

Notice of Annual General Meeting in Sectra AB (publ)

The shareholders of Sectra AB (publ) are hereby invited to the Annual General Meeting of shareholders held on Tuesday, 28 June 2005 at 4.00 p.m. (CET) at Collegium, Teknikringen 7-9, Linköping, Sweden.

Notification etc

Shareholders wishing to attend the General Meeting shall be entered in the share register at VPC AB at the latest on Friday, 17 June 2005, and give notice of their attendance to the Company no later than on Tuesday, 21 June 2005 at 4.00 p.m.

Shareholders with nominee registered shares must temporarily register the shares in his or her own name well in advance of 17 June 2005 by notifying the nominee in order to participate at the General Meeting.

Notice of attendance at the General Meeting shall be made in writing to Sectra AB, Teknikringen 20, SE-583 30 Linköping, by phone: +46 13 23 52 00, by fax +46 13 21 21 85, or by e-mail to info@sectra.se. When giving notice of participation, the shareholder should state name, personal identity number/ registration number, address, telephone number, and, if applicable, the name of any representative or advisor. Shareholders shall also, when relevant, submit power of attorneys, certificates of registration and other documents indicating authorisation together with the notice of participation.

Proposed Agenda

1. Opening of the General Meeting.
2. Election of Chairman of the General Meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of secretary and one or two persons to certify the minutes.
6. Determination of whether the meeting has been duly convened.
7. Presentation of the Annual Report and the Auditor's Report and the Consolidated Annual Report and Consolidated Auditor's Report.
8. Resolutions regarding
 - (a) Adoption of the Profit and Loss Statement and the Balance Sheet and the Consolidated Profit and Loss Statement and Consolidated Balance Sheet.
 - (b) Allocation of the Company's profit according to the adopted Balance Sheet.
 - (c) Discharge from liability for the members of the Board of Directors and the Managing Director.
9. Resolution regarding the number of members of the Board of Directors.
10. Resolution regarding the fees for the Board of Directors.
11. Election of the members of the Board of Directors
12. Resolution regarding Nomination Committee.
13. Resolution regarding authorisation for the Board of Directors to issue shares.
14. Resolution regarding authorisation for the Board of Directors to acquire and dispose of the Company's own shares.
15. Resolution regarding the issue of convertible debentures.
16. Resolution regarding the grant of further stock options according the Company's Global Share Option Plan and resolution regarding authorisation for the Board of Directors to issue subordinated debentures with detachable warrants.
17. Other matters.
18. Closing of the General Meeting.

Dividend, item 8 b

The Board of Directors and the Managing Director propose that a dividend of SEK 0.50 per share shall be distributed. The proposed record date is Friday, 1 July 2005. Provided that the Meeting resolves in accordance with the proposal, the dividend is expected to be paid through VPC AB on 6 July 2005.

Board of Directors, items 9-11

The Nomination Committee consisting of Thomas Ericson, Bengt Bengtsson and Viiveke Fåk proposes that Thomas Ericson, Torbjörn Kronander, Anders Persson, Gündor Rentsch and Carl-Erik Ridderstråle are re-elected members of the Board of Directors.

The fee is proposed to remain unchanged at two basic amounts (Sw: *prisbasbelopp*) to each of the external members of the Board of Directors and three basic amounts (Sw: *prisbasbelopp*) to the Chairman of the Board of Directors.

The Nomination Committee's proposal is supported by shareholders representing more than 59 % of the votes in the Company.

Resolution regarding Nomination Committee, item 12

The Company's five largest shareholders at the end of the financial period, proposes that the General Meeting resolves to establish a Nomination Committee that shall consist of the chairman of the Board of Directors (convenor), Viiveke Fåk and Bengt Bengtsson. The Nomination Committee shall prior to the General Meeting prepare and propose the election of chairman for the General Meeting, chairman of the Board of Directors, other Board members, as well as fee to the Board of Directors. When necessary, the Nomination Committee shall also prepare and propose the election of auditors and fee to the auditors. It is proposed that no fee shall be granted to the Nomination Committee.

The Company's five largest shareholders includes Jan-Olof Brüer, Torbjörn Kronander, Frithjof Qvigstad, Viiveke Fåk and Robert Forchheimer. The proposal is supported by shareholders representing approximately than 42 % of the shares and 59 % of the votes in the Company.

Resolution regarding authorisation for the Board of Directors to issue new shares, item 13

The Board of Directors proposes that the General Meeting resolves to authorise the Board of Directors to issue, on one or several occasions during the period until the next Annual General Meeting, not more than 3,600,000 Class B shares for payment in cash, payment by set-off of claims or payment in kind and to thereby disregard the shareholders' preferential rights. The issue price of the new shares shall be determined on the basis of the prevailing market price of the Class B shares at the time of the issue. The purpose of the authorisation is to facilitate the utilisation of newly issued shares in connection with the carry through or for the financing of acquisitions of companies or businesses or parts thereof and in connection with market investments.

