



Jesper Alwall
General Counsel

Phone: +46 8 58 78 45 00
jesper.alwall@ifsworld.com

Frédéric Guigues
Investor Relations

Phone: +46 8 58 78 45 00
frederic.guigues@ifsworld.com

PRESS RELEASE

LINKÖPING, FEBRUARY 23, 2015

Notice to attend the annual general meeting of shareholders in Industrial and Financial Systems, IFS AB (publ)

The shareholders in Industrial and Financial Systems IFS AB (publ.), Corp Id No 556122-0996, are hereby given notice to attend the annual general meeting (AGM) of shareholders on Wednesday, March 25, 2015, at 3:00 p.m., at hotel Courtyard by Marriott, Råambshovsleden 50, in Stockholm, Sweden.

ATTENDANCE

Shareholders intending to attend the AGM must be registered in the stock register maintained by Euroclear Sweden AB on Thursday, March 19, 2015, and must submit their application to IFS no later than Friday, March 20, 2015 at 12:00 noon.

Notice of attendance may be given by telephone at: +46 8 58 78 45 00 or via the company's website www.ifsworld.com. When giving notice of attendance, please provide name, personal registration or corporate registration number, if applicable, address, telephone number, stockholding, and information regarding any assistants (not more than two). If attendance is by proxy, the proxy must be submitted to the company together with the notice of attendance. Proxy forms for shareholders wishing to participate in the AGM by proxy will be available from the company's website at www.ifsworld.com or can be acquired by calling +46 8 58 78 45 00.

Shareholders who have deposited their stock with trustees, to be entitled to attend the AGM and exercise their voting rights, must provisionally register their stock in their own name in the stock register maintained by Euroclear Sweden AB per March 19, 2015. Consequently, shareholders who wish to re-register must notify their stockbrokers of this well in advance of March 19, 2015.

PROPOSED AGENDA

1. The meeting is called to order.
2. Election of chairman for the meeting.
3. Preparation and approval of the register of voters.
4. Approval of the agenda.
5. Election of one or two members to verify the minutes.
6. Determine whether the meeting has been duly convened.
7. Presentations:
 - a. Presentation by the chairman of the board.
 - b. Presentation by the chief executive officer (CEO).
8. Presentation of the annual report and the auditor's report as well as the consolidated financial statements and the auditor's report for the group.
9. Resolution to approve the statement of income and the balance sheet as well as the consolidated statement of income and the consolidated balance sheet.
10. Resolution on appropriation of the company's profit or loss in accordance with the approved balance sheet.
11. Resolution on discharge from liability for the members of the board and the CEO.
12. Determine the number of members of the board and deputies.
13. Determine remuneration for the board and the auditors.

IFS, Box 1545, SE-581 15 Linköping, Sweden – Phone: +46 13 460 40 00 – Fax: +46 13 460 40 01

Industrial and Financial Systems, IFS AB (publ.) is a limited liability company registered in Sweden. Corporate identity number: 556122-0996. Registered office: Teknikringen 5, SE-583 30 Linköping.

14. Election of board members, the chairman and the deputy chairman of the board, and auditors.
15. Resolution on guidelines for the remuneration of executive management and incentive program:
 - a. Resolution on guidelines for the remuneration of executive management.
 - b. Resolution on incentive program.
16. Resolution concerning nomination committee for the next AGM.
17. Resolution to authorize the board to resolve to repurchase shares.
18. The meeting is closed.

PROPOSALS OF THE BOARD OF DIRECTORS FOR RESOLUTION AT THE AGM

Resolution on dividend (Item 10)

The board proposes that a dividend of SKr 4.50 per share be paid. Friday March 27, 2015, is proposed as the record day. Should the AGM resolve in accordance with the board's proposal, the dividend is expected to be distributed by Euroclear Sweden AB on Wednesday, April 1, 2015.

