



## **PRESS RELEASE**

Stockholm, August 23, 2005

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

**Shareholders in Elekta AB (publ) are hereby invited to attend the Annual General Meeting to be held on Wednesday, September 21, 2005, at 3:00 p.m. in the Finlandshuset Conference Center, Snickarbacken 4, 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 Friday, September 9, 2005 and notify the Company of their intent to participate in the Meeting (including any assistants) not later than Thursday, September 15, 2005 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 [elisabeth.natt.och.dag@elekta.com](mailto:elisabeth.natt.och.dag@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, daytime telephone number 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 9, 2005, 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 7, 2005 and will be forwarded at that time to the shareholders. The Board's complete proposal for decision in accordance with point 20 will be available at the same address as of Wednesday, September 7 and the Board's complete proposals for decisions in accordance with points 15 – 19 will be available as from Wednesday, September 14. The proposals will be forwarded at that time to the shareholders who so request and provide their mailing address. 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 President from personal liability for the fiscal year
11. Report on the work and function of the nomination committee
12. Determination of the number of members and 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. Question of changing the articles of association
16. Question of bonus issue
17. Question of changing the articles of association
18. Question of reduction of the share capital
19. Proposal on authorization for the Board to acquire and transfer own shares
20. Decision on an incentive program
21. Question regarding the nomination of the nomination committee
22. Other issues

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

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

The nomination 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 871,351,023, an amount representing SEK 6.60 per share should be distributed as dividends to the shareholders and that the remaining unappropriated earnings be carried forward. Record day for the dividends is proposed to be September 26, 2005.

### **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 Akbar Seddigh, Magnus Schmidt, Carl G. Palmstierna, Tommy H.



Karlsson, Laurent Leksell and Hans Barella are re-elected as members of the Board and that Birgitta Stymne Göransson is elected as new Board member. 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 1,700,000 of which SEK 460,000 are paid to the chairman of the Board and SEK 230,000 to each of the external members of the Board. In addition thereto 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 Boards that are employed by the Company.

Remuneration to the auditor is proposed to be paid according to an approved current account. The proposals in this point have been put together by the Company's nomination committee which as per July 29, 2005 represented shareholders holding about 37 per cent of the votes in the Company.

### **Points 15 - 17 – Question of changing the articles of association and bonus issue**

In the light of the trend in market prices for Elekta's shares, the Board of directors has decided to propose a share split, 3:1, by which one old A share and B share respectively will be replaced by three new shares of the same kind. At present Elekta's shares have a nominal value of SEK 5 per share. A share split would give the shares a nominal value of SEK 1.66666 per share, which is not practicable. The Board therefore proposes an adjustment, so that the new nominal value, after the share split, will be SEK 2 per share. This adjustment will be made through a bonus issue. The procedure is carried out in three steps.

Under point 15 it is proposed that the articles of association is changed so that § 5 states that a share shall have a nominal value of SEK 6. Under point 16 it is proposed that the Company's share capital is increased through a bonus issue where an amount is transferred from the share premium reserve, which corresponds to SEK 1 per existing share at the time of the decision of the bonus issue. The bonus issue is made by increasing the shares' nominal value and does not lead to an issue of any new shares. Under point 17 it is proposed that the articles of association are changed so that § 5 states that a share will have a nominal value of SEK 2, which means that the above mentioned share split 3:1 is carried out. Record day for the share split will be October 19, 2005 which means that the last day for trading in the Elekta share before the split will be October 14, 2005.

### **Point 18 – Reduction of share capital**

In accordance with the authorization given at the latest Annual General Meeting, Elekta has during the last financial year acquired 224,900 of its own B-shares. After the execution of the resolutions under points 15 -17 the number of B-shares held by the Company will be 674,700. 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 1,349,400 through retirement of these 674,700 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 18 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 19 - 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 Stockholmsbörsen (the Stockholm Stock Exchange) 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 taking into consideration the recommendations issued by the Swedish Industry and Commerce Stock Exchange Committee 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 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 where appropriate taking into account the recommendations issued by the Industry and Commerce Stock Exchange Committee at any given time. The payment for the 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 19 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 20 – Decision on an incentive program**

The number of shares stated in different contexts below in this point 20 in all cases concerns the number of shares post a split resolution in accordance with point 17 above. 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 point 18.

