

## **THE BOARD OF DIRECTORS' REPORT IN ACCORDANCE WITH CHAPTER 13, PARAGRAPH 7 OF THE SWEDISH COMPANIES ACT**

The Board of Directors of Mekonomen Aktiebolag (publ), Corporate Registration Number 556392-1971, has prepared the following report in accordance with Chapter 13, section 7 of the Swedish Companies Act, in connection with the Board's motion for the approval of the new issue of shares with provisions on non-cash consideration.

The non-cash issue proposed by the Board is a step in the acquisition of all 75,920 shares in the Norwegian company, A/S Sørensen og Balchen, Corporate Registration Number 916 591 144. The purpose of the non-cash issue is to enable the company to fulfil its obligation to pay the purchase consideration in accordance with the description below.

Mekonomen will pay for the shares in A/S Sørensen og Balchen by:

- (i) issuing 1,945,783 new shares in Mekonomen, for which 43,487 in A/S Sørensen og Balchen ("**Contribution in kind**") will be paid as subscription settlement and
- (ii) paying cash in the amount of NOK 272,975,000, for the remaining 32,433 shares in A/S Sørensen og Balchen.

For 1,945,783 new shares in Mekonomen, the Norwegian company Otto Olsen Invest AS, Corporate Registration Number 959 446 768, Oslo, will pay Contribution in kind corresponding to 43,487 shares in A/S Sørensen og Balchen.

The value of the shares in A/S Sørensen og Balchen has been calculated using a cash-flow evaluation, as well as a multiple evaluation with respect to comparable companies and transactions.

The basis of the cash-flow evaluation lies partly in conservative assumptions made by the managements of A/S Sørensen og Balchen and Mekonomen, and implemented financial and legal due diligence. The purchase consideration comprises partly a number of new shares (see above) and a cash purchase consideration (NOK). This division of the purchase consideration means that the total value, calculated as the number of newly issued shares x Mekonomen's share price plus the cash purchase consideration, will vary with Mekonomen's share price and the exchange rate between the SEK and NOK until the date of the implementation of the transaction. Calculated on the share price and exchange rate on the date on which the agreement was signed, 27 January 2011, the total value was SEK 721,020,184, of which the value of Contribution in kind was SEK 415,424,671.

The Contribution in kind that is expected to be recognised in Mekonomen's balance sheet amounts to SEK 415,424,671. However, the value of the Contribution in kind may change depending on Mekonomen's share price on the date of the implementation of the transaction.

Based on the information available to Mekonomen's Board of Directors on the acquired Contribution, it is the Board's opinion that the value of the Contribution in kind is at least equivalent to the value of the payment that will be made. The Board believes that the price fixed on the Contribution in kind is not higher in value than the fair value for Mekonomen and it may be assumed that the Contribution is such that it will be beneficial to Mekonomen's operations.

Relevant documents pertaining to the non-cash issue will be available at the company.

Stockholm, 2 February 2011

MEKONOMEN AKTIEBOLAG (publ)

Board of Directors

---

Fredrik Persson

---

Marcus Storch

---

Antonia Ax:son Johnson

---

Kenny Bräck

---

Anders G Carlberg

---

Wolff Huber

---

Helena Skåntorp