

To the shareholders in Kongsberg Gruppen ASA



KONGBERG

NOTIFICATION OF THE ANNUAL GENERAL MEETING 2015

The Board of Directors notifies shareholders of the Annual General Meeting of Kongsberg Gruppen ASA.

Time: Thursday, 7 May 2015, 10:00 a.m.

Place: Conference Centre, Kongsberg Technology Park, Kirkegårdsveien 45, Kongsberg, Norway

In accordance with § 5-12, first subsection, of the Norwegian Companies Act and § 8 of the Group's Articles of Association, the Annual General Meeting will be brought to order and chaired by the Chair of the Board.

The following items are on the agenda:

1. Approval of the notification and the agenda

The Board of Directors proposes that the General Meeting adopts the following resolution:

"Notification and agenda approved."

2. Election of a co-signer for the minutes

According to KONGSBERG's articles of association the Chair of the Board of Directors will lead the Annual General Meeting. The chair will in the Meeting propose one of the delegates to co-sign the minutes.

3. Briefing by the CEO

4. Treatment of the report on corporate governance

The Board's statement for corporate governance is available on the Company's internet page www.kongsberg.com.

5. Approval of the Financial Statements and Directors' Report for the parent company and the Group for fiscal 2014

The Board's proposal to the financial statements, the Director's Report for the parent company and the group for fiscal year 2014, as well as the auditor's report, is available on the company's internet page www.kongsberg.com.

The Board of Directors proposes that the Annual General Meeting adopt the following resolution:

"The financial statements for the parent company and the Group for fiscal year 2014 are approved. The Directors' Report is also approved. The Auditor's Report is taken under advisement."

6. Payment of dividends

The parent company, Kongsberg Gruppen ASA, posted a net profit of MNOK 1 330 in 2014. The Group posted a net profit of MNOK 880 in 2014. Earnings per share came to NOK 7.28. The Group's financial soundness is deemed satisfactory.

The Board recommends to the General Assembly that the ordinary dividend for the fiscal year 2014 is set to NOK 4.25 per share and in addition, on the basis of the Group's strong financial position, it will be paid out a special dividend of NOK 5.00 per share, for a total of **NOK 9.25 per share**. The dividends will accrue to the company's shareholders per end of 7 May 2015 (as listed in the VPS Registry on 12 May 2015). The company's shares will be traded on the Oslo Stock Exchange exclusive dividends as from 8 May 2015. The dividend will expectably be paid out on 26 May 2015.

The Board of Directors proposes that the Annual General Meeting adopts the following resolution:

"The Board of Director's recommends to the General Meeting that the ordinary dividend for the fiscal year 2014 is set to NOK 4.25 per share and in addition, on the basis of the Group's strong financial position, it will be paid out a special dividend of NOK 5.00 per share, for a total of NOK 9.25 per share. The dividend will expectably be paid out on 26 May 2015."

7. Remuneration to the Directors

The Nominating Committee has proposed that the collective compensation to the directors, applicable from 7 May 2015 till next Annual General Meeting, be stipulated at NOK 1 973 000.

The Chair of the Board will receive NOK 432 000, the Deputy Chair NOK 233 000 and the other Directors NOK 218 000. Deputy Directors will receive NOK 10 900 per meeting. In addition, the members of Audit Committee will receive NOK 9 600 per meeting, up to a maximum of NOK 48 000 per year (Chair NOK 10 900 per meeting, up to a maximum of NOK 54 500 per year).

The members of the Compensation Committee will receive NOK 8 900 per meeting, up to a maximum of NOK 44 500 per year (Chair NOK 10 100 per meeting, up to a maximum of NOK 50 500 per year).

The proposal of the Nominating Committee are available in its entirety on the company's internet page www.kongsberg.com.

