

Stockholm, 4 April 2007

Notice of Annual General Meeting of IBS AB

The shareholders of IBS AB (publ) are hereby invited to the Annual General Meeting to be held on Wednesday May 9, 2007 at 6 p.m. at Moderna Museet, Skeppsholmen, Stockholm. Registration starts at 5:15 p.m. After the meeting, a light meal will be served.

A. PARTICIPATION

Shareholders intending to participate in the Annual General Meeting must give notice of their intention no later than Thursday May 3, 2007 at 12.00 noon.

Such notification may be made in writing to IBS AB, Attn: Årsstämman, P.O. Box 1350, SE-171 26 Solna, Sweden, by telephone to +46 (0)8-627 45 10, fax to +46 (0)8-29 16 60, e-mail to arsstamma@ibs.net or via the company's www.ibs.se web site. The notification must include name, personal/corporate identity number, address and number of registered shares held. It must also include the number of advisors, if any, that the shareholder intends to be accompanied by at the Meeting. If participation will be based on power of attorney, the related documentation must be submitted at the same time as the notification. The form to be used for power of attorney documentation can be downloaded from the company's web site (www.ibs.se). Those representing a legal entity must present a copy of the certificate of incorporation or a similar document showing the authorized signatories.

Shareholders who have notified their intention to attend and are registered in the share register kept by VPC AB (the Swedish Securities Register Center) on Thursday May 3, 2007 are entitled to participate in the Annual General Meeting. In order to participate in the Annual General Meeting, shareholders who have shares registered in the name of a trustee must register their shares in their own name with VPC by Thursday May 3, 2007. Such registration, which can be made on a temporary basis, should be requested from the trustee well in advance of this date. Please note that this procedure also encompasses shareholders who utilize a shareholders' deposit account in a bank, and/or who trade via the Internet.

Financial accounts and audit reports (Item 7) as well as the Board's complete proposals for resolutions concerning Items 15 and 16 will be available at the company's Head Office, Hemvärnsgatan 8, Solna as of Wednesday April 25, 2007. Documents will also be available for access on the company's website (www.ibs.se) as well as at the venue of the Annual General Meeting.

B. PROPOSED AGENDA FOR THE ANNUAL GENERAL MEETING

1. Opening of the Meeting
2. Election of Chairman of the Meeting
3. Election of two persons to verify the minutes
4. Preparation and approval of the voting list
5. Determination of whether the Annual General Meeting has been duly convened
6. Approval of the proposed agenda

IBS CORPORATE HEADQUARTERS

P.O. Box 1350, Hemvärnsgatan 8 Tel: +46 8 627 23 00
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7. Presentation of the Annual Report, Auditor's Report and the Consolidated Annual Report and the Auditor's Report on the Consolidated Annual Report

8. The President's address

9. Resolutions in respect of:

a) adoption of the Income Statement and Balance Sheet and the Consolidated Income Statement and Consolidated Balance Sheet.

b) appropriation of the company's earnings in accordance with the adopted Balance Sheet.

c) discharge from liability for the members of the Board of Directors and the President.

10. Account of the work performed by the Nomination Committee, and its proposals

11. Resolution of the number of Board Members.

12. Determination of Board and Auditor fees

13. Election of Members of the Board and Chairman of the Board

14. Resolution on the Nomination Committee

15. Resolution on guidelines for remuneration of senior executives

16. The Board of Directors' proposal for repurchase of shares

17. Closing of the Annual General Meeting.

C. ITEMS FOR RESOLUTION

Chairman of the Annual General Meeting (Item 2 on the agenda)

The Board of Directors proposes that attorney-at-law Claes Beyer be elected Chairman of the meeting.

Motion of the Board or Directors regarding appropriation of the Company's earnings (Item 9b on the agenda)

The Board of Directors and the President propose that no dividend be paid for the 2006 fiscal year and that the earnings totaling SEK 513,272,339 be carried forward.

