

**Board of Directors' Proposed Resolutions etc.
Annual General Meeting of Bulten AB (publ)
26 April, 2016**

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Item 10 – The Board’s proposal of disposition of earnings and establishment of the date of dividend

Proposed disposition of earnings

The Board proposes that the profits at the disposal of the Annual General Meeting amounting to SEK 990,635,650.71 shall be allocated as follows:

Dividend to shareholders of SEK 3.250 per share giving entitlement to dividend	SEK 66,169,047.75
Be carried forward to a new account	<u>SEK 924,466,602.96</u>
Total	SEK 990,635,650.71

It is proposed that 28 April 2016 be the settlement date for the dividend. If the AGM agrees to the Board’s proposal, payment via Euroclear Sweden AB is expected to be completed by 3 May 2016.

The company has in total 21,040,207 shares, of which 680,500 shares are owned by the company as of the date of the notice of the annual general meeting. The proposed dividend of 66,169,047.75 to be distributed on 20.359.707 shares that bear entitlement to receive the dividend.

The Board’s statement in accordance with Chapter 18, section 4 of the Swedish Companies Act is enclosed (Appendix 1).

Göteborg, March 2016
Bulten AB (publ)
The Board of Directors

Item 14 – The Board’s proposed resolution regarding guidelines for remuneration for senior management

The Board proposes that the AGM decide on the following guidelines for remuneration and other terms and conditions of employment for the Company’s senior management.

Guidelines for remuneration for senior management

These guidelines for remuneration to senior management encompass salaries and other terms and conditions for the management group of Bulten, including the CEO. The guidelines shall be applied to all agreements signed, or amendments to existing agreements, in accordance with the guidelines adopted at the AGM of Bulten.

Basic principles

Salaries and other terms and conditions of employment shall be such that the Group can constantly attract and retain competent senior managers at a reasonable cost to the Company.

Remuneration within the Group shall be based on the principles of performance, competitiveness and fairness. Different remuneration components are applied to a varying degree to reflect these principles. The Group therefore uses a combination of several components to reflect the remuneration principles in a balanced way.

Remuneration for senior management comprises a fixed salary, variable remuneration, pension and other benefits. The Annual General Meeting may also, if a resolution has been made to this effect, submit an offer of a long-term incentive program such as a share or share price related incentive program.

The details of the total remuneration for each financial year are described in the Annual Report of each Company and in the Group’s Annual Report.

Fixed salary

Each senior manager shall be offered a fixed salary in line with market conditions and based on the senior manager’s responsibilities, expertise and performance. The salary shall be confirmed each calendar year.

Variable pay and incentive programs

Each senior manager may, from time to time, be offered a cash bonus. Such a bonus may amount to a maximum of 60% of the annual fixed salary of the CEO, and a maximum of 40% of the annual fixed salaries of other senior managers. The bonus shall not be pensionable or vacationable income. Bonuses shall primarily be based on developments in the Bulten Group as a whole or on developments for unit for which the person in question is responsible. The performance targets should be related to growth, operating profit before goodwill amortization (EBITA) and parameters related to the cash flows of capital turnover. Such targets shall be prepared by the Remuneration Committee and determined by the Board. Any bonuses and reasons for bonuses shall be established for each financial year.

Ahead of every Annual General Meeting the Board shall consider whether or not to propose a share or share price related incentive program to the AGM. It is the AGM that decides on such incentive programs. Incentive programs are intended to contribute to long-term value growth and to ensure that shareholders and employees have a common interest in the share's value growth.

It shall be possible to offer senior executives a similar incentive as that contained in the share incentive scheme or share price incentive scheme, if such schemes shall prove to be impractical for tax reasons in a country where a senior executive is resident, or if such participation in the company's assessment is not possible at reasonable administrative cost or using reasonable economic resources. Costs for the company, the investment, the incentive and the financial outcome for such senior executives shall under such conditions substantially correspond to the share or share price related incentive program.

