

SECO TOOLS AB

Review of the 2008 Annual General Meeting

In his address to the Annual General Meeting of Seco Tools AB on 29 April 2008, Kai Wörn, President and CEO, commented on significant events of 2007 and the company's development in the first quarter of 2008. He began by commenting on the past year's very strong growth in revenue, where aggressive marketing activities, a strong product offering and a robust industrial economy were the most important drivers. Profitability and return also reached very good levels. The market situation in 2007 was characterised by good growth in all markets. The largest region, Western Europe, developed positively with especially impressive performance by Germany, Italy and the Nordic countries. Seco Tools' growth in the NAFTA region was also healthy, despite a stagnant market. Development in Eastern Europe and Asia was generally good, with China standing out as the most positive. South America, led by Brazil, reversed the negative trend of 2006 and recorded the highest growth figures of all regions during 2007. Market shares were either maintained or increased in all markets.

Kai Wörn went on to describe the major changes that have taken place in the company from the mid-1980s to the early 2000s, and Seco Tools' current strategic focus. During the period, Seco Tools has evolved from a European business into a global enterprise. The product portfolio has expanded and the company is today a total supplier of metalworking tools whose chosen strategic course is based on closeness to the customers and a solution-oriented approach. To better support the customers and optimise internal efficiency, Seco Tools is raising the degree of global networking in the company and has made the transition from a federation of national companies to a globally networking organisation.

Kai Wörn also provided a general overview of Seco Tools' activities in the fast-growing BRIC countries. In the past year a subsidiary was formed in Russia, production in India was expanded and new facilities for Custom Tooling were inaugurated in China. In addition, a number of offices and technology centres were opened in Eastern Europe. As a rapid mean for further strengthening the position in Russia, Seco Tools also acquired the carbide toolmaker ALG at the end of 2007.

Kai Wörn then commented that sales of products less than five years old, which is a key performance indicator for the Group's innovative ability, remained at a high and satisfactory level. Kai Wörn also touched on Seco Tools' efforts in the environmental area and ongoing work on the Code of Conduct that was implemented in 2005.

The CEO ended by presenting results for the first quarter of 2008, and stated among other that the company has continued to perform well. He also pointed out that the Easter holiday in 2008 fell during the first quarter, which held back growth by around 2-3 per cent. All geographic areas showed generally positive development. Despite economic turbulence, growth in the NAFTA region remained stable. The emerging economies of Asia and Central and Eastern Europe noted sustained robust development. The operating margin for the quarter was impacted by the company's long-term market ventures and capacity expansion, but was maintained at a high level of 24.7 per cent.

Paul Löfgren, Senior Vice President Group Marketing, then presented to the AGM the global strategic marketing programmes. These include international application experts, key account management, distributor partnerships and technical training, and are aimed at increasing the Group's ability to better understand the customers' needs and deliver winning solutions that increase their productivity.

The AGM resolved in favour of the Board's proposed regular dividend for 2007 of SEK 4.20 per share and an extra dividend of SEK 2.00 per share, amounting to a total of SEK 902 M (SEK 6.00 per share in 2006, total of SEK 873 M). The AGM adopted 5 May 2008 as the record date for entitlement to receive dividends, which means that dividends are expected to be disbursed on 8 May 2008.

In connection with presentation of its proposals, the Nominating Committee reported on its work.

The AGM re-elected sitting Board members Annika Bärems, Stefan Erneholm, Jan-Erik Forsgren, Anders Ilstam, Staffan Jufors, Carl-Erik Ridderstråle and Kai Wörn, and elected Peter Larson as a new Board member. Peter Larson holds an M.B.A. and is Executive Vice President of Sandvik AB.

Anders Ilstam was re-elected as the Chairman of the Board.

The auditing firms of Öhrlings PricewaterhouseCoopers and KPMG Bohlins AB were re-elected as the company's independent auditors to service until the end of the 2011 AGM, i.e. for a period of three years.

The AGM approved total Board fees of SEK 1,800,000, of which SEK 450,000 will be paid to the Chairman and SEK 225,000 to each Board member not employed by the company. Total fees to the members of the Audit Committee were approved in an amount of SEK 220,000, of which SEK 100,000 will be paid to the chairman of the Audit Committee and SEK 60,000 to each of the other members. Fees to the auditors will continue to be paid according to current account.

The Board's proposed principles for remuneration for the executive management were approved.

The AGM approved the submitted proposal that the Nominating Committee to serve until the end of the next AGM consist of the Board Chairman and one representative for each of the four largest shareholders in terms of voting power, of whom none may be Board members of the company. The composition of the Nominating Committee ahead of the 2009 AGM shall be published as soon as it has been established, but no later than six months prior to the AGM. No fees shall be paid to the members of the Nominating Committee. The Nominating Committee shall make recommendations regarding matters such as election of a chairman of the AGM, the number of Board members, compensation to Board members and auditors and election of Board members and the Board Chairman.

At the statutory meeting following the AGM, Annika Bärems, Stefan Erneholm and Carl-Erik Ridderstråle were appointed to the Audit Committee. Peter Larson, Carl-Erik

Ridderstråle and Anders Ilstam were appointed to the Remuneration Committee. Patrik Johnson, who is Senior Vice President Chief Financial Officer of Seco Tools and not a member of the Board, was appointed as Board Secretary.

Fagersta, 29 April 2008

SECO TOOLS AB; (publ)

THE BOARD OF DIRECTORS

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Previously published financial information can be found under “Investor Relations & Corporate Governance” on the Seco Tools website (www.secotools.com). Seco Tools AB’s corporate registration number is 556071-1060 and the company’s address is Seco Tools AB, SE-737 82 Fagersta, Sweden. The telephone number to the Group head office is +46 223-400 00.