

This is a non-official translation of the Swedish original wording. In case of discrepancies between the English translation and the Swedish original, the Swedish text shall prevail.

PROPOSAL OF THE BOARD OF DIRECTORS ON REDUCTION OF THE SHARE CAPITAL IN CONNECTION WITH CANCELLATION OF SHARES

At the time of AarhusKarlshamn AB's (former BNS Industrier AB) public offer to the shareholders in Aarhus United A/S and Karlshamns AB in 2005, Aarhus United A/S held treasury shares. In conflict with the parties' intentions – as expressed in the prospectus – Aarhus United A/S came to accept the public offer and thus received shares in AarhusKarlshamn AB in exchange for the treasury shares. As a consequence, Aarhus United A/S is currently the registered shareholder of 485,614 shares corresponding to 1.17 per cent of the capital and votes in AarhusKarlshamn AB.

The Swedish Companies Act (SFS 2005:551) does not allow a subsidiary to hold shares in its parent company. Aarhus United A/S's shares have not been divested within the time period prescribed in Chapter 19, Section 9 of the Swedish Companies Act. Consequently, the Board of Directors has resolved to cancel Aarhus United A/S's shares in accordance with Chapter 19, Sections 6 and 9 of the Swedish Companies Act.

The Board proposes that the Annual General Meeting 2009 shall, considering the cancellation and in accordance with the requirements of the Swedish Companies Act, reduce the share capital of the company with such part of the total share capital which relates to the cancelled shares, i.e. the nominal value of the cancelled shares multiplied with the number of relevant shares, in total SEK 4,856,140. The reduction amount shall be transferred to the statutory reserve.

Following the reduction the share capital amounts to SEK 408,981,890.

Malmö in May 2009

The Board of Directors

AARHUSKARLSHAMN AB (publ)