Non-monetary benefits

Senior managers are entitled to medical insurance and, to the extent it remains in the ITP plan, health insurance. Furthermore, senior managers may be offered extra health insurance in exchange for a pay deduction. Senior managers shall also be offered relevant benefits offered to the Group's other employees.

Senior managers may be offered other customary benefits such as company car, medical insurance and occupational healthcare, for example.

Pension

Senior managers domiciled in Sweden may be offered a defined contribution pension agreement based on premiums which amount to a maximum of 35% of the fixed salary on an annual basis, (in addition there are pension benefits to which senior managers are entitled in accordance with ITP plans). In the defined contribution pension agreement, the pension will correspond to the sum of the premiums paid and any return, rather than a guaranteed pension level. There is no set time for retirement within the framework of the defined contribution pension plan. The standard retirement age shall, however, be 65.

Some senior managers domiciled in Sweden have previously had defined benefit pension plans, although most of them have renegotiated the plans to the new defined contribution system.

Senior managers domiciled outside of Sweden or who are domiciled in Sweden but have a significant link to another country or have been domiciled in another country may be offered pension solutions that are competitive in the country in which the persons are or have been domiciled or to which they have a significant link, primarily defined contribution solutions. Defined benefit pension solutions shall always be avoided where possible.

Period of notice and severance pay

Senior managers domiciled in Sweden the main rule for the employee and the employer is a notice period of six months. In some cases, the notice period is longer at the termination of the company, with a maximum of 12 months, and some cases the notice period is shorter for termination by the employee, 4 months. Severance pay, in addition to salary during the period of notice, shall be paid and, together with the fixed salary during the period of notice, shall total a maximum of 18 months' salary. Personnel domiciled outside of Sweden or who are domiciled in Sweden but have a significant link to another country or have been domiciled in another country

may be offered periods of notice and severance pay that are competitive in the country in which the persons are or have been domiciled or to which they have a significant link, primarily solutions equivalent to those for senior managers domiciled in Sweden.

The Board of Directors' preparations and decision-making

The Board of Directors' remuneration committee proposes, and the Board decides on, salaries and other terms and conditions for the CEO, the Executive Vice President and the CFO, as well as other senior managers.

The Company's auditor shall inspect the application of these guidelines each year in accordance with applicable regulations. The auditor's report shall be made available to the AGM.

Remuneration of Directors:

If elected board members perform work that goes beyond the Board's work, they should be able to receive a fee for such work. Compensation should be adjusted to the conditions on the market and must be approved by the Board.

Deviations from the guidelines

The Board of Directors shall be entitled to deviate from the guidelines if, in an individual case, there are particular grounds for the deviation.

Information about previously decided remuneration

Previously decided remuneration for management which has not fallen due for payment comes within the framework of the guidelines and is dealt with in the 2015 Annual Report for the Company and/or the Annual Report of the relevant company within the Group.

Deviation from guidelines

No deviations from the AGM 2015 adopted principles for remuneration to senior executives have occurred.

Majority requirement

The resolution regarding adopting the Board's proposed guidelines for remuneration for senior management requires the approval of shareholders representing more than one-half of the votes cast in order to be valid.

Gothenburg, March 2016

Bulten AB (publ)

Board of Directors

Item 17, the Board’s proposal for a decision on (a) introduction of a long-term share-based incentive scheme 2016, (b) transfers of the company’s own shares to Participants in the Scheme, and (c) authorisation for the Board to decide on transfers of the company’s own shares to cover social security contributions for the Scheme.

Background

The Board proposes that the Annual General Meeting decide to introduce a long-term share-based incentive scheme 2016 (“the Scheme”). The proposed Scheme gives around 15 senior executives and key individuals in the Bulten Group the opportunity to participate. The overall purpose of the Scheme is to create an increased personal owner commitment among Participants, which can be expected to stimulate an increased interest for the business and for profit development. It is also expected to facilitate the company’s ability to recruit and keep current and future senior executives and other key individuals. The Scheme is part of an overall competitive remuneration package. The Board considers therefore that the offer is beneficial for the company and its shareholders. It is the Board's intention to evaluate the proposed Scheme in coming years in terms of outcomes and acceptance rate. It is the Board's ambition to propose to future Annual General Meetings schemes similar to that now being proposed.

