

Stockholm, March 25, 2008

## 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 Tuesday April 22, 2008 at 3 p.m. at Summit Solna Gate, Hemvärnsgatan 9, Solna. Registration starts at 2.15 p.m.**

### A. PARTICIPATION

Shareholders intending to participate in the Annual General Meeting must give notice of their intention no later than Wednesday April 16, 2008 at 12.00 noon.

Such notification may be made in writing to IBS AB, Attn: Årsstämma, 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](mailto:arsstamma@ibs.net) or via the company's web site [www.ibs.net/investors](http://www.ibs.net/investors). 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.net/investors](http://www.ibs.net/investors)). 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 Wednesday April 16, 2008 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 Wednesday April 16, 2008. 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 Item 17 will be available at the company's Head Office, Hemvärnsgatan 8, Solna as of Tuesday April 8, 2008. The complete proposal for a decision as per item 17 below will, upon request, be sent to shareholders who notify the Company of their intent to participate in the AGM. All of the above documentation will also be presented at the General Meeting and will be available on the Company's website, [www.ibs.net/investors](http://www.ibs.net/investors).

The total number of shares in the company is 83,608,030, whereof 3,150,000 shares of series A and 80,458,030 shares of series B. The total number of votes in the company is 115,108,030.

### 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

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Fax: +46 8 764 59 65

[info@ibs.net](mailto:info@ibs.net)

[www.ibs.net](http://www.ibs.net)

6. Approval of the proposed agenda
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. Election of Auditors of the Company
15. Resolution on the Nomination Committee
16. Resolution on guidelines for remuneration of senior executives
17. Resolution regarding incentive program
18. Closing of the Annual General Meeting.

## **C. ITEMS FOR RESOLUTION**

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

The nomination committee proposes that Anders Björk, attorney at law, be elected Chairman of the meeting.

### *Motion of the Board of 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 2007 fiscal year and that the earnings totaling SEK 491,660,964 be carried forward.

### *Nomination Committee's proposals (Items 10 – 15 on the agenda)*

In accordance with a resolution by IBS' 2007 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, 2007. 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 change of chairman of the Board and major ownership changes Dr. Pallab Chatterjee has replaced Johan Björklund and Rishi Bajaj, Silverpoint Capital has replaced Henrik Jonsson of Catella Investments.

Accordingly, the Nomination Committee comprises George Ho (chairman), Deccan Value Advisors, Henrik Strömbom, Case Asset Management, Rikard Svensson, Arvid Svensson Invest ASI, Rishi Bajaj, Silverpoint Capital and Dr. Pallab Chatterjee, Chairman of the Board of IBS. The Nomination Committee proposes the following.

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## *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.

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

The Nomination Committee proposes the following director fees (provided that the proposed board members are elected): SEK 600,000 to the Chairman of the Board, Dr. Pallab Chatterjee, SEK 200,000 to each of Vinit Bodas, Bo Pettersson and Fredrik Svensson and SEK 250,000 to each of Gunnel Duveblad and Bertrand Sciard. 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 2,150,000.

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:

Vinit Bodas (re-election)  
Pallab Chatterjee (re-election)  
Gunnel Duveblad (re-election)  
Bo Pettersson (election)  
Bertrand Sciard (re-election)  
Fredrik Svensson (re-election)

Bo Pettersson was born in 1958 and is president of Case Investment AB. He is also chairman of the board of Case Asset Management AB and board member of E Öhman J:or Investment AB and Sjöo Sandström Sweden AB.

The Nomination Committee proposes Dr. Pallab Chatterjee as Chairman of the Board.

## *Election of Auditors of the Company (Item 14 on the agenda)*

The Nomination Committee proposes that KPMG Bohlin AB be elected as auditors of the company. KPMG has informed the company that Åsa Wirén Linder will be responsible for the audit.

## *Resolution on Nomination Committee (Item 15 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

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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 and Members of the Board to the 2009 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 16 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, maximum salary and long term incentive programs. 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.

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.

*The Board's proposal regarding Incentive Program and on transfer of the Company's own shares (Item 17 on the agenda)*

The Board proposes that the Meeting approve a call option program for the Company's President and other members of the management group and certain key employees (in total about 20 persons). The call option program shall comprise a maximum of 2,240,000 options, each of which will carry entitlement to receive a cash amount corresponding to the listed share price of the company's B share, less the exercise price at the time of exercise of the option. The board shall execute the program prior to the expiry of the present fiscal year.

The duration for the call options shall be at most three years and 14 days from the time of the Board's resolution to execute the program. The options may be exercised during the last 14 days of the duration of the program. The exercise price shall be determined as a price equal to 150 per

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cent of the average volume weighed closing price for the company's B-share at the OMX Nordic Exchange during a period of 10 trading days following the Board's resolution to execute the program. The options will be cash settled and will not entitle to delivery of B shares in the company.

It shall be possible to acquire the options at an assessed market price in accordance with the generally accepted valuation model (Black & Scholes). The options shall be fully transferable and are after acquisition not linked to employment.

As a consequence of the above proposal the Board proposes that in conjunction with the exercise of the options, with waiver of the preferential rights of shareholders, the Company may transfer a maximum of 2,240,000 B shares in the Company at a sales price which is equivalent to the above mentioned exercise price. The number of shares and the sales price of shares comprised by this decision may need to be re-calculated as a result of e.g. bonus issues, shares splits, reversed share splits, issues of new shares and similar measures. Detailed terms and conditions for the incentive programme and the options will be included in the Board's complete proposal.

The decision by the Meeting in accordance with this point 17 is valid only if it is supported by shareholders with at least two thirds of the votes cast and the shares represented at the Meeting.

Stockholm, March 2008  
**THE BOARD OF DIRECTORS**

**IBS (OMX Nordic Exchange STO: IBS)** is a leading provider of specialized business systems for specific industries such as publishing and book distribution, pharmaceutical distribution, electronics, paper, food and the automotive industry. IBS focuses on large and mid-sized companies within supply chain management, demand-driven manufacturing, customer administration and financial control. For further information, visit [www.ibs.net](http://www.ibs.net)

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