

Press release  
March 17, 2004



## Notice to attend meeting of shareholders

**The shareholders of Orc Software AB (publ) are hereby given notice to attend the Annual General Meeting of the shareholders to be held on Wednesday April 21, 2004, at 4 p.m. (CET) at Orc Software, Birger Jarlsgatan 32A, 5<sup>th</sup> floor, Stockholm, Sweden.**

### **Registration etc.**

Shareholders who wish to participate at the Annual General Meeting must be registered in the shareholders' register maintained by VPC AB (VPC) no later than Thursday April 8, 2004, and must notify the company at Orc Software AB, Annual General Meeting, PO Box 7742, SE-103 95 Stockholm, Sweden, by telephone at +4684073800 or by e-mail at [ir@orcsoftware.com](mailto:ir@orcsoftware.com) no later than Friday April 16, 2004 at 4 p.m. The application shall show the shareholder's name, address, telephone number, corporate identity number and number of assistants wishing to attend the meeting.

Powers of attorney, certificates of registration and other documents of authorization must be received by the company at the above address no later than Friday April 16, 2004.

Shareholders whose shares have been registered in the name of a nominee through the trust department of a bank or securities firm must, in order to be entitled to exercise voting rights at the meeting, temporarily register their shares with VPC in their own names. Such registration must be completed no later than Thursday April 8, 2004. This means that shareholders must notify their requests to the nominee for such registration in due time.

### **Proposed agenda**

1. Opening of the meeting.
2. Election of a Chairman of the meeting.
3. Preparation and approval of the voting register.
4. Approval of the agenda.
5. Election of one or two persons to attest the minutes.
6. Determination of whether the meeting was correctly convened.
7. Presentation of the annual report and the auditor's report and, where applicable, the consolidated financial statements and auditor's report for the group, as well as a description of the work of the Board of Directors and the salary and remuneration committee.
8. Resolutions regarding:
  - a. Adoption of the profit and loss account and the balance sheet and, where applicable, the consolidated profit and loss account and consolidated balance sheet;
  - b. Discharge from liability of the Board of Directors and the Chief Executive Officer;
  - c. Allocation of the company's profit or loss in accordance with the adopted balance sheet.
9. Determination of the number of Board members and deputy Board members.
10. Determination of the remuneration for the Board of Directors and, where applicable, the auditors.
11. Election of the Board of Directors and any deputy Board members and, where applicable, any auditors and alternate auditors.
12. Matter regarding the nominating committee for the appointment of incoming Board of Directors.
13. Authorization for the Board of Directors to acquire and transfer the company's shares.
14. Resolution to authorize the Board of Directors to appoint an audit committee.
15. Any other business.
16. Closure of the meeting.

*Orc Software provides technology for advanced market making, trading and brokerage. The Orc System is used in 19 countries and allows users to access more than 70 markets. The company is listed at Stockholmsbörsen and has operations in Chicago, Frankfurt, Hong Kong, London, Milan, Moscow, New York, Stockholm, St Petersburg, Sydney, Tokyo, Toronto, Vienna and Zurich. In 2003, the company's total revenue amounted to SEK 249 million with an operating income of SEK 74 million.*

## **Proposed resolutions**

### **Item 8. c) Payment of dividends and record date**

The Board of Directors has resolved to propose to the meeting of the shareholders a payment of dividends in the amount of SEK 3.40 per share and that the record date for purposes of the payment of dividends be fixed at Monday April 26, 2004. Should the meeting of the shareholders adopt a resolution in accordance with the proposal, it is estimated that dividends will be distributed by VPC on Thursday April 29, 2004 to those persons who are registered in the shareholders' register maintained by VPC or in the separate list of pledge holders etc. maintained in conjunction therewith.

### **Item 9. Number of Board members and deputy Board members**

The nominating committee<sup>1</sup> proposes that the Board consist of 7 Board members and no deputy Board members.

