

Press release, Stockholm, Sweden, 5 May 2008

Annual General Meeting of Hexagon AB

At the Annual General Meeting of Hexagon AB (publ) today, the following was resolved.

Board of Directors and auditor

The AGM re-elected the Directors Melker Schörling, Maths O. Sundqvist, Ola Rollén, Mario Fontana and Ulf Henriksson and elected Gun Nilsson as new Director of the Board. Melker Schörling was re-elected Chairman of the Board.

The Directors' fees shall be in total 2 425 000 SEK (including fees for committee work) to be allocated with 650 000 SEK to the Chairman and 350 000 SEK to each of the other Directors elected by the AGM but not employed by the company. The Chairman of the Remuneration Committee shall receive 75 000 SEK and a member thereof 50 000 SEK, and the Chairman of the Audit Committee 150 000 SEK and a member thereof 100 000 SEK.

Ernst & Young AB, with the authorised public accountant Hamish Mabon as chief auditor, was re-elected auditor of the company for a term of office of four years, whereby it was also resolved that the auditor shall be remunerated on current account.

Cash dividend

In accordance with the proposal of the Board of Directors, the AGM resolved to declare a dividend of 2.35 SEK per share. Record day for the dividend was determined to 8 May 2008. Dividend settlements will be handled by VPC AB (the Swedish Securities Register Centre) and the estimated settlement day will be 13 May 2008.

Dividend of the shares in Hexpol AB

In accordance with the proposal of the Board of Directors, the AGM resolved to distribute all shares of the wholly-owned subsidiary Hexpol AB (previously named Hexagon Polymers AB) to Hexagon's shareholders, whereby ten (10) shares in Hexagon shall entitle to one (1) share in Hexpol. Owners of shares of series A in Hexagon shall receive shares of series A in Hexpol and owners of shares of series B in Hexagon shall receive shares of series B in Hexpol. The estimated settlement day will be 5 June 2008.

Nomination-, Remuneration- and Audit Committee

Maths O. Sundqvist, Anders Algotsson (AFA Försäkring) and Marianne Nilsson (Swedbank Robur) were re-elected and Mikael Ekdahl (Melker Schörling AB) was elected as new member of the Nomination Committee in respect of the AGM 2009, whereby Mikael Ekdahl was appointed Chairman of the Nomination Committee.

At the Statutory Board Meeting following the AGM, Melker Schörling and Maths O. Sundqvist were re-elected members of the Remuneration Committee for the time period until the next Statutory Meeting. For the same term, Mario Fontana was re-elected and Gun Nilsson was elected as new member of the Audit Committee.

Guidelines for remuneration to senior executives

The AGM resolved on the adoption of guidelines for remuneration to senior executives principally entailing that the remuneration shall consist of a basic salary, a variable remuneration, other benefits and pension and all in all be competitive and in accordance with market practice. The variable remuneration shall be maximized in relation to the basic salary, tied to such performance that the relevant individual may influence and based on the outcome in relation to individual targets. The Board shall annually consider whether a share- or share price related incentive program shall be proposed to the Annual General Meeting.

The notice period shall normally be six months on the part of the employee. In case of notice of termination by the company, the notice period and the period during which severance payment is paid shall, all in all, not exceed 24 months. The pension rights shall be either benefit or fee-based, or a combination of both, with an individual pension age, however, not lower than 60 years.

Issue in kind

The AGM resolved on an issue in kind, whereby the company's share capital shall be increased by a maximum of 630 000 SEK by a new issue of not more than 315 000 B-shares. The reason for the issue in kind is that, in connection with Hexagon's acquisition of Leica Geosystems Holdings AG ("Leica") in October 2005, there were approximately 90 000 outstanding options which had been awarded employees within the former Leica Group. Following a merger between Leica and its former wholly-owned subsidiary Leica Geosystems AG, the options relate to shares in latter company. At present there are approximately 28 500 outstanding options, of which a total maximum of approximately 21 000 may be exercised for subscription of new shares during spring 2008.

The right to subscribe for the new Hexagon-shares in the issue in kind shall be granted to the option holders or a bank engaged by Leica Geosystems AG in order to secure an appropriate handling and transfer of B-shares in Hexagon to the option holders. Subscription and payment for the new shares shall take place no later than 19 May 2008, or such later date as decided by the Board of Directors, by transfer of shares in Leica Geosystems AG issued on the basis of outstanding options (contribution in kind). The new shares shall entitle to dividend from the financial year 2009, i.e. also for the financial year 2008.

Authorization of the Board to resolve on acquisition and transfer of the company's shares

The AGM resolved to authorise the Board of Directors to, on one or several occasions during the time period until the next annual general meeting, resolve on the acquisition and transfer of the company's own shares. Acquisitions and transfers may thereby be made of no more than such number of shares which from time to time represent 10 per cent of the total number of shares in the company. Acquisitions may be made on the OMX Nordic Exchange Stockholm at the stock-exchange quotation applicable at the time of acquisition. Transfer may take place with deviation from the shareholders' preferential rights at the OMX Nordic Exchange Stockholm as well as to a third party in connection with the acquisition of a company or business. Payment for shares transferred shall be made in cash, by contribution in kind or by set-off. Transfer in connection with the acquisition of a company may take place at a market value appraised by the Board of Directors. The purpose of the authorisation is to give the Board of Directors the opportunity to adjust the company's capital structure and to finance acquisitions by utilisation of the company's own shares. The authorisation for repurchase also aims at making it possible for the company to utilise repurchased own shares in order to cover the company's future undertakings to deliver

shares in accordance with the warrants programme resolved upon by the Extraordinary General Meeting held on 14 December 2007.

For further information please contact:

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