

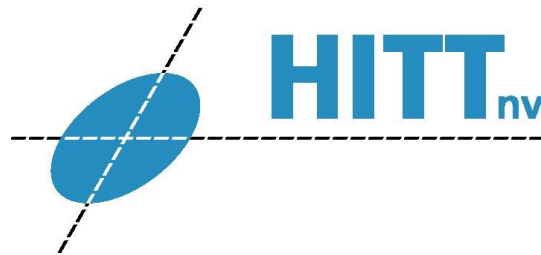
**The Offer expires on 2 October 2012 at 18:00 hours CET,
unless extended**

**Offer Document
Dated 6 August 2012**

regarding

the recommended cash offer for

all outstanding ordinary shares in the share capital of



HITT N.V.

(a public limited liability company incorporated under the laws of the Netherlands)

by



SAAB AB (Publ)

(a public company incorporated under the laws of Sweden)

This offer document (the "**Offer Document**") contains the details of a cash offer by SAAB AB (Publ) ("**Saab**" or the "**Offeror**"), to acquire all of the issued and outstanding ordinary shares with a nominal value of EUR 0.25 each ("**Shares**", and the holders of such Shares are referred to as the "**Shareholders**") in the capital of HITT N.V. ("**HITT**" or the "**Company**"), on the terms and subject to the conditions and restrictions contained in this Offer Document (the "**Offer**").

Shareholders tendering their Shares pursuant to the Offer will be paid, on the terms and subject to the conditions and restrictions contained in this Offer Document, in consideration of each Share validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (*geleverd*), a cash amount of EUR 6.60 per Share (the "**Offer Price**"). The Offer Price includes any cash or share dividends or other distributions on the Shares that is or may be declared by the Company on or prior to the Settlement Date. Consequently, if on or prior to the Settlement Date any such cash or share dividend or other distribution is declared in respect of the Shares, and the record date for such cash or share dividend or other distribution occurs on or prior to the Settlement Date, the Offer Price will be decreased by an amount per Share equal to any such cash or share dividend or other distribution per Share.

The management board of HITT (the "HITT Management Board") and the supervisory board of HITT ("HITT Supervisory Board" and, together with the HITT Management Board, the "HITT Boards") unanimously approve and fully support the Offer and unanimously recommend the Offer to the Shareholders for acceptance. See Section 6.6 (Recommendation by the HITT Boards).

HITT Holding B.V., the main Shareholder of the Company, holding approximately 53.4% of the Shares, has irrevocably agreed to tender all its Shares in the Offer and to vote in favour of certain resolutions proposed at the EGM. In addition, four large Shareholders, holding approximately 20.2% of the Shares, have also confirmed their support of the Offer in support letters. See Section 6.7 (Committed Shares).

The Acceptance Period under the Offer begins at 9:00 hours CET on 7 August 2012 and, unless extended, ends at 18:00 hours CET on 2 October 2012 (such time, the "**Acceptance Closing Time**" and, such date, the "**Acceptance Closing Date**") (the "**Acceptance Period**"). Acceptance under the Offer must be made in the manner specified in this Offer Document.

Shares tendered on or prior to the Acceptance Closing Date may not be withdrawn, subject to the right of withdrawal of any tender during an extension of the Acceptance Period in accordance with the provisions of article 15, paragraph 3 of the Decree on public offers Wft (*Besluit openbare biedingen Wft*) (the "**Decree**").

The Offeror reserves the right to extend the Offer past the Acceptance Closing Date if one or more of the Offer Conditions are not fulfilled or waived by the Acceptance Closing Date. If

the Offer is extended past the Acceptance Closing Date, the Offeror will make an announcement to that effect in accordance with the Decree. See Section 5 (Invitation to the Shareholders). The provisions of article 15, paragraph 2 of the Decree, require that such an announcement be made within three Business Days following the Acceptance Closing Date.

Unless the Acceptance Period is extended, the Offeror will, in accordance with article 16 of the Decree, announce whether the Offer is declared unconditional (*gestand wordt gedaan*) within three Business Days following the Acceptance Closing Date (the "**Unconditional Date**"). See Section 5.5 (Declaring the Offer Unconditional). The Offeror reserves the right to waive certain Offer Conditions, if relevant and to the extent permitted by applicable law. See Section 6.5 (Offer Conditions).

Announcements will be made by a press release and on the websites of the Company and the Offeror. See Section 5.8 (Announcements).

In the event that the Offeror announces that the Offer is declared unconditional (*gestand wordt gedaan*), the Shareholders who have tendered and delivered their Shares to the Offeror prior to the Acceptance Closing Date will receive within three Business Days following the Unconditional Date (the "**Settlement Date**") the Offer Price in respect of each Share validly tendered (or defectively tendered, provided that such defect has been waived by the Offeror) and delivered (*geleverd*).

At 14:00 hours, CET, on 21 September 2012, an extraordinary general meeting of shareholders of HITT (the "**EGM**") will be held at Hotel de Cantharel, Van Golsteinlaan 20, Apeldoorn, at which meeting the Offer, among other matters, will be discussed in accordance with the provisions of article 18, paragraph 1 of the Decree and certain resolutions will be voted on by the Shareholders. See Section 7 (Extraordinary General Meetings of HITT Shareholders).

This Offer Document has been prepared in accordance with article 5:76 of the Wft in conjunction with article 8, paragraph 1 of the Decree and has been approved by the Netherlands Authority for the Financial Markets (*stichting Autoriteit Financiële Markten*, the "**AFM**"). The position statement of the HITT Boards dated 6 August 2012 in accordance with article 18 of the Decree (the "**Position Statement**") is included as Part II in the same physical binder as this Offer Document (which is Part I), but does not form part of this Offer Document. The Position Statement does not constitute part of the Offer Document as defined by the Decree and as such is not subject to prior review and approval of the AFM. The Position Statement is, however, subject to review by the AFM after publication thereof.

PART I – OFFER DOCUMENT

1. RESTRICTIONS

This Offer Document is not an offer to sell securities and it is not a solicitation of an offer to buy securities, nor shall there be any sale or purchase of securities pursuant hereto, in any jurisdiction in which such offer, solicitation or sale is not permitted or would be unlawful prior to registration or qualification under the laws of any such jurisdiction. If you are in any doubt as to your eligibility to participate in the Offer, you should contact your professional adviser immediately.

The Offer applies to all the Shares and is made with due observance of such statements, conditions and restrictions as are included in this Offer Document. The Offeror reserves the right to accept any tender pursuant to the Offer, which is made by or on behalf of a Shareholder, even if it has not been effected in the manner set out in this Offer Document. The Offer is not being made, and the Shares will not be accepted for purchase from or on behalf of any Shareholder, in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities or other laws or regulations of such jurisdiction or would require any registration, approval or filing with any regulatory authority not expressly contemplated by the terms of this Offer Document. Notwithstanding the foregoing, acceptances of the Offer by Shareholders not residing in the Netherlands will be accepted by the Offeror if such acceptances comply with (i) the acceptance procedure set out in this Offer Document and (ii) the applicable laws and regulations of the jurisdiction from which such acceptance has been made. Persons obtaining the Offer Document are required to take due note and observe all such restrictions and obtain any necessary authorisations, approvals or consents. Neither the Offeror, the Company, any of their respective affiliates, managing or supervisory board members, employees nor any of their respective advisers accepts any liability for any violation by any person of any such restriction. Any person (including, without limitation, custodians, nominees and trustees) who would or otherwise intend to forward this Offer Document or any related document to any jurisdiction outside the Netherlands should carefully read this Section 1 (Restrictions) and Section 2 (Important Information) before taking any action. The distribution of this Offer Document in jurisdictions other than the Netherlands may be restricted by law and therefore persons into whose possession this Offer Document comes should inform themselves about and observe such restrictions. Any failure to comply with any such restrictions may constitute a violation of the law of any such jurisdiction.

United States

The Offer is not being made, directly or indirectly, in or into, or by use of the mailing systems of, or by any means or instrumentality (including, without limitation, electronic mail, post, telephone, facsimile, telex or electronic transmission) of interstate or foreign commerce of, or of any facility of a securities exchange of the United States of America, and the Offer cannot be accepted by any such use, means, instrumentality or facility of or from within the United States of America. Accordingly, this Offer Document and any related documents are not being and must not be mailed or otherwise distributed or sent in or into the United States of

America or in their capacities as such custodians, trustees or nominees holding shares for American persons and persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not distribute or send them into such jurisdictions and doing so will render invalid any relevant purported acceptance of the Offer. This Offer Document has not been submitted to or reviewed by the United States Securities and Exchange Commission ("SEC") or any state securities commission. Neither the SEC nor any such state securities commission has approved or disapproved or determined whether this Offer Document is truthful or complete. Any representation to the contrary is a criminal offence in the United States of America.

Australia, Canada and Japan

The Offer and any solicitation in respect thereof is not being made, directly or indirectly, in or into Australia, Canada or Japan, or by use of the mailing systems, or by any means or instrumentality of interstate or foreign commerce, or any facilities of a national securities exchange, of Australia, Canada or Japan. This includes, but is not limited to, post, facsimile transmission, telex or any other electronic form of transmission and telephone. Accordingly, copies of this Offer Document and any related press announcements, acceptance forms and other documents are not being sent and must not be mailed or otherwise distributed or sent in, into or from Australia, Canada or Japan or, in their capacities as such, to custodians, nominees or trustees holding Shares for persons residing in Australia, Canada or Japan. Persons receiving this Offer Document and/or such other documents must not distribute or send them in, into or from Australia, Canada or Japan, or use such mails or any such means, instrumentality or facilities for any purpose in connection with the Offer; so doing will invalidate any purported acceptance of the Offer. The Offeror will not accept any tender by any such use, means, instrumentality or facility from within Australia, Canada or Japan.

Tender and transfer of Shares constitutes a representation and warranty that the person tendering the Shares (i) has not received or sent copies of this Offer Document or any related documents in, into or from Australia, Canada or Japan and (ii) has not otherwise utilised in connection with the Offer, directly or indirectly, the mails or any means or instrumentality including, without limitation, facsimile transmission, telex and telephone of interstate or foreign commerce, or any facility of a national securities exchange of, Australia, Canada or Japan. The Offeror reserves the right to refuse to accept any purported acceptance that does not comply with the foregoing restrictions, any such purported acceptance will be null, void and without effect.

2. IMPORTANT INFORMATION

This Offer Document contains important information that should be carefully read before a decision is made to tender Shares under the Offer. Shareholders are advised to study this Offer Document carefully and to seek independent advice where deemed appropriate in order to reach a balanced judgement of the Offer itself and the contents of the Offer Document. In addition, the Shareholders may wish to consult with their tax advisers regarding the tax consequences of tendering their Shares in connection with the Offer.

2.1 Responsibility for information

The information contained in Sections 1 through 6, 9, 11, 12, 13 and 14 of this Offer Document has been provided solely by the Offeror. The information contained in Sections 7, 8 and 15 of this Offer Document has been provided solely by the Company. The information contained in pages 1 to 3 and Section 10 of this Offer Document has been provided by the Offeror and the Company together.

The Offeror is exclusively responsible for the accuracy and completeness of the information contained in this Offer Document solely with respect to the information provided by the Offeror. The Company is exclusively responsible for the accuracy and completeness of the information contained in this Offer Document solely with respect to the information provided by the Company. The Offeror and the Company are jointly responsible for the accuracy and completeness of the information contained in this Offer Document provided by the Offeror and the Company together.

The information included in Section 15.3 (Auditor's statement relating to the comparative overview in Section 15.2) and Section 15.5 (Auditor's report relating to the financial statements in Section 15.4) of this Offer Document has been provided by Deloitte to the Company and is identical to the original auditor's report as at the respective dates these reports were issued by Deloitte.

No person other than the Offeror and HITT, and without prejudice to the auditor's reports issued by Deloitte included in this Offer Document, and the Fairness Opinion rendered by ABN AMRO Bank N.V. to the HITT Boards included in the Position Statement, is authorised to provide any information or to make any statements on behalf of the Offeror or HITT in connection with the Offer or the information contained in the Offer Document. If any such information or statement is provided or made by parties other than the Offeror or HITT, such information or statements should not be relied upon as having been provided by or made by or on behalf of the Offeror or HITT.

2.2 Accuracy and Date of Information

Each of the Offeror and HITT, each solely with respect to the information provided by it, confirms that, to the best of its knowledge, having taken all reasonable care to ensure that such is the case, on the date of publication of the Offer Document, the information contained in this Offer Document is in accordance with the facts and contains no omission likely to affect its import.

The information set out in this Offer Document reflects the situation as at the date of this Offer Document, unless specified otherwise. The issue and distribution of the Offer Document does not imply in any respect that the information contained herein will continue to be correct and complete after the date of publication of the Offer Document. The foregoing does not affect the obligation of both the Offeror and HITT to make a public announcement pursuant to article 5:25i of the Wft or article 4 paragraph 1 and paragraph 3 of the Decree, if applicable.

It should be noted that certain financial and statistical information in this Offer Document may have been rounded up or down to the nearest whole number or the nearest decimal and should therefore not be regarded as exact.

2.3 Applicable Law and Jurisdiction

This Offer Document and the Offer are, and any tender, purchase, acceptance or delivery (*levering*) of Shares will be, governed by and construed in accordance with the laws of the Netherlands. The District Court of Amsterdam (*Rechtbank Amsterdam*) and its appellate courts have exclusive jurisdiction to settle any disputes which might arise out of or in connection with this Offer Document, the Offer and/or any tender, purchase, acceptance or delivery (*levering*) of Shares. Accordingly, any legal action or proceedings arising out of or in connection with the Offer Document, the Offer and/or any tender, purchase, acceptance or delivery (*levering*) of Shares must be brought exclusively before such courts.

2.4 Contact Details

ING Bank N.V. has been appointed by the Offeror as Settlement Agent for the Offer.

Addresses:

The Offeror:

SAAB AB (Publ)

Address: P.O. Box 12062, SE-102 22 Stockholm, Sweden

Telephone: +46 8 463 00 00

Fax: +46 8 463 01 52

E-mail: info@saabgroup.com

The Company:

HITT N.V.

Address: P.O. Box 876, 7301 BC, Apeldoorn, the Netherlands

Telephone: +31 55 543 25 90

Fax: +31 55 543 25 95

E-mail: investor.relations@hitt.nl

The Settlement Agent:

ING Bank N.V.

Address: Bijlmerplein 888
Telephone: + 31 20 563 6546 / + 31 20 563 6619
Fax: + 31 20 563 6959
E-mail: iss.pas@ing.nl

2.5 Language

This Offer Document has been published in English and includes a Dutch summary (*Nederlandse samenvatting*) in Section 13 (*Nederlandse samenvatting*). In the event of differences, whether or not in interpretation, between the English text of the Offer Document on one hand and the Dutch summary on the other hand, the English text shall prevail.

2.6 Availability of copies of Offer Document

Digital copies of this Offer Document are available on the website of HITT at www.hitt.nl and on the website of Saab at www.saabgroup.com. Such websites do not constitute a part of, and are not included or referred to in, this Offer Document. Copies of this Offer Document are also available free of charge from HITT and the Settlement Agent at the addresses mentioned above.

2.7 Documentation incorporated by reference

Copies of the Articles of Association, HITT's annual reports for the financial years ended on 31 December of 2011, 2010 and 2009, respectively, and the proposed amendment of the Articles of Association, all of which documents are incorporated by reference in this Offer Document, are also available free of charge at the abovementioned offices of HITT and those of the Settlement Agent and on the website of HITT at www.hitt.nl.

