

Point 18 according to the proposal for the agenda at the Annual General Meeting on April 26, 2007

Determination of the principles for remuneration and other employment conditions for senior executives – with proposals for incentive programs (bonus) and principles for a call option program.

For the President and other senior executives in the Company, the remuneration principles based on fixed salary, pension, severance pay, etc., incentive program and options as approved by the 2006 Annual General Meeting apply.

The Board proposes that the same principles be approved by the 2007 Annual General Meeting for the period up until the end of the 2008 Annual General Meeting.

The principles shall be applied in agreements subsequently concluded. The primary content of the employment contracts with senior executives is reported in the 2006 annual report.

Moreover, the Board proposes that certain key employees be covered by their Board's proposal for an incentive program for senior executives and that they be permitted to acquire call options in the Company. Refer also to Point 19 in the agenda.

Current employment conditions

The primary content of current employment agreements with senior executives is reported on page 63, Note 7, of the Company's 2006 Annual Report.

The Board proposal for basic principles

The Company's forms of remuneration for senior executives shall be on market terms, be long-term and quantifiable and promote Group unity. Improvements, particularly in earnings per share, shall be rewarded and there shall be a ceiling for variable remuneration. Total remuneration shall comprise the following components: fixed salary, pension benefits, terms for notice of termination and severance pay, bonus, options and other benefits.

Fixed salary: The fixed salary shall be on market terms and be based on competence, responsibility and performance.

Pension: For the President and other senior executives a defined-contribution pension plan shall apply which entails that a maximum of 35% of pensionable salary may be pension premiums, which may be paid as long as employment in the Company continues.

The principle represents a departure from the currently applicable agreements for certain senior executives, which provide the right to retire on pension at the age of 62 with a defined-benefit pension during the period up to the conventional pension age at the age of 65.

Severance pay, etc.: A mutual notice of termination of six (6) months shall apply for senior executives. Severance pay shall be paid with up to 18 months of fixed cash salary if the Company terminates employment. The severance pay shall be deductible against salary received from other employment during the notice period. In the event of the notice of termination by the executive, if the Company decides in certain cases to impose a contractual competition restriction, the Company shall pay a maximum of 60% of the fixed salary during the time the competition restriction is applicable. Severance pay and remuneration during the period for competition restriction shall not be pensionable.

The principle represents a departure compared with the prevailing agreements for certain senior executives, who in some cases are entitled to nondeductible severance pay.

Incentive program (Bonus): The President, other members of the management group and certain key personnel shall be included in an annual recurring, performance-based long-term incentive program that shall reward improvements in the Company's earnings, expressed as earnings per share, and which when applied shall create or increase the employee's share exposure (shares and options). The value of the bonus is maximized per person and year to correspond to nine (9) month's salary for the President and to six (6) month's salary for the management group and to three (3) month's salary for others who are entitled. The bonus shall not be pensionable. The bonus for 2007 is triggered if the Company's earnings per share increase by 15% and for maximum payout the Company's earnings per share must increase by 22%. Fifty percent (50%) of the bonus shall be paid in cash and 50% shall be paid in the form of call options within the framework of the Company's options program (see below). In addition, certain employees in special cases may be included in an entitlement to a performance-based bonus limited to a certain portion of the fixed annual salary, corresponding to a maximum of two (2) months' salary.

The Board's reasoning as regards the bonus is primarily as follows: For the Company to be able to recruit, motivate over the long term and retain key employees, it is important to give a competitive remuneration package. This should focus on the Group and be linked to value-creation and changes in shareholders value.

For 2007, the proposal – on the basis of current employees – would entail the potential for a bonus for the President, plus three others among Group management, as well as two investment managers. With 58% marginal tax, the options acquired under the bonus program would represent about

21% of the bonus. In addition, employees entitled to a bonus may purchase additional options at market price in line with the proposal for the options program, refer below and to Point 19 in the proposals for the agenda.

The cost of the bonus program is estimated to amount to a maximum of about 3% of profit above the minimum level for a bonus payment, which is triggered with an increase in earnings per share of 15%. For 2007, and with the current employees, this would correspond to an expense, including social security fees, of some SEK 6.9 million. In the case of the President, who has a gross salary framework, the calculated fixed monthly salary in 2007 would be 215,000 kronor.

Options: The President, other members of the management group and certain key personnel shall be included in an annual recurring options program that will provide the possibility to acquire call options in the Company at market price. The number of options per employees shall be maximized at 20,000 to 60,000, depending on position. The President has the right to acquire 60,000 options. The options have a lifetime of three (3) years.

Refer also to Point 19 in the proposals for the agenda.

Other benefits: Other benefits shall have a limited value in relation to total remuneration and correspond to what is normal on the market.

Incentive program for senior executives in subsidiaries: On condition of approval also in subsidiaries, presidents and other members of the subsidiaries' managements groups shall in special cases be entitled to be included in a performance-based long-term incentive program that shall reward improvements in the subsidiary's earnings or operations. The value of the bonus shall – in line with more detailed decisions in certain subsidiaries – be maximized and reasonable, taking into account the subsidiary's operations and earnings.

Preparation and decision: There shall be a Remuneration Committee within the Company's Board to prepare and present proposals for the Board in matters within the framework for the principles for remuneration and other terms of employment adopted by the Meeting and which apply for the President, other members of the management group, certain key employees and president in the subsidiaries. The Remuneration Committee shall also prepare any proposals for incentive programs for employees in the subsidiaries.