Resolution on guidelines for the remuneration of executive management and incentive program (Item 15)

The board proposes a system of remuneration for the executive management of IFS, including the CEO, that is aligned with market terms and conditions and that is sufficiently competitive to be of interest to the qualified circle of employees that IFS wishes to attract and retain. The board seeks continuity and hence the proposal is essentially in line with the guidelines and remuneration principles from the previous year and are based on existing contracts between IFS and the respective executives.

Resolution on guidelines for the remuneration of executive management (Item 15.a)

Remuneration to the executive management in IFS shall be aligned with market terms and conditions, shall be individual and differentiated, and shall support the interests of the stockholders. Remuneration principles shall be predictable, both in terms of costs for the company and benefits for the individual, and shall be based on factors such as competence, experience, responsibility and performance.

Total remuneration paid to executive management shall consist of a basic salary, variable remuneration, an incentive program, pension contributions, and other benefits.

The total annual monetary remuneration paid to each member of executive management, i.e., basic salary and variable remuneration, shall correspond to a competitive level of remuneration in the respective executive's country of residence.

Variable remuneration shall be linked to predetermined measurable criteria designed to promote long-term value generation in the company. The relationship between basic salary and variable remuneration shall be proportionate to the executive's responsibility and powers. Variable remuneration varies according to position. For 2015, it is proposed that the guidelines for the variable remuneration payable to the executive management be unchanged from the previous year. For the CEO this means that the maximum variable remuneration shall not exceed 50 percent of the basic salary, and for the other members of executive management variable remuneration shall be payable in the interval 25–60 percent of the basic salary, based on achievement of 80–120 percent of individual goals.

Long-term incentive programs are treated under Item 15.b below.

Pension benefits shall correspond to a competitive level in the respective executive's country of residence and shall, as in previous years, consist of a premium-based pension plan or its equivalent. The CEO is entitled to a premium-based pension plan with a premium that is 20 percent of the basic salary. The retirement age for the CEO and other members of executive management is 65, but the CEO and the company are entitled to invoke the right to early retirement for the CEO at the age of 64. In such a case, the CEO shall receive the equivalent of 60 percent of the basic salary until he is 65. Moreover, the retirement of the CEO will not affect the warrants acquired by him within the scope of adopted incentive programs.

Other benefits are chiefly related to company cars and telephones and shall, where they exist, constitute a limited portion of the remuneration and be competitive in the local market.

If the company terminates the employment, the period of notice is normally 6–12 months; if the executive terminates the employment, the period of notice is normally 3–6 months. The basic salary during the period of notice, together with severance pay, shall not exceed an amount corresponding to two years' basic salary.

The board of directors shall have the right to deviate from the above guidelines in individual cases if there is good reason to do so. In such an event, the board shall inform the immediately following AGM and explain the reason for the deviation.

The guidelines apply to employment contracts entered into after the resolution is adopted by the AGM and to changes made to existing terms and conditions after this point in time.

Resolution on incentive program (Item 15.b)

The board proposes that the AGM resolves to adopt an incentive program with a corresponding structure as last year, which entails that executive management, other officers, and key personnel in the IFS group are offered the opportunity to subscribe for warrants in the company at market price. Each warrant shall be exercisable to subscribe for one issued Series-B share during an exercise period from the day after the release of the first quarterly report 2018 until and including June 30, 2020. To stimulate participation in the program, it is proposed that for each warrant acquired at market price, the participant may be allotted a maximum of additional three warrants free of charge. The number of warrants that participants can be allotted free of charge is dependent on the outcome of a performance condition linked to the company's earnings-per-share target for 2015 in accordance with predetermined criteria established by the board. Warrants allotted free of charge may be exercised only on the condition that the warrants acquired at market price have been retained by the participant until the first day on which they are exercisable for share subscription as per the above.

The proposal entails the issue of not more than 247,000 warrants. Each warrant carries the right to acquire one Series-B share at a subscription price corresponding to 110 per cent of the volume-weighted average price paid for the company's share on the NASDAQ OMX Stockholm Exchange between April 23, 2015 and April 29, 2015.

