

The Annual General Meeting of Kongsberg Gruppen ASA, 9 May 2016

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In case of discrepancy between the Norwegian language original text and the English language translation, the Norwegian text shall prevail.**

**MINUTES OF
THE 2016 ANNUAL GENERAL MEETING
OF KONGSBERG GRUPPEN ASA**

At 10 a.m. on 9 May 2016, the Annual General Meeting of Kongsberg Gruppen ASA (the "Company") 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 Finn Jebsen.

The Chair requested that General Counsel Christian Karde keep the minutes of the General Meeting.

1. APPROVAL OF THE NOTICE OF THE MEETING AND THE AGENDA

A total of 85 shareholders were present or represented by proxies. Altogether, 92,992,613 shares, equivalent to approx. 77.72 per cent 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.

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

The Chair referred to the notice of the General Meeting with attachments, dated 18 April 2016

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

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

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

The following person was nominated to co-sign the minutes along with the Chair of the meeting:

Morten Strømgren, representing the Ministry of Trade, Industry and Fisheries.

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

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

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3. BRIEFING BY THE CEO

Chief Executive Officer Walter Qvam reviewed the highlights of 2015 and provided a short briefing on trends thus far in 2016.

The Meeting Chair, in his capacity as Chair of the Board, gave a briefing on the status of the Romania case.

4. TREATMENT OF THE REPORT ON CORPORATE GOVERNANCE

Chair of the Board Finn Jebsen 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 2015 FINANCIAL YEAR

The Chair referred to the review provided in the Directors' Report and the accompanying Financial Statements for 2015, which have been made available on the Group's website. Chief Financial Officer Hans-Jørgen Wibstad reviewed the income statement and the balance sheet. State-authorized Public Accountant Anders Gøbel was present and reported on the Auditor's Report. 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 motion, the General Meeting unanimously adopted the following **resolution**:

"The financial statements for the parent company and for the Group for the 2015 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 277 in 2015. In 2015, the Group reported a net profit for the year of MNOK 755, which translates into earnings per share of NOK 6.23. The Group's financial soundness is considered satisfactory. The Board of Directors recommends to the General Meeting that the ordinary dividend for fiscal 2015 be set at NOK 4.25 per share. The dividend will be paid to those listed as the company's shareholders as at close of business on 9 May 2016 (as they appear in the register of shareholders on 11 May 2016). The Group's shares will be listed on the Oslo Stock Exchange excluding rights to dividends as from 10 May 2016. The dividends are expected to be paid out on 26 May 2016.

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

"The Board of Director's motion for a dividend of NOK 4.25 per share for 2015 is approved.

The dividend will be paid to the company's shareholders as of close of business on 9 May 2016 (as they appear in the register of shareholders on 11 May 2016). The Group's shares will be listed on the Oslo Stock Exchange excluding rights to dividends as from 10 May 2016. The dividends are expected to be paid out on 26 May 2016."

7. COMPENSATION TO THE BOARD OF DIRECTORS

Member of the Nominating Committee Morten Strømgren reported on the Nominating Committee's roster 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 9 May 2016 until the next Annual General Meeting, the General Meeting adopted the following **resolution**:

"Board:

Chair of the Board: NOK 445,000 per year

Deputy Chair: NOK 239,000 per year

Member of the Board: NOK 224,000 per year

Deputy members not required to attend regularly: NOK 11,200 per meeting

In addition, the Chair of the Audit Committee receives NOK 11,200 per meeting, up to a maximum of NOK 54,500 per year and the Audit Committee's members receive NOK 9,900 per meeting, up to a maximum of NOK 48,000 per year.

The Chair of the Compensation Committee receives NOK 10,400 per meeting, up to a maximum of NOK 50,500 per year and the Compensation Committee's members receive NOK 9,200 per meeting, up to a maximum of NOK 44,500 per year."

8. COMPENSATION TO THE MEMBERS OF THE NOMINATING COMMITTEE

In keeping with the Board of Director's motion for compensation to the members of the Nominating Committee, with 90,405,815 shares in favour and 2,586,798 shares against, the Annual General Meeting adopted the following **resolution**:

"Members of the Nominating Committee will receive the following compensation, as from 9 May 2016 and until the next ordinary General Meeting:

Chair of the Nominating Committee: NOK 5,400 per meeting

Members of the Nominating Committee: NOK 4,000 per meeting."

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9. COMPENSATION TO THE AUDITOR

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

"For 2015, remuneration of NOK 886,000 to the company's auditor for ordinary auditing services rendered to the parent company is approved."