2.8 Forward-looking statements

This Offer Document includes "forward-looking statements", including statements about the expected timing and completion of the Offer. Forward-looking statements involve known and unknown risk and uncertainty because these statements relate to events and depend on circumstances that all may occur in the future. Generally, words such as "may", "should", "aim", "will", "expect", "intend", "estimate", "anticipate", "believe", "plan", "seek", "continue" or similar expressions identify forward-looking statements. Each of the Offeror and the Company, and any of their respective affiliates, each with respect to the statements it has provided, believes the expectations reflected in such forward-looking statements are based on reasonable assumptions. Nevertheless, no assurance can be given that such statements will be fulfilled or prove to be correct, and no representations are made as to the future accuracy and completeness of such statements. Any such forward-looking statements must be considered together with the fact that actual events or results may vary materially from such forward-looking statements due to, among other things, political, economic or legal changes in the markets and environments in which the Offeror and/or the Company does business, to competitive developments or risks inherent to the Offeror's or the Company's business plans

and to uncertainties, risk and volatility in financial markets and other factors affecting the Offeror and/or the Company.

The Offeror and the Company undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws and regulations or by any competent regulatory authority.

2.9 Financial Advisers

SEB Enskilda, Skandinaviska Enskilda Banken AB ("**SEB Enskilda**") is acting as financial adviser exclusively to Saab and to no one else in connection with the Offer and will not regard any other person (whether or not a recipient of this Offer Document) as a client in relation to the Offer and will not be responsible to anyone other than Saab for providing the protections afforded to the clients of SEB Enskilda or for providing advice in relation to the Offer.

FBM Mahler B.V. is acting as financial adviser exclusively to HITT and to no one else in connection with the Offer and will not regard any other person (whether or not a recipient of this Offer Document) as a client in relation to the Offer and will not be responsible to anyone other than HITT for providing the protections afforded to the clients of FBM Mahler B.V. or for providing advice in relation to the Offer.

ABN AMRO has acted as a financial adviser exclusively to the HITT Management Board and the HITT Supervisory Board, and has rendered a fairness opinion in support of the Boards' recommendation, stating that the Offer Price is fair, from a financial point of view, to the Shareholders and that the Purchase Price payable to the Company under the Business Purchase Agreement is fair, from a financial point of view, to the Company (the "**Fairness Opinion**").

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4. DEFINITIONS

Acceptance Closing Date	the date on which the Offer expires, being 2 October 2012, or, where appropriate, as extended in accordance with article 15, paragraph 2 of the Decree and the provisions of this Offer Document
Acceptance Closing Time	the time at which the Offer expires, being at 18:00 hours CET, on 2 October 2012, or, where appropriate, as extended in accordance with article 15, paragraph 2 of the Decree and the provisions of this Offer Document
Acceptance Period	the period during which Shareholders can tender their Shares to the Offeror, which begins on 7 August 2012 and ends, subject to extension in accordance with article 15 of the Decree, on the Acceptance Closing Time
Admitted Institutions	institutions admitted to Euronext Amsterdam (<i>aangesloten instelling</i>), as defined in article 1 of the Securities Giro Act (<i>Wet giraal effectenverkeer</i>)
Affiliate	any corporation, partnership, co-operative or other business or legal entity or person directly or indirectly controlling or controlled by that Party, including any of its subsidiaries and group companies within the meaning of Articles 2:24a and 2:24b of the DCC, respectively
AFM	the Netherlands Authority for the Financial Markets (<i>stichting Autoriteit Financiële Markten</i>)
Articles of Association	the articles of association of HITT, most recently amended as at 11 April 2005, as amended from time to time after the date of this Offer Document
Applicable Laws	means any and all applicable laws (whether civil, criminal or administrative) including common law, statutes, subordinate legislation, treaties, regulations, rules, directives, decisions, by-laws, circulars, codes (including corporate governance codes), orders, notices, demands, decrees, injunctions, guidance, judgments or resolutions of a parliamentary government, quasigovernment, federal, state or local government, statutory, administrative or regulatory body, securities exchange, court or agency in any part of the world which are in force or enacted and

are, in each case, legally binding as at the relevant time, and the term Applicable Law will be construed accordingly

Asset Sale	has the meaning attributed to it in Section 6.10.3 (Asset Sale pursuant to the Business Purchase Agreement)
Asset Sale Resolution	has the meaning attributed to it in Section 6.10.3 (Asset Sale pursuant to the Business Purchase Agreement)
Asset Sale Term Sheet	the term sheet containing the material terms and conditions of the Asset Sale, attached to the Merger Agreement
Business	has the meaning attributed to it in Section 6.10.3 (Asset Sale pursuant to the Business Purchase Agreement)
Business Day	any other day than a Saturday, Sunday or legal holiday in the Netherlands, on which banks in the Netherlands according to the collective agreements for the banking sector (<i>Algemene Bank-CAO</i>) are generally open for business
Business Purchase Agreement	has the meaning attributed to it in Section 6.10.3 (Asset Sale pursuant to the Business Purchase Agreement)
Buy-Out	has the meaning attributed to it in Section 6.10.2 (Buy-Out)
CET	Central European Time
Combined Company	the combination of HITT and Saab
Company or HITT	HITT N.V., a public company with limited liability (<i>naamloze vennootschap</i>) incorporated under the laws of the Netherlands, with registered office in Apeldoorn
Company Group or HITT Group	HITT and all corporations, partnerships, co-operatives, or other businesses or legal entities or other persons directly or indirectly, solely or jointly controlled by HITT
Continuing HITT Directors	has the meaning attributed to it in Section 6.12 (Future Boards composition)

DCC	the Dutch Civil Code (<i>Burgerlijk Wetboek</i>)
Decree	the Dutch Decree on Public Offers (<i>Besluit openbare biedingen Wft</i>)
Deloitte	Deloitte Accountants B.V.
Disclosed Information	all written information provided by or on behalf of HITT to the Offeror in (i) the Merger Agreement, (ii) management presentations, (iii) management interviews, (iv) the virtual data room and the physical dataroom (v) the answers provided to the questions submitted by or on behalf of the Offeror during the due diligence investigations performed by and on behalf of the Offeror and (vi) the press releases included on HITT's website in 2009, 2010, 2011 and 2012 on or prior to 6 June 2012
EGM	the extraordinary general meeting of Shareholders, to be held on 21 September 2012 at 14:00 hours CET, at Hotel de Cantharel, Van Golsteinlaan 20, Apeldoorn, at which, <i>inter alia</i> , the Offer will be discussed in accordance with article 18 of the Decree and the Governance Resolutions will be voted on
EUR, euro or €	Euro, the legal European currency of the European Monetary Union
Euroclear Netherlands	Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V., the Dutch depositary and settlement institute as referred to in the Securities Bank Giro Transfer Act (<i>Wet giraal effectenverkeer</i>)
Euronext Amsterdam	the stock exchange of Euronext Amsterdam by NYSE Euronext, the regulated market of Euronext N.V.
Fairness Opinion	has the meaning attributed to it in Section 2.9 (Financial Advisers)
Governance Resolutions	the resolutions to be adopted by the Shareholders at the EGM as described in Section 7 (Extraordinary General Meeting of HITT Shareholders)
Government Entity	any government authority, court of competent jurisdiction, administrative agency, antitrust authority or commission or other governmental or regulatory authority or instrumentality, in each case, whether domestic or foreign

Governmental Order	an (x) order, stay, injunction, judgement or decree issued by any court, arbitral tribunal, government, governmental authority, antitrust authority or other regulatory or administrative authority that remains in force and effect or any such suit, proceeding or action which is pending or threatened, or any (y) statute, rule, regulation, governmental order or injunction enacted, clearance process that remains effective or enforced, all such other than as a result of the Offeror's own condition, acts or omissions, which in each cases (x) and (y) restrains or prohibits the making and/or consummation of any of the Transactions on the terms and conditions set out in this Merger Agreement in any material respect
Group Companies	all Affiliates of the Company
HITT or Company	HITT N.V., a public company with limited liability (<i>naamloze vennootschap</i>) incorporated under the laws of the Netherlands, with registered office in Apeldoorn
HITT Boards	the HITT Management Board and the HITT Supervisory Board
HITT Management Board	the management board of HITT
HITT Supervisory Board	the supervisory board of HITT
Irrevocable	has the meaning attributed to it in Section 6.7
Legal Merger	has the meaning attributed to it in Section 6.10.4 (Legal Merger)
Liquidation	has the meaning attributed to it in Section 6.10.3 (Asset Sale pursuant to the Business Purchase Agreement)
Liquidation Resolutions	has the meaning attributed to it in Section 6.10.3 (Asset Sale pursuant to the Business Purchase Agreement)
Liquidator	has the meaning attributed to it in Section 6.10.3 (Asset Sale pursuant to the Business Purchase Agreement)
Long Stop Date	the later of (x) 30 November 2012 and (y) the Business Day immediately following the Acceptance Period, including any extensions thereof in

	accordance with the Decree
Material Adverse Effect	<p>means (a) change(s), effect(s), event(s), development(s) or circumstance(s) that has or is likely to have, a material adverse effect on the businesses, assets, intellectual property, results of operations, pipeline or financial position or cash flows of the Company Group such that the Offeror cannot reasonably be expected to make the Offer, or declare the Offer unconditional, as the case may be, provided that, in no event shall any of the following be taken into account (alone or in combination with any other event identified below):</p> <p>(a) any change, event, circumstance, development or effect generally affecting any of the industries or markets in which the business of the Company Group is conducted unless the Company Group is disproportionately affected compared with companies conducting their business in the same industry;</p> <p>(b) any changes in general economic, political or financial market conditions in any market whatsoever or changes in currency exchange or interest rates unless the Company Group is disproportionately affected compared with companies conducting their business in the same industry;</p> <p>(c) any change, effect, event, development or circumstance resulting from compliance with the Merger Agreement;</p> <p>(d) any change, effect, event, development or circumstance resulting from a breach of the Merger Agreement or Applicable Laws by the Offeror or the Offeror's own conditions, acts or omissions;</p> <p>(e) any change in Applicable Laws or the interpretation thereof; or</p> <p>(f) the negotiations, announcement or entering into of the Merger Agreement or the Transactions</p>
Merger Agreement	the merger agreement between Saab and HITT dated 6 June 2012
Minority Cash Exit	has the meaning attributed to it in Section 6.10.3 (Asset Sale pursuant to the Business Purchase

	Agreement)
Offer	the public offer made by the Offeror to purchase all outstanding Shares on the terms set forth in the Offer Document
Offer Conditions	the condition(s) to declaring the Offer unconditional (<i>gestanddoening</i>) as set out in Section 6.5 (Offer Conditions)
Offer Document	this offer document describing the terms and conditions of and restrictions applicable to the Offer, of which for the avoidance of doubt Part II does not form a part
Offer Price	a cash amount of EUR 6.60 for each Share validly tendered and delivered (<i>geleverd</i>) for acceptance under the terms of the Offer
Offeror or Saab	SAAB AB (Publ), a company incorporated under the laws of Sweden, with registered office in Linköping, Sweden
Position Statement	the position statement of HITT which does not form part of this Offer Document and is not approved by the AFM in advance but will be reviewed after publication
Post Closing Acceptance Period	the period of up to two weeks after the Unconditional Date, during which Shareholders who have not tendered their Shares under the Offer during the Acceptance Period will be given the opportunity to do so in the same manner and under the same conditions as set out in the Offer Document (<i>na-aanmeldingstermijn</i>)
Post Settlement Restructuring	any transaction, restructuring, procedures or proceedings to be implemented to procure as soon as practicable after Settlement that (i) HITT is delisted and (ii) the Offeror acquires all Shares and/or the entire HITT business, including pursuant to a Buy-Out, an Asset Sale or a Legal Merger, as the case may be
Potential Superior Offer	has the meaning attributed to it in Section 6.19.1 (Exclusivity Provisions)
Purchase Price	has the meaning attributed to it in Section 6.10.3 (Asset Sale pursuant to the Business Purchase

	Agreement)
Purchaser	has the meaning attributed to it in Section 6.10.3 (Asset Sale pursuant to the Business Purchase Agreement)
Recommendation	the recommendation of the HITT Boards in respect of the Offer and the Transactions set out in Section 6.6 (Recommendation by HITT Boards)
Revised Offer	has the meaning attributed to it in Section 6.19.1 (Exclusivity Provisions)
Saab or Offeror	SAAB AB (Publ), a company incorporated under the laws of Sweden, with registered office in Linköping, Sweden
Saab Group	Saab, including its Affiliates
SEC	United States Securities and Exchange Commission
Section	any section of this Offer Document
SER Merger Code	SER Merger Code 2000 (<i>SER-Besluit Fusiegedragsregels 2000</i>)
Seller	has the meaning attributed to it in Section 6.10.3 (Asset Sale pursuant to the Business Purchase Agreement)
Settlement	the settlement of the Offer entailing that the Offeror shall pay the Offer Price to the Shareholders who have validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (<i>geleverd</i>) their Shares under the Offer to the Offeror
Settlement Agent	ING Bank N.V.
Settlement Date	the day of Settlement which will be no later than three Business Days following the Unconditional Date, unforeseen circumstances excepted
Share Acceptance Level	the number of Shares that have been tendered for acceptance under the Offer and not withdrawn, taken together with the Shares which are held, directly or indirectly, by Saab for its own account, if any, at the Acceptance Closing Date (or the closing date of the Post Acceptance Period, as the case may be) as a percentage of the issued share capital (<i>geplaatst</i>

	<i>kapitaal</i>) of the Company
Shareholders	holders of Shares
Shares	ordinary shares in the share capital of HITT with a nominal value of EUR 0.25 each
Superior Offer	has the meaning attributed to it in Section 6.19.1 (Exclusivity Provisions)
Support Letters	has the meaning attributed to it in Section 6.7 (Committed Shares)
Takeover Buy-Out	has the meaning attributed to it in Section 6.10.2 (Buy-Out)
Transactions	the Offer, the Asset Sale and other Post Settlement Restructurings and the other actions contemplated by the Governance Resolutions and the Merger Agreement
Unconditional Date	the day on which the Offeror publicly announces whether the Offer is declared unconditional (<i>gestand wordt gedaan</i>), being no later than on the third Business Days following the Acceptance Closing Date
Wft	the Dutch Financial Markets Supervision Act (<i>Wet op het financieel toezicht</i>)

5. INVITATION TO THE SHAREHOLDERS

5.1 Invitation to the Shareholders

The Offeror hereby makes a recommended public offer to purchase all Shares on the terms and subject to the conditions set forth in this Offer Document. Shareholders are advised to review the Offer Document (including all documents incorporated by reference herein) thoroughly and completely and to seek independent advice where appropriate in order to reach a balanced judgement in respect of the Offer itself and the contents of the Offer Document.

The Shareholders are hereby invited to tender their Shares under the Offer in the manner and under the terms and subject to the conditions and the restrictions set out in this Offer Document.

5.2 Offer Price

Shareholders who accept the Offer and tender their Shares will be paid, on the terms and subject to the conditions and restrictions contained in this Offer Document, an amount equal to EUR 6.60 in cash in consideration of each Share validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (*geleverd*), and not validly withdrawn, subject to the Offeror declaring the Offer unconditional (*gestanddoening*).

The Offer Price includes any cash or share dividends or other distributions on the Shares that is or may be declared by the Company on or prior to the Settlement Date. Consequently, if on or prior to the Settlement Date any such cash or share dividend or other distribution is declared in respect of the Shares, and the record date for such cash or share dividend or other distribution occurs on or prior to the Settlement Date, the Offer Price will be decreased by an amount per Share equal to any such cash or share dividend or other distribution per Share.

5.3 Acceptance of the Offer by Shareholders and tender procedures

5.3.1 Offeror's Right to Accept Tenders of Shares Not in Compliance with Procedures

The Offeror reserves the right to accept any tender of Shares pursuant to the Offer, even if such tender has not been made in compliance with the procedures set forth in this Section 5.3.

5.3.2 Acceptance through an Admitted Institution

Shareholders who hold their Shares through an Admitted Institution must make their acceptance known via their custodian, bank or broker prior to 18:00 hours CET, on 2 October 2012, unless the Acceptance Period is extended in accordance with Section 5.4 (The Acceptance Period and extension of the Acceptance Period). Custodians, banks or brokers may set an earlier deadline for communication by Shareholders in order to permit the custodian, bank or broker to communicate acceptances to the Settlement Agent in a timely

manner. Accordingly, Shareholders holding Shares through a financial intermediary, should comply with the dates communicated by such financial intermediary as such dates may differ from the dates and times noted in this Offer Document.

