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# Capital Contributions

For many years, there has been an intensive discussion regarding the forms of ownership of Lantmännen. The conclusions of the Owner Forum were clear – the members wanted an increased share of individual capital and they also wanted to receive a part of Lantmännen's increase in value. Being able to trade in member's issued contributions (sw: emissionsinsatser) was one way to develop the ownership. Now here comes the next opportunity: capital contributions.

The introduction of capital contributions serves two purposes: one is to strengthen the group's capital base, but it is at least equally important to increase the involvement of the members and employees in Lantmännen's profit trend. Prior to subscription, members and employees at Lantmännen will receive a folder in which they can read about the offer and about how to subscribe to buy capital contributions. The subscription period will open at the end of April/beginning of May.

## Q&A regarding Capital Contributions

### What is a capital contribution?

The capital contribution is a kind of financial instrument suited to co-operative societies. Lantmännen's capital contribution has a term of just over five years and the dividend is connected both to the general interest rate and to Lantmännen's overall profit.

### Who is entitled to subscribe?

Members of Lantmännen and those employed on a permanent basis in Sweden, Norway, Finland, Denmark, Latvia, Germany, Belgium, England and Poland are entitled to subscribe to capital contributions.

### Why not extend the offer to all employees?

The offer encompasses 94 percent of the total number of employees in the Lantmännen group. The limitation to selected countries was done primarily for reasons pertaining to the very comprehensive prospectus requirements imposed on financial instruments such as capital contributions.

### How small or how large can purchased items be?

Subscriptions are done in items of SEK 10,000 and minimum subscription amounts to one item. There is no upper limit, but in the event of an oversubscription, those who signed up for smaller amounts are given priority. The maximum volume is MSEK 500.

### When can I subscribe to buy securities?

The subscription period will open at the

end of April/beginning of May 2009. Members and employees will receive an information brochure with a subscription form prior to the opening of the subscription period.

### How large can the dividend be?

The dividend is based in part on the Swedish central bank's reference interest rate and in part on Lantmännen's return on equity. If things go well for Lantmännen then the dividend can become considerably greater than the bank interest rate. (See table).

### Is there a lower limit for the dividend?

The general terms and conditions stipulate a minimum annual dividend of 3 percent of the nominal amount. Ultimately, the question of dividends is rather a matter of Lantmännen's financial result.

### For how many years do I get a dividend?

Dividends are paid out once per year during the term of the capital contribution, from 2009–2014.

### When is the capital contribution paid back?

The nominal amount of the capital contribution is paid back on December 30, 2014.

### Can I buy or sell my capital contribution to anyone?

When Lantmännen issues the capital contributions, only members and employees are approached. However, the capital contributions can be sold to anyone on a subsequent market.

### How do I go about trading the capital contributions?

Roughly eight times per year there is an opportunity to trade in capital contributions. The bank Nordea brokers the purchase and sell orders.

### How can I follow the growth in value of the capital contributions?

Information on the most recent quotations will be published on Lantmännen's web sites.

### Earlier this year it became possible to trade in members issued contributions in Lantmännen. What is the difference between capital contributions and members issued contributions?

Members issued contributions are member capital and can only be bought and sold by members. Capital contributions are something between members equity and loan capital and can be owned and traded by anyone.

### Does capital contributions give influence in Lantmännen?

No. Owning capital contributions does not give you any influence. The issuance of capital contributions is directed toward both members and employees. Only owners/members have direct influence and can vote, for example, at district meetings.

### Where can I find more information?

Prior to subscription, members and employees of Lantmännen will get access to a folder with a subscription form in which they can read about the offer and about how to subscribe. The entire formal prospectus will be available at [www.lantmannen.com](http://www.lantmannen.com) and can be ordered from Lantmännen. Every decision about investing in Lantmännen's capital contributions must be based on an assessment of the prospectus in its entirety.

It will be possible to start subscribing to capital contributions in Lantmännen at the end of April/beginning of May.

## What your dividend can be in the future

The table below shows what the dividends will be under certain assumptions about Lantmännen's future return on equity and the Swedish central bank's reference interest rate (2 percent at present).

Return on equity capital (%)	Result component (%)	Interest component (%)	Dividend (%)
≥20	14,75	2,00	16,75
≥19	14,00	2,00	16,00
≥18	13,25	2,00	15,25
≥17	12,50	2,00	14,50
≥16	11,75	2,00	13,75
≥15	11,00	2,00	13,00
≥14	10,25	2,00	12,25
≥13	9,50	2,00	11,50
≥12	8,75	2,00	10,75
≥11	8,00	2,00	10,00
≥10	7,25	2,00	9,25
≥9	6,50	2,00	8,50
≥8	5,75	2,00	7,75
≥7	5,00	2,00	7,00
≥6	4,00	2,00	6,00
≥5	3,00	2,00	5,00
≥4	2,00	2,00	4,00
≥3	1,00	2,00	3,00
<3	0,00	2,00	3,00

