LOOMIS

PROPOSAL OF THE BOARD OF DIRECTORS OF LOOMIS AB FOR THE IMPLEMENTATION OF AN INCENTIVE SCHEME

Background and motives

Redesigning the existing bonus structure would, in addition to the existing warrant program, enable the group to gradually have approximately 350 of Loomis top managers as shareholders, thus strengthening the employee ownership in Loomis' future success and development to the benefit of all shareholders. The Board is of the opinion that these benefits may be achieved by further developing the existing performance-based cash bonus schemes into also comprising a share related part, which is the reason for proposing the implementation of the incentive scheme starting 2010.

The proposal principally entails that 1/3 of any annual bonus earned under the performance based cash bonus schemes, after a 20 per cent increase of the potential maximum amount, would be converted into a right to receive shares, with delayed allotment and subject to continued employment. In connection herewith, the salaries will be frozen during 2010 (to the extent possible with regard to local rules and undertakings). Thereafter the salaries will be subject to customary revisions. It is the assessment of the Board that the scheme will increase the group's attractiveness as an employer.

The detailed contents of the proposed incentive schemes are described below. In order to implement the scheme in an efficient and cost-effective way, it is also proposed that the Annual General Meeting ("AGM") authorizes the Board to acquire and transfer treasury shares on the stock exchange and to resolve that acquired treasury shares may be transferred to the participants of the incentive scheme on the terms and conditions stated below, or, alternatively, enter into a so-called swap agreement with a bank/third party.

In light of the proposed conditions, the contemplated size of the scheme and other circumstances, the Board is of the view that the proposed incentive scheme is well balanced and advantageous to Loomis and its shareholders.

The Board intends to recur with proposals for incentive schemes in accordance with the principles here proposed also before AGMs after 2010.

A. Incentive Scheme

The Board of Directors proposes that the AGM resolves on the implementation of a share and cash bonus scheme in Loomis, in accordance with the following main principles (the "**Incentive Scheme**").

1. Approximately 350 employees now participating in the Loomis cash bonus schemes will participate in the Incentive Scheme.

2. Employees participating in the Incentive Scheme will be entitled to receive a part of the yearly bonus in the form of shares in Loomis, provided that certain predetermined and measurable performance criteria, which currently apply under the cash bonus schemes, are met.

3. The principles already applicable under the existing bonus schemes, within the scope of the adjusted principles on remuneration to senior executives adopted by the AGM, will continue to apply. The existing principles include clearly measurable, performance based targets that are set as close to the local business as possible and aim for long term profitability of the group. In connection with the implementation of the Incentive Scheme, the bonus

potential will be increased by 20 per cent compared with the maximum bonus potential within the existing cash bonus schemes.

4. Provided that the applicable performance criteria are met, the yearly bonus will be determined at the outset of 2011 and will, subject to sections A5, A6 and B (i) (b) 6 (a) below, be payable as follows.

   (i) 2/3 of the bonus will be paid in cash at the outset of 2011; and

   (ii) 1/3 of the bonus will be paid in shares of series B in Loomis AB (the "**Bonus Shares**") at the outset of 2012. The number of shares to which each participant will be entitled shall be determined by the ratio between the available bonus and the share price at the time of determination of the bonus.

5. Distribution of Bonus Shares according to section 4 (ii) above will only occur if the total accrued bonus amounts to at least EUR 4,200. If the total bonus is less than EUR 4,200, the whole bonus amount will instead be paid out in cash at the outset of 2011 in accordance with section 4 (i) above.

6. Distribution of Bonus Shares according to section 4 (ii) above is conditioned upon the employee remaining employed by Loomis as of the last day of February 2012, except where an employee has left his/her employment due to retirement, death or long term disability, in which case the employee shall have a continued right to receive Bonus Shares.

7. Prior to the distribution of Bonus Shares in accordance with section 4 (ii) above, the employee will neither be registered as a shareholder nor have any shareholder rights (e.g. voting rights or rights to dividend) connected to the Bonus Shares. At distribution of the Bonus Shares in accordance with section 4 (ii) above, the employee shall however be entitled to additional shares up to a value corresponding to any dividend paid as regards the Bonus Shares (based on the value of the share at the time of distribution) during the period from payment of the cash bonus in accordance with section 4 (i) until distribution of the Bonus Shares.