Resolution regarding authorisation for the Board of Directors to acquire and dispose of the company's own shares, item 14

The Board of Directors proposes that the General Meeting resolves to authorise the Board of Directors, on one or several occasions during the period until the next Annual General Meeting, to resolve on the acquisition of Class B shares of the company. Such shares may be acquired up to a maximum amount not exceeding at any time ten (10) % of the total number of shares issued in the company. Acquisitions of shares shall be made on Stockholmsbörsen at a purchase price within the range of share prices registered at any

given time, meaning the spread between the maximum buying rate and the minimum selling rate, or by way of an offer to all holders of Class B shares.

The Board of Directors also proposes that the Board of Directors shall be authorised to resolve, on one or several occasions during the period until the next Annual General Meeting, to dispose of re-purchased Class B shares, via Stockholmsbörsen or otherwise than via a marketplace. A disposal of shares via Stockholmsbörsen may only be made at a price within the range of share prices registered at any given time. The authorisation includes a right to disregard the preferential rights of the shareholders to acquire shares and that payment may be made in a form other than in cash.

The purpose of the authorisations is to facilitate the utilisation of re-purchased shares in connection with the acquisition of companies or businesses or parts thereof, in connection with market investments, for hedging costs that may arise relating to the company's incentive programmes and for a continuous adoption of the company's capital structure and thereby contributing to increased shareholders' value.

Proposal regarding the issue of convertible debentures, item 15

The Board of Directors proposes that the General Meeting resolves to issue convertible debentures with a nominal value not exceeding SEK 35,000,000. With disapplication of the shareholders' preferential rights, the employees of the Group shall subscribe for the convertible debentures.

Further, shareholders representing approximately 59 % of the vote in the Company, propose that the General Meeting resolves to issue convertible debentures with a nominal value not exceeding SEK 3,500,000. With disapplication of the shareholders' preferential rights, external members of the Board of Directors may subscribe for the convertible debentures.

The issue price of the debentures shall correspond to the par value. Subscription for the debentures shall take place during the period 3- 14 October 2005. The debentures shall carry an annual interest of 4.00 % and shall mature for payment on 15 June 2008. The convertible debentures entitle the holder to conversion to Class B shares. The conversion rate shall correspond to 135 % of the volume-weighted average of the price paid for the Company's shares on the O-list of Stockholmsbörsen during the period 30 August 2005 – 13 September 2005. Conversion to Class B shares shall take place during the period 26 – 30 Amy 2008. Provided full subscription and full conversion of the debentures, the dilution effect, as regards share capital, shall not exceed 1 %.

Resolution regarding the grant of further stock options according the company's Global Share Option Plan and resolution regarding authorisation for the Board of Directors to issue subordinated debentures with detachable warrants, item 16

The Board of Directors proposes that the General Meeting approves the grant of up to 40,000 additional call options to the Group's employees in the US according the previously adopted Global Share Option Plan, whereby the managing director may be granted up to 30,000 options and other employees up to 10,000 options each. According to the Global Share Option Plan, call options ("stock options") may be issued by the company or any of its subsidiaries and each of the stock options shall entitle the holder to acquire one Class B share in Sectra AB. No premium is payable on grant of a stock option. The exercise price for the stock options shall substantially correspond to 135 % of the volume-weighted average of the price paid for the company's shares on the O-list of Stockholmsbörsen at time of grant. The stock options may be exercised three years from the date of grant and under the condition that the employee is still employed within the Group. The stock options shall lapse after three years and two months from the date of grant. If all stock options are exercised, employees in the Group will acquire shares corresponding to approximately 0.1 % of the share capital and approximately 0.1 % of the votes of the company. Considering previously granted stock options, the aggregate dilution effect corresponds to approximately 0.3 % of the share capital and approximately 0.2 % of the votes in the company.

The Board of Directors proposes that the General Meeting resolves to authorise the Board of Directors to issue subordinated debentures with no more than 40,000 detachable warrants at one or several occasions during the period until the next Annual General Meeting. With disapplication of the shareholders' preferential rights, wholly owned subsidiaries in the Group shall be entitled to subscribe for the debentures. The purpose of the disapplication of the shareholders' preferential rights is to ensure the option undertakings according to the incentive programme described above. If the authorisation is fully used and if all 40,000 warrants are exercised, the company's share capital will increase by SEK 40,000.

Miscellaneous

The resolutions in items 13 and 14 shall be supported by shareholders representing at least 2/3 of the shares and number of votes represented at the General Meeting and the resolutions in items 15 and 16 above shall be supported by shareholders representing at least 90 (ninety) % of the shares and number of votes represented at the General Meeting.

The Board of Directors' and the shareholders' complete proposals will be available at the Company's offices in Linköping and on the Company's website as of 14 June 2005. Shareholders wishing to take part of these documents may notify the Company, whereupon the documents will be sent by mail to the address provided. The printed Annual Report will be sent to the shareholders, but can also be ordered from the company on the address above.

Linköping in May 2005

Sectra AB (publ)

The Board of Directors