



## **NOTICE TO ATTEND ANNUAL GENERAL MEETING IN ELEKTA**

### **PRESS RELEASE**

Stockholm, Sweden, August 21, 2007

**Shareholders in Elekta AB (publ) are hereby invited to attend the Annual General Meeting to be held on Tuesday, September 25, 2007, at 3:00 p.m. at Polstjärnan Konferens, Sveavägen 77, Stockholm.**

### **Notification, etc.**

Shareholders who wish to participate in the Meeting must be listed in the register of shareholders maintained by VPC AB (the Swedish Securities Register Center) not later than Wednesday, September 19, 2007 and notify the Company of their intent to participate in the Meeting (including the number of any assistants) not later than Wednesday, September 19, 2007, at 4:00 p.m.

Notification of participation at the Annual General Meeting may be forwarded in writing to Elekta AB (publ), Attn: Corporate Communications, Box 7593, SE-103 93 Stockholm, by telefax: +46 8 587 255 00, or by telephone +46 8 587 254 00. Notification can also be made by e-mail to [ir@elekta.com](mailto:ir@elekta.com).

Notification forms will be forwarded with the Company's Annual Report. In providing notification in any other manner, shareholders must state their name/company name, national registration/corporate registration number, address and the registered number of shares held.

Shareholders whose shares are registered in the names of nominees, through the trust department of a bank or other trustee, must temporarily re-register the shares in their own names in order to participate in the Annual General Meeting. Such re-registration must be completed not later than September 19, 2007, which means that shareholders in sufficient time prior to this date must instruct the nominee to carry out such action.

The financial statements and auditor's report will be available at the Company's head office at Kungstensgatan 18 in Stockholm as of Tuesday, September 11, 2007, and will be forwarded at that time to the shareholders. The Board's complete proposal for decision in accordance with all relevant items will be available at the same address as of Tuesday, September 11, 2007. The proposals will be forwarded at that time to the shareholders who so request and provide their mailing address. The complete proposal for a decision as per item 18 below will be automatically sent to all 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.elekta.com](http://www.elekta.com).



## **Agenda**

1. Opening of the Meeting;
2. Election of the Chairman of the Meeting;
3. Preparation and approval of the list of shareholders entitled to vote at the Meeting;
4. Approval of the agenda;
5. Election of one or two minutes-checkers;
6. Determination of whether the Meeting has been duly convened;
7. Presentation of the Annual Report and the Auditors' Report for the Parent Company and the consolidated accounts and the Auditors' Report for the group;
8. Motion concerning adoption of the balance sheet and income statement and the consolidated balance sheet and consolidated income statement;
9. Motion concerning approval of the disposition of the Company's earnings as shown in the balance sheet adopted by the Meeting;
10. Motion concerning the discharge of the members of the Board of Directors and the CEO from personal liability;
11. Report on the work of the election committee;
12. Determination of the number of members and any deputy members of the Board of Directors;
13. Determination of the fees to be paid to the members of the Board of Directors and the auditors;
14. Election of Board members and any deputy Board members;
15. Adoption of principles for executive compensation;
16. Question of reduction of the share capital;
17. Question of authorization for the Board to acquire and transfer own shares;
18. Decision on an incentive program;
19. Question regarding the nomination of the election committee.

## **PROPOSALS BY THE BOARD AND THE ELECTION COMMITTEE**

### **Point 2 – Proposal for Chairman of the Meeting**

The election committee proposes advokat Bertil Villard to be Chairman of the Meeting.

### **Point 9 – Disposition of the Company's earnings**

The Board of directors proposes that of the Company's unappropriated earnings, SEK 407 809 841, an amount representing SEK 1 per share should be distributed as dividend to the shareholders and that the remaining unappropriated earnings be carried forward. Record day for the dividends is proposed to be September 28, 2007.