The Admitted Institutions may tender Shares for acceptance only to the Settlement Agent and only in writing. In tendering the Shares, the Admitted Institutions are required to declare that (i) they have the tendered Shares in their administration, (ii) each Shareholder who accepts the Offer irrevocably represents and warrants that the Shares tendered by such Shareholder are being tendered in compliance with the restrictions as set out in Section 1 (Restrictions) and the securities and other applicable laws and/or regulations of the jurisdiction(s) to which such Shareholder is subject, and no registration, approval or filing with any regulatory authority of such jurisdiction is required in connection with the tender of such Shares, and (iii) they undertake to transfer these Shares to the Offeror prior to or on the Settlement Date, provided the Offeror declares the Offer unconditional (*gestand wordt gedaan*).

Subject to the proper withdrawal of any tender of Shares, the tendering of Shares in acceptance of the Offer shall constitute irrevocable instructions (i) to block any attempt to transfer the Shares tendered, so that, on or prior to the Settlement Date, no transfer of such Shares may be effected (other than to the Settlement Agent on or prior to the Settlement Date if the Offeror declares the Offer unconditional (*gestand wordt gedaan*) and the Shares have been accepted for purchase) and (ii) to debit the securities account in which such Shares are held on the Settlement Date in respect of all of the Shares tendered, against payment by the Settlement Agent on behalf of the Offeror of the Offer Price in respect of those Shares (as the case may be).

Acceptance by Shareholders individually recorded in the HITT shareholders register

Shareholders owning Shares individually recorded in the HITT shareholders register wishing to accept the Offer in respect of such Shares must deliver a completed and signed acceptance form to the Settlement Agent prior to the Acceptance Closing Time. The acceptance forms are available upon request from the Offeror or the Settlement Agent. The acceptance form will also serve as a deed of transfer (*akte van levering*) with respect to the Shares referenced therein.

5.3.3 Validity of the Tendered Securities; Waiver of Defects; Return of Tendered Shares

The Offeror will determine questions as to the validity, form, eligibility, including time of receipt, and acceptance for purchase of any tender of Shares, in its sole reasonable discretion and the Offeror's determination will be final and binding. The Offeror reserves the right to reject any and all tenders of Shares that it in all reasonableness determines are not in proper form or the acceptance for purchase of which may be unlawful. No tender of Shares will be deemed to have been validly made until all defects and irregularities have been cured or waived. The Offeror's interpretation of the terms and conditions of the Offer, including the acceptance forms and instructions thereto, will be final and binding. There shall be no obligation on the Offeror, Settlement Agent or any person acting on its or their behalf to give notice of any defects or irregularities in any acceptance or notice of withdrawal and no

liability shall be incurred by any of them for failure to give any such notification. The Offeror reserves the right, in accordance with applicable law, to permit a holder of Shares to accept the Offer in a manner other than as set out above.

If any Shares tendered in accordance with the instructions set forth in this Offer Document are not accepted for purchase pursuant to the terms and conditions of this Offer, the Offeror will cause these Shares to be returned promptly following the announcement of the lapse or withdrawal of the Offer, as the case may be.

5.3.4 Undertakings, Representations and Warranties tendering Shareholders

Each Shareholder tendering Shares pursuant to the Offer, by virtue of such tender, undertakes, represents and warrants to the Offeror, on the date that such Shares are tendered through and including the Settlement Date, subject to the proper withdrawal of any tender, that:

- (a) the tender of any Shares constitutes an acceptance by the Shareholder of the Offer with respect to the Shares so tendered, on and subject to the terms and conditions of the Offer as set out in this Offer Document;
- (b) such Shareholder has full power and authority to tender, sell and deliver (*leveren*), the Shares stated to have been tendered to the Offeror (together with all rights attaching thereto) and, when the same are purchased by the Offeror for cash, the Offeror will acquire such Shares, with full title guarantee and free and clear of all third party rights and restrictions of any kind;
- (c) such Shareholder has not entered into any other agreement to tender, sell or deliver (*leveren*) the Shares stated to have been tendered to any party other than the Offeror; and
- (d) such Shares are being tendered in compliance with the restrictions as set out in Section 1 (Restrictions) and the securities and other Applicable Laws and/or regulations of the jurisdiction(s) to which such Shareholder is subject, and no registration, approval or filing with any regulatory authority of such jurisdiction is required in connection with the tender of such Shares.

5.3.5 Withdrawal rights

Shares tendered on or prior to the Acceptance Closing Date may not be withdrawn, with the exception of the right to withdraw any tendered Shares during the extension of the Acceptance Period in accordance with the provisions of article 15, paragraph 3 of the Decree. During any such extension of the Acceptance Period, Shares previously tendered and not withdrawn will remain subject to the Offer. Shares tendered during the extension of the Acceptance Period may not be withdrawn.

5.4 The Acceptance Period and extension of the Acceptance Period

The Acceptance Period begins on 7 August 2012 and ends, subject to extension, on 2 October 2012 at 18:00 hours CET.

If one or more of the Offer Conditions is not satisfied, the Offeror may extend the Acceptance Period once for a minimum period of two weeks and a maximum period of ten weeks so that the Offer Conditions may be satisfied or, to the extent legally permitted, waived. See Section 6.5 (Offer Conditions). In addition, the Acceptance Period may be extended if the events referred to in article 15 paragraph 5 of the Decree occur. Further extensions are subject to clearance of the AFM, which will only be given in exceptional circumstances.

If the Offeror extends the Offer past the initial Acceptance Closing Time, all references in this Offer Document to the "Acceptance Closing Time", "Acceptance Closing Date" or "18:00 hours CET, on 2 October 2012" shall, unless the context requires otherwise, be changed, as applicable, to the latest time and date to which the Offer has been so extended.

As noted in Section 5.3 (Acceptance of the Offer by Shareholders and tender procedures), a financial intermediary may set an earlier deadline for Shareholders to communicate acceptances of the Offer in order to permit the financial intermediary to communicate such acceptances to the Settlement Agent, as applicable, in a timely manner.

If the Offeror extends the initial Acceptance Period, the Offeror will make a public announcement to that effect within three Business Days following the initial Acceptance Closing Date. See Section 5.9 (Announcements).

If all Offer Conditions are fulfilled or, to the extent legally permitted waived, the Offeror will accept all Shares that have been validly tendered (or defectively tendered provided that such defect has been waived by the Offeror), and not previously withdrawn, pursuant to the terms of the Offer, all in accordance with the procedures set forth in Section 5.3 (Acceptance of the Offer by Shareholders and tender procedures).

5.5 Declaring the Offer unconditional

The Offer shall be subject to the satisfaction of the Offer Conditions, including, but not limited to, a Share Acceptance Level of at least 75%. The Offeror reserves the right to waive certain Offer Conditions to the extent permitted by Applicable Laws and as set out in Section 6.5 (Offer Conditions).

No later than on the third Business Day following the Acceptance Closing Date, such date being the Unconditional Date, the Offeror will determine whether the Offer Conditions have been fulfilled or are to be waived. On that date the Offeror will announce, in accordance with article 16, paragraph 1 of the Decree, whether the Offer (i) has been declared unconditional (*gestand wordt gedaan*), (ii) will be extended in accordance with article 15 of the Decree, or (iii) is terminated as a result of the Offer Conditions not having been fulfilled or waived by the Offeror.

5.6 Settlement

In the event the Offeror announces that the Offer is declared unconditional (*gestand wordt gedaan*), the Shareholders who accepted the Offer and tendered their Shares prior to the

Acceptance Closing Time will on the Settlement Date receive the Offer Price in respect of each Share validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (*geleverd*) by them, on the terms and subject to the conditions and restrictions of the Offer. The Settlement Date shall be no later than three Business Days after the Unconditional Date.

In the Post Closing Acceptance Period (*na-aanmeldingstermijn*), the Offer Price will be paid to Shareholders who accepted the Offer and tendered their Shares during such Post Closing Acceptance Period (*na-aanmeldingstermijn*) promptly and, in any event, no later than three Business Days following the date on which such Shares are tendered.

After transfer (*levering*) of the Shares, revocation, dissolution or annulment of a tender or transfer of Shares is not permitted.

5.7 Post Closing Acceptance Period (*na-aanmeldingstermijn*)

If and when the Offer is declared unconditional (*gestand wordt gedaan*), the Offeror will announce, within three Business Days following the Unconditional Date, in accordance with article 17 of the Decree, a Post Closing Acceptance Period to enable Shareholders that did not tender their Shares during the Acceptance Period to tender their Shares under the same terms and conditions applicable to the Offer. Any such Post Closing Acceptance Period will commence on the first Business Day following the date on which the Post Closing Acceptance Period is announced and may be up to two weeks in length.

During the Post Closing Acceptance Period no withdrawal rights will apply to Shares tendered during such Post Closing Acceptance Period or to Shares tendered during the Post Closing Acceptance Period and accepted for Settlement.

5.8 Commission

Admitted Institutions are entitled to receive from the Settlement Agent on behalf of the Offeror a commission of EUR 0.015 for each Share validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and delivered (*geleverd*) pursuant to the Offer. The commission received by each Admitted Institution shall not exceed EUR 1,000 per Shareholder account. The commission must be claimed within thirty days after the Settlement Date.

The Offeror will not charge any costs to Shareholders in connection with the acceptance of the Offer through Admitted Institutions. Shareholders may, however, be charged fees and commissions by their financial intermediary. Costs may also be charged to Shareholders by or on behalf of an institution not located in the Netherlands which is involved in the delivery and payment of the Shares. Shareholders should consult their financial intermediary regarding any such fees.

5.9 Announcements

Any further announcements declaring whether the Offer is declared unconditional (*gestand wordt gedaan*) and announcements in relation to an extension of the Acceptance Period will be issued by press release. Subject to any applicable requirements of the Decree and other Applicable Laws and without limiting the manner in which the Offeror may choose to make any public announcement, the Offeror will have no obligation to communicate any public announcement other than as described above.

6. EXPLANATION OF THE OFFER

6.1 History of the Offer

On 7 June 2012, SAAB and HITT jointly announced that they had reached a conditional agreement on the terms and conditions of the Offer, as set out in this Offer Document, which values HITT at EUR 6.60 per Share.

6.2 Substantiation of the Offer Price

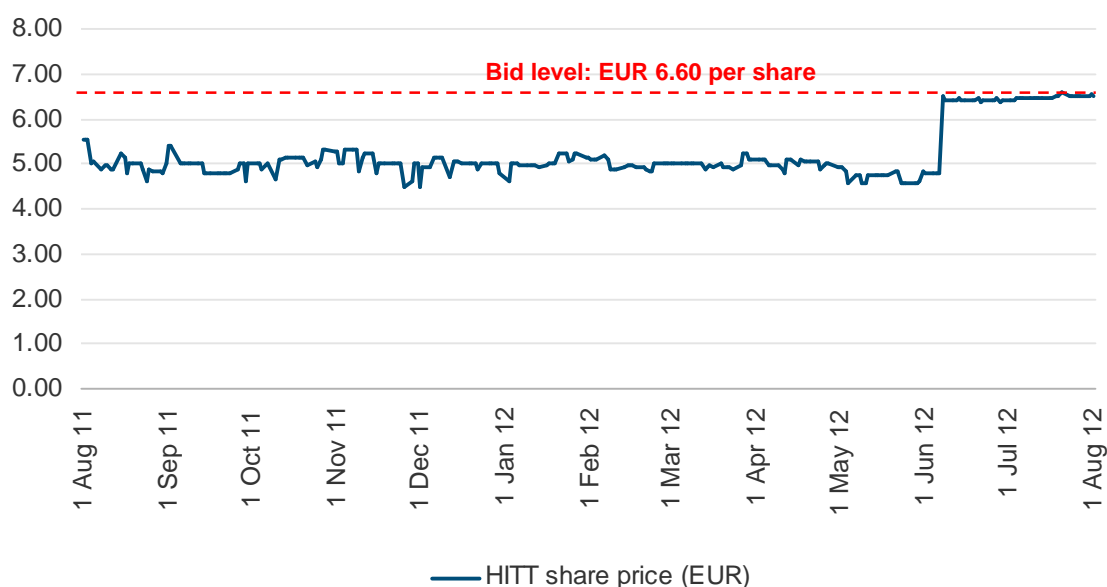
In establishing the Offer Price, the Offeror carefully considered the history and prospects of HITT, analyses of historical financial information derived from HITT's financial statements, market reports and press releases as well as possible long-term developments in profitability, cash flows and balance sheet. The Offeror also took into account historical market values of the Shares, as set forth below. Furthermore, in establishing the Offer Price, the following was taken into consideration by the Offeror:

6.2.1 Analyses

- The Offeror has performed a discounted cash flow analysis considering the historical developments and projected financial development of HITT as a stand-alone business and a weighted average cost of capital of 10%. The applied forecast period was 10 years, the residual value at the end of year 10 was based on perpetuity of the cash flow in year 10. In doing so, the Offeror took into account the potential future value of HITT's marketed products as well as ongoing and upcoming projects. The Offeror valued HITT's ongoing and upcoming projects in a manner that adjusted for the risks inherent in the completion of the projects and also took into consideration the continuous investment requirements to maintain HITT's competitiveness and ability to fulfil its undertakings. A perpetual growth rate of 2% was used in the analysis. Sensitivity analysis on both the weighted average cost of capital and on the perpetuity growth rate were conducted; and
- an analysis of bid premiums in comparable transactions on companies listed on the Euronext Amsterdam exchange (as described further below).
- An analysis of research analysts' target prices for the HITT share has not been performed due to the limited research coverage of HITT.

6.2.2 Premia

- The Offer Price will be paid in cash and gives Shareholders the opportunity to immediately realise a certain and substantial value for their Shares.
- The value of the Shares has declined during the past year, up until the announcement of the Offer. For example, the closing price of the Shares on Euronext Amsterdam on June 6, 2012, the day before Saab and HITT announced the intention to launch the Offer, was EUR 4.80, EUR 1.42 lower than the share price as at June 6, 2011 of EUR 6.22. Saab is convinced that the unaffected trading price and its corresponding implied valuation of HITT reflected the market's view of HITT as a stand-alone company, including possible future developments of the Company.
- The Offer Price per Share represents a premium of 38 per cent over the EUR 4.80 closing price of the Shares as at June 6, 2012, the day before Saab and HITT announced the intention to launch the Offer.
- The Offer Price per Share represents a premium of 44 per cent over the 30-day volume weighted average share price of EUR 4.58 as at June 6, 2012, the day before Saab and HITT announced the intention to launch the Offer.
- The Offer Price per Share represents a premium of 33 per cent over the one year volume weighted average price of EUR 4.98 as at June 6, 2012, the day before Saab and HITT announced the intention to launch the Offer.
- The premium offered exceeds the 28% average one-day premium for the 11 Dutch public offers that had an equity value between EUR 10 million to EUR 100 million and were announced and concluded in the period between January 1, 2000 and March 31, 2012 (Adecco/DNC (52%), Voestalpine/Nedcon (24%), Epicor Software/Scala Business Solutions (45%), Transforma/UCC (17%), Ordina/Devote (20%), VDL/Weweler (42%), Bravelend/Van Dorp Despec (33%), Mikron Technology/Axxicon (18%), Tessag Industrieanlagen/Smit Transformatoren (15%), Favini/Gelderse Papiergroep (30%) and Zueblin/European City Estates (14%)). The premiums have been estimated by information provided by FactSet, Mergermarket and SDC Platinum (Thomson Reuters).



6.3 Rationale for the Offer

Saab and HITT have a vision to build on each other's strengths to become a global leader in selected areas of Traffic Management and Hydrography.

The Combined Company will have a strengthened market presence and a strong portfolio of world leading products, combining innovative software systems with state of the art sensor systems. The Combined Company will furthermore be large enough to compete for bigger opportunities and to enjoy economies of scale.

The acquisition provides a strong growth platform from which Saab can build on the combined installed base and enhance its capabilities to develop sell, deliver and maintain leading products throughout the world.