The right to subscribe for warrants shall accrue to wholly owned subsidiaries, which will transfer the warrants to current and future members of executive management, other officers, and key personnel within the group. The CEO shall be assigned no more than 74,100 warrants, other members of executive management no more than 49,400 warrants in total, and other officers and key personnel no more than 24,700 warrants in total.

If all 247,000 warrants are exercised to subscribe for a maximum of 247,000 Series-B shares, the company's capital stock will increase by SKr 4,940,000, corresponding to approximately 1.0 per cent of the capital stock and 0.7 percent of the voting rights after dilution. Together with the warrants issued at the respective AGMs in 2012, 2013 and 2014, the four programs, on full subscription, can entail a dilution of approximately 2.6 percent of the existing capital stock and of approximately 1.9 percent of the voting rights.

Based on the assumptions of a share price of SKr 268.00 (closing share price of the IFS Series-B share on February 17, 2015), a subscription price of 294.80, a maximum participation and a maximum fulfillment of the performance condition, the cost for the program is estimated at approximately SKr 5.3 million. The cost will be allocated over the years 2015-2018.

To minimize dilution and share price exposure resulting from the incentive program, the board, on the basis of mandates granted by the AGM, intends to purchase Series-B shares in the company in an amount corresponding to the number of warrants issued within the framework of the incentive program.

The purpose of the incentive program is to create conditions for retaining and recruiting competent personnel and to increase employee motivation. The board considers that the introduction of the incentive program as outlined above will benefit the group and the company's shareholders.

The board shall be responsible for the exact wording and management of the incentive program within the framework of the given terms and conditions and guidelines. In this connection, the board shall have the right to make adjustments to fulfil particular legislation or market conditions internationally.

A valid resolution to adopt the incentive program under this item 15.b requires that it be supported by shareholders representing at least nine tenths of the shares and votes represented at the AGM.

Resolution to authorize the board to resolve to repurchase shares (Item 17)

The board proposes that the AGM authorize the board to resolve, on one or more occasions until the next AGM, to repurchase the company's own Series-B shares.

The authorization to repurchase Series-B shares shall be limited to such an amount that the company's stockholding on each occasion does not exceed 10 percent of the total number of shares in the company. The shares shall be acquired through the NASDAQ OMX Stockholm Exchange in compliance with stock

exchange regulations and only at a price within the registered interval on each occasion, by which is meant the interval between the highest buying price and the lowest selling price.

The purpose of the authorization is to accord the board a greater opportunity to continuously adjust the company's capital structure and thereby contribute to increased shareholder value, for example, by minimizing the effects of dilution and the effect on the share price as well as to facilitate the implementation of the incentive program outlined in Item 15.b as well as previously adopted or any subsequent incentive programs that may be adopted.

A valid resolution to adopt the board's proposal under this item 17 requires that it be supported by shareholders representing at least two thirds of the shares and votes represented at the AGM.

PROPOSALS OF THE NOMINATION COMMITTEE FOR RESOLUTION AT THE AGM

The chairman of the AGM, the number of board members and deputies, remuneration of the board members and the auditors, election of board members, the chairman and the deputy chairman of the board, and auditors, and resolution concerning nomination committee for the next AGM (Items 2, 12, 13, 14, and 16)

The nomination committee, consisting of Gustaf Douglas (Förvaltnings AB Wasatornet, committee chairman), Lars Bergkvist (Lannebo Fonder), Ulf Strömsten (Catella Fonder), Bengt Nilsson (Founders) and Anders Böös (chairman of the board of IFS), who represent approximately 52 percent of the total number of votes in the company, propose that:

- Anders Böös chair the AGM.
- Seven ordinary board members be elected, without deputies.
- Directors' fees (including remuneration for work on the audit committee) shall amount to a total of SKr 3,425,000, of which an unchanged amount of SKr 1,400,000 be paid to the chairman of the board and an unchanged amount of SKr 375,000 be paid to each of the other board members, with the exception of the CEO. An unchanged fee of SKr 100,000 is proposed to be paid to the chairman of the audit committee and an unchanged fee of SKr 50,000 to its other members.
- Auditors' fees be paid according to approved invoices.
- Board members Anders Böös, Bengt Nilsson, Ulrika Hagdahl, Birgitta Klasén, Neil Masom, and Alastair Sorbie be re-elected.
- Gunilla Carlsson be elected as board member.
Gunilla Carlsson was born in 1963 and has many years' experience from international work and relations, primarily in the public sector and the political systems in Sweden and Europe. Between the years 2006 and 2013, Gunilla Carlsson was Sweden's Minister for International Development Cooperation. She was a member of the Swedish Parliament during the years 2002–2013 and before that was a member of the European Parliament during the years 1995–2002. Gunilla Carlsson also has several years' experience in board work and honorary positions in international organizations. In addition, she has previously several years' experience in accounting and auditing in private businesses.
- Anders Böös be re-elected as chairman of the board.
- Bengt Nilsson be re-elected deputy chairman of the board.
- PricewaterhouseCoopers AB be re-elected as the company's auditor. Pursuant to the Swedish Companies Act the term will apply until the end of the next AGM
- Finally, it is proposed that the corresponding principles and procedures applicable to the nomination committee for the AGM of 2015 be applied for the establishment of a nomination committee and its work for the AGM of 2016.

MISCELLANEOUS

Authority to make necessary amendments

Finally, it is proposed that the AGM authorize the board of directors, the CEO or other person appointed by the board to make such amendments to resolutions that may be required in connection with registration with the Swedish Companies Registration Office (Bolagsverket).

Available documentation

The complete list of proposals for resolution above, including the statement by the board in respect of profit allocation and authorization to repurchase shares, and the company's annual report and auditor's report for fiscal 2014 will be available for inspection as of March 4, 2015, at the company's head office in Linköping, at the company's office in Stockholm, and via the company's website, www.ifsworld.com. Further information about the directors proposed as members of the board and the reasoned opinion of the nomination committee are also available on the company's website. The information will be sent upon request to any shareholders who submit their postal addresses. The proposal detailed under Item 15.b, Long-term Incentive Program, will also be sent by post to shareholders who give notice of their attendance at the AGM.

Information at the AGM

The board and the CEO will, if any shareholder so requests and the board deems that it can be done without material harm to the company, provide information at the AGM regarding circumstances that may affect the agenda, or conditions that may affect the assessment of the financial situation of the company or any subsidiary or the company's relationship to any group company.

Outstanding shares and votes

At the time this notice was issued, the number of outstanding shares in the company amounted to 24,971,830, representing a total of 3,472,875.7 votes, of which 1,084,103 Series-A shares represent 1,084,103 votes and 23,887,727 Series-B shares represent 2,388,772.7 votes. The number of shares held by the company in own custody was 200,000 Series-B shares, representing 20,000 votes and corresponding to approximately 0.8 per cent of the capital stock of the company. The shares held by the company in own custody may not be represented at the AGM.

Linköping, February 2015

The Board of Directors

About IFS

IFS™ is a globally recognized leader in developing and delivering business software for enterprise resource planning (ERP), enterprise asset management (EAM) and enterprise service management (ESM). IFS brings customers in targeted sectors closer to their business, helps them be more agile and enables them to profit from change. IFS is a public company (XSTO: IFS) that was founded in 1983 and currently has over 2,700 employees. IFS supports more than 2,400 customers worldwide from local offices and through partners in more than 60 countries. For more information visit: www.ifsworld.com.

Follow us on Twitter: [@ifsworld](https://twitter.com/ifsworld). Visit the IFS Blogs on technology, innovation, and creativity: blogs.ifsworld.com

IFS discloses the information provided herein pursuant to the Financial Instruments Trading Act (1991:980) and/or the Securities Markets Act (2007:528).

The information was submitted for publication on February 23, 2015 at 1 p.m. (CET).