8. The number of Bonus Shares that can be received may be subject to recalculation due to share issues, splits, reverse splits and similar dispositions.

9. The Board shall be entitled to resolve on a reduction of the distribution of Bonus Shares if distribution in accordance with the above conditions – considering Loomis' result and financial position, other circumstances regarding the group's development and the conditions on the stock market – would be clearly unreasonable.

10. Participation in the Incentive Scheme presumes that such participation is lawful and that such participation in Loomis' opinion can take place with reasonable administrative costs and economic efforts. The Board shall however be entitled to implement an alternative incentive solution for employees in such countries where participation in the Incentive Plan is not advisable, which alternative solution shall, as far as practically possible, correspond to the terms of the Incentive Scheme.

11. The Board shall be responsible for the particulars and the handling of the Incentive Scheme within the frame of the above principal guidelines and shall

also be entitled to make such minor adjustments which may prove necessary due to legal or administrative circumstances.

A valid resolution by the AGM on the proposal addressed under this item A. requires support from shareholders representing more than half of the votes cast, or, in case of equal voting, the opinion supported by the Chairman of the AGM.

B. Costs of the Incentive Scheme. Hedging measures

The Incentive Scheme may, in addition to already existing costs related to the current cash bonus schemes, cause increased costs in the form of salary costs, as well as social security payments. These costs can be estimated to approximately MSEK 20, at maximum outcome.

(i) Hedging based on acquisition of treasury shares

(a) Authorization for the Board to resolve on acquisition of treasury shares of series B on the stock market

In order to enable the delivery of Bonus Shares in accordance with the Incentive Scheme, the Board proposes that the AGM authorizes the Board to resolve on acquisition of treasury shares of series B on the following terms:

1. The authorization may be exercised on one or more occasions, however not later than the AGM 2011.

2. The number of shares required for delivery of Bonus Shares to the participants of the Incentive Scheme, however not more than 280,000 shares (estimated based on historical actual bonus payments and adjusted to the present number of bonus eligible managers and an estimated share price of SEK 90), may be acquired for securing delivery thereof. Should any such acquired shares remain after the delivery of Bonus Shares has been completed, due to circumstances set out in section A6 above, such shares will remain in the possession of Loomis AB and may be used for future schemes or as otherwise decided by the AGM.

3. Acquisitions in accordance with section 2 shall be made on the NASDAQ OMX Stockholm Exchange at a price within the from time to time registered price interval, referring to the interval between the highest purchase price and the lowest selling price.

(b) Transfer of treasury shares to participants of the Incentive Scheme

In order to enable the delivery of Bonus Shares in accordance with the Incentive Scheme, the Board proposes that the AGM resolves on transfer of treasury shares of series B on the following terms.

1. The number of shares required for delivery of Bonus Shares to participants of the Incentive Scheme, however not more than 280,000 shares (corresponding to the repurchased shares under (a)2 above), may be transferred, at the latest on 30 June 2012.

2. The right to receive shares shall accrue to participants of the Incentive Scheme, with the right for each participant to receive not more than the

number of shares as set out by the terms of the scheme.

3. Transfer of shares to participants of the Incentive Scheme shall be executed as soon as reasonably possible after the participants being entitled to receive Bonus Shares under the Incentive Scheme.

4. Transfer of the shares shall be effected free of charge for the participants.

5. The number of shares transferred under the Incentive Scheme may be subject to recalculation due to share issues, splits, reverse splits and similar dispositions.

6. In the event the maximum amount of treasury shares set forth in 1 above is insufficient to cover the amount of shares required for delivery of Bonus Shares to participants of the Incentive Scheme, Loomis shall be entitled to (a) pay an amount corresponding to such failing number of shares in cash in connection with payment of the cash bonus in accordance with 4 (i), or (b) take such further hedging measures as are necessary to enable the delivery of all Bonus Shares.

The reason for the deviation from the shareholders' preferential rights at transfer of treasury shares is to give Loomis the possibility to transfer Bonus Shares to the employees participating in the Incentive Scheme.