Saab and HITT agree that the Offer is in the best interest of the Company and all of its stakeholders, and will provide an attractive return to the Shareholders and significant strategic and operational benefits to the Company's other stakeholders, including its customers, creditors, suppliers, management and employees.

The Combined Company aims to within three years generate certain revenue synergies as a result of the limited overlap in the customer base of the Company and the Offeror, thereby attracting a wider customer base based on the companies' complementary product offerings. In addition, the Combined Company aims to generate certain cost synergies, primarily stemming from a reduction of the development costs related to overlapping product areas as well as savings within sales and administrative functions.

6.4 Financing of the Offer

The Offer Price will be funded by Saab's currently available own cash, credit and equity resources and the financing of the Offer is not contingent on third party consents. Saab's certainty of funds announcement required pursuant to article 7 of the Decree was included in the joint press release of 7 June 2012.

6.5 Offer Conditions

The obligation of the Offeror to declare the Offer unconditional (*gestand te doen*) is subject to the fulfilment or waiver by the Offeror and/or HITT, as the case may be, of the following conditions:

- (a) The number of Shares that have been tendered for acceptance under the Offer, together with the Shares directly or indirectly held by the Offeror for its own account at the Acceptance Closing Date, represent at least 75% of the issued share capital (*geplaatst kapitaal*) of the Company;
- (b) On or prior to the Acceptance Closing Date, no Material Adverse Change has occurred and is continuing on the Acceptance Closing Date which occurrence was

unknown nor reasonably apparent from the Disclosed Information to the Offeror Group at the date hereof;

- (c) On or prior to the Unconditional Date, the Company has not breached the Merger Agreement (including a breach of the warranties of the Company set out in the Merger Agreement) to the extent that any such breach has or could reasonably be expected to have a material adverse effect on the Company, the Offeror or the Offer or any other Transactions or, if such breach has occurred, it has not been remedied by the Company within five Business Days after receipt of a written notice by the Offeror, provided that the Company shall not be entitled to such remedy period if the breach is not capable of being remedied;
- (d) On or prior to the Unconditional Date, the Offeror has not breached the Merger Agreement (including a breach of the warranties of the Offeror set out in the Merger Agreement) to the extent that as a result of any such breach it cannot reasonably be expected that the Company and the HITT Boards continue to support the Offer or any other Transactions and cooperate in the execution and finalisation thereof or, if such breach has occurred, it has not been remedied by the Offeror within five Business Days after receipt of a written notice by the Company, provided that the Offeror shall not be entitled to such remedy period if the breach is not capable of being remedied;
- (e) On or prior to the Unconditional Date, the Boards have not revoked or changed the Recommendation;
- (f) On or prior to the Unconditional Date, none of the Irrevocable or the Support Letters have been revoked or changed, provided this Offer Condition may not be invoked as long as the Irrevocable continues to be in full force and effect and with regard to at least 62% of the issued share capital (*geplaatst kapitaal*) the support of the large Shareholders is continuing pursuant to the Irrevocable and Support Letters;
- (g) On or prior to the Acceptance Closing Date, the Governance Resolutions have been adopted at the EGM, provided that this Offer Condition shall only include the adoption of the Governance Resolution in respect of the Asset Sale if the number of Shares that have been tendered for acceptance under the Offer and not withdrawn, represents less than 95% of the issued share capital (*geplaatst kapitaal*) of the Company within the meaning of articles 2:92a DCC and/or 2:359c DCC;
- (h) On or prior to the Unconditional Date, no public announcement has been made indicating that any person other than the Offeror is preparing or is to make a Superior Offer;
- (i) On or prior to the Unconditional Date, there shall not be a Governmental Order in effect that restrains or prohibits the consummation of any of the Transactions on the terms and conditions set out in the Merger Agreement;

- (j) On or prior to the Unconditional Date, no notification has been received from the AFM stating that preparation of the Offer has been made in violation of chapter 5.5 of the Wft, and that, pursuant to article 5:80 paragraph 2 of the Wft, the investment firms (*beleggingsondernemingen*, as defined in the Wft) would not be allowed to cooperate with the Settlement of the Offer; and
- (k) On or prior to the Unconditional Date, the Merger Agreement has not been terminated in accordance with its terms.

The satisfaction of Offer Condition (k) does not solely depend on the will of the Offeror as prohibited by Article 12, paragraph 2 of the Decree, since the Merger Agreement may be terminated either by the Company or by the Offeror, and in each case only if any of the specific events mentioned in Section 6.19.2 occur.

The Offer Conditions set out above under (a), (b), (c), (e), (f), (g) and (h) are for the benefit of Offeror. These Offer Conditions may, to the extent permitted by Applicable Laws, only be waived by the Offeror (either in whole or in part) at any time by written notice to the Company. In the event that the Share Acceptance Level would be less than 75%, the Offeror will only be entitled to waive the Offer Condition set out under (a) after the approval of the HITT Boards.

The Offer Conditions set out above under (i) and (k) are for the benefit of both the Offeror and the Company. These Offer Conditions may only be waived by the Company and the Offeror jointly (either in whole or in part) by written agreement.

The Offer Condition set out above under (d) is for the benefit of the Company. This Offer Condition may be waived by the Company (either in whole or in part) at any time by written notice to the Offeror.

The Offer Condition set forth in subclause (j) cannot be waived.

The Offeror and HITT have agreed in the Merger Agreement that neither of them may invoke any of the Offer Conditions if the non-satisfaction of such condition(s) is caused by a breach of the invoking party of any of its obligations under the Merger Agreement.

6.6 Recommendation by HITT Boards

After having duly considered the Transactions in a careful decision-making process and on the basis that the Transactions are in the best interest of the Company and its stakeholders (including the Shareholders), the HITT Management Board and the HITT Supervisory Board have resolved to (i) approve the Company's entering into the Merger Agreement, (ii) unanimously approve and fully support the Offer and the other Transactions, in the case of the Asset Sale subject to the EGM approval, (iii) recommend to the Shareholders to accept the Offer and to tender their Shares pursuant to the Offer and (iv) recommend to adopt the Governance Resolutions (sub (ii), (iii) and (iv) hereinafter together the "**Recommendation**");

The Company has prepared a Position Statement pursuant to article 18 of the Decree (the "**Position Statement**"), which sets forth the Recommendation and includes the Fairness Opinion. The Company and the Offeror will procure that the Position Statement be issued simultaneously with the Offer Document.

6.7 Committed Shares

HITT Holding B.V., holding 53.4% of the Shares, has irrevocably agreed with the Offeror to tender its Shares in the Offer and to vote in favour of the Governance Resolutions proposed at the EGM in an irrevocable undertaking (the "**Irrevocable**"). The Irrevocable contains customary undertakings and conditions, including that the Irrevocable will end automatically if the Merger Agreement is terminated in accordance with its terms, e.g. by the Company or the Offeror because of a Superior Offer and the absence of a Revised Offer by the Offeror, as described in Section 6.19.1 (Exclusivity Provisions), a lock-up and standstill and confidentiality undertaking. HITT Holding B.V. did not receive any information in connection with the Offer that is not included in this Offer Document.

In addition, four large Shareholders together holding 20.2% of the Shares have also confirmed their support of the Offer in support letters (together: the "**Support Letters**"). The support expressed in the Support Letters does not preclude each of the four large Shareholders from responding to any proposal by a third party that in the reasonable opinion of the large Shareholders is reasonably likely to evolve into an offer on all Shares that includes an all cash consideration payable per Share which exceeds the Offer Price. These four large Shareholders did not receive any information in connection with the Offer that is not included in this Offer Document.

The CFO of the Company, Mr. Schuiteman, holding 1,000 Shares, has irrevocably agreed to tender his Shares in the Offer under the same terms and conditions as described in this Offer Document. To the best knowledge of Saab, the CFO has not received any information in connection with the Offer that is not included in this Offer Document and is relevant for the assessment of the Offer by Shareholders.

6.8 Implications of the Offer being declared unconditional

Shareholders who do not tender their Shares in the Offer should carefully review the following Sections 6.9 to 6.16, which describe certain implications to which they will be subject if the Offer is declared unconditional (*gestanddoening*) and settled. These risks are in addition to the exposure of such Shareholders to the risks inherent in the business of HITT, as such business and the structure of HITT may change from time to time after the Settlement Date.

6.9 Liquidity and delisting of Shares

The purchase of Shares by the Offeror pursuant to the Offer will reduce the number of Shareholders, as well as the number of Shares that might otherwise be traded publicly, and will thus adversely affect the liquidity and market value of the remaining Shares not tendered.

Should the Offer be declared unconditional (*gestand wordt gedaan*), the Offeror intends to procure the delisting of the Shares on Euronext Amsterdam as soon as reasonably practicable under Applicable Laws. This may further adversely affect the liquidity and market value of any Shares not tendered. In addition, the Offeror may initiate any of the procedures set out in Section 6.10 (Post-Closing Restructuring and future legal structure).

As a general rule, Euronext Amsterdam permits, in case of public offers, delisting if at least 95% of the listed shares is held by a single entity and its Affiliates. However, the listing of the Shares on Euronext Amsterdam may also be terminated as a result of an Asset Sale followed by Liquidation (see Section 6.10.3) or a Legal Merger (see Section 6.10.4).

As a result of the Offer, the size of the free float in Shares will be substantially reduced following completion of the Offer and trading volumes and liquidity of Shares will be adversely affected. The Offeror does not intend to set up a liquidity mechanism for the Shares that are not tendered following the Settlement Date, other than that the Offeror may, subject to the required regulatory clearance, maintain a standard order on Euronext Amsterdam to purchase remaining Shares held by minority Shareholders against a price equal to the Offer Price or that the Company may purchase shares in its own capital for the Offer Price.

6.10 Post Settlement Restructuring and future legal structure

6.10.1 General

Following the Settlement Date, the Offeror intends that the business of HITT is integrated into the business of Saab. The Offeror reserves the right to use any legally permitted method to acquire all of the Shares and/or to optimize the corporate, financing and tax structure of HITT as part of the Saab Group, including Saab's current Dutch operations.

Following Settlement, the Offeror may propose (where applicable) and implement (or cause to be implemented) restructuring measures (for the purpose of this Section 6.10, the "**Post Settlement Restructurings**"), including, but not limited to:

(i) a Buy-Out (see Section 6.10.2), (ii) an Asset Sale pursuant to the Business Purchase Agreement (see Section 6.10.3), (iii) a statutory (cross-border or domestic) legal (triangular) merger (*juridische driehoeks-fusie*) in accordance with article 2:309 et seq of the DCC between the Company, the Offeror or an Affiliate of the Offeror; (iv) a contribution of cash and/or assets by the Offeror or by any Affiliate of the Offeror in exchange for ordinary shares in the Company's share capital, in which circumstances the pre-emptive rights, if any, of minority shareholders of the Company could be excluded; (v) a distribution of proceeds, cash and/or assets to the shareholders of the Company; (vi) a liquidation of the Company; (vii) a subsequent public offer for any Shares held by minority shareholders; (viii) a conversion of the Company into a private company with limited liability; (ix) any combination of the foregoing; (x) any transactions, restructurings, share issues, procedures and/or proceedings in relation to the Company and/or one or more of its Affiliates required to effect the aforementioned objectives.

Saab and HITT have agreed that after the Unconditional Date, the HITT Supervisory Board shall have the right to approve - and the Continuing HITT Directors (see Section 6.12 (Future HITT Boards Composition)) shall have a casting vote in relation to any decisions of the HITT Supervisory Board in that respect - any decisions of the HITT Supervisory Board on any material related party transactions and Post Settlement Restructurings, other than the Buy-Out and the Asset Sale which have already been decided on by the HITT Boards (in case of the Asset Sale, subject to EGM approval).

See below for a non-exhaustive description of potential Post Settlement Restructurings.

6.10.2 Buy-Out

In the event that upon the Settlement Date or, if applicable, after the Post Closing Acceptance Period, the Offeror together with its Affiliates holds 95% or more of the issued share capital (*geplaatst kapitaal*) of the Company within the meaning of articles 2:92a DCC and/or 2:359c DCC, the Offeror shall acquire the remaining Shares not tendered by means of buy-out proceedings (*uitkoopprocedure*) in accordance with to article 2:92a of the DCC (for the purpose of this Section 6.10.2, "**Statutory Buy-Out**") or, takeover buy-out proceedings in accordance with article 2:359c of the DCC ("**Takeover Buy-Out**" and together with the Statutory Buy-Out, "**Buy-Out**").

6.10.3 Asset Sale pursuant to the Business Purchase Agreement

The Offeror and HITT have agreed that, in the event that the Offeror has declared the Offer unconditional (*gestand wordt gedaan*) and the number of Shares held by the Offeror and its Affiliates is lower than 95% the issued share capital (*geplaatst kapitaal*) of the Company held by others than the Company within the meaning of articles 2:92a DCC and/or 2:359c DCC following the Post Closing Acceptance Period and accordingly the Offeror can not initiate a Buy-Out, the Offeror may take steps to cause a sale by HITT of its entire business to the Offeror and/or to one or more designated Affiliates of the Offeror (the "**Purchaser**") pursuant to the Asset Sale Term Sheet (the "**Asset Sale**"). The Offeror and HITT have agreed on the terms and conditions of the Asset Sale in the Asset Sale Term Sheet. The HITT Boards have resolved, subject to a resolution of the Shareholders at the EGM as set forth in Section 7 (Extraordinary General Meeting of HITT Shareholders), to approve the Company's entering into the Asset Sale.

Business Purchase Agreement

If the Offeror resolves to initiate the Asset Sale, the Offeror may require that a business purchase agreement is entered into in accordance with the Asset Sale Term Sheet (the "**Business Purchase Agreement**") pursuant to which HITT as the "**Seller**" would sell its entire Business (as defined below) to Saab or an Affiliate of Saab as the Purchaser, and the Seller and the Purchaser would agree to effectuate the transfer and assignment of the Business at completion of the Asset Sale. Below is a summary of the key terms set forth in the Asset Sale Term Sheet.

The "**Business**" means the entire business of the Seller including all assets and liabilities of the Seller as at completion of the Asset Sale (for the purpose of this Section 6.10, "**Completion**") including for the avoidance of doubt, any such liabilities arising, accruing or incurred after Completion to the extent they relate to and/or arise from the Business as conducted in the period up to and including Completion, including but not limited to (i) the shares of the subsidiaries of the Seller; (ii) any tax loss carry forward attributable to subsidiaries, if any; (iii) any intellectual property rights; (iv) the contracts; (v) any properties owned; (vi) the benefits under the insurance policies, and (vii) all other assets and liabilities of the Seller (including inter-company receivables of the Seller from any member of its Group and inter-company payables of the Seller to any other member of the Seller's Group), other than (a) the Purchaser note as set out below, (b) any Seller surplus cash until payment thereof to the Purchaser as set out below, (c) any shares held by the Seller in its own capital, (d) the bank accounts, (e) the rights and obligations of the Seller under or in connection with the Agreement, (f) any records that must remain with the Seller under statutory (including tax) obligations, and (g) the engagement letter with the Liquidator.

Purchase Price

The aggregate purchase price (the "**Purchase Price**") for the Business shall be an amount equal to the product of (i) the Offer Price multiplied by (ii) the total number of Shares issued and outstanding immediately prior to Completion.

The Purchaser shall procure, if necessary by making adjustments to the Purchase Price, that the Purchase Price shall be sufficient to pay out the Offer Price per Share to the Shareholders per issued and outstanding Share, without interest but subject to dividend withholding tax. Taxes triggered by the Asset Sale will not influence payment to Shareholders. Only dividend withholding tax may apply and could reduce distribution.

