

The Annual General Meeting of Kongsberg Gruppen ASA

16 May 2018

*This is an English office translation of the original Norwegian version of this document.
In case of discrepancy between the Norwegian language original text and the English language translation, the Norwegian text shall prevail.*

**MINUTES FROM
THE 2018 ANNUAL GENERAL MEETING
OF KONGSBERG GRUPPEN ASA**

At 10 a.m. on 16 May 2018, the Annual General Meeting of Kongsberg Gruppen ASA was held at the Conference Centre, Kongsberg Technology Park, Kongsberg (Norway). Pursuant to §5-12, first subsection, of the Norwegian Public Limited Companies Act and Art. 8 of the Company's Articles of Association, the General Meeting was called to order and chaired by Chair of the Board Eivind Reiten.

The chair requested that Senior Legal Counsel Kristian Østby-Deglum keep the minutes of the Annual General Meeting.

1. APPROVAL OF THE NOTICE OF THE MEETING AND AGENDA

A total of 98 shareholders were present or represented by proxies. Altogether, 80,970,597 shares, equivalent to approx. 67,48 % of the total share capital, were represented. A list of the shareholders and proxies who attended the General Meeting is appended and constitutes an integral part of these minutes.

The chair referred to the notice of the General Meeting with attachments, dated 25 April 2018.

There were no objections to the notice of the meeting or the registration list, and the General Meeting was declared lawfully convened.

In keeping with the Board of Director's proposal, the General Meeting adopted the following **resolution**:

"The notice of the meeting and the agenda are approved."

2. ELECTION OF A PERSON TO CO-SIGN THE MINUTES

Morten Strømgren of the Ministry of Trade, Industry and Fisheries was nominated to co-sign the minutes along with the chair.

In keeping with the Board of Director's proposal, the General Meeting adopted the following **resolution**:

"Morten Strømgren is elected to co-sign the minutes."

3. BRIEFING BY THE CEO

Chief Executive Officer Geir Håøy reviewed the highlights of 2017 and provided a short briefing on trends thus far in 2018.

4. TREATMENT OF THE REPORT ON CORPORATE GOVERNANCE

Chair of the Board Eivind Reiten presented a short verbal account of the Board's corporate governance report.

5. APPROVAL OF THE FINANCIAL STATEMENTS AND DIRECTORS' REPORT FOR THE PARENT COMPANY AND THE GROUP FOR THE 2017 FINANCIAL YEAR

The chair referred to the review provided in the Directors' Report and the accompanying financial statements for 2017, which have been made available on the Group's website. Chief Financial Officer Gyrid Skalleberg Ingerø reported on the income statement and balance sheet.

State-authorized Public Accountant Finn Espen Sælleg was present, and confirmed that the Auditor's Report for 2017 was without annotations or comments. Reference was made to the Auditor's Report, which is included in the Annual Report. There were no comments to the Auditor's Report.

In keeping with the Board of Director's proposal, the General Meeting adopted the following **resolution**:

"The financial statements for the parent company and for the Group for the 2017 financial year are approved. The Directors' Report is also approved. The Auditor's Report was taken under advisement."

6. PAYMENT OF DIVIDENDS

The parent company, Kongsberg Gruppen ASA, posted a net profit of MNOK 638 in 2017. In 2017, the Group reported a net profit for the year of MNOK 559, which translates into earnings per share of NOK 4,62. The Group's financial soundness is considered satisfactory. The Board of Directors recommends to the General Meeting that the ordinary dividend for fiscal 2017 be set at NOK 3.75 per share. The dividend will be paid to those listed as the Company's shareholders as at close of business on 16 May 2018 (as they appear in the register of shareholders on 18 May 2018). The Group's shares will be listed on the Oslo Stock Exchange excluding rights to dividends as from 18 May 2018. The dividend is expected to be paid out on 31 May 2018.

In keeping with the Board of Director's proposal for the payment of dividends, the General Meeting adopted the following **resolution**:

"The Board of Director's proposal for a dividend of NOK 3.75 per share for 2017 is approved. The dividend will be paid to those listed as the Company's shareholders as at close of business on 16 May 2018 (as they appear in the register of shareholders on 18 May 2018). The Group's shares will be listed on the Oslo Stock Exchange excluding rights to dividends as from 18 May 2018. The dividend is expected to be paid out on 31 May 2018."