(ii) Hedging based on share swap agreement

In case the requisite majority is not achieved as regards the resolution on item B (i) above, it is proposed that the financial exposure of the Incentive Scheme be hedged by the entry of Loomis into a share swap agreement with a third party, whereby the third party in its own name shall acquire and transfer shares in the company to employees participating in the scheme. The cost for the swap will not exceed 0.3 per cent on the share purchase cost, which would correspond to SEK 100,000 in case of maximum allotment of Bonus Shares.

(iii) Voting majority

For valid resolution by the AGM on the resolution under item B (i) it is required that shareholders representing at least 9/10 of the votes cast and shares represented at the AGM support the resolution.

For valid resolution by the AGM on the resolution under item B (ii) it is required that shareholders representing more than half of the votes cast support the resolution, or, in case of equal voting, the opinion supported by the Chairman of the Board.

Quota of total number of shares and effects on important key ratios

The number of shares in Loomis AB amounts to 73,011,780. The Incentive Scheme may lead to acquisition of a maximum of 280,000 shares as defined in B (i) (a) 2, which is equivalent to 0.4 per cent of the total number of outstanding shares and 0.3 per cent of the total number of votes in Loomis. Such acquisition may have a positive impact on the earnings per share because of less outstanding shares. One year after the acquisition of the shares, those shares are to be transferred free of charge to the participants, which will have a negative impact on the earnings per share. The number of shares will consequently remain unchanged, but the earnings per share could be negatively impacted, to the extent the Incentive Scheme causes increased costs. Since the Incentive Scheme is based on the conversion of part of the existing cash bonus to a share bonus and is meant to be a means to freeze salaries for the participants (to the extent that this is possible), the negative impact on the earnings of Loomis will be mitigated. The actual effect of this is difficult to assess as it is based on many variable factors.

If B (ii) is resolved as the method of transferring the shares, there will be no impact on the earnings per share, other than the increased costs that the Incentive Scheme could cause. The existing warrant scheme may result in a total dilution of maximum approximately 3.38 % in relation to the share capital and approximately 2.40 % in relation to the number of votes on a fully diluted basis, calculated as the number of new shares in proportion to the number of existing and new shares.

Preparation of the proposal

The above proposal for the Incentive Scheme has been prepared by the Board and the Remuneration Committee in consultation with major shareholders. No senior executive, who may be included in the Incentive Scheme, has participated in the framing of the scheme.

Stockholm in March 2010
The Board

Loomis AB (publ)

LOOMIS

CONVENIENCE TRANSLATION

BOARD OF DIRECTOR'S STATEMENT PURSUANT TO CHAPTER 19, SECTION 22 OF THE SWEDISH COMPANIES ACT

The Board has proposed the Annual General Meeting ("AGM") 2010 of Loomis AB to implement an incentive scheme comprising approximately 350 Loomis employees. In order to enable delivery of shares in accordance with the proposed incentive scheme, the Board has proposed the AGM to authorise the Board to, up until AGM 2011, acquire the number of treasury shares required for such delivery, however not more than 280,000, which corresponds to 0.4 per cent of the total number of shares in Loomis. The Board hereby makes the following statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act.

The Board considers that the Group's and the Company's equity after the proposed authorisation for the Board to repurchase own shares will be sufficient in relation to the nature, scope and risks of the business of the Group and the Company. In this context, the Board has considered factors such as the Group's profit level, future outlook, cash flow and investment requirements, including the proposed cash dividend of SEK 2.65 per share.

The equity has not increased or decreased as a result of measurement of assets or liabilities according to chapter 4 section 14a of the Annual Accounts Act.

The Board considers that the Group and the Company will be able to assume future business risks, and to withstand potential losses. The authorisation for the Board to repurchase own shares will not have a detrimental impact on the Group's or the Company's capacity to make further investments pursuant to the plans of the Board.

The proposed authorisation for the Board to repurchase own shares will not have a detrimental impact on the Group's or the Company's capacity to fulfil their payment commitments. The Group and the Company have ready access to short and long-term credit that can be claimed on short notice. Accordingly, the Board considers that the Group and the Company are well prepared to respond to changes in regard to liquidity as well as unexpected events.

In addition to the above, the Board has considered other known circumstances that may be significant to the Group's and the Company's financial position. In this context, no circumstances have arisen implying that the proposed authorisation for the Board to repurchase own shares, would not appear justifiable.

Stockholm in March 2010

The Board

Loomis AB (publ)

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