The Purchase Price is payable on Completion as follows:

- (a) an amount in cash equal to the product of (x) the Offer Price multiplied by (y) the total number of Shares issued and outstanding immediately prior to Completion and held beneficially or of record by Shareholders other than the Purchaser or any of its Affiliates (for the purpose of this Section 6.10, the "**Minority Shareholders**"; such amount, the "**Aggregate Minority Cash Out Amount**") which will be paid (i) by way of set-off against the amount of available unrestricted cash of the Seller on the day which is one day prior to the day of Completion (for the purpose of this Section 6.10, the "**Seller Net Cash Amount**") and (ii) in cash, to the extent of the amount by which the Aggregate Minority Cash Out Amount exceeds the Seller Net Cash Amount, if applicable. If and to the extent the Seller Net Cash Amount exceeds the Aggregate Minority Cash Out Amount, the Seller shall pay the surplus to the Purchaser; and

- (b) an amount equal to (x) the Purchase Price minus (y) the Aggregate Minority Cash Amount, to be paid by the Purchaser's execution and delivery of a loan note to the Seller.

If after Completion but before completion of the Minority Cash Exit and payment of the Aggregate Minority Cash Out Amount in connection therewith less applicable dividend withholding or other tax, the Purchaser acquires Shares from Minority Shareholders, the Aggregate Minority Cash Out Amount shall be reduced and the principal amount of the loan note shall be increased with an amount equal to (x) the Offer Price multiplied by (y) the total number of Shares so acquired by the Purchaser after Completion.

Purchaser's Indemnity

The Purchaser shall indemnify, defend and hold harmless each of (a) the Seller, and (by way of third party stipulation (*derdenbeding*)) (b) the current and future members of the Seller's Boards, any member of the Seller's group, their employees, board members and officers and the Liquidator and managing directors of the Liquidator (for the purpose of this Section 6.10, the persons under (a) and (b) collectively: the "**Seller Indemnified Parties**" and each of them a "**Seller Indemnified Party**") against all present and future, actual or contingent, ascertained or unascertained or disputed, known or unknown, reported and unreported or other damages, liabilities, losses and costs (including reasonable fees and expenses of advisers) arising, accruing or (to be) incurred by any of the Seller Indemnified Parties in respect of or in connection with the conduct of the Business as conducted in the period up to and including Completion (including to the extent resulting from the transactions contemplated by this Agreement and the Liquidation process after Completion), including for the avoidance of doubt, any such damages, liabilities, losses and costs arising, accruing or incurred after Completion to the extent they relate to and/or arise from the Business as conducted in the period up to and including Completion and from the Liquidation process of the Seller, if and insofar such damages, liabilities, losses and costs exceed the amount insured actually paid pursuant to any insurance taken out by a Seller Indemnified Party.

Minority Cash Exit

If a Business Purchase Agreement shall be entered into, it shall provide, among other things, that the Purchaser shall arrange for adequate steps and/or transactions to result in the payment of the then-existing Minority Shareholders of a cash amount per Share equal to the Offer Price, without interest but subject to dividend withholding tax to the extent applicable (the "**Minority Cash Exit**"). Following certain investigation and confirmation prior to the launch of this Offer Document, the Offeror and the Company have agreed that the Minority Cash Exit shall be effectuated by way of a dissolution and liquidation of the Company (the "**Liquidation**") followed by an advance liquidation distribution equal to 100% of the Purchase Price, subject to a reasonable due diligence process of the Liquidator. Such advance liquidation distribution shall result in a cash payment to the Minority Shareholders of an amount equal to the Offer Price per Share, without interest but subject to dividend withholding tax to the extent applicable, and payment to the Purchaser by way of set-off

against the amount due under the Purchaser Note. The Purchaser shall undertake that sufficient cash is available for such payments.

Liquidation

The Asset Sale would require the approval of the general meeting of Shareholders. For this purpose, the Shareholders will be asked to approve the Company's entering into the Asset Sale pursuant to the Asset Sale Term Sheet (the "**Asset Sale Resolution**") at the EGM. In addition, the Shareholders will be asked to resolve that subject to and as per the Completion the Company is dissolved and liquidated and a professional party (the "**Liquidator**") nominated by the Offeror is appointed to act as liquidator of the Company (the "**Liquidation Resolutions**").

Both the Asset Sale Resolution and the Liquidation Resolutions require a simple majority of the votes cast at the EGM.

HITT Holding B.V. has agreed to vote in favour of the Asset Sale Resolution under the Irrevocable and four large Shareholders have confirmed their support to vote in favour of the Asset Sale Resolution in the Support Letters.

Fairness

The Fairness Opinion states, *inter alia*, that the Purchase Price payable to HITT under the Business Purchase Agreement is fair, from a financial point of view, to HITT.

6.10.4 Legal Merger

In the event that the Offeror has declared the Offer unconditional (*gestand wordt gedaan*) and the number of Shares held by the Offeror and its Affiliates is lower than 95% the issued share capital (*geplaatst kapitaal*) of the Company held by others than the Company following the Post Closing Acceptance Period, the Offeror may also by simple majority vote (if less than 50% of the share capital is present or represented at such meeting, a 2/3 majority is required) of the general meeting of Shareholders of HITT effect a (cross-border (*grensoverschrijdende*)) statutory legal merger (*juridische fusie*) between HITT and a subsidiary of the Offeror, in accordance with articles 2:309 and 2:333a of the DCC (which articles refer to a "triangular merger" (*driehoeksfusie*) pursuant to which the shareholders of the disappearing company will become shareholders of an Affiliate of the surviving company) with HITT being the disappearing entity and a subsidiary of the Offeror being the surviving entity (each, a "**Legal Merger**").

In the event that a Legal Merger is effected, Shareholders who have not tendered their Shares under the Offer will become, by operation of law, shareholders in the surviving entity alongside the existing shareholders in the surviving entity or, in the event of a "triangular merger", will become shareholders in such Affiliate, such surviving entity or Affiliate hereafter, for the purpose of this Section 6.10.4, to be referred to as "**Merging Entity**". If, after a Legal Merger is effected, the majority shareholder of the Merging Entity holds 95% or

more of the issued share capital (*geplaatst aandelenkapitaal*) of the Merging Entity, such majority shareholder may initiate a Buy-Out in relation to any shares in the Merging Entity not held by such majority shareholder.

The capital of the Merging Entity may be divided into different classes of shares and Shareholders may acquire one or more classes of ordinary and/or preference shares in the Merging Entity, depending on factors such as the rights attaching to the Shares they hold on the date on which the Legal Merger becomes effective and the amount of any debt financing the surviving entity has outstanding at that time. The exact identity of the Merging Entity, the composition of its share capital, the economic and other rights attaching to each class of shares in that capital and the exchange ratio applicable to the shares, shall require the approval of, among others, the HITT Supervisory Board, subject to the rights of the Continuing HITT Directors. The capital of the Merging Entity may also be divided into shares of unequal nominal amounts that carry the right to cast a different number of votes per share of such nominal amount; in the context of a Legal Merger the Shareholders, other than the Offeror, may acquire shares in the Merging Entity that entitle such shareholder to cast fewer votes per share than the shares acquired by the Offeror. The Shareholders, other than the Offeror, may acquire a class of shares in the capital of the Merging Entity that pursuant to the articles of association in force at the relevant time can be cancelled without the approval of the holders of such shares. Upon cancellation the Shareholders that hold such shares will receive a cash consideration.

6.10.5 Other possible Post Settlement Restructurings

Subject to the approval of the Continuing HITT Directors, the Offeror reserves the right to use any other legally permitted method to obtain 100% of the Shares or otherwise obtain full ownership of the HITT business, a sale of all or substantially all of the assets of HITT other than pursuant to the Business Purchase Agreement which may or may not be followed by a distribution of proceeds to the Shareholders, a de-merger (*juridische splitsing*) as specified in article 2:334a of the DCC, or all in accordance with Dutch law, other Applicable Laws and the Articles of Association at that time. Also, the Offeror and HITT reserve the right to have the Offeror contribute assets to HITT against the issuance of Shares, in which circumstances the pre-emptive rights (*voorkeursrechten*), if any, of other Shareholders could be excluded, all in accordance with Dutch law and the Articles of Association at that time. Any distribution may take the form of a distribution out of the reserves, an interim dividend, a dividend or, in the event HITT is also dissolved (*ontbonden*) and liquidated, a liquidation distribution.

6.11 Amendment of the Articles of Association

First, following Settlement and again after termination of the listing of the Shares on Euronext Amsterdam see Section 6.9 (Liquidity and delisting of the Shares), the Offeror intends to have the Articles of Association amended. For the first amendment it is proposed that at the EGM the Articles of Association will be amended subject to the Offer being declared unconditional (*gestanddoening*) in line with the amendment that has previously been proposed at the 2012 annual general meeting of Shareholders of HITT, so that the Articles of Association will include the following changes:

- (a) all references to preference shares shall be deleted;
- (b) the Articles of Association will be updated in view of changes in law after the previous amendment and changes in law in the near future; and
- (c) textual improvements, changes in relevant legislation and the Dutch Corporate Governance Code.

Any further amendments to the Articles of Association to be initiated by the Offeror after delisting of HITT will mainly relate to:

- (a) deletion of the clauses that specifically relate to the listing on Euronext Amsterdam;
- (b) the deletion of the four year term for members of the Boards;
- (c) the suspension of Shareholders' rights regarding the period after the lifting of all Shares from the giro depository is effected and until the relevant shareholder has been registered in the shareholders register of the Company;
- (d) textual improvements, changes in relevant legislation and the Dutch Corporate Governance Code; and
- (e) possible further changes to reflect the Company being a non-listed subsidiary of Saab.

6.12 Future HITT Boards composition

Following completion of the Offer, the HITT Supervisory Board will consist of three individuals designated by Saab and two individuals who currently serve on the HITT Supervisory Board who will act as independent members of the HITT Supervisory Board (the "**Continuing HITT Directors**"). The Continuing HITT Directors will serve as members of the HITT Supervisory Board from the Settlement Date and until the delisting of the Company and the Buy-Out is initiated or the Asset Sale or other Post-Settlement Restructuring has been completed.

The initial Continuing HITT Directors will be Mr. Eric van Amerongen and Mr. Jan Vaandrager. Mr. Albert Stroink and Mr. Mark Prinsen will resign from the Supervisory Board. The individuals designated by the Offeror to be appointed as member of the HITT Supervisory Board will be Annika Bärems, Torbjörn Wingårdh and Johan Ohlson. See also Section 7 (Extraordinary General Meeting of HITT Shareholders).

Following Settlement, the HITT Management Board will consist of Mr. Sjoerd Jansen as CEO and Mr. Martin Schuiteman as CFO, and Mr. Lars Bergholtz and Mr. Ken Kaminski nominated by Saab. See also Section 7 (Extraordinary General Meeting of HITT Shareholders).

6.13 Corporate Governance post Settlement

Following Settlement, as long as Shares are listed on Euronext Amsterdam, HITT shall continue to adhere to the Dutch corporate governance code by way of complying or explaining any deviations in accordance with the provisions of the Dutch corporate

governance code. Upon delisting of the Shares from Euronext Amsterdam, the Dutch corporate governance code will no longer be applicable to HITT.

6.14 Dividend policy

Under Dutch law, annual dividends may only be paid out of profits as shown in the adopted annual financial statements. A distribution may not be made if it would reduce shareholders' equity below certain reserves required by Dutch law and by the Company's Articles of Association. Following the Settlement Date, the current dividend policy of HITT may be discontinued.

6.15 Organisational consequences

Saab intends to integrate and align the respective businesses of Saab and HITT to fully benefit from the global reach, scale and resources of the combination, in order to provide a competitive growth platform and enhance its capabilities to develop, sell, deliver and maintain leading products throughout the world.

The Company is to be integrated into Saab's Security & Traffic Management business. Saab believes that the integration can be successfully executed with minimal disruptions, taking into account both companies' strengths and cultures. It is currently foreseen that HITT's main offices will remain on their current location after the integration.

6.16 Consequences for the employees

Saab and the Company expect that the existing level of employment within the Combined Company will not be adversely changed as a result of the Offer, except where the combination of the businesses of Saab and the Company has some limited overlap. Saab and HITT will start the integration process after completion of the Offer. Accordingly at the date hereof there is not yet a concrete assessment available where exactly the limited overlap will be. Saab and the Company shall apply the fairness principle as to the impact of redundancies on the HITT group and the Saab group respectively and shall implement any further rationalisation free from discrimination on the basis of (current) employer, nationality, gender, race or creed.

Saab and the Company agree that existing obligations pursuant to employment agreements and other arrangements, including pension plans and collective labour agreements, of the Company will be honoured.

6.17 Employee consultation

The relevant employee consultation procedure with the works council of HITT has been completed. On 27 July 2012, HITT's works council rendered a positive advice regarding the Offer and the transactions contemplated thereby, and advised positively on the appointment of two new members of the HITT Management Board (see Section 6.12 (Future HITT Boards composition)). The Social Economic Council (*Sociaal-Economische Raad*) and trade unions

FNV Bondgenoten and De Unie have been notified of the Offer in accordance with the SER Merger Code.

6.18 Treasury Shares

At the date of this Offer Document, 200,000 Shares are legally and/or beneficially held by HITT.

6.19 Merger Agreement

Below is a summary of the key arrangements set forth in the Merger Agreement that are relevant to the Offer and not otherwise described in this Offer Document.

6.19.1 Exclusivity Provisions

For the purpose of this Section 6.19:

- **"Superior Offer"** is a bona fide written offer or proposal relating to the making of any potential offer or proposal for a potential offer for all or part of the Shares or for the whole or material part of the business or assets of the Company or any proposal involving the potential acquisition of a substantial interest in the Group, a legal merger or demerger involving the Company or a reorganisation or re-capitalisation of the Company and/or the Company's group, which is not solicited, encouraged, initiated or facilitated, other than in accordance with the Merger Agreement, by the Company or any Group Company and its and their respective directors, managing directors, officers, supervisory directors, managers, employees, contractors, financial, legal and other advisors, involving (1) a full public offer (*volledig bod*) as defined in the Decree, (2) a merger, recapitalisation or other business combination directly or indirectly, of 100% of the share capital of the Company, (3) an acquisition of the entire business of the Company, or (4) any other transaction for any Shares or other securities issued or to be issued by the Company or other proposals which would involve a change of control of the Company, made by a party who, in the reasonable opinion of the HITT Boards, is a bona fide third party and which proposal in the reasonable opinion of the HITT Boards, taking into account their fiduciary duties and having consulted their financial and legal advisors, is more beneficial to the Shareholders and other stakeholders than the Offer, taking into account the overall terms and conditions set out in the Merger Agreement (including any proposed changes to the terms of the Merger Agreement proposed by the Offeror in response to such an alternative proposal or otherwise) and, with respect to such an alternative proposal, taking into account the overall terms and conditions of such an alternative proposal, and the certainty and timing thereof, including the pre-offer conditions and offer conditions and compliance with Applicable Laws and regulatory requests the transaction structure and certainty of funds, provided that (i) the consideration payable to the Shareholders in connection with such Superior Offer (including any dividend, recapitalization or share repurchase proposed to be effected in connection therewith) shall exceed the valuation of the Company based on the Offer Price per

Share by at least 10%, (ii) the Superior Offer is conditionally legally binding on the third party in that such third party has conditionally committed itself to the Company to make a Superior Offer within the timeframes applicable as set in the Decree and the Wft and (iii) the consideration payable in a Superior Offer may not consist of any debt securities, or any securities which are not publicly traded on a regulated market; and a

- "**Revised Offer**" is an offer at an offer price which is, and on terms and conditions which are, in the reasonable opinion of the HITT Boards, taking into account their fiduciary duties and having consulted their financial and legal advisors, at least equal to the Shareholders and other stakeholders than the Superior Offer taking into account the overall terms and conditions of such Superior Offer, the certainty and timing thereof, including the pre-offer conditions and offer conditions and compliance with Applicable Laws and regulatory requests, transaction structure and certainty of funds and, with respect to the Offeror's revised offer, taking into account the overall terms and conditions set out in the Merger Agreement, including any proposed changes to the terms of the Merger Agreement proposed by the Offeror.

Under the Merger Agreement the Company is not prohibited from responding to an unsolicited approach or enquiry in relation to a potential offer or proposal by a third party if such potential offer or proposal is reasonably likely to result into a Superior Offer, provided that the Offeror receives the same information as provided to the third party.

