

## **NOTICE OF ANNUAL GENERAL MEETING OF MEKONOMEN AKTIEBOLAG (PUBL)**

The shareholders of Mekonomen Aktiebolag (publ), registration number 556392-1971, are hereby invited to attend the annual general meeting to be held on Thursday 14 April, 2011, at 3 p.m. at Mekonomen Gärdet, Tegeluddsvägen 82 in Stockholm, Sweden. Registration will open at 2 p.m.

### **Right to participate**

A shareholder who wishes to attend the annual general meeting shall:

- be registered as a shareholder in the share register kept by Euroclear Sweden AB as per Friday 8 April, 2011, and
- give notice of attendance to the company no later than Friday 8 April, 2011, in writing to Mekonomen Årsstämma, PO Box 7842, SE-103 98 Stockholm, Sweden, per phone + 46 8 402 90 47 or through a form that is available on the company's website, [www.mekonomen.se](http://www.mekonomen.se). When giving notice of attendance please state name, social security number, date of birth or corporate registration number, address, number of shares and day-time telephone number. In addition, the company asks shareholders to report the number of attending assistants, if any (maximum of two)..

### **Shareholding in the name of a nominee**

Shareholders whose shares are registered in the name of a nominee through a bank or other nominee must, in order to be allowed to attend the annual general meeting, request to have their shares temporarily re-registered in their own names in the share register maintained by Euroclear Sweden AB. Shareholders who wish to request such re-registration must inform its nominee of this well before Friday 8 April, 2011, when such re-registration must be executed.

### **Proxies etc**

Shareholders may appoint one or more proxies. Shareholders who are represented by proxy shall issue a dated power of attorney in writing for the proxy. A power of attorney remains valid for a maximum of one year from its time of issue unless a longer validity period is specifically stated in the power of attorney, however not longer than five years from its time of issue. A power of attorney issued by a legal entity shall be accompanied by copies of authorization documents (certificate of registration or similar). The power of attorney, in original, and any authorization documents should be sent by post well in advance of the annual general meeting, to the following address: Mekonomen Årsstämma, PO Box 7841, SE-103 98 Stockholm, Sweden. Proxy forms are available for downloading from the company's website: [www.mekonomen.se](http://www.mekonomen.se), and will also, upon request, be sent by post to shareholders.

### **Proposed agenda**

1. Opening of the annual general meeting.
2. Election of chairman of the annual general meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one or two persons to check the minutes.
6. Decision as to whether the annual general meeting has been duly convened.
7. Presentation of the annual report, the auditor's report, the consolidated accounts and the auditor's report on the consolidated accounts.
8. The managing director's address.
9. Questions from the shareholders.
10. Decision concerning adoption of the income statement and the balance sheet, the consolidated income statement and the consolidated balance sheet.
11. Decision concerning allocation of the profit in accordance with the adopted balance sheet.
12. Decision on discharge from liability of the board of directors and the managing director.

13. Determination of the number of board members and deputies of the board of directors.
14. Determination of fees for the board of directors and the auditors.
15. Election of board members, chairman and deputies of the board of directors as well as auditor.
16. Determination of the guidelines for appointment of the nominating committee.
17. Determination of the guidelines for compensation to senior management.
18. Proposal for amendment of the articles of association.
19. Proposal for employees' acquisition of shares in subsidiaries.
20. Proposal for authorization of the board of directors to decide on new share issues.
21. Closing of the annual general meeting.

### **Proposals by the nominating committee**

#### **Items 2, 13, 14 and 15 – Proposals regarding the number of board members etc.**

In accordance with the guidelines resolved upon at the 2010 annual general meeting, a nominating committee has been appointed. The nominating committee, which consists of Göran Ennerfelt, chairman of the committee (Axel Johnson AB and subsidiaries), Johan Lannebo (Lannebo Fonder AB), Åsa Nisell (Swedbank Robur fonder) and Eva Fraim Pålman, proposes:

- Fredrik Persson as chairman to preside over the annual general meeting.
- Seven meeting-elected members of the board of directors and no deputy directors.
- Directors' fees totalling SEK 1,700,000, of which SEK 400,000 (previous year: SEK 360,000) payable to the chairman, SEK 300,000 (SEK 240,000) to the vice chairman and SEK 200,000 (SEK 160,000) to each of the other non-executive board members, and no fees payable for committee work.
- Auditor's fees payable on account.
- Re-election of board members Antonia Ax:son Johnson, Kenny Bräck, Anders G Carlberg, Wolff Huber, Fredrik Persson, Helena Skåntorp and Marcus Storch.
- Re-election of Fredrik Persson as chairman of the board of directors.
- Re-election of the registered auditing company Deloitte AB as the auditor of the company, with the auditor Thomas Strömberg as person in charge, until the end of the annual general meeting of 2012.