### **Points 12 to 14 – Proposal for election of Board of Directors and remuneration to the Board and the auditors.**

The Board is proposed to consist of 7 members, without deputy members. It is proposed that each of Akbar Seddigh, Magnus Schmidt, Carl G. Palmstierna, Tommy H Karlsson, Laurent Leksell, Hans Barella and Birgitta Stymne Göransson are re-elected as members of the Board. Akbar Seddigh is proposed to be chairman of the Board.

It is proposed that remuneration shall be paid to the Board at a total of SEK 1,910,000 of which SEK 520,000 to the chairman of the Board, SEK 260,000 to each of the external members of the Board, SEK 60,000 shall be paid to the chairman of the Company's compensation committee and SEK 30,000 to any other member of said



committee. No remuneration shall be paid to members of the Board that are employed by the Company.

Remuneration to the auditor is proposed to be paid according to an approved account.

The proposals in this point have been put together by the Company's election committee which as per June 29, 2007, represented shareholders holding over 46 per cent of the votes in the Company.

### **Point 15 – Adoption of principles for executive compensation**

The Board of Directors proposes that the meeting approves the following principles for remuneration and other terms of employment for the executive management of the group. The principles will be valid for employment agreements entered into after the meeting and for any changes made to existing employment agreements thereafter. It is proposed that the Board is given the possibility to deviate from the below stated guide lines in individual cases where specific reasons or requirements exist.

#### Principles

It is of fundamental importance to the group and its shareholders that the principles for compensation and other employment conditions for the executives of the group aims to, in the short and long term, attract, motivate and retain competent employees and managers. To obtain this goal, it is important to ensure fairness and internal equity, while maintaining market competitiveness of the structure, scope and level of executive compensation within Elekta. Employment conditions for the executive management should comprise a balanced mix of fixed salary, annual incentives, long term incentives, pension and other benefits as well as notice and severance payments.

Total target cash compensation, i.e. fixed salary and variable incentives, should be competitive in the geographic market where the employee is resident. The level of total cash should be reviewed annually to ensure that it is in line with the median for similar positions in the relevant market. Compensation should be highly performance driven and therefore the target annual incentive should be a relatively high portion of the total target compensation.

#### Compensation components

The group compensation system comprises different forms of compensation in order to create a well balanced remuneration which strengthens and underpins long and short term objective setting and attainment.

Fixed salary - The fixed salary shall be individual and based on the content and responsibility of the role as well as the individual's competence and experience in relation to the role held.

Annual incentive - Executive management has an annual incentive with quarterly measurement and payment. The annual incentive is structured as a variable component of the total cash remuneration package and is primarily related to the achievement of common group financial performance goals. The goals for the annual incentive are established annually by the Board so as to sustain the business strategy and objectives. Other measures, i.e. Key Performance Indicators, may be used to create focus on non-financial objectives of particular interest. The size of the annual



incentive is dependent on the role held and may amount to between 30 and 100% of the fixed salary at target performance. At over-performance of financial and other quantitative goals the level of pay out against the annual incentive is capped at a maximum of 160% of target. The plan shall also contain a minimum performance level under which no bonus will be paid out.

In order to ensure long term engagement, continued employment as well as competitive pay from an international perspective, the annual incentive may be complemented by an additional annual incentive with a deferred payment by 12-24 months. This deferred bonus requires continued employment until an agreed future date for any payment to be made. The deferred bonus should never exceed 50% of the normal annual incentive and shall in other aspects follow the group bonus plan.

Long Term Incentive and share related incentive programs - In order to strengthen long term thinking in decision making and ensure achievement of long term objectives, the Board may selectively decide on other type of non-share price related long term cash incentive programs. Potential remuneration in form of a long term incentive should be in line with practice in each market and requires continued employment in the group.

The Board also uses long term incentives to reinforce a customer and shareholder perspective among executive and other management. On a yearly basis, the Board of Directors evaluates whether a share based long term incentive program, e.g. in the form of an option program, should be proposed to the AGM. The main content of the Board's proposal to this year's Annual General Meeting can be found under point 18 the proposal of the Board for a resolution to adopt the Elekta AB 2007 Share Unit Plan.