If the Company receives a Superior Offer:

- (a) the Company shall notify the Offeror of such event promptly and shall provide all reasonable details of the Superior Offer;
- (b) the Offeror may submit a Revised Offer within five Business Days following the date the Offeror has received the notice of a Superior Offer; and
- (c) if the Offeror has made a Revised Offer, the Company is not entitled to accept the Superior Offer or to terminate the Merger Agreement, and the Company and the members of the HITT Boards remain bound to the terms and conditions of the Merger Agreement.

6.19.2 Termination

The Merger Agreement may be terminated:

- (i) if the Offeror and the Company so agree in writing;
- (ii) if on the Long Stop Date any or all of the Offer Conditions are not satisfied or waived, and the relevant party that has the right to waive terminates the Merger Agreement in writing;

- (iii) by notice in writing given by the terminating party to the other party in the event of a material breach of the Merger Agreement, which has not been remedied by the other party within 5 business days after receipt of a written notice from the terminating party, provided that the other party shall not be entitled to such remedy period if the breach is not capable of being remedied;
- (iv) by the Offeror or the Company in writing in case of a Superior Offer and pursuant to the terms set out in Section 6.19.1 (Exclusivity Provisions);
- (v) by the Offeror in the event that the HITT Boards revoke or amend their Recommendation; or
- (vi) if all Offer Conditions have been satisfied or waived and the Offeror has not declared the Offer unconditional ultimately three business days after the Acceptance Closing Date for any reason attributable to the Offeror.

The termination grounds listed in this Section regard situations in which Saab and HITT have agreed that the terminating party cannot be required to remain bound to the Merger Agreement for reasons such as deal certainty and the fiduciary duties of the HITT Boards.

6.19.3 Termination Compensation

The Offeror and the Company have agreed to a termination payment to compensate the Offeror for costs incurred in connection with the Offer and the other Transactions, in events where termination of the Merger Agreement occurs in accordance with termination grounds set out in Section 6.19.2 (Termination) under (iii) (in case of a material breach by the Company) or under (iv) (in case of a Superior Offer) or in the event that any of the HITT Boards have withdrawn, substantially modified or substantially amended their Recommendation in breach of the Merger Agreement, pay to the Offeror, in cash, a compensation of EUR 593,229. The payment of the compensation shall take place immediately upon a written request by the Offeror thereto.

6.20 Indicative timetable

Expected date and time	Event
6 August 2012	Announcement of general availability of the Offer Document including the Position Statement
7 August 2012	Convening notice EGM
7 August 2012, 09:00 hours CET	Commencement of the Acceptance Period
21 September 2012	EGM in which among other matters (see Annex 2 of the Position Statement) the Offer will be discussed

Expected date and time	Event
2 October 2012, 18:00 hours CET, unless extended	<i>Acceptance Closing Time</i> Deadline for Shareholders wishing to tender Shares, unless extended
No later than on the third Business Day following the Acceptance Closing Date	<i>Unconditional Date</i> Public announcement whether the Offer is declared unconditional (<i>gestand wordt gedaan</i>)
No later than the third Business Day following the Unconditional Date	<i>Post Closing Acceptance period</i> During the Post Closing Acceptance period, Shareholders that have not yet tendered their Shares under the Offer will be given the opportunity to do so in the same manner and under the same conditions as set out in this Offer Document
No later than on the third Business Day following the Unconditional Date, unforeseen circumstances excepted	<i>Settlement Date</i> The day on which, in accordance with the terms of the Offer, the Offeror shall pay the Offer Price to the Shareholders who have tendered and delivered (<i>geleverd</i>) their Shares under the Offer to the Offeror, unforeseen circumstances excepted
Two weeks after announcement thereof	<i>End of Post Closing Acceptance Period</i>

7. EXTRAORDINARY GENERAL MEETING OF HITT SHAREHOLDERS

The EGM will be held on 21 September 2012, at 14:00 hours CET, at Hotel de Cantharel, Van Golsteinlaan 20, Apeldoorn.

During this meeting the Offer will be discussed in accordance with article 18 of the Decree and the Company's compliance with the Corporate Governance Code will be discussed.

In addition, the following "**Governance Resolutions**" will be resolved upon, items (a) to (e) conditional upon the Offer being declared unconditional and with effect from the Settlement Date:

- (a) the amendment of the Articles of Association to reflect the changes described in Section 6.11 (Amendment of the Articles of Association);
- (b) acceptance of the resignation of and granting discharge to all members of the current HITT Supervisory Board (other than the Continuing HITT Directors);
- (c) the appointment of two new members of the HITT Management Board and three new members of HITT Supervisory Board designated by the Offeror in accordance with Section 6.12 (Future HITT Boards Composition);
- (d) approval of the Asset Sale, which may be implemented in accordance with Section 6.10.3 (Asset Sale) and which has been approved by the HITT Supervisory Board;
- (e) dissolution of HITT and appointment of a Liquidator, conditional upon completion of the Asset Sale, which may be implemented in accordance with Section 6.10.3 (Asset Sale) and which has been approved by the HITT Supervisory Board;
- (f) authorisation of the HITT Management Board in relation to the acquisition by HITT of Shares in its own capital.

The information necessary for the Shareholders to adequately assess the Offer is included in this Offer Document. The EGM will be convened on 7 August 2012 and the agenda of the EGM will be published by HITT in the usual manner and in accordance with the Articles of Association.

8. INFORMATION REGARDING HITT

The information contained in this Section has been compiled on the basis on the annual reports and the annual accounts of HITT for the financial years 2011, 2010 and 2009 and other public sources. The Offeror has not carried out a separate investigation into the correctness or completeness of this information. Copies of these annual reports and annual accounts are available at the website of HITT (see Section 2 (Important Information)).

8.1 Overview

HITT was incorporated under the laws of the Netherlands on May 20, 1998 as a public company with limited liability (“*naamloze vennootschap*”), having its statutory seat in Amsterdam. On this date it acquired all shares in HITT Holland Institute of Traffic Technology B.V. that was incorporated on January 28, 1994.

HITT is listed on the official market of Euronext Amsterdam. The HITT share is included in the Local Securities Compartment C (small caps).

The registered office of HITT N.V. is:

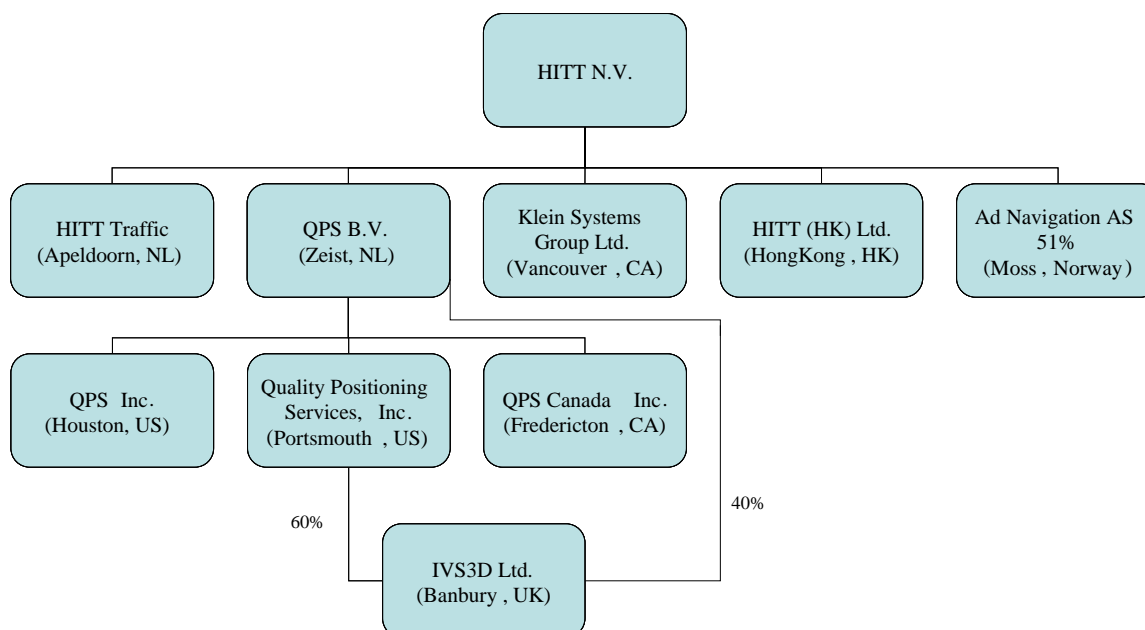
Oude Apeldoornseweg 41-45
7333 NP Apeldoorn
The Netherlands

Telephone: +31 (0)55 5432590

Website: www.hitt.nl

HITT is registered with the Commercial Register of the Chamber of Commerce and Industry under number 33303093.

8.2 Group structure



The subsidiaries of HITT conduct the following development activities:

- HITT Holland Institute of Traffic Technology B.V. (HITT Traffic) is supplier of systems for Air Traffic Control and Vessel Traffic services.
- Klein Systems Group Ltd. (KSG) is specialist in management systems for port authorities, ports, pilotage and other maritime organizations.
- Quality Positioning Services B.V. (QPS) and Interactive Visualization Services Inc. (IVS) concentrate on systems for maritime and mobile laser mapping applications, ocean mapping and precision navigation. The development departments are in Zeist (Netherlands) and in Fredericton (Canada) and were merged immediately after the acquisition of IVS in 2011.
- Ad Navigation AS designs, develops, markets and supports GNSS-based systems that provide highly precise geographic locations, together with accurate heading and altitude determination. The development takes place in Moss, Norway.

8.3 Business objectives and strategy

HITT's strategic business goal is to achieve and maintain a leadership position as a solutions provider that develops advanced software applications in the domains of navigation, traffic and logistic support. HITT's leadership position in these markets is achieved through the development of a highly sophisticated knowledge of traffic guidance, navigation, planning and related specializations such as hydrography, Geographic Information Systems (GIS) and Information and Communication Technology.

From the strong market positions, it is expected that HITT will grow and expand in a profitable and sustainable way to the benefit of all stakeholders.

The focus is on those markets in which safety, security and efficiency are the main drivers. The areas of interest are the aviation and marine markets, in which accurate and up-to-date information about aircraft, vehicle and vessel movements are vital. The know-how and technology is increasingly applied to related sectors such as the offshore industry.

In these highly competitive markets, HITT has gradually moved away from integrated one-off projects and instead prefers to be recognized as the number one, first class supplier of software as-a-product. This product oriented approach ensures long term relationships with our clients by providing support and regular updates for the software. Moreover this strategy results in reduction of lifecycle costs for our clients as well as lower costs and higher recurring revenues for HITT.

The world-wide market environment of HITT is dominated by government and semi-government agencies that have public responsibility for infrastructure, security, safety and environment. Furthermore, the company serves a growing number of customers with related commercial objectives, such as organizations that use the infrastructure (airports, ports, waterways, pilotage, etc.) or contribute various services to support these operations.

8.4 Supervisory Board, Management Board and employees

Supervisory Board

The Supervisory Board consists of four members:

- J.A. (Albert) Stroink (Chairman);
- E.A. (Eric) van Amerongen (Vice-Chairman);
- J.E. (Jan) Vaandrager;
- M.P. (Mark) Prinsen.

Curricula vitae of the members of the Supervisory Board:

J.A. (Albert) Stroink (1943, Dutch) is Chairman of the Board as of March 5, 2008 with a 2nd term of appointment until 2016. He was employed by ExxonMobil Corporation from 1971 to 2007, where he fulfilled several duties as a site manager and later on as Managing Director of Chalmette Refining LLC, USA. He gained a rich experience in operational, commercial and technical management in a multinational environment. Furthermore he is experienced in the field of (corporate) governance affairs. Mr. Stroink was not employed by HITT before he became a Supervisory Director and does not own HITT shares.

E.A. (Eric) van Amerongen (1953, Dutch) is Vice-Chairman and joined the Board as a member as of March 29, 2002 with a 3rd and final term of appointment until 2013. He is the former CEO of Royal Swets & Zeitlinger Holding N.V. and is currently Chairman of the Supervisory Boards of Thales Nederland B.V. and BT Nederland N.V., member of the Supervisory Boards of Imtech N.V., Koninklijke Wegener N.V., Essent N.V. and ANWB and Senior Independent Non-executive Director of Shanks Plc. Mr. Van Amerongen was not employed by HITT before he became a Supervisory Director and does not own HITT shares.

J.E. (Jan) Vaandrager (1943, Dutch) joined the Board as a member as of March 5, 2008 with a 2nd term of appointment until 2016. Before his retirement Mr. Vaandrager was member of the Executive Board and Chief Financial Officer of TKH Group N.V. Netherlands and he is the financial expert within the Supervisory Board. Mr. Vaandrager was employed in many financial and general management functions, amongst others with Thyssen Bornemisza Group N.V. and Schmalbach Lubeca AG and is currently member of the Supervisory Board of B.E. Semiconductor Industries N.V. (BESI) and Hydratec Industries N.V. He was not employed by HITT before he became a Supervisory Director and does not own HITT shares.

M.P. (Mark) Prinsen (1971, Dutch) joined the Board as a member as of March 3, 2010 with a 1st term of appointment until 2014. He is Managing Director of redDog Travel Support BV and Comfortable Europe BV. Mr. Prinsen was previously working as a M&A lawyer at NautaDutilh. He is a law graduate of the Erasmus University in Rotterdam and holds an MBA of the Australian Graduate School of Management. Mr. Mark Prinsen was not employed by HITT before he became a supervisory Director and does not own HITT shares. Mark Prinsen is the son of Hans Prinsen who is the major shareholder of HITT Holding B.V.

Management Board

The Management Board consists of two members:

- S. (Sjoerd) Jansen (CEO);
- J.M. (Martin) Schuiteman (CFO).

Curricula vitae of the members of the Management Board:

S. (Sjoerd) Jansen (1954, Dutch) is Chief Executive Officer and statutory director as of October 1, 2007 with a 2nd term of 4 years as appointed by the Annual General Meeting of shareholders on March 29, 2011. Mr. Jansen was the former Director Business Development of Strukton Railinfra and Managing Director of Strukton Systems. Mr. Jansen holds no other board positions. Mr. Jansen was not employed by HITT before he was appointed Chief Executive Officer. Mr. Jansen is educated electrical engineer (B.Sc.) at the Institute of Technology in Rotterdam.

J.M. (Martin) Schuiteman (1972, Dutch) was appointed CFO as of March 1, 2010. Mr. Schuiteman is a chartered accountant (RA). He previously worked for Deloitte Accountants and ABN AMRO Bank N.V. He joined HITT in 2008 as group controller. Mr. Schuiteman studied business economics and fiscal economics at Erasmus University Rotterdam.

Employees

On December 31, 2011, HITT employed 188 employed full-time equivalents.

The average education level of HITT staff is high. The high level of education combined with the required high level of domain expertise implies a relatively high average age of staff (2011: 44 years).

HITT has a Central Workers Council and a Workers Council for HITT Traffic in place.

8.5 Capital and Shares

On December 31, 2011, a total of 4,694,158 ordinary shares with a nominal value of EUR 0.25 had been issued.

On October 28, 2010 HITT acquired 200,000 of the issued ordinary shares in its own share capital. As of December 21, 2011 these shares are still held by HITT.

The Management Board of HITT proposed to withdraw HITT's preference shares. This proposal was put forward and approved in the Annual General Meeting in March 2010, although not yet effectuated.

There are no share or option plans in place. HITT has not issued depository receipts for shares HITT.

8.6 Main Shareholders

Pursuant to the Wft, the AFM published the following shareholders with an interest of 5% or more in the issued capital of HITT:

	Date latest reporting	Number of shares	in % of outstanding shares
HITT Holding B.V.	1-11-2006	2,400,000	53.4%
Holding Aarts Heerkens B.V.	1-11-2006	237,000	5.3%
Janivo Participaties II B.V.	4-10-2011	263,465	5.9%
Todlin N.V.	1-11-2006	244,055	5.4%

8.7 Shareholdings of the Members of the Boards

None of the members of the Supervisory Board and the Management Board of HITT hold any shares in HITT, with exception of Mr. Schuiteman who holds 1,000 shares.

