

Statement of explanation by the Election Committee of B&B TOOLS AB concerning the motion regarding the Board of Directors submitted to the Annual General Meeting to be held on 23 August 2012

Background

In accordance with a resolution passed by the 2011 Annual General Meeting of B&B TOOLS, an Election Committee comprising representatives of the five largest shareholders/groups of shareholders based on the number of votes was announced on 7 February 2012. The Election Committee comprises Björn Franzon (representative of Swedbank Robur funds), Conny Karlsson (representative of CapMan Public Market Investment), Per Trygg (representative of SEB Funds), Anders Börjesson and Chairman of the Board Tom Hedelius. Anders Börjesson was appointed by the Election Committee to serve as Chairman of the Election Committee. The members of the Election Committee represent approximately 50 percent of the total number of votes in B&B TOOLS AB.

The Election Committee's motion concerning the Board of Directors

The Election Committee's motion includes the following:

- Seven regular Directors
- Election of Charlotte Hansson and Roger Bergqvist as new Directors and re-election of Directors Per Axelsson, Anders Börjesson, Tom Hedelius, Joakim Rubin and Stefan Wigren. Anita Pineus has declined re-election.
- Election of Anders Börjesson as the new Chairman of the Board. Tom Hedelius has declined re-election as Chairman of the Board.

Statement of explanation

To assess the demands that will be placed on the Board of Directors as a result of the position and future focus of the Company, the Election Committee has discussed the size and composition of the Board, including how this relates to industry experience and competence, as well as how the work of the Board has been performed. The Election Committee based its work on various forms of documentation, including the Board's evaluation of its work during the year. Following its assessment, the Election Committee proposes that the Board of Directors be expanded from six to seven members. The Election Committee proposes that Charlotte Hansson and Roger Bergqvist be elected as new Directors and that Directors Per Axelsson, Anders Börjesson, Tom Hedelius, Joakim Rubin and Stefan Wigren be re-elected.

Taking into consideration B&B TOOLS' operations, stage of development and position, the Election Committee considers the composition of the proposed Board of Directors to be appropriate and characterised by diverse and broad competence, experience and backgrounds.

The motion regarding the composition of the Board of Directors of B&B TOOLS AB complies with the requirements of the Swedish Corporate Governance Code with regard to independent Directors.

Further information about the proposed Directors is available on B&B TOOLS' website.

Stockholm, July 2012

The Election Committee of B&B TOOLS AB