Nomination Committee's proposals (Items 10 – 14 on the agenda)

In accordance with a resolution by IBS' 2006 Annual General Meeting, a Nomination Committee has been formed comprising the Chairman of the Board and representatives of the four largest shareholders on September 30, 2006. The resolution by the Meeting stipulated that significant ownership changes that occurred during the fourth quarter should be taken into account. In view of the major ownership changes that occurred in December, George Ho, of Deccan Value Advisors, has replaced Naveen Jeerreddi, of Tala Investments.

Accordingly, the Nomination Committee comprises Henrik Jonsson, Catella Investments (chairman), Måns Larsson, Silver Point Capital, Henrik Strömbom, Case Asset Management, George Ho, Deccan Value Advisors and Lars Nyberg, Chairman of the Board of IBS AB. The Nomination Committee proposes the following.

Resolution regarding number of members of the Board of Directors (Item 11 on the agenda).

The Nomination Committee proposes six Board members and no deputy members.

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Director fees/audit fees (Item 12 on the agenda)

The Nomination Committee proposes the following director fees: SEK 600,000 to the Chairman of the Board, SEK 200,000 to each Board member who is dependent in relation to the company and SEK 250,000 to each Board members who is independent in relation to the company. Dr. Pallab Chatterjee is to be paid an additional SEK 150,000 as travel-time compensation, since he is based in Dallas, Texas, USA. Finally, supplementary fees amounting to at most SEK 300,000 will be distributed to the members of the Board of Directors appointed to committees according to the Board's decisions. Accordingly, total director fees will amount to not more than SEK 2,200,000.

It is proposed, as previously, that the fees paid to the auditors be based on separate invoices.

Election of the Board of Directors (Item 13 on the agenda)

The Nomination Committee proposes election of members of the Board of Directors as follows:

Lars Nyberg (re-election)
Johan Björklund (re-election)
Vinit Bodas (election)
Jan Jacobsen (election)
Gunnel Duveblad (election)
Pallab Chatterjee (election)

Brief description of the proposed members:

Lars Nyberg, Chairman of the Board of Micronic and Datacard Inc., Member of the Board of Snap-On Tools Inc. and Autoliv Inc. Chairman and Chief Executive Officer, NCR 1995-2003, subsequently Chairman until 2005. Various executive positions within Philips Electronics 1974-1995.

Johan Björklund, Member of the Board of such companies as the Sagentia Group AG. President of Catella AB.

Vinit Bodas, Chief Investment Officer of Deccan Value Advisors. Previously, partner in Brandes Investment Partners, San Diego, USA.

Jan Jacobsen, consultant and Member of the Board of Case Investment AB, RAM ONE AB and Teknik Magasinet Holding Nordic AB. Also Chairman of the Board of the Swedish Basketball Association (Svensk Basket). Previous professional experience includes more than 30 years within H&M Hennes & Mauritz AB, where his positions included Chief Financial Officer from 1982 to 2001.

Gunnel Duveblad, Member of the Board of Nordea Bank AB (publ), Lekolar AB and W-Fun AB. She has experience as President of EDS Northern Europe and 25 years of experience from IBM, including several executive positions.

Dr. Pallab Chatterjee, Executive Vice President, Solutions Officer and Chief Delivery Officer at i2 Technologies. Previously, he held several executive positions at Texas Instruments, including the role of Senior Vice President of Research and Development and Chief Technology Officer.

The Nomination Committee proposes re-election of Lars Nyberg as Chairman of the Board.

It is noted that KPMG Bohlin AB, with auditor-in-charge Anders Malmeby, were elected as the audit company at the 2004 Annual General Meeting for the period until the closing of the 2008 Annual General Meeting.

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Resolution on Nomination Committee (Item 14 on the agenda)

The Nomination Committee proposes that the Annual General Meeting resolve on the following procedure for the appointment of a Nomination Committee ahead of the next Annual General Meeting.