The Board proposes that the General Meeting adopts resolutions in compliance with the Nominating Committee's recommendations:

The Board of Directors:

*Chair of the Board: NOK 432 000 per year
(Up NOK 13 000, most recently adjusted in 2014)*

*Deputy Chair: NOK 233 000 per year
(Up NOK 3 000, most recently adjusted in 2014)*

*Directors: NOK 218 000 per year
(Up NOK 8 500, most recently adjusted in 2014)*

*Not permanent oncoming Deputy Directors:
NOK 10 900 per meeting
(Up NOK 300, most recently adjusted in 2014)*

The Audit Committee:

*Chair: NOK 10 900 per meeting (Up NOK 300, most recently adjusted in 2014),
maximum NOK 54 500 per year*

*Member: NOK 9 600 per meeting (Up NOK 300, most recently adjusted in 2014),
maximum NOK 48 000 per year*

The Compensation Committee:

*Chair: NOK 10 100 per meeting (Up NOK 300, most recently adjusted in 2014),
maximum NOK 50 500 per year*

*Member: NOK 8 900 per meeting (Up NOK 300, most recently adjusted in 2014),
maximum NOK 44 500 per year*

8. Remuneration to the members of the Nominating Committee

The Board proposes that the members of the Nominating Committee receive NOK 3 900 per meeting and the chair of the Nominating Committee receives NOK 5 200 per meeting applicable from 7 May 2015 till the next Annual General Meeting. The Nominating Committee held seventeen meetings during the period under review.

The Board of Directors proposes that the Annual General Meeting adopts the following resolution:

"Members of the Nominating Committee will receive the following compensation:

Chair of the Nominating Committee: NOK 5 200 per meeting

Members of the Nominating Committee: NOK 3 900 per meeting."

9. Remuneration to the Auditor

In 2014, NOK 860 000 was paid to the company's auditing firm Ernst & Young AS for audit-related services for the parent company Kongsberg Gruppen ASA. The Group paid a total of NOK 9 594 000 for audit-related services and NOK 7 646 000 for other services.

The Board of Directors proposes that the Annual General Meeting adopts the following resolution:

"For 2014, the payment of remuneration of NOK 860 000 paid to the Group's auditor for ordinary auditing services for the parent company is approved."

10. Approval of the declaration on salaries and other remuneration for senior management

The Company refers to the declaration included in the annual report for 2014, and as a separate attachment to the notice.

Guidelines for allocation of shares, subscription rights, options and any other form of remuneration stemming from shares or the development of the official share price in the company or in other group companies are binding on the board of directors when approved by the general meeting. Such guidelines are described of the board of director's declaration on salaries and other remuneration for senior management, see in particular "Compensation linked to shares or to the development of the share price". Other guidelines are precatory for the board of directors. If the board of directors in an agreement deviates from these guidelines, the reasons for this shall be stated in the minutes of the board of directors' meeting.

An advisory vote shall be held for the guidelines that are precatory for the board of directors. Binding guidelines shall be approved by the general meeting.

The board of directors proposes that an advisory vote is held for precatory guidelines.

The board of directors further proposes that the general meeting makes the following resolution with respect to binding guidelines of the declaration:

"The general meeting approves guidelines in the board of director's declaration on salaries and other remuneration for senior management that relate to remuneration stemming from shares or the development of the official share price in the company or in other group companies."

11. Election of shareholders-elected Board members (Directors)

All of the shareholder-elected Board members are up for election. The Nominating Committee of Kongsberg Gruppen ASA has made nominations for election of the Board members. The recommendation is available in its entirety on the company's internet page www.kongsberg.com. Please be advised that the Committee's recommendation is not unanimous.

According to the Nominating Committee majority's recommendations the Board proposes that the General Meeting adopts the following resolutions:

"The following nominees are to be elected as Board members (Directors) in Kongsberg Gruppen ASA:
1. Finn Jebsen, Oslo (re-election), 2. Irene Waage Basili, Bergen (re-election),
3. Morten Henriksen, Arendal (re-election), 4. Anne-Grete Strøm-Erichsen, Bergen (new)
and 5. Jarle Roth, Oslo (new)."