Pension - When establishing new pension agreement, those senior executives that are entitled to pension benefits should have defined contribution schemes. The pensionable age for Swedish citizens is 65 years while other executives follow the rules of their respective countries of residence. The main guideline is that the size of pension contributions is based only on the fixed salary. Certain individual adjustments may occur based on market practice.

Other benefits - Other benefits, such as company cars and health, medical and sickness related insurance schemes, should be of a more limited value compared to other items of the compensation package and in line with the market practice for the respective geographic market.

Notice periods and severance agreements - The President and CEO has a notice period of 24 months. Other senior executives have notice periods between 6 and 12 months. Severance agreements will in principle not be signed. In a redundancy situation, the current practice in the geographic market where the executive is resident will apply.

## **Point 16 – Reduction of share capital**

In accordance with the authorization given at the latest Annual General Meeting, Elekta has since the previous shareholders meeting acquired 1 630 871 of its own B-shares. The Board has previously announced that the intention is to cancel the acquired B-shares. The Board therefore proposes that the shareholders' meeting decides to reduce the Company's share capital by SEK 3 261 742 through retirement of these 1 630 871 shares without any repayment. The reduction amount shall be



allocated to the Company's disposition fund to be used in accordance with resolutions passed by the shareholders' meeting.

The resolution of the Meeting in accordance with the Board's proposal pursuant to point 16 must be supported by shareholders holding at least two-thirds of the votes cast as well as two-thirds of all shares present or represented at the Meeting.

#### **Point 17 – Authorization for the Board to acquire and transfer own shares**

The Board proposes that the Meeting authorize the Board during the period until the next Annual General Meeting, on one or more occasions, to decide on acquisition of a maximum number of own shares to the extent that after purchase the Company holds not more than ten percent of the total number of shares in the Company. The repurchase shall be carried out on Nordiska Börsen i Stockholm (the Nordic Exchange, Stockholm) at a price within the registered price interval (spread) at any given time, that is the interval between the highest bid price and the lowest ask price, and in other respects in accordance with the rules in the Company's listing agreement with Nordiska Börsen i Stockholm (the Nordic Exchange, Stockholm) at any given time. The purpose of the repurchase of own shares is firstly to align the Company's capital structure to the Company's capital requirements and where appropriate to be able to transfer shares in conjunction with the financing of company acquisitions and other types of strategic investments and acquisitions.

The Board proposes that the Meeting authorize the Board during the period until the next Annual General Meeting, on one or more occasions, to decide on the transfer of shares in the Company. The transfer of shares may only be made in conjunction with financing of acquisitions and other types of strategic investments and may be carried out in the maximum amount of own shares that the Company holds at any given time. In conjunction with the acquisition of companies, the transfer may be effected with waiver of the shareholders preferential rights and to a price within the so-called spread (see above) at the time of the decision on transfer and in accordance with the rules in the Company's listing agreement with Nordiska Börsen i Stockholm (the Nordic Exchange, Stockholm) at any given time. The payment for the thus transferred shares may be made in cash or through non-cash issue or offsetting of claims against the Company, or on specific terms. The reason for the Board's authorization to waive the shareholders' preferential rights is to, where appropriate, be able to transfer shares in conjunction with the financing of any company acquisitions and other types of strategic investments and acquisitions in a cost-efficient manner.

The resolution of the Meeting in accordance with the Board's proposal pursuant to point 17 must be supported by shareholders holding at least two-thirds of the votes cast as well as two-thirds of all shares present or represented at the Meeting.

#### **Point 18 – Decision on an incentive program**

Calculations of dilution are based on the number of shares outstanding at the time this notice was drafted with adjustment for the number of shares proposed to be cancelled in accordance with item 16.