(a) Proposal for a decision to establish the Scheme

The Board proposes that the Annual General Meeting decide to establish the Scheme in accordance with the main terms and principles stated below:

- It is proposed that the Scheme be directed at around 15 senior executives and key individuals (“the Participants”), who are members of the Group’s executive management team or wider Group management team (“the Management Team”). It is proposed that the Board shall be given the right to offer executives in the Management Team a similar incentive if the share incentive scheme as presented below shall prove to be impractical for tax reasons in a country where a senior executive is resident, or if such participation in the company’s assessment is not possible at reasonable administrative cost or using reasonable economic resources. Costs for the company, the investment, incentives and financial results for the Participant shall hereby substantially correspond to what is described below.
- The Scheme means that the Participants shall invest in shares in the company (“Savings Shares”). The investment shall correspond to a specific percentage of the Participant’s gross base pay. The investment shall be at least 5 per cent and at most 15 per cent of gross base pay. The investment in Investment Shares shall take place through the acquisition of shares in the market during the period from 9 May to 20 May 2016. If any Participant, due to possession of inside information, is prevented from dealing in shares during the stipulated period of investment, purchase of shares shall take place as soon as the insider period has ended, however, by 31 August 2016 at the latest.
- For each Savings Share, the Participant shall receive without consideration one (1) share (“Matching Share”), on condition that the Savings Shares have been acquired during the stipulated investment period, and are thereafter retained throughout the full three-year qualification period, 20 May 2016 to 20 May 2019, and furthermore that the Participant

shall be a permanent employee of a company in the Bulten Group throughout the entire investment period and qualification period.

- In addition, participants shall have the opportunity to receive additional shares ("Performance Shares") without consideration. Allocation is conditional on performance targets set by the Board being met. The allocation per Participant is dependent on the Participant's position and level of investment. For the CEO/President and CFO /Deputy President it is proposed that the maximum number of Performance Shares shall be four (4) shares per Savings Share. For other Participants it is proposed a maximum of three (3) Performance Shares per Savings Share. To receive the maximum allocation of Performance Shares, it is required that targets set by the Board for growth in earnings per share, measured as an average over the period 2016-2018, are met. Allocation of shares shall be linear between the minimum and maximum level, where the minimum level is an average annual increase of 10 per cent and the maximum level is an average increase of around 20 per cent or more.

The general terms are as follows:

- The Participant must acquire Savings Shares before the start of the qualification period.
- Savings Shares shall be acquired in the market during the period from 9 May to 20 May 2016, subject to any restrictions on participants with insider position as described above.
- Matching and Performance Shares shall be allocated only after the end of the qualification period.
- A prerequisite for allocating Matching Shares and Performance Shares to Participants, subject to certain defined exceptions, is that the Participant has been permanently employed within the Bulten Group throughout the full investment period and qualification period and that the Participant during the full qualification period has kept all acquired Savings Shares. In addition, allocation of Performance Shares requires that the established performance targets are met, fully or partially.
- If, in the judgment of the Board, the conditions for allocation of Performance Shares are no longer reasonable, with consideration to, for example, significant changes in the company, Group or market, the Board shall be entitled to make adjustments to the Scheme
- The Board is entitled to decide on the exact details of the Scheme.
- The Scheme shall include at most 300,000 shares (including shares required for hedging of social security contributions for the Scheme, as explained below). Based on an assumption of full investment and a share price during the investment period of SEK 72, this means around 40,000 Matching Shares and around 170,000 Performance Shares. It is assumed that around 50,000 shares will be sold on the stock exchange to cover social security costs.
- The number of Matching and Performance Shares shall be recalculated in the event of a bonus issue (with the issuance of new shares), split or reverse split, rights issue or other similar events occurring in the company during the qualification period.