8.8 Recent developments

HITT makes all price-sensitive information generally available in accordance with article 5:25i Wft. Publications of such price-sensitive information is also available in the public register on the website of the AFM. In relation to the Offer, HITT together with Saab has published the press releases included in paragraph 12.1 and 12.2 of this Offer Document. In addition, the website of HITT provides an up to date overview of recent developments, such as new orders received, trading updates and annual reports. These recent developments have been published under the “News” section (<http://www.hitt.nl/news/>).

9. INFORMATION REGARDING SAAB

9.1 Overview

Saab (the Offeror) is a Swedish corporation with its principal executive offices located at Gustavslundsvägen 42, Bromma, Sweden, and its registered address at SE-581 88 Linköping, Sweden. The telephone number of Saab is +46 (8) 463 00 00. Saab and its subsidiaries have approximately 13,000 employees. It offers leading solutions, products and services for military defence and civil security. Saab is represented in around 30 countries, while the solutions, products and services are sold to more than a 100 countries. The most important markets are Europe, South Africa, Australia and North America. Annual sales in 2011 amounted to SEK 23 billion of which about 22 per cent is related to research and development.

Saab has operations and employees on all continents and constantly develops, adopts and improves new technology to meet customers' changing needs.

9.2 Board of Directors

The Board of Directors of the Offeror consists of:

Marcus Wallenberg Chairman of the Board since 2006. Deputy Chairman of the Board 1993-2006 and Member of the Board since 1992. Member of Saab's Remuneration Committee. Bachelor of Science of Foreign Service. Lieutenant in Royal Swedish Naval Academy.

Former employment and positions include:
President and CEO, Investor AB Director, Stora Feldmühle AG, Düsseldorf
Skandinaviska Enskilda Banken AB, Stockholm and London
Citicorp (Hong Kong)
Citibank N.A. (New York)

Håkan Buskhe Member of the Board since April 2011. President and Chief Executive Officer of Saab AB. M.Sc., Licentiate of Engineering (Transportation & Logistics)

Former employment and positions include:
President and CEO of E.ON Nordic AB
and E.ON Sverige AB
Executive Vice President of E.ON Sverige AB
Senior Vice President of E.ON Sverige AB
CEO of SchenkerNorth and member of the Schenker AG's
Executive Management Production Manager Falcon Brewery

- Johan Forssell
- Member of the Board since 2010. Member of Saab's Audit Committee. Managing Director Investor AB, Head of Core Investments. M.Sc. in Finance, Stockholm School of Economics.
- Former employment and positions include:
 Head of Research Core Investments, Investor AB
 Head of Capital Goods and Healthcare Sector, Investor AB
 Head of Capital Goods Sector, Investor AB
 Analyst Core Holdings, Investor AB
- Sten Jakobsson
- Member of the Board since 2008 and Deputy Chairman since 2010. M.Sc.
- Former employment and positions include:
 President and CEO, ABB Sweden
 Executive Vice President, Asea Brown Boveri AB, Sweden
 Business Area Manager, Business Area Cables
 President, ABB Cables AB
 President, Asea Cylinda
 Production Manager, Asea Low Voltage Division
 Asea central staff – Production
 Asea trainee
- Per-Arne Sandström
- Member of the Board since 2005. Chairman of Saab's Audit Committee. Upper secondary engineering school.
- Former employment and positions include:
 Deputy CEO and COO of
 Telefonaktiebolaget L M Ericsson
 President and CEO, Ericsson Inc., USA
 Vice President and General Manager,
 GSM business unit, Ericsson Radio Systems AB
 Executive Vice President and Managing Director,
 Cellular Systems, Ericsson Ltd, UK
 Vice President and General Manager,
 GSM Western Europe, Ericsson Radio Systems AB
 Vice President and General Manager,
 Airborne Radar Division, Ericsson Microwave Systems AB
 Department Manager, Naval Command and Control Systems,
 Ericsson Microwave Systems AB
- Cecilia Stegö Chilò
- Member of the Board since 2010. Adviser to management of corporations and organisations. Studies in political science and economics.

Former employment and positions include:
Board member of AMF Fonder and Länsförsäkringar Liv
Managing Director of the foundation Fritt Näringsliv
Head of the think tank Timbro
Cabinet member and Head of the Ministry of Culture
Editorial writer and foreign policy commentator
at Svenska Dagbladet
Commentator at Sveriges Radio

Åke Svensson

Member of the Board since 2003. Director General of the Association of Swedish Engineering Industries. M.Sc.

Former employment and positions include:
President and CEO of Saab AB
General Manager, Business Area Saab Aerospace, Saab AB
General Manager, Business Unit Future Products and Technology, Saab AB
Project Manager of RBS15, Saab Dynamics AB
Other positions in the Saab Group

Lena Treschow Torell

Member of the Board since 2005. Chairman of Saab's Remuneration Committee. Professor in Physics.

Former employment and positions include:
President of the Royal Swedish Academy of Engineering Sciences (IVA)
Board member of Getinge AB, Telefonaktiebolaget L M Ericsson and Gambro AB
Director, Joint Research Centre, European Commission
Vice President, Chalmers, Gothenburg
Professor of Material Physics, Chalmers
Professor of Solid State Physics, Uppsala University

Joakim Westh

Member of the Board since 2010. Member of Saab's Audit Committee. M.Sc.

Former employment and positions include:
Chairman of Absolent AB,
Board member of Telelogic AB and VKR Holding A/S
Deputy Board member of Sony Ericsson Mobile Communications AB
Senior Vice President, Group function Strategy and Operational Excellence
Member of the Group Management Team, Ericsson and J Westh Företagsutveckling AB

Group Vice President and member of the Executive Management Group, Assa Abloy AB
Partner, McKinsey & Co, Inc

Stefan Andersson Member of the Board since 2008. President of the Local Industrial Salaried Employees' Association at Saab Dynamics AB, Linköping. B.Sc.

Catarina Carlqvist Member of the Board since 2007. Member of the Local Swedish Association of Graduate Engineers, Saab Dynamics AB, Karlskoga. Luleå University of Technology.

Conny Holm Member of the Board since 2008 and deputy Board Member 1995-2008. President of the Local Workers' Union IF Metall at Electronic Defence Systems, Saab AB, Jönköping. Upper secondary engineering education.

9.3 Saab share capital

The Offeror's issued and outstanding share capital as at December 31, 2011 amounted to SEK 1,746,405,504 and consisted of 1,907,123 series A shares and 107,243,221 series B shares each with a quota value per share of SEK 16. Series A shares have ten votes each, while series B shares have one vote each.

All series A shares are owned by Investor AB and are not listed. The series B shares are listed on NASDAQ OMX Stockholm on the large cap list. At the end of December 31, 2011, Saab held 3,818,386 own shares of series B shares, corresponding to approximately 3.5 per cent of the share capital.

As at December 31, 2012, the major shareholder was Investor AB controlling 30 per cent of the share capital and 40 per cent of the votes. The following table outlines the five largest shareholders of Saab AB as at June 29, 2012.¹

Owner name	% of capital	% of votes
Investor AB	30.0%	39.5%
Wallenberg Foundations	8.7%	7.5%
Swedbank Robur Funds	4.8%	4.1%
AFA Insurance	2.7%	2.4%
Unionen	2.7%	2.3%

¹ Source: SIS Ägarservice

Owner name	% of capital	% of votes
Five largest shareholders	48.9%	55.8%
Others	51.1%	44.2%
All shareholders	100.0%	100.0%

10. FURTHER STATEMENTS REQUIRED BY THE DECREE

In addition to the other statements set out in this Offer Document, the Offeror with regard to subject (ii), (iii), (vi) and (viii); the Offeror, the management board of the Offeror, HITT and the HITT Boards with regard to subjects (i) and (v); and HITT with regard to subject (vii) and (ix), each individually, hereby declare as follows:

- (i) There have been consultations between Saab and HITT regarding the Offer, which have resulted in (conditional) agreement regarding the Offer as publicly announced on 7 June 2012. Discussions regarding the Offer Price and the conditions of the Offer have taken place between Saab and the HITT Management Board and their respective advisers. Saab has consulted with the HITT Supervisory Board on the Offer Price and the conditions of the Offer on a separate occasion.
- (ii) With due observance of and without prejudice to the restrictions referred to in Section 1 (Restrictions) and Section 2 (Important information), the Offer concerns all Shares and applies on an equal basis to all Shares and Shareholders.
- (iii) At the date of this Offer Document, Saab holds no Shares whether directly or indirectly.
- (iv) At the date of this Offer Document, HITT has no interest in the share capital of Saab, whether directly or indirectly.
- (v) No securities issued by HITT are held, no transactions or concluded agreements in respect of securities issued by HITT have been effected or have been concluded, and no similar transactions have been effected in respect of securities issued by HITT, by Saab, any members of Saab's Board of Directors, any company within the Saab Group, HITT or any members of the HITT Boards nor by any of their spouses (*echtgenoten*), registered partners (*geregistreeerde partners*), minor children (*minderjarige kinderen*) and any entities over which these members or other persons referred to have control (*de zeggenschap hebben over*) within the meaning of Annex A, paragraph 2, subparagraphs 5, 6, and 7 of the Decree, other than that Mr. Schuiteman holds shares as described in Section 6.7 (Committed Shares), all of which he acquired more than twelve months prior to the date of this Offer Document, and (iii) HITT holds Shares in its own capital as described in Section 6.18 (Treasury Shares), all of which it acquired more than twelve months prior to the date of this Offer Document.
- (vi) The costs Saab has incurred and expect to incur in relation to the Offer amount to approximately EUR 1,205,500 and relate to bank adviser fees, exchange agent fees, broker commissions, legal fees, financial and tax due diligence fees, public relations and communications advice and printing. These costs will be borne by Saab.
- (vii) The costs HITT has incurred and expects to incur in relation to the Offer amount to approximately EUR 590,000 and relate to fees of legal advisers, financial advisers,

tax advisers, strategic advisers, accountants and communications advisers. These costs will be borne by HITT.

- (viii) There are no remunerations to be paid to Saab directors and executive officers in connection with the Offer being declared unconditional (*gestanddoening*).
- (ix) There are no remunerations to be paid to members of the HITT Boards in connection with the Offer being declared unconditional (*gestanddoening*) and no severance payments to be paid to members of the HITT Boards who will resign as per Settlement of the Offer.

11. TAX ASPECTS OF THE OFFER

11.1 General

This taxation summary solely addresses the principal Dutch tax consequences in connection with the disposal of Shares under the Offer and is included for general purposes only. It does not consider every aspect of taxation that may be relevant to all categories of investors, some of which may be subject to special treatment under applicable law (such as trusts or similar arrangements). Any potential investor should consult its own tax adviser with regard to the tax consequences of investing in the Shares in their particular circumstances.

This summary is based upon the tax laws of the Netherlands as in effect on the date of this Offer Document, as well as regulations, rulings and decisions of the Netherlands and its taxing and other authorities available on or before such date and now in effect.

This summary does not describe the tax consequences for Shareholders if:

- such Shareholders are deemed to hold Shares pursuant to article 2.14a of the Dutch Income Tax Act 2001 (Wet inkomstenbelasting 2001);
- such Shareholders, and in the case of individuals, his/her partner as defined in article 1.2 of the Dutch Income Tax Act 2001 (Wet inkomstenbelasting 2001) (partner) or certain of their relatives by blood or marriage in the direct line (including foster children), have or are deemed to have a substantial interest (aanmerkelijk belang) in the Company under the Dutch Income Tax Act 2001 (Wet inkomstenbelasting 2001). Generally, a holder of securities is considered to have a substantial interest in a company, if such holder alone or, in the case of an individual, together with his/her partner, directly or indirectly holds (i) a number of shares representing 5 % or more of the company's total issued and outstanding capital (or the issued and outstanding capital of any class of the shares), or (ii) rights to acquire, directly or indirectly, such interest, or (iii) profit participating certificates (winstbewijzen) relating to 5 % or more of the company's annual profit or to 5 % or more of the company's liquidation proceeds. Generally, a deemed substantial interest arises if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;
- such Shareholders are individuals for whom the Shares or any benefit derived from the Shares have any connection with such individual's past, present or future employment or have a connection with such holder's membership of a management board (bestuurder) or a supervisory board (commissaris);
- such Shareholders are individuals who derive benefits from the Shares that are taxable as benefits from miscellaneous activities (resultaat uit overige werkzaamheden), which includes activities that exceed normal portfolio management (normaal vermogensbeheer);
- such Shareholders are corporate entities that derive benefits from the Shares that are exempt under the participation exemption as laid down in the Dutch Corporation Tax Act 1969 (Wet vennootschapsbelasting 1969) or would have been exempt under the participation exemption if such Shareholder were a taxpayer in the Netherlands. This

may, inter alia, be the case if such a Shareholder has a shareholding of 5 % or more in the Company's nominal paid-up share capital; and

- such Shareholders are pension funds, exempt investment institutions (vrijgestelde beleggingsinstellingen), investment institutions (fiscale beleggingsinstellingen) and other entities that are exempt from corporation tax in the Netherlands.

11.2 Withholding Tax

A gain realised upon the disposal of Shares tendered in the Acceptance Period (*aanmeldingstermijn*) or Post Closing Acceptance Period should not be subject to Dutch withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

11.3 Taxes on Income and Capital Gains

Dutch Resident Individuals

If a Shareholder is an individual who is resident or deemed to be resident in the Netherlands, including an individual who elected to be treated as a resident of the Netherlands for Dutch income tax purposes (for the purposes of this Section 11 a "**Dutch Resident Individual**"), any capital gains realised on the disposal of Shares will be subject to Dutch income tax at progressive rates (max. 52%) if the Shares are attributable to an enterprise from which the Dutch Resident Individual derives profits as an entrepreneur or pursuant to a co-entitlement to the net worth of such enterprise, other than as an entrepreneur or a shareholder.

If the abovementioned does not apply to a Dutch Resident Individual Shareholder, the Shares will be subject to a fictitious yield tax regime. Irrespective of the actual income and/or capital gains, the annual taxable benefit of all the assets and liabilities of a Dutch Resident Individual that are taxed under such regime including, as the case may be, the Shares, is set at a fixed percentage. This percentage is 4% of the fair market value of these assets and liabilities at the beginning of every calendar year (minus a tax-free amount). The tax rate applicable under the fictitious yield tax is 30%. Actual benefits derived from the Shares, such as capital gains realised on the disposal of Shares, are as such not subject to Dutch income tax.

Netherlands resident entities

If a Shareholder is a corporate entity (*lichaam*) that is resident or deemed to be resident in the Netherlands for Dutch corporation tax purposes, any capital gains realised on the disposal of Shares are generally subject to corporation tax at a rate of 25% (a rate of 20% applies with respect to taxable profits up to EUR 200,000).

Non-Resident of the Netherlands

A Shareholder that is neither a resident nor deemed to be a resident in the Netherlands (and, if such person is an individual, he or she has not elected to be treated as a resident of the Netherlands for Dutch income tax purposes), will not be subject to Dutch income taxes on any capital gains realised on the disposal of Shares, provided that such Shareholder does not

have an interest in an enterprise or deemed enterprise which, in whole or in part, is either effectively managed in the Netherlands or is carried out through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part thereof the Shares are attributable.

11.4 Gift and inheritance taxes

In general, no gift and inheritance taxes will arise as a result of the disposal of the Shares in connection with the Offer.

11.5 Value added tax

In general, no value added tax will arise as a result of the disposal of the Shares in connection with the Offer.

11.6 Other Taxes and Duties

No Dutch registration tax, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in the Netherlands by a Shareholder in respect of the disposal of Shares in connection with the Offer.