##### 1. Adoption of Elekta AB 2007 Share Unit Plan

The Board proposes that the Elekta AB 2007 Share Unit Plan ("the Plan") shall be adopted. The aim is that the terms and guidelines in the Plan shall be the basis for



annual grants of employee options, which provide the possibility to acquire class B shares in the Company to key employees within the Elekta group, during the period 2007 – 2009. The intention is that each year's grant shall be contingent upon approval of the Annual General Meeting.

The main terms of the Plan are i) for employees resident in Sweden it is required that, for the employee to receive employee options and retain the possibility to acquire shares, the employee shall acquire a certain number of shares in the Company on the market and hold these shares until exercise of the option; (ii) the number of shares that will be possible to acquire based on the employee options is determined based on the fulfillment of collectively established performance goals; (iii) it shall be possible to exercise one fourth of the options annually; (iv) the options are nontransferable; (v) the options are dependent upon continued employment; (vi) the price that shall be paid to receive shares on exercise of the option shall amount to not less than 110 percent of the share's market value at the time of the option offer; (vii) the lifetime of the option shall be a maximum of five years, and (viii) the financial gain that the employee could receive on the granted options is maximized to 400% of the price that shall be paid for the shares.

The intention of the Company is that the outstanding warrants issued subject to the Plan shall not at any time involve a possible dilution of the number of outstanding shares with more than 5%.

The purpose of the incentive program is to create involvement by key personnel in the Company's development and to ensure that they share the objective to generate profitable growth. It is also intended to motivate key personnel to continued employment in the Company. The need for an equity based incentive program should be viewed with the perspective that the group is active in a global market and that a majority of the eligible employees are active in markets where equity based incentives are a normal component in the total compensation package.

## 2. The Board's proposal on resolving on issuing employee options in accordance with the Plan

The Board proposes that the Annual General Meeting decide on the issuance of employee options (allotment 2007) in accordance with the Plan and the terms stated therein and in other respects mainly in accordance with the following.

Employee options shall be offered to around 75 key personnel divided into five levels: the executive management (about 1-3 persons), other senior executives (about 10-15 persons), senior managers (about 10-15 persons), middle managers (about 15-35 persons) and other key personnel (about 15-30 persons). Upon attainment of the performance goal, the allotted options shall provide the possibility to acquire a maximum of 1,600,000 class B shares. The performance goal is based on the operating profit and net sales growth in local currency during the financial year of 2007/08 and fulfillment shall be determined by April 30, 2008.

The employee options shall have a lifetime through and including July 31, 2012. In the event that there are obstacles allotting employee options to the employees in certain countries, the Board shall instead have the right to issue synthetic employee options to these persons. Such synthetic employee options shall be issued in accordance with the comparable terms as the employee options, but with the exception that they only carry rights to cash settlement.



Decisions in accordance with point 1 and 2 can be made with a simple majority. However, the decision on issuance of employee options pursuant to point 2 shall be conditional upon the Meeting also deciding on the issue of warrants in accordance with point 3 below.

### 3. Board's proposal to issue warrants and the approval of the transfer of warrants

To ensure that the Company can fulfill its obligation to deliver shares when the holders of employee options request exercise and to constitute a hedge for any cash flow impact of social security fees, the Board proposes that the Meeting shall decide that the Company shall issue free of charge a maximum of 1,856,000 warrants, each entitling to subscription of one class B share in the Company. As a result thereof, the Company's share capital could increase by a maximum of SEK 3,712,000 corresponding at full subscription, to 1,93% of the total number of shares and 1,45% of votes in the Company. Taking into account also outstanding warrants reserved for earlier employee option programs in the Company, the share capital increase, at full subscription, could correspond to 4,01% of the total number of shares and 3,02% of the total number of votes in the Company.

With deviation of the shareholders' preferential rights, the Company's subsidiary Elekta Instrument AB, shall be entitled to subscribe, with the right and obligation for the subsidiary after subscription and at the employees' request for exercise of the employee options issued by the Company (or synthetic options if applicable) fulfill the Company's obligation through transfer of the warrants. Elekta Instrument AB is also entitled to dispose of warrants in order to cover social security fees for the stock option program.