Costs of the Scheme

The costs of the Scheme have been calculated in accordance with IFRS 2 and will be disclosed in the Income Statement. The costs will be reported linearly across the qualification period.

The following assumptions are made to calculate costs: A share price of SEK 72 at the time of investment, that around 15 Participants take part, that each Participant invests the maximum amount allowed in the Scheme and that all Savings Shares remain at the end of the Scheme, the cost of the Scheme, as calculated in accordance with IFRS 2, will be around SEK 12.3 million.

In addition there will be a cost concerning social security contributions. Participants are domiciled and pay tax in Sweden, Germany and the UK. Assuming that shares shall be allocated in these countries, with an assumed share price at the end of the Scheme of SEK 100 and otherwise assuming the conditions as above, the calculated social security contributions shall amount to

around SEK 3.5 million. If the share price at the end of the Scheme is instead assumed to be SEK 125 the calculated social security contributions shall amount to SEK 4.4 million.

Dilution

At full investment in shares at the start of the Scheme, the maximum allocation of Matching Shares and Performance Shares shall amount, using current assumptions, to the number of shares in the Scheme, while the number of shares needed to hedge the social security payments associated with the Scheme (see below), shall amount to a maximum of 300,000 shares, corresponding to a dilution effect of around 1.5 per cent of the voting rights and number of shares.

Hedging measures

The Board proposes that the repurchased shares shall be used to hedge the supply of shares to the Scheme and to cover social security costs associated with the Scheme. As per the date of the notice of the 2016 Annual General Meeting, the company holds 680,500 of its own shares, and further authorisation for share buy-backs is proposed in item 18. The maximum number of shares for the Scheme and for the hedging of social security costs connected with the Scheme amounts to 300,000.

Previous outstanding share-related incentive scheme

The company has no outstanding incentive schemes from previous periods.

Preparation of the proposal

The Board's proposal to propose to the AGM to decide on approval of the Scheme as described above was taken at the Board meeting on 23 March. The proposal has been prepared by the Board's Remuneration Committee with the support of external advisors.

(b) Proposal for decision to transfer treasury shares to Participants in the Scheme

In order to fulfil the company's obligations towards Participants in the Scheme, the Board proposes that the Annual General Meeting decides that the company shall be entitled to transfer the company's own shares as follows:

- (a) The company shall have the right to transfer the number of shares that the company has a maximum obligation to allocate to Participants in accordance with the terms of the Scheme, at most 250,000 shares.
- (b) The right to acquire shares shall, with deviation from shareholders' preferential rights, fall to Participants in the Scheme who are entitled to receive shares in accordance with the terms of the Scheme.
- (c) Transfer of shares to Participants in the Scheme shall be without consideration and be executed in accordance with the terms stated in the Scheme, that is, in normal circumstances between 20 May 2019 and 30 May 2019.

The transfer of shares to employees is part of the implementation of the Scheme and will be done in order to fulfil the Company's delivery obligation to Participants who are entitled to receive shares in accordance with the terms of the Scheme. For the reasons stated above under the heading Background, the Board considers it to be for the benefit of the company and shareholders that Participants are offered shares in the company within the context of the Scheme.

The maximum number of shares that may be transferred to/be acquired by Participants in accordance with the above may be recalculated in the event of a bonus issue (with the issuance of new shares), split or reverse split in the company, or other similar events occur which cause a recalculation of the number of shares that shall be transferred to Participants in accordance with the terms of the Scheme.

(c) Proposal for decision to authorize the Board to decide on transfers to cover payment of social security contributions relating to the Scheme

In order to cover social security costs incurred in connection with the transfer of shares to Participants in the Scheme, the Board proposes that the Annual General Meeting authorize the Board to decide on the transfer of the company's own shares on the following terms:

- (a) Transfer shall be on the Nasdaq Stockholm exchange ("the Exchange").
- (b) Transfers may be performed on one or more occasions prior to the 2017 Annual General Meeting of at most 50,000 shares held by the company.
- (c) Transfer of shares on the Exchange shall solely be at a price per share within, at any time, the prevailing price interval.
- (d) Payment for the shares shall be made in cash.