7. REMUNERATION TO MEMBERS OF THE BOARD, BOARD COMMITTEES AND THE NOMINATING COMMITTEE

Member of the Nominating Committee Morten Strømgren reported on the Nominating Committee's work and unanimous recommendation of nominees.

In keeping with the Nominating Committee's recommendation for compensation for the directors, including the Audit Committee and the Compensation Committee, and applicable as from 16 May 2018 until the next Annual General Meeting, the General Meeting unanimously adopted the following **resolution**:

"The Board:

Chair of the Board: NOK 518,000 per year

Deputy Chair: NOK 277,000 per year

Member of the Board: NOK 260,000 per year

Deputy member: NOK 12,000 per meeting

In addition, the chair of the Audit Committee receives NOK 12,100 per meeting, up to a maximum of NOK 121,000 per year and the Audit Committee's members receive NOK 10,100 per meeting, up to a maximum of NOK 101,000 per year.

The chair of the Compensation Committee receives NOK 11,200 per meeting, up to a maximum of NOK 56,000 per year and the Compensation Committee's members receive NOK 9,400 per meeting, up to a maximum of NOK 47,000 per year.

The chair of the Nominating Committee receives NOK 7,400 per meeting and the members of the Nominating Committee receive NOK 5,200 per meeting."

8. COMPENSATION TO THE AUDITOR

In keeping with the Board of Director's motion for compensation to the auditor, the General Meeting adopted the following **resolution**:

"For 2017, remuneration of NOK 833,000 to the Company's auditor for ordinary auditing services rendered to the parent company is approved."

9. APPROVAL OF THE BOARD'S DECLARATION REGARDING THE STIPULATION OF SALARY AND OTHER REMUNERATION TO SENIOR EXECUTIVES

The General Meeting took an advisory vote on the guidelines. The General Meeting gave its unanimous endorsement to the normative guidelines.

The General Meeting adopted the following **resolution**:

"The General Meeting approves the guidelines in the declaration on the stipulation of salary and other compensation to senior executives that refer to compensation related to shares or to the development of the share price in the Company or in other companies within the Group."

10. VALG AV MEDLEMMER TIL VALGKOMITEEN

All members of the Nominating Committee are up for election. The Nominating Committee's member Morten Strømgren reported on the work of the Nominating Committee and the recommendation for the election of members to the Nominating Committee. The Nominating Committee's recommendation is unanimous, and the full text of the recommendation is available on the company's website.

In keeping with the Nominating Committee's nomination of four members for election, the General Meeting adopted the following unanimous **resolution**:

*"The following representatives are elected to the Nominating Committee of Kongsberg Gruppen ASA:
Morten S. Bergesen (Chair), Morten Strømgren and Vigdis Almestad."*

11. AUTHORISATION FOR THE ACQUISITION OF TREASURY SHARES

The General Meeting discussed the Board of Director's proposal concerning authorization for the acquisition of treasury shares. In keeping with the Board of Director's reasoned proposal, the General Meeting adopted the following **resolution**:

- "(a) Pursuant to §9-4 of the Norwegian Companies Act, the Board is authorized to acquire treasury shares for up to a total maximum nominal value of NOK 7,500,000.*
- (b) The authorization may be re-used.*
- (c) The Board's acquisition of shares pursuant to this authorization can only be exercised between a minimum price of NOK 25 per share and a maximum price of NOK 300 per share.*
- (d) Shares acquired under the authorization can be used for the employee share programme, as part of management's regular salary that must be used to buy shares, as whole or partial payment for the acquisition of business activities, or for disposal.*
- (e) The authorization shall apply until the next Annual General Meeting, but no later than until 30 June 2019.*
- (f) The acquisition of shares pursuant to this authorization shall take place on the stock market. The disposal of the shares acquired shall take place on the stock market, unless the shares are used in conjunction with employee share programmes or as whole or partial payment for the acquisition of business activities."*

Kongsberg, 16 May 2018

(signature) _____
Eivind Reiten

(signature) _____
Morten Strømgren

- Attachment 1: List of shareholders represented at the General Meeting, in person or by proxy.
Attachment 2: Results of the votes on each individual item on the agenda.