10. APPROVAL OF THE BOARD'S DECLARATION REGARDING THE STIPULATION OF SALARY AND OTHER REMUNERATION TO KEY MANAGEMENT PERSONNEL.

The General Meeting held an advisory vote on the guidelines. The General Meeting gave a unanimous endorsement of the normative guidelines.

With 87,340,866 votes in favour and 5,651,747, against, the General Meeting adopted the following **resolution**:

"The General Meeting approves the guidelines in the declaration on the stipulation of salary and other remuneration of key management personnel that refers to remuneration related to shares or to the development of the share price in the company or in other companies within the Group."

11. Stipulation of instructions to the Nominating Committee and amendment of §9 of the Articles of Association

The current instructions to the Nominating Committee were last revised by the Annual General Meeting on 8 May 2007. The company has made a review of the current instructions and a proposal for updated instructions was appended to the convening letter on the company's website; the changes were also explained in the convening letter.

The Nominating Committee is enshrined in the Articles of Association for Kongsberg Gruppen ASA, and the amendments proposed in the updated instructions are also relevant for the regulation of the Articles of Association. This refers to the number of members on the committee and the possibility for the committee to elect a new Chair from among the other members if the Chair of the Nominating Committee resigns. In addition, the changes in the instructions call for an updating of certain other parts of the regulation of the Articles of Association. Accordingly, an amendment was proposed to §nine of the Articles of Association relating to the Nominating Committee.

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The General Meeting **adopted the following decision** unanimously:

"The General Meeting approves the updated instructions for the Nominating Committee.

§9 of the Articles of Association is amended from reading:

"The Nominating Committee shall consist of three members who shall be shareholders or representatives of shareholders. The members of the Nominating Committee, including the Chair, shall be elected by the Annual General Meeting. The Nominating Committee shall submit its roster of candidates to the General Meeting to elect the members of the Nominating Committee. The term of office is two years. Based on a recommendation from the Board of Directors, the General Meeting shall stipulate the compensation to be paid to the Nominating Committee's members.

The Nominating Committee shall present to the Annual General Meeting its recommendations for the election of and remuneration to the Directors and Deputy Directors on the Board. The Chair of the Board shall, without being enfranchised to vote, be called in to at least one meeting of the Nominating Committee before the Nominating Committee presents its final recommendation."

to reading:

"The Nominating Committee shall consist of three or four members who shall be shareholders or representatives of the shareholders. The members of the Nominating Committee, including the Chair, shall be elected by the General Meeting. The term of office for members of the Nominating Committee is two years. If the Chair of the Nominating Committee resigns his Commission in an election period, the Nominating Committee can choose the new Chair among the members of the Nominating Committee with the function of time for the remaining part of the new Chair's period.

The Nominating Committee shall present to the General Meeting its recommendations for the election of, and remuneration to, the Directors and Deputy Directors on the Board and the Nominating Committee.

The General Meeting sets out instructions for the Nominating Committee."

12. ELECTION OF MEMBERS OF THE NOMINATING COMMITTEE

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.

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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, Vigdis Almestad and Jon Hindrar."

13. AUTHORISATION FOR THE ACQUISITION OF TREASURY SHARES

The General Meeting discussed the Board of Director's motion concerning authorisation for the acquisition of treasury shares. In keeping with the Board's motion, the General Meeting adopted the following decision with 92,986,567 votes in favour and 6,046 votes against:

- "(a) Pursuant to §9-4 of the Norwegian Companies Act, the Board is authorised to acquire treasury shares for a total maximum nominal value of NOK 7,500,000.*
- (b) The authorisation may be re-used.*
- (c) The Board's acquisition of shares pursuant to this authorisation can be exercised only between a minimum price of NOK 25 per share and a maximum price of NOK 300 per share.*
- (d) Shares acquired under the power of attorney can be used for the share programme for the Group's employees, as part of corporate management's regular salary that must be used to buy shares, as full or partial payment for the acquisition of business activities, or for disposal.*
- (e) The authorisation shall apply until the next Annual General Meeting, but no later than until 30 June 2017.*
- (f) The acquisition of shares pursuant to this authorisation shall take place on the market. The disposal of the shares acquired shall take place on the market, unless the shares are used in conjunction with employee share programmes or as whole or partial payment for the acquisition of business activities."*

Lastly, the moderator pointed out that this was the CEO's last general meeting, since he will be leaving on 6 June in accordance with his employment agreement. The General Meeting expressed its gratitude to Walter Qvam for his contributions to the company's best interests over the past eight years.

Kongsberg, 9 May 2016

Finn Jebesen (s)

Morten Strømgren (s)