The maximum number of shares that may be transferred to/be acquired by Participants in accordance with the above may be recalculated in the event of a bonus issue (with the issuance of new shares), split or reverse split in the company, or other similar events occur which cause a recalculation of the number of shares that shall be transferred to Participants in accordance with the terms of the Scheme.

The Board also intends to make proposals to forthcoming Annual General Meetings regarding authorization for the Board to decide on transfer of the company's own shares on the Exchange to cover social security costs associated with the Scheme.

Terms and conditions

The Board's proposal concerning the introduction of the Scheme in accordance with (a) is conditional upon the Meeting in addition agreeing to the hedging activities in accordance with (b) and (c). The Board's proposal regarding the decision to transfer the company's own shares in accordance with (b) is similarly conditional upon the Meeting reaching a decision on the Scheme in accordance with (a) and authorization for the transfer of the company's own shares to cover social security contributions (c). The Board's proposal for a decision regarding transfer of the company's own shares in accordance with (c) is conditional on the Meeting deciding on the Scheme in accordance with (a) and transfer of the company's own shares to Participants in accordance with (b).

Majority requirement for decision

For a decision to be valid for points (a) and (b) above it is required to be supported by shareholders representing at least nine-tenths of the votes cast and the shares represented at the meeting. For a decision to be valid for point (c) above it is required that each proposal be supported by shareholders representing at least two thirds of both the votes and the shares represented.

Göteborg, Sweden,
March 2016
Bulten AB (publ)
The Board of Directors

Item 18, The Board's proposal for decision to authorise the Board to decide on the acquisition and transfer of the company's own shares

(a) Decision to authorise the Board to decide on the acquisition of the company's own shares

The purpose of the authorisation for the acquisition of the company's own shares is to give the Board greater freedom of action and the ability to continuously adapt the company's capital structure and thereby contribute to increased shareholder value while also enabling the Board to exploit attractive acquisition opportunities by fully or partially financing the acquisition of companies, business or assets with the company's own shares. The aim is also, provided that the Annual General Meeting has decided in accordance with the Board's proposal under item 17 of the agenda of the AGM on establishing a long-term share-based incentive program in 2016, together with precautionary measures, to ensure that the company can fulfill its obligations to participants in such a program and to enable transfers of own shares to cover social fees associated with such a program.

In light of the above, the Board proposes that the Annual General Meeting authorises the Board to decide on the acquisition of the company's own shares on the following terms:

Acquisition shall take place on Nasdaq Stockholm ("The Exchange").

Acquisition shall be on one or more occasions before the 2017 Annual General Meeting.

The total amount of acquired shares after the acquisition can in total amount to no more than one tenth of all shares in the company.

Acquisition on the Exchange shall solely be at a price per share that lies within the registered share price range at that time, or in the event that the Board assigns an Exchange member to accumulate a specific amount of the company's shares in its own holding for a specific period at a price per share within the price range at that time or corresponding volume-weighted average share price.

Payment for the company's own shares shall be made in cash.

Upon acquisition the applicable regulations of the Exchange shall be observed.

The Board has in connection with the proposal submitted observations on Justification for under Chapter 19. Section 22 of the Companies Act, which is annexed to the proposal (Appendix 1).

(b) Decision to authorise the Board to decide on the transfer of the company's own shares

The purpose of the authorization to transfer the company's own shares is in the corresponding way to give the Board greater freedom of action and opportunity to continuously adapt the company's capital structure and thereby contribute to increased shareholder value. Furthermore the purpose is to enable the Board to utilise attractive acquisition opportunities by fully or partly financing the acquisition of companies, business operations or assets using the company's own shares.