### **Proposals by the board of directors**

#### **Item 11 – Dividend and record date**

The board of directors proposes a dividend of SEK 8 per share and Tuesday 19 April, 2011, as record date for the dividend. If the annual general meeting resolves in accordance with the proposal, Euroclear Sweden AB is expected to disburse dividends on Tuesday 26 April, 2011. The last day of trading in the company's share including the right to the dividend is Thursday 14 April, 2011.

#### **Item 16 – Appointment of nominating committee**

The board of directors proposes that the annual general meeting resolves upon the adoption of the following guidelines for appointment of the nominating committee. The company shall have a nominating committee consisting of four members. The four largest shareholders of the company shall be entitled to appoint one member each. The four largest shareholders, based on the statistics of the share register kept by Euroclear Sweden AB on August 31, will be contacted by the board of directors. If any of the four largest shareholders wishes to abstain from its right to appoint a member to the nominating committee, the right to appoint such member shall transfer to the subsequent largest shareholder. The nominating committee's

composition shall be publicly announced by the company as soon as the nominating committee has been appointed, however no later than six months before the annual general meeting. The nominating committee's mandate period runs until a new nominating committee has been appointed. The chairman of the nominating committee shall, unless the directors agree otherwise, be the member representing the largest shareholder. If a member of the nominating committee leaves the committee before its assignment has been completed or if a material change occurs in the ownership structure after the appointment of the nominating committee, the nominating committee's composition shall be changed in accordance with the abovementioned principles. Changes in the nominating committee's composition shall be publicly announced on the company's website. Fees will not be paid to the members of the nominating committee. The nominating committee's assignment is to make proposals before the annual general meeting regarding the numbers of members of the board of directors, the composition of the board of directors, the fees payable to members of the board of directors and fees payable for committee assignments, if any. In addition, the nominating committee shall submit recommendations for the chairman of the board of directors and on a chairman to preside over the annual general meeting and, where applicable, on auditor and its fees. The nominating committee's recommendations shall be publicly announced in connection with the publication of the notice of the annual general meeting. In connection with its assignment in general, the nominating committee shall fulfil the duties which, according to the Swedish Code of Corporate Governance, are incumbent upon the company's nomination process, and at the request of the nominating committee, the company shall provide personnel resources, such as a secretarial function for the committee, to facilitate its work. Where needed, the company shall also be able to bear reasonable costs for external consultants which are deemed by the nominating committee to be necessary for the committee to fulfil its assignment.

#### **Item 17 – Guidelines for compensation to senior management**

The board of directors' proposed guidelines for compensation and other terms of employment for the senior management correspond to the guidelines that were adopted by the annual general meeting of 2010. The senior management of the company consists of nine persons including the managing director. The proposal entails that the company shall offer its senior management competitive compensation and that the criteria for this shall be the importance of the employee's duties and the employee's competence, experience and performance. The compensation shall consist of a fixed base salary, a variable compensation, pension benefits, other benefits and severance terms. The allotment of base salary and variable compensation shall be proportionate to the responsibility and authority of the member of the senior management. The variable compensation for the managing director and the other senior management is based partly on the profit of the group and partly on individual qualitative parameters and amounts to a maximum of 60 per cent of the base salary for the managing director and a maximum of 33 per cent of the base salary for other members of the senior management. In addition, a separate program for variable compensation applies for the senior management during a period of three years that is calculated on the result of the Mekonomen group during the financial years 2011-2013. The total cost for the company of this program for the mentioned period is MSEK 24. The criteria for the amount of the individual variable compensation shall be resolved upon by the board of directors. Other main benefits are car benefits and pension schemes. Pension benefits are paid with an amount based on the Swedish ITP-plan or the corresponding system for employees abroad. The pension qualifying income is the base salary. However, the managing director's pension benefit amounts instead to a maximum of 29 per cent of the base salary. Severance pay upon termination by the company amounts to a maximum of 12 months' salary.