12. Authorisation for the acquisition of treasury shares

At the Annual General Meeting held on 9 May 2014, the Board was given authorisation to buy treasury shares up to a limit of NOK 7 500 000 (5% of the company's share capital). The authorisation applies for Ordinary General Meeting in 2015. Kongsberg Gruppen ASA's Board of Directors believes it would be prudent for the company if the Board retains its authorisation to acquire treasury shares for use in conjunction with the share programme for the Group's employees, to the part of the Executive Management's fixed-wage that they have to buy shares for and as whole or partial settlement for acquisitions.

The Board of Directors therefore proposes that the Annual General Meeting adopts the following resolution:

- "(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 on NOK 300 per share.*
- (d) The authorisation shall apply until the next annual general meeting, but no later than 30 June 2016.*
- (e) The acquisition of shares pursuant to the authorisation shall take place on the market. The disposal of the shares acquired will 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."*

The financial statements, the Director's Report and auditors' report, the Board's statement on corporate governance, the Board's statement on salaries and other compensation to senior executives Pursuant to § 6-16a of the Public Limited Companies Act and the recommendation from The Nominating Committee is available on the Company's internet page www.kongsberg.com. One can also contact the company by telephone at +47 32 28 64 16 and ask to receive the Annual Report and other documents concerning matters to be dealt with at the General Meeting by post.

On the date of notification, Kongsberg Gruppen ASA had 120 million shares outstanding. Each share grants entitlement to one vote at the General Meeting. On the date of notification, the company owned 288 069 treasury shares, which cannot be voted. All shareholders are entitled to attend the general meeting and to be heard, either personally or by proxy. Shareholders are entitled to be accompanied by an adviser, and may grant the right to speak to one adviser. Shareholders are entitled to address items at the general meeting, provided the items are submitted in writing to the Board seven days prior to the deadline for the notification of the general meeting, along with a proposal for a resolution or the reason that the item should be included on the agenda. Under certain conditions, shareholders are also entitled to put forward alternative motions for items to be heard at the General Meeting. Shareholders can request that directors and the CEO disclose any information at the general meeting that they might have about matters that can impact the assessment of items put before the shareholders for decision. The same applies to information about the company's financial position and other items that are the purview of the General Meeting, unless the information required cannot be disclosed without causing disproportionate harm to the company.

Information relating to the Annual General Meeting, including this notification with attachments and the Company's Articles of Association, are available on the Company's internet page www.kongsberg.com.

If you are planning to attend the Annual General Meeting, please submit this slip to **Kongsberg Gruppen ASA** c/o DNB Bank ASA, Securities Service, P.O. Box 1600 Sentrum, NO-0021 OSLO, or to e-mail: genf@dnb.no by **12 noon on Tuesday 5 May 2015 at the latest**. You can also register on Kongsberg Gruppen ASA's internet page www.kongsberg.com (or through Investor Services).

Shareholders who would like to participate by proxy **have to** submit the enclosed authorisation slip to **Kongsberg Gruppen ASA** c/o DNB Bank ASA, Securities Service, P.O. Box 1600 Sentrum, NO-0021 OSLO, or e-mail to: genf@dnb.no, to be received by DNB Bank ASA, Securities Service, within **Tuesday 5 May 2015 at 12:00**, or give a written, dated and signed proxy as presented by the clerk of the General Meeting.

Authorisation may be given to the Chair of the Board Finn Jebsen or another executive. **The company's representatives will only accept authorisations that are bound to the specifications on how the proxy shall vote in each matter and which are received within the said time limit. Authorisation may only be granted as described before (not via the Investor Services or the company's internet page). An authorisation issued electronic (and thus without voice instructions) will be rejected/deleted.**

Kongsberg, 16 April 2015
For the Board of Directors of Kongsberg Gruppen ASA



Finn Jebsen
Chair of the Board