The Board proposes that the Annual General Meeting authorises the Board to decide on the transfer of the company's own shares on the following terms:

- (a) Transfer may take place on the Exchange and/or in another way with or without deviation from shareholders' preferential rights and with or without conditions concerning acquisition in kind, offsetting of receivables against the company or other conditions.
- (b) Transfer may take place on one or more occasions prior to the 2017 Annual General Meeting, of a maximum of all of the shares that the company owns at the time of the transfer decision.
- (c) Transfer of shares on the Exchange may only be made at a price per share that is within the registered price range at the time.
- (d) Transfer that is made otherwise may be at a price that corresponds to the price in money or value of received property that corresponds to the share price at the time of transfer for the shares transferred with deviation considered suitable by the Board.
- (e) The Board retains the right to set other terms for the transfer.

The possibility for deviation from shareholders' preferential rights in the transfer of the company's own shares and the reason for a transfer price is justified by the fact that transfer of shares on the Exchange or other manner with deviation of shareholders' preferential rights can be done with greater speed, flexibility and is more cost-effective than transfer to all shareholders. Furthermore the purpose is to enable that the best possible terms can be secured for the company while also giving the Board freedom of action in connection with the acquisition of a company, operations or assets. If the company's own shares are transferred for a consideration in other form than money in connection with an agreement to acquire a company, operations or assets the company cannot give shareholders the possibility to exercise any form of preferential rights.

Both the 680,500 shares which at the date of the notice to the Annual General Meeting held by the company, and the shares acquired pursuant to the General Meeting under item (a) above, is proposed to be transferred in accordance with this authorization.

Others

Bulten holds 680,500 shares at the date of the notice to the Annual General Meeting in 2016, corresponding to appr. 3.23 percent of all shares in the company.

Majority requirement for decision

For a decision to be valid for each of the proposals above it is required that the decision is supported by shareholders representing at least two-thirds of the votes cast and the shares represented at the AGM.

Göteborg, March 2016

Bulten AB (publ)

The Board of Directors

Item 19 - The Board's proposal for decision to authorise the Board to decide on new share issue

The Board proposes that the Annual General Meeting resolves to authorise the Board, up to the time of the next Annual General Meeting, on one or more occasions, to decide on a new issue of shares, subscription options and/or convertibles.

The issue may be with or without deviation from the preferential rights of shareholders.

The reason for the proposal and for deviating from shareholders' preferential rights and/or the possibility to decide on the issue with conditions concerning acquisition in kind, offset or other conditions, is to give the Board flexibility in the work of financing or enabling an accelerated expansion and development of the Group, its markets and products, such as the acquisition of companies, operations or assets for which payment in full or part shall be with newly issued shares and/or enable the Board to quickly raise capital for such acquisition.

The number of shares to be issued with such authorisation or which may arise through utilisation of options and conversion of convertibles issued with the authorisation shall be a maximum of 1,052,010 shares, which at full authorization represents a dilution of around 5% of all shares in the company, at the time of convening the Annual General Meeting.

The number of shares that maximum may be issued based on the authorization and may be issued through the exercise of options and conversion of convertible bonds issued under the authorization may be recalculated in the event of a bonus issue (with the issuance of new shares), split or reverse split occurs in company.

Issues shall be on market-related terms. The Board retains the right to establish other terms for the issues.

Authorisation for adjustments

The Board or a representative appointed by the Board is authorised to make minor formal adjustments of decisions that may prove necessary in connection with registration with the Swedish Companies Registration Office.

Majority requirement for decision

For a decision to be valid it is required that the proposal is supported by shareholders representing at least two-thirds of both votes cast and shares represented at the Annual General Meeting.

Göteborg, March 2016
Bulten AB (publ)
The Board of Directors

Appendix 1: The Board's statement pursuant to Chapter 18, section 4 and Chapter 19, section 22 of the Swedish Companies Act regarding

Board's statement pursuant to Chapter 18, section 4 and Chapter 19, section 22 of the Swedish Companies Act regarding

The Board makes the following statement pursuant to Chapter 18, section 4 and Chapter 19, section 22 of the Companies Act in respect of the proposed for resolution on the dividend and the proposed resolution on the authorization to acquire own shares.

