

The Board's proposal for decision on transfer of treasury shares to administrative employees (item 19)

The Board of Ratos AB (publ) ("Ratos") proposes that the Annual General Meeting resolves on the transfer of a maximum total of 16,000 B shares in Ratos to administrative employees in the company. It is proposed that the shares to be transferred shall comprise treasury shares and correspond to less than 0.005 per cent of the total number of shares issued in Ratos. Transfer may take place during the period until the next Annual General Meeting, to a maximum total of approximately 20 employees in the company. Transfer of treasury shares in accordance with the proposal may only be made to employees who are not covered by Ratos's incentive systems for variable salary directed towards employees in the business organisation.

The transfer is related to the system decided by the Board for variable salary to administrative employees. Variable salary shall also be able to take the form of shares, whereby settlement is made at market price on the date of the transfer. Variable salary is linked to Ratos's reported profit for the 2012 financial year and individual performance.

The Board is of the opinion that it is to the advantage of Ratos and shareholders that the administrative employees in this way have an opportunity to become shareholders in the company. A shareholding creates an increased common interest between employees and owners and is expected to have a performance enhancing effect.

The Annual General Meeting's according to the Board's above proposal will only be valid if it is supported by shareholders with at least nine-tenths of both votes cast and the shares represented at the Meeting.

Stockholm, February 2012

Ratos AB (publ)

Board of Directors