000 (preceding year: SEK 400,000) for each of the other non-executive directors. No separate fee shall be paid for committee work.

Directors:  
Re-election of Boel Flodgren, Hans Larson, Fredrik Lundberg, Sverker Martin-Löf and Anders Nyrén, and new election of Christian Caspar and Stuart Graham. Olof Faxander, Finn Johnsson and Lennart Nilsson have declined re-election.

Chairman of the Board: Sverker Martin-Löf.

Christian Caspar (1951) has an MBA degree. He has more than 30 years of experience from various executive positions with McKinsey. He is a board member of Stena and others. Stuart Graham (1946) has a Bachelor of Science in Economics degree. He is a board member of PPL Corporation, Skanska and others. He previously served as President and CEO of Skanska.

Auditor's fee:  
Fee payable on account (unchanged).

Nominating Committee:  
The Annual General Meeting assigns the Chairman of the Board with the task of contacting four shareholders from among the largest registered shareholders in terms of votes on Euroclear Sweden AB's printout of the shareholder register as per the last business day in August 2011, who each appoint one representative who is not a director on the Company's board, to form together with the Chairman of the Board a nominating committee for the time until a new nominating committee has been appointed based on the mandate from the next year's Annual General Meeting. The Nominating Committee appoints a committee chair from among its members. The composition of the Nominating Committee shall be made public not later than six months before the 2012 Annual General Meeting. No fee shall be payable for work on the Nominating Committee. If a member leaves the Nominating Committee before its work has been completed, and if the Nominating Committee is of the opinion that there is a need to replace said member, the Nominating Committee shall appoint a new member. Any change in the Nominating Committee's composition shall be announced immediately.

## **Documents**

Accounting records, audit reports and auditors' statements, and the Board's proposed distribution of earnings and statement in support of such proposal, will be on hand for the shareholders at the Company three weeks before the Annual General Meeting. These documents will also be posted on the Company's website, [www.industrivarden.net](http://www.industrivarden.net), and will be sent to shareholders at their postal address upon request. The documents will also be available at the Annual General Meeting

## **Number of shares and votes in the Company**

The total number of shares in AB Industrivärden is 386,271,224, of which 268,547,404 are Class A shares and 117,723,820 Class C shares. Each Class A share carries one vote. Each Class C share carries one-tenth of a vote. The total number of votes is 280,319,786. This data pertains to the conditions at the time this notice was issued.

## Disclosures at the Annual General Meeting

The shareholders have the right to certain disclosures at the Annual General Meeting: The Board of Directors and President shall, if requested by any shareholder, and if the Board believes that it can be done without causing material harm to the Company, provide disclosures on conditions that could affect the assessment of a matter on the agenda, conditions that could have an effect on the assessment of the Company's or a subsidiary's financial situation as well as of the Company's relations with another Group company. A shareholder who wishes to submit questions in advance can do so by post: AB Industrivärden, the Board of Directors, Box 5403, SE-114 84 Stockholm, Sweden, or by e-mail: [agm@industrivarden.se](mailto:agm@industrivarden.se).

Stockholm, March 2011

*The Board of Directors*  
AB Industrivärden (publ)