#### **Item 18 – Proposal for amendment of the articles of association**

The provisions in the Swedish Companies Act on the manner in which notification is made of general meetings of shareholders and the timing of such notices have been changed with statutory effective as of 1 January 2011. The board of directors therefore proposes that the annual general meeting decide to amend the company's articles of association in these respects. The proposals entail that the current wording of § 11, first paragraph of the articles of association be amended to:

"Notices of general meetings of shareholders shall be issued by an announcement in the Official Swedish Gazette (Post- och Inrikes Tidningar) and through posting on the company's website. At the time of such notice, information that the notice has been issued shall be advertised in Dagens Nyheter. Notices of ordinary general meetings and of extraordinary general meetings at which matters concerning amendments of the articles of association will be dealt with, shall be issued not earlier than six weeks and not later than four weeks prior to the meeting in question. For notices of other extraordinary general meetings, the notice shall be issued not earlier than six weeks and not later than three weeks prior to the meeting."

With the purpose of facilitating the administration of i.a. the annual general meeting of the company, the board of directors also proposes that a new paragraph is added to § 11 (as a new last third paragraph) of the articles of association regarding the notification of assistants accompanying a shareholder to general meetings of shareholders:

"A shareholder has the right to be accompanied by one or two assistants at a general meeting of shareholders if the shareholder notifies the company of the number of assistants in accordance with what is said in the previous paragraph."

A decision by the annual general meeting in accordance with the board of directors' proposal requires an affirmative vote by shareholders with at least two-thirds of the number of votes and shares represented at the annual general meeting.

#### **Item 19 – Employee's acquisition of shares in subsidiaries**

The Mekonomen group of companies contains a number of companies which operate the approximately 180 Mekonomen stores throughout Scandinavia, so called store companies. There are 60 store companies which are owned partly by the store manager running each store. Mekonomen deems it important that the employed managers have an interest in the long term financial development of the store companies. With the purpose of increasing the long term commitment among the store managers also in the wholly owned store companies and to increase their interest in the proceeds of the stores, the board of directors proposes that the annual general meeting decides that the employed store managers in the wholly owned store companies shall be entitled to acquire shares in the respective store company by the means of a directed issue of shares or the purchase of existing shares in order to make such store managers partners in the store company. The thus acquired shares shall amount to a maximum of nine (9) per cent of the share capital in each store company. The Mekonomen group will thus hold shares corresponding to at least ninety-one (91) per cent of the share capital in each store company. The acquisitions shall be made at market value. Payment for such shares shall be made in cash. The acquisitions shall be completed no later than 31 December, 2011.

A decision by the annual general meeting in accordance with the board of directors' proposal requires an affirmative vote by shareholders representing at least nine-tenths of the number of votes and shares represented at the annual general meeting.

#### **Item 20 – Authorization of the board of directors to decide on new share issue**

The board of directors proposes that the annual general meeting resolves to authorize the board of directors to, for the time period until the next annual general meeting, at one or several occasions, with or without deviation from the shareholders' preferential rights, adopt resolutions upon an increase of the company's share capital through new issues of not more than 3,086,882 shares, i.e. corresponding to a maximum of ten per cent of the share capital on the date of this notice. Such decision on new share issue may include provisions that payment shall be made in kind, through set-off or as else is set forth in chapter 13 section 5 paragraph 1 item 6 of the Swedish Companies Act. The board of directors is also authorized to further decide the terms for such issue.

The reason for the proposal is to enable the company to issue shares as payment in relation to acquisitions of other companies or parts of companies and/or of assets that the board of directors deems to be adding value to the business of the Mekonomen group.

A resolution by the annual general meeting in accordance with the board of directors' proposal requires the affirmative vote by shareholders representing at least two-thirds of the number of votes and shares represented at the annual general meeting.

### **Documentation etc**

The total number of shares and votes in the company at the day of this notice is 30,868,822.

The nominating committee's proposals, its motivating statement and information about the board members recommended for the board of directors are available at the company's website: [www.mekonomen.se](http://www.mekonomen.se) and will be sent to shareholders who so request and state their postal address.

The annual report, the auditor's report, the auditor's statement on application of guidelines for compensation 2010 as well as the board of directors' complete proposals concerning items 17-20 will be held available at the company's head office at Smista Allé 11 in Kungens Kurva, Sweden and on the company's website, [www.mekonomen.se](http://www.mekonomen.se), as of Thursday 24 March, 2011. Copies of aforementioned documents will also be sent to shareholders who so request and state their postal address. All of the aforementioned documents will also be held available at the annual general meeting.

Shareholders are informed about their right under the Swedish Companies Act to request disclosures at the annual general meeting regarding conditions that could impact the assessment of an item on the agenda and conditions that could impact the assessment of the company's financial situation.

Stockholm, March 2011

*The Board of Directors*

MEKONOMEN AKTIEBOLAG (publ)

*This is an unofficial translation of the Swedish version of the notice. In case of any discrepancies, the Swedish version shall prevail.*