### **Item 10. Proposed remuneration to the Board of Directors and auditors**

The nominating committee proposes an unchanged remuneration to the Board of Directors and that each Board member receive SEK 125 000, that the Chairman of the Board receive double the Board member's compensation, i.e. SEK 250000 and that compensation for work on the Board of Directors should not be paid to Board members who are employed by the company. In total the proposal amounts to SEK 875 000. In accordance with previous procedures fees to the auditors should be paid on account.

### **Item 11. Election of Board members**

The nominating committee proposes re-election of the Board members:

Magnus Böcker  
Yngve Andersson  
Åke Dovärn  
Ulrika Hagdahl  
Per E. Larsson  
Nils Nilsson  
Stig Vilhelmson

### **Item 12. Matter regarding the nominating committee for the appointment of incoming Board of Directors**

The Swedish Shareholders' Association has proposed that a nominating committee be appointed by the Annual General Meeting. The committee shall be made up of three to five members that are independent of the company and that shall represent the company's shareholders at the Annual General Meeting. One representative for other shareholders shall also be included in the committee.

Shareholders who together represent 42 percent of the number of votes propose:

- that there shall be a nominating committee responsible for the preparation and presentation of proposals to the shareholders at the Annual General Meeting of the shareholders regarding the election of Board members and, where appropriate, the auditor as well as the remuneration for the Board and the auditor;
- that the nominating committee shall consist of four members, who represent the four largest shareholders at the end of the third quarter, and that these members are appointed according to the following: At the end of the third quarter the Chairman of the Board shall summon the four largest shareholders in the company, who thereby have the right to appoint one member each, who should not be a Board member, to the nominating committee. In addition, the nominating committee may decide that the Chairman of the Board shall be included in the committee. If any of the four shareholders decline the right to appoint a member to the committee, the next shareholder, according to size, shall be granted the opportunity to appoint a member to the committee. The head of the committee should be a shareholder representative, but the Chairman of the Board may also be appointed as the head of the committee. The Chairman of the Board shall, as a part of the nominating committee's work, account for circumstances regarding the Board's work, the need for specific expertise, etc. that may be of significance for the nominating process. Individual shareholders in Orc Software shall be able to make proposals regarding the members of the Board to the nominating committee for further evaluation within the framework for its responsibilities;
- that information about the composition of the nominating committee shall be made public in the company's third quarter report;
- that the nominating committee, if it is deemed necessary in order to attain a suitable choice of candidates for the Board, shall have the right to debit the company for costs related to recruiting consultants;
- that the nominating committee shall account for its work at the Annual General Meeting.

### **Item 13. Authorization for the Board of Directors to acquire and transfer the company's shares**

The Board of Directors' proposal primarily contains an authorization for the Board to acquire shares in the company during the period up until the next Annual General Meeting. The share acquisitions shall take place on the Stockholmsbörsen and the market price at the time of acquisition shall be paid for the shares.

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<sup>1</sup> The nominating committee comprised Magnus Böcker (OMHEX), Ulrika Hagdahl (Cancle Förelvaltnings), Mats Gustafsson (SEB Asset Management) and Tomas Nicolin (Third Swedish National Pension Fund).

Acquisitions are limited by the company's shareholding not being allowed, at anytime, to exceed 10 percent of the total shares in the company. The purpose of the acquisitions is to provide the Board with the possibility of creating additional value for the company's shareholders by optimizing the capital structure of the Group during the period up until the next Annual General Meeting.

Furthermore the Board's proposal would authorize the Board to transfer the company's shares in conjunction with an acquisition or expansion, before the next Annual General Meeting, via other means than the Stockholmsbörsen. The authorization may be exercised on one or more occasions and includes the company's entire shareholding at the time of the Board's decision. Authorization includes the right to decide to deviate from the shareholders' preferential rights as well as to make payment with other means than cash. Compensation for sold shares shall equal their estimated market value.

The Board's entire proposal covered in item 13 will be available at the company, Birger Jarlsgatan 32A, SE-103 95 Stockholm, Sweden and on the company web-site [www.orcsoftware.com](http://www.orcsoftware.com) and sent via post to those shareholders who request it.

Stockholm, March 2004  
The Board of Directors

**For further information please contact:**

Susanne Holmlund, Investor Relations, tel: +46 8 407 38 50