

This is a non-official translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail

Motivated Board statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act

In view of the Board's proposals to the annual general meeting 2015 concerning repurchase of warrants, the Board hereby makes the following statement in accordance with Chapter 19, Section 22 of the Swedish Companies Act.

The Board concludes that the company's restricted equity is fully covered after the proposed repurchase of warrants. The Board further concludes that the proposed repurchase of warrants is justifiable in view of the parameters set out in Chapter 17, Section 3, second and third paragraphs of the Swedish Companies Act. In connection herewith, the Board wishes to point out the following:

- Provided that the total repurchase price does not exceed SEK 613 060 the solvency of the company and the group after the proposed repurchase will remain 94% and 32%, respectively.
- According to the Board's opinion the proposed repurchase of warrants will not affect the company's or the group's ability to fulfil their payment obligations.
- In addition to what has been stated above, the Board has considered other known circumstances which may be of importance for the company's and the group's financial position. In doing so, no circumstance has appeared that does not justify the proposed repurchase of warrants.
- The Board has the view that the company's and the group's shareholders' equity, after the proposed repurchase of warrants, will be sufficient in relation to the nature, scope and risks of the business.

Stockholm in April 2015

The Board of Directors of Ferronordic Machines AB (publ)