The type and scope of the business are explained in the articles of association and published annual reports. The type and scope of the business conducted by the company and Group companies do not entail more risks than the general risks that are associated with conducting business of this type or than arise or can be assumed to arise in the industry.

The Company's and the Group's business cycles do not differ from that of other companies in the industry. Regarding essential events refer to what is stated in the Directors' Report in the Annual Report for fiscal year 2015. Since then, no significant events occurred that affect the company's ability to pay dividends.

The company's and Group's financial positions as of 31 December 2015 are presented in the 2015 annual report. The aforementioned annual report also describes the principles applied for the valuation of assets, provisions and liabilities. No assets and liabilities of the parent company or the Group are measured at fair value pursuant to Chapter 4 section 14 of the Swedish Annual Accounts Act. No modifications of the restricted equity have occurred after the balance sheet date.

Bulten has an objective to pay out in dividends to shareholders over time around one third of net earnings after tax. Consideration shall be given to Bulten's financial position, cash flow and outlook.

The proposed dividend of SEK 3.25 per dividend-entitled share, a total of SEK 66,169,047.75 (amount calculated as of the date of the notice for the Annual General Meeting based on the company holding 680,500 of its own shares) corresponds to around 60 per cent of net profit after tax adjusted for non-recurring items and is [0.00] per cent of the company's equity and [0.00] per cent of the Group's equity. The proposed dividend reduces the company's equity/assets ratio from 70.4 per cent to 69.4 per cent and the Group's equity/assets ratio from 64.0 per cent to 62.8 per cent, calculated as of 31 December 2015.

The proposed buy-back of the company's own shares means that the Board would be authorized to acquire as a maximum an amount of shares such that the company's holding of its own shares is not more than one tenth of all shares in the company. At maximum utilization of the buy-back authorization, 2,104,020 shares may be acquired (without taking into account that the company has already of the date of the notice of the Annual General Meeting repurchased 650,800 shares). The cost of these share buy-backs, based on a price using the share price on the date of the notice of the 2016 Annual General Meeting, amounts to SEK 74.00, which is 14.1 per cent of the company's equity and 12.5 per cent of the Group's equity. The buy-backs would reduce the company's equity/assets ratio from 70.4 per cent to 67.1 per cent and the Group's equity/assets ratio from 64.0 per cent to 60.9 per cent, calculated as of December 31, 2015.

In summary, the proposed dividend combined with full utilization of the authorization to buy back the company's own shares reduces the company's equity/assets ratio from 70.4 per cent to 65.5 per cent and the Group's equity/assets ratio from 64.0 per cent to 59.4 per cent, calculated as of 31 December 2015.

The company's and the Group's equity/assets ratios do not deviate from what is normal in the industry. The company has good liquidity.

According to the Board's assessment, the company's and the Group's equity, after both payment of the full dividend and after full utilization of the authorization to buy back the company's own shares, will be sufficiently large in relation to the nature, scope and risks in the business.

It is the Board's assessment that neither the proposed dividend nor the full utilization of the authorization to buy back the company's own shares will compromise performance of the investments deemed necessary, nor do they compromise the company's or the Group's ability to fulfil present and future payment obligations in a timely manner. The company's and the Group's liquidity forecasts contain preparedness to cope with variations in current payment obligations.

The company's and Group's financial position does not give rise to any other conclusion than that the company and Group after payment of the proposed dividend and full utilization of the authorization to buy back the company's own shares can continue its business and that the company and Group can meet their obligations in the short and long term. With reference to the above and that which has otherwise come to the attention of the Board, the Board considers that the proposed dividend and full utilization of the authorization to buy back the company's own shares is justifiable considering the demands that the nature, scope and risks of the business place on the company's and the Group's equity and the company's and the Group's consolidation requirements, liquidity and general position.

Göteborg, March 2016

Bulten AB (publ)

The Board of Directors