It is proposed that the Nomination Committee shall consist of the Chairman of the Board plus one representative for each of the four largest shareholders. As soon as possible after the close of September, the Chairman of the Board will contact the company's four largest shareholders, each of whom will be entitled to appoint a member of the Nomination Committee. If any of the four largest shareholders declines the right to appoint a member of the Nomination Committee, the next largest shareholder in turn will be given an opportunity to appoint a member of the Nomination Committee. If several shareholders decline, no more than the eight largest shareholders need be consulted, as required to ensure that the Nomination Committee consists of at least four members (including the Chairman of the Board). If the ownership structure should change as of the end of the fourth quarter, the composition of the Nomination Committee must, if possible, be adapted to reflect the new ownership structure. Subsequent changes in ownership shall not occasion any change in the composition of the Nomination Committee. Shareholders who have appointed a member of the Nomination Committee have the right to discharge such a member and appoint a new member of the Nomination Committee. In the event that a member representing a shareholder leaves the Nomination Committee and the shareholder does not appoint a new member, the next largest shareholder will be given an opportunity to appoint a member of the Nomination Committee in the manner described above.

The Nomination Committee's chairman shall be elected by and from among the committee members, but may not be the Chairman of the Board. The Nomination Committee shall serve until such time as a new Nomination Committee is appointed. The Code of Corporate Governance shall constitute the guidelines for the Nomination Committee's work.

Information regarding the composition of the Nomination Committee (including the names of the members and the shareholders that they represent) shall be announced as soon as the Nomination Committee is appointed. Changes in the composition of the Nomination Committee shall be announced as soon as such changes occur.

The Nomination Committee is assigned to prepare and present proposals regarding Chairman of the Board, Members of the Board and auditors to the 2008 Annual General Meeting. The Nomination Committee is also assigned to propose the fees to be paid to the Chairman of the Board, Members of the Board and auditors, and to submit proposals regarding the process for appointing a new Nomination Committee.

Approval of the Board of Directors' motion concerning guidelines for the remuneration of senior executives (Item 15 on the agenda)

The Board's motion concerning guidelines for the remuneration of senior executives is intended to ensure that, from a global perspective, IBS is able to offer market-based and competitive remuneration that is sufficient to attract and retain skilled employees to IBS' Group management.

All senior executives receive remuneration in accordance with the following principle: fixed salary, target-related salary and maximum salary. These various increments are intended to create a well-balanced remuneration and benefits program that reflects the skills, experience and performance of the individuals concerned.

The fixed salary, which is individual and differentiated, is revised annually.

Total remuneration shall comprise the following increments: (i) fixed basic salary; (ii) variable salary; (iii) pension benefits; (iv) other benefits; and (v) severance terms. The variable salary shall be paid in accordance with the attainment of earnings-related targets for the company as a whole and with earnings-related targets for the individual employee or unit. The variable salary shall not exceed 70 percent of fixed basic salary.

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The Board shall be entitled to disregard the guidelines resolved by the Annual General Meeting if there are special reasons for doing so in individual cases.

The circle of executives covered by the motion comprises the President and Chief Executive Officer and other members of Group management.

Board of Directors' motion concerning the repurchase of shares (Item 16 on the agenda)
The Board of Directors proposes that the Annual General Meeting grant authorization for the Board of Directors on one or more occasions during the period until the next Annual General Meeting to decide on the acquisition of the company's own shares. This authorization applies to series B shares. Such shares shall be acquired on the Stockholm Stock Exchange within the band of the highest quoted bid price and the lowest quoted asked price at any given time. The authorization is subject to the restriction that the company's holding of treasury shares may not at any given time exceed 10 percent of all shares in the company. The objective of this authorization is in part to allow the Board of Directors to adjust the capital structure, thereby creating added value for the company's shareholders.

The Board of Directors also proposes that the Annual General Meeting grant authorization to the Board of Directors on one or more occasions during the period until the next Annual General Meeting to divest treasury shares in a manner other than via the Stockholm Stock Exchange, as payment for or financing of company acquisitions, including the right for the Board of Directors to disapply preferential shareholder rights. Payment for treasury shares shall be possible with means other than cash, such as a contribution in kind, offsetting of a claim or subject to other terms. The authorization may include all or a portion of the treasury shares held by the company at any given time. The objective of this authorization is to be able to cost-effectively finance possible company acquisitions, which is also the reason for disapplying the shareholders' preferential rights.

To be valid, the Annual General Meeting's resolution according to this Item must be supported by shareholders representing at least 2/3 of both the votes cast and the shares represented at the Meeting.

Stockholm, April 2007
THE BOARD OF DIRECTORS

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