The price at which subscription of a new class B share shall be carried out will be 105% of the average closing price during the 10 trading days directly after the Annual General Meeting, but can not be below the quota value of the share. Subscription of Series B shares through the warrants, whereby one (1) warrant carries the right to subscribe for one (1) class B share, can be carried out during the period from and including November 1, 2007 to and including July 31, 2012.

The usual terms and conditions apply with regard to the adjustment terms, etc. Subscription of warrants shall be carried out not later than October 31, 2007.

The reason for the deviation of the shareholders' preferential rights is that the Board proposed to the Meeting to issue employee options in accordance with point 2. A condition for the decision regarding the issuance of employee options – in the form stated in point 2 – is that the proposed issue of warrants is made to the subsidiary.

The President or the person authorized by the President shall have the right to make such minor changes to the decision of the Meeting that may be required in conjunction with registration of the issue and any registration of the warrants with VPC (Swedish Securities Register Center).

The decision by the Meeting in accordance with the Board's proposal pursuant to this point 3 requires that the Meeting's decision is supported by shareholders representing at least nine tenths of the votes cast as well as the shares represented at the Meeting.

The Board further proposes that the Meeting decides that the warrants issued in accordance with point 3 and which the Board considers are not necessary to secure the



Company's obligation in accordance with the issued employee options shall be cancelled as soon as possible. It is proposed that the Meeting assign the Board to carry out such cancellation.

#### **Point 19 – Question regarding the nomination of the election committee**

The election committee proposes that an election committee should be appointed through a procedure whereby the chairman of the Board, before the end of the second quarter of the financial year, contacts three to five representatives for the, at that time, largest holders of A and B shares. Those representatives shall together with the chairman of the Board constitute the election committee and fulfill its obligations in accordance with the Swedish Code of Corporate Governance (sw. Kodén för bolagsstyrning). The names of the members of the election committee shall be published as soon as they have been appointed, however, not later than six months before the next Annual General Meeting. The election committee appoints a chairman from within the committee and is appointed until a new election committee has been appointed. No remuneration shall be paid for the performance of the work in the election committee, however, the company shall pay all such necessary costs which may arise in the performance of the assignment.

If any of the larger shareholders sell their shares in the Company before the election committee has fulfilled its assignment, the member that has been appointed by such a shareholder shall, if the election committee so decides, be replaced by a representative of the largest share holder after those who are already represented in the election committee. If a member of the election committee no longer represents the shareholder that appointed him/her, before the assignment of the election committee has been fulfilled, then he/she should be replaced, if the election committee so decides, by a new representative appointed by that shareholder.

Stockholm, August 2007  
The Board of Directors of Elekta AB (publ)

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#### **For further information, please contact:**

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#### **About Elekta**

Elekta is an international medical-technology Group, providing meaningful clinical solutions, comprehensive information systems and services for improved cancer care and management of brain disorders. All of Elekta's solutions employ non-invasive or minimally invasive techniques and are therefore clinically effective, gentle on the patient and cost-effective.

Clinical solutions include among others Leksell Gamma Knife<sup>®</sup> for non-invasive treatment of brain disorders and Elekta Synergy<sup>®</sup> for image guided radiation therapy (IGRT). Following the acquisition of IMPAC Medical Systems Inc. in April 2005, the Elekta Group is the world's largest supplier of oncology software.

Elekta's systems and solutions are used at over 4,000 hospitals around the world to treat cancer and manage clinical operations as well as to diagnose and treat brain disorders, including tumors, vascular malformations and functional disorders.

With approx. 2,000 employees, Elekta's corporate headquarter is located in Stockholm, Sweden and the company is listed on the Stockholm Stock Exchange under the ticker EKTA. For more information about Elekta, please visit [www.elekta.com](http://www.elekta.com).