#### *A. The Board's proposal to decision on granting employee options in accordance with the Elekta AB 2004 Share Unit Plan*

The Board proposes that the Annual General Meeting decides on the grant of employee options (allotment 2005) in accordance with the Elekta AB 2004 Share Unit Plan (the "Plan") which was adopted by the Annual General Meeting 2004. The main terms of the Plan are i) it is required that, for an 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 a collectively established performance goal; (iii) it shall be possible to exercise one



third 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 four 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.

For the grant of employee options the following shall additionally be applied.

Employee options shall be offered to around 100 key personnel divided into five levels: the executive management, other senior executives, senior managers, middle managers and other key personnel. Upon attainment of the performance goal, the allotted options shall provide the possibility to acquire a maximum of 1,900,000 class B shares. If the performance goal is exceeded, a possibility shall arise to acquire an additional maximum of 285,000 shares. The performance goal is based on the operating margin during the financial year of 2005/06 and fulfillment shall be determined as of April 30, 2006.

The employee options shall have a lifetime through and including July 31, 2009. 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.

Outstanding employee options granted 2004 can at the time of this notice result in an issuance of 1,605,027 new class B share meaning a dilution of the total number of outstanding shares of app. 1.7 percent (app. 1.3 percent of the votes). At maximum performance and full exercise of employee options proposed to be allotted this year, it could result in an issuance of 2,185,000 class B shares meaning a dilution of the total number of outstanding shares with app. 2.3 percent (app. 1.7 percent of the votes). Including outstanding employee options granted 2004, the total dilution of outstanding shares can at maximum amount to app. 4.1 percent (app. 3 percent of the votes).

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 the presence on the US market has significantly increased during the past year through the acquisition of Impac. Hence, a majority of the eligible employees are active in markets where equity based incentives are a normal component in the total compensation package.

Decision in accordance with this point A can be made with a simple majority. However, the decision on issuance of employee options pursuant to point A shall be conditional upon the Meeting also deciding on the issue of debentures linked to detachable warrants in accordance with point B below.

*B. Board's proposal to assume debenture loans through the issue of debt instruments linked to detachable warrants for new subscription of shares 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, the Board proposes that the Meeting



shall decide that the Company shall assume a debenture loan in a maximum nominal amount of SEK 100 through the issue of debentures linked to a maximum of 2,185,000 warrants for new subscription of Series B shares in the Company. As a result thereof, the Company's share capital could rise by a maximum of SEK 4,370,000. The dilution of outstanding shares which would be a consequence of such a rise of the share capital has been stated above in point A.

With waiver of the shareholders' preferential rights, those entitled to subscribe is the Company's subsidiary Elektta Instrument AB, with the right and obligation for the subsidiary after subscription to detach the warrants and at the employees' request for exercise of the employee options issued by the Company (or synthetic options if applied) fulfill the Company's obligation through transfer of the warrants.

The debenture in a maximum nominal amount of SEK 100 shall be issued at a price corresponding to the nominal amount. The debenture is interest-free and matures for payment at April 30, 2006. The price at which new subscription of a Series 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 (though adjusted due to split), but can not be below the nominal value of the share. Subscription of Series B shares based on the warrants, whereby one (1) warrant carries the right to subscribe for one (1) Series B share, can be carried out during the period from and including November 1, 2005 to and including July 31, 2009.

The usual terms and conditions apply with regard to the adjustment terms, etc. Subscription and payment of the debentures with warrants shall be carried out not later than October 31, 2005.

The reason for the waiver of the shareholders' preferential rights is that the Board proposed to the Meeting to issue employee options in accordance with point A. A condition for the decision regarding the issuance of employee options – in the form stated in point A – is that the proposed issue of debentures with detachable 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 B requires that the Meeting's decision is supported by shareholders representing at least nine tenths of the votes cast as well the shares represented at the Meeting.

The Board further proposes that the Meeting decides that the warrants issued in accordance with point B 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 21 – Question regarding the nomination of the nomination committee**

The nomination committee proposes that a nomination 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 nomination committee and



fulfil its obligations in accordance with the Swedish Code of Corporate Governance (sw. Koden för bolagsstyrning). The names of the members of the nomination committee shall be published as soon as they have been appointed, however, not later than six months before the next Annual General Meeting. The nomination committee is appointed until a new nomination committee has been appointed.

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

Stockholm, August 2005  
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® for non-invasive treatment of brain surgery and Elekta Synergy® 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 3,000 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. 1700 employees, Elekta's corporate headquarter is located in Stockholm, Sweden and the company is listed on the Stockholm Stock Exchange under the ticker EKTA.