11.7 Post Settlement Restructuring and future legal structures

Following Settlement, the Offeror may propose and implement restructuring measures for the purpose of achieving an optimal operational, legal, financial and/or fiscal structure in accordance with the Merger Rules and Dutch law in general, some of which may have the (side) effect of diluting the interest of any remaining minority shareholders of the Company, including but not limited to: (i) a Buy-Out, (ii) an Asset Sale pursuant to the Merger Agreement, (iii) a statutory (cross-border or domestic) legal (triangular) merger (*juridische driehoeks-fusie*) in accordance with article 2:309 et seq of the DCC between the Company, the Offeror or an Affiliate of the Offeror, (iv) a sale of assets of the Company to the Offeror or an Affiliate of the Offeror, (v) a contribution of cash and/or assets by the Offeror or by any Affiliate of the Offeror in exchange for Shares or preference shares in Company's capital, (vi) a distribution of proceeds, cash and/or assets to the shareholders of the Company, (vii) a liquidation of the Company, (viii) a subsequent public offer for any Shares held by minority shareholders (viii) a conversion of the Company into a private company with limited liability (ix) any transaction between the Offeror and the Company at terms that are not at arm's length (x) any combination of the foregoing or (xi) any other transactions, restructurings, share issues, procedures and/or proceedings in relation to the Company and/or one or more of its Affiliates required to effect the aforementioned objectives.

See below for a non-exhaustive description of certain Netherlands tax consequences of certain Post Settlement Restructuring options for the then-existing minority Shareholders of the Company.

11.8 Buy-Out

For a general summary of certain Dutch tax consequences of the disposal of Shares by means of the Buy-Out see Sections 11.1 to 11.6.

11.9 Asset Sale pursuant to Business Purchase Agreement

The Business Purchase Agreement provides, among other things, that the Offeror shall arrange for a Minority Cash Exit, such as dissolution and liquidation of the Company, a second public offer by the Offeror for the Shares, through the acquisition by the Offeror of Shares through open market purchases (in order to provide liquidity to then existing minority Shareholders in advance of the Minority Cash Exit), the Company launching a repurchase offer for the Shares or other appropriate transactions or steps.

If in connection with the Asset Sale it is decided that the Company will be dissolved and liquidated or that the Company will launch a repurchase offer for the Shares, Dutch dividend withholding tax will be due at a rate of 15% to the extent the liquidation proceeds or the proceeds of the repurchase of Shares exceed the average paid-in capital of those Shares as recognized for Dutch dividend withholding tax purposes. No 15% Dutch dividend withholding tax should be due if the repurchase facility of article 4c Dutch Dividend Withholding Tax Act 1965 (Wet dividend belasting 1965) can be applied upon the repurchase of Shares.

Individuals who are resident or deemed to be resident in the Netherlands for Dutch tax purposes, other than individuals who have made an election for the application of the rules of the Dutch Income Tax Act 2001 as they apply to residents of the Netherlands, and corporate legal entities who are resident or deemed to be resident in the Netherlands for Dutch tax purposes, can generally credit the Dutch dividend withholding tax against their income tax or corporate income tax liability. The same applies generally to Shareholders that are neither resident nor deemed to be resident of the Netherlands if the Shares are attributable to a Netherlands permanent establishment of such non-resident Shareholder.

For certain other Dutch tax consequences of the disposal of the Shares in connection with a minority Cash Exit, see Sections 11.1-11.6.

12. PRESS RELEASES

12.1 Joint Press Release Saab and HITT dated 7 June 2012

Saab AB and HITT N.V. Agreement on Intended Public Offer

This is a joint press release by Saab AB ("Saab") and HITT N.V. ("HITT"), pursuant to the provisions of section 5 paragraph 1 and section 7 paragraph 4 of the Decree on Public Takeover Bids (Besluit Openbare Biedingen Wft) in connection with the intended public offer by Saab AB for all the issued and outstanding ordinary shares in the capital of HITT. This announcement does not constitute an offer to sell or buy or the solicitation of an offer to buy or sell any securities, nor shall there be any sale or purchase of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This announcement is not for release, publication or distribution, in whole or in part, in or into, directly or indirectly, the United States of America, Australia, Canada and Japan.

Saab serves the global market with world-leading products, services and solutions ranging from military defence to civil security, including Traffic Management. Saab has operations and employees on all continents and constantly develops, adopts and improves new technology to meet customers' changing needs.

HITT develops technology and implements projects to improve safety, security at airports and in maritime environments. Customers include ports and maritime administrations in Europe, North America, Asia and Australia; and airports and air navigation service providers in Europe and Asia. HITT is headquartered in Apeldoorn, The Netherlands, and is listed on the NYSE Euronext Amsterdam stock exchange. It has 188 employees who are mainly based in the Netherlands, North America and Hong Kong.

Saab intends to make a recommended all cash public offer of €6.60 per ordinary HITT share

Transaction Highlights

- Saab intends to make a cash offer of € 6.60 per HITT ordinary share representing a premium of 38% over the closing price of June 6, 2012, for 100% of the outstanding issued and outstanding shares (the "Shares") of HITT (the "Offer")
- The transaction values HITT at approximately €29.7 million

- The Management and Supervisory Boards of HITT have resolved to unanimously support and recommend the Offer
- HITT Holding and four other large shareholders together holding 73.6% of the Shares, support the Offer and have agreed to tender their shares in the Offer

Strategic Rationale

- The intended offer is in line with Saab's strategy to be a leading global actor on the Traffic Management market.
- The combination of HITT and Saab aims to build on each other's strengths to become a global leading player in selected areas of Traffic Management and Hydrography. Together, it will have a strengthened market presence and a strong portfolio of world leading products, combining innovative software systems with state of the art sensor systems.
- The acquisition provides a strong growth platform from which Saab can build on the combined installed base and enhance its' capabilities to develop, sell, deliver and maintain leading products throughout the world.

"This acquisition is in line with our overall strategy to strengthen Saab's position on the global Traffic Management market. Our existing offering will be even more attractive when complemented with HITT's offering in Air Traffic Management and Maritime Surveillance & Safety. It also provides us with a solid market position globally and especially in high growth markets such as China and India," says Håkan Buskhe, President and CEO of Saab AB.

"By combining Saab's and HITT's strong portfolios within Traffic Management and Hydrography we create a more comprehensive offering and we will be able to address a larger share of the global market. Our product portfolios complement each other, with the same philosophy as a base: to make the flow of traffic more secure, safe and efficient, whether in the air or at sea," says Gunilla Fransson, Head of business Area Security and Defence Solutions.

"Both in products and in worldwide markets, our companies are a perfect fit. Against a background of an ongoing tendency towards consolidation in our markets, this merger offers a solid future for all our stakeholders. Moreover, our companies have a similar innovative approach and we share the same business ethics and values. The combination of the two companies is the right step to move our business further'", says Sjoerd Jansen, CEO of HITT N.V.

"I fully support the acquisition of HITT by SAAB. In the new combination, HITT will have broad range of applications for port and airport management and traffic control systems. For our customers, suppliers and employees it creates a solid and wide solutions platform and a basis for personal career ambitions", says Albert Stroink, Chairman of the Supervisory Board of HITT N.V.

Support from the Management Board and Supervisory Board of HITT

The Management Board and the Supervisory Board of HITT support and recommend the Offer to its shareholders. After a careful decision-making process, the Management Board and the Supervisory Board of HITT unanimously approve and fully support the Offer and recommend the shareholders of HITT to tender their shares under the Offer. The Management Board and the Supervisory Board have obtained a fairness opinion from ABN AMRO Bank N.V., which states that the intended Offer is fair to the shareholders of HITT from a financial point of view.

Irrevocable from HITT Holding B.V. and support from other large shareholders for in total 73.6% of the Shares

HITT Holding B.V., holder of approximately 53.4% of the shares of HITT, has irrevocably agreed to tender its shares under the Offer if and when made and to vote in favour of certain governance resolutions proposed at the Extraordinary General Meeting ("EGM") of HITT in an irrevocable undertaking. In addition, four large shareholders together holding 20.2% of the Shares have also confirmed their support of the Offer.

Financing of the Offer

The Offer values 100% of the issued and outstanding HITT shares at approximately €29.7 million. SAAB will finance the Offer from its own readily available resources and financing is not subject to third party approvals or contingencies. This announcement constitutes a certain funds announcement as required by section 7 paragraph 4 of the Decree on Public Takeover Bids (*Besluit Openbare Biedingen Wft*).

Combined business and integration

SAAB and HITT have a vision to build on each other's strengths to become a global leader in selected areas of Traffic Management and Hydrography.

The combined company will have a solid market presence and a strong portfolio of world leading products, combining innovative software systems with state of the art sensor systems.

Saab intends to integrate and align the respective businesses to fully benefit from the global reach, scale and resources of the combination, in order to provide a competitive growth platform and enhance its capabilities to develop, sell, deliver and maintain leading products throughout the world.

HITT is to be integrated into Saab's Security & Traffic Management business. Saab believes that the integration can be successfully executed with minimal disruptions, taking into account both companies' strengths and cultures.

Saab and HITT expect that the existing level of employment within the combined company will not be adversely changed as a result of the Offer, except where the combination of the businesses of Saab and HITT has some limited overlap.

Financial impact on Saab earnings

The transaction is expected to have a marginal negative impact on Saab's EPS in 2012 and 2013 and is expected to contribute positively thereafter.

Corporate Governance after the Offer

After successful completion of the offer, (i) the Supervisory Board of HITT will consist of five members of whom three shall be appointed by the general meeting of shareholders upon nomination by Saab and two shall be current members of the Supervisory Board, who are considered independent members within the definition of the Dutch Corporate Governance Code, and (ii) the Management Board shall consist of four members, in addition to Mr. Jansen and Mr. Schuiteman two new members of the Management Board of HITT shall be appointed upon nomination by Saab.

Offer process and legal restructuring after the Offer

The required advice and consultation procedures with HITT's works council will be commenced immediately and the Socio-Economic Council has been informed. There are no regulatory approvals required in connection with the Offer.

An EGM will be convened by HITT during the offer period to inform the shareholders about the Offer and to adopt certain resolutions concerning the future governance of HITT that are conditions precedent to the Offer. If the Offer is declared unconditional, HITT intends to promptly terminate its listings on NYSE Euronext Amsterdam. If Saab acquires 95% Shares, Saab will initiate squeeze-out proceedings to obtain 100% of the Shares. If Saab acquires less

than 95% but at least 75% of the Shares in the Offer, Saab may utilize all other available legal measures in order to acquire full ownership of the Shares and/or the HITT business. More particularly Saab may implement the sale of HITT's entire business by HITT to Saab followed by liquidation of HITT ("Asset Sale"). The Management Board and the Supervisory Board of HITT have received a fairness opinion that the Asset Sale is fair from a financial point of view. Consequently, subject to the approval of the EGM, the HITT Boards have approved the Asset Sale. It is intended that following the Asset Sale, the remaining HITT shareholders would receive a cash (advance) liquidation distribution equal to the Offer Price, reduced only with dividend withholding tax if applicable.

Pre-Offer and Offer Conditions

The commencement of the Offer is subject to the satisfaction or waiver of the following pre-offer conditions: (i) finalisation of the consultation process with the relevant trade unions and the rendering of a positive advice by the works council of HITT or the relevant waiting period having expired, (ii) no material adverse change having occurred, (iii) no breach of the merger agreement having occurred, (iv) approval of the offer memorandum by the Dutch financial regulator, Autoriteit Financiële Markten ("AFM"), (v) no revocation or change of the recommendation by the Management Board or the Supervisory Board of HITT, (vi) no revocation of the irrevocable from HITT Holding B.V. and the confirmation of support from the other large shareholders which would result in less than 62% of the issued share capital continuing to support the Offer, (vii) the merger agreement not having been terminated, (viii) no superior offer having been made, (ix) no order, stay, judgment or decree restraining or prohibiting the transaction, and (x) no notification having been received from the AFM that preparations of the offer are in breach of the offer rules. If and when made, the consummation of the Offer will be subject to the satisfaction or waiver of certain offer conditions customary for transactions of this kind, such as (i) a minimum acceptance of 75% of the HITT shares on a fully diluted basis, (ii) no material adverse change having occurred, (iii) no breach of the merger agreement having occurred, (iv) no revocation or change of the recommendation by the Management Board or the Supervisory Board of HITT, (v) no revocation of the irrevocable from HITT Holding B.V. and the confirmation of support from the other large shareholders which would result in less than 62% of the issued share capital continuing to support the Offer, (vi) certain governance resolutions having been adopted at a HITT EGM, (vii) no superior offer having been made, (viii) no order, stay judgment or decree restraining or prohibiting the transaction, (ix) no notification having been received from the AFM that preparations of the offer are in breach of the offer rules and (x) the merger agreement not having been terminated.

Superior Offer

Saab and HITT may terminate the merger agreement in the event that a bona fide third-party makes an offer which is, a more beneficial offer to HITT and its stakeholders than the Offer, which is conditionally binding upon such party in that such third party has conditionally committed itself to make the offer within the timeframes applicable as set in the Decree on Public Takeover Bids (*Besluit openbare biedingen*) and the Dutch Financial Supervisory Act (*Wet op het financieel toezicht*) and (i) the consideration payable exceeds the valuation of HITT based on the Offer Price per share by at least 10% and (ii) the consideration payable by such third party may not consist of any debt securities or any securities which are not publicly traded on a regulated market (a "Superior Offer"). In the event of a Superior Offer, Saab will be given the opportunity to make a revised offer (a "Revised Offer"). In case the Revised Offer is at least equal to HITT's shareholders and other stakeholders, the merger agreement may not be terminated by HITT and the members of the Management Board and Supervisory Board of HITT shall remain bound to the terms and conditions of the merger agreement, including with respect to future competing offers. On termination of the merger agreement on account of a Superior Offer, HITT will forfeit to Saab a termination fee equal to €EUR 593,229. The same termination fee applies if the Management Board or Supervisory Board of HITT revoke or substantially modify or amend their recommendation or if the merger agreement is terminated as a result of a material breach by HITT. The irrevocable of HITT Holding may be terminated as well in case of termination of the merger agreement in case of such a Superior Offer.

Offer process and indicative timetable

It is Saab's intention to submit a request for approval of its offer document to the AFM and to finalize all required documentation with regard to the Offer as soon as reasonably possible after this announcement. Once the offer memorandum is approved by the AFM, the offer will be made and the offer memorandum will be published. It is currently expected that this will take place early August 2012. The Offer period will be eight weeks, after which it will be declared unconditional or it will be extended for two weeks. HITT will hold an EGM at least six business days before closing of the Offer period in accordance with Section 18 Paragraph 1 of the of the Decree on Public Takeover Bids (*Besluit Openbare Biedingen Wft*). Subject to the Offer conditions, if and when the Offer is declared unconditional, there will be a post closing acceptance period of two weeks.

Advisors

SEB Enskilda Corporate Finance is acting as financial advisor to Saab; FBM Mahler is acting as financial advisor to HITT.

NautaDutilh N.V. is acting as legal counsel to Saab; Loyens & Loeff N.V. is acting as legal counsel to HITT.

Further information

The information in this press release is not intended to be complete and for further information explicit reference is made to the offer memorandum, which is currently expected to be published early August 2012. The offer memorandum will contain details of the Offer. The HITT shareholders are advised to review the offer memorandum in detail and to seek independent advice where appropriate in order to reach a reasoned judgment in respect of the content of the offer memorandum and the Offer itself.

For more information

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About Saab

Saab serves the global market with world-leading products, services and solutions ranging from military defence to civil security. Saab has operations and employees on all continents and constantly develops, adopts and improves new technology to meet customers' changing needs.

About HITT

HITT is a leading player in the worldwide markets for traffic management and navigation systems. The company develops technology aimed at safety enhancement and traffic flow improvement, whilst also enabling significant cost reductions in infrastructure and logistics. The core activities of HITT consist of developing, selling and maintenance of management & control systems and services for air and vessel traffic and hydro-graphic and navigation systems. In 2011 HITT achieved a revenue of EUR 40.7 million and a net profit of EUR 3.4 million. The number of staff at year-end 2011 was 188. HITT has been listed on Euronext Amsterdam NV since June 1998.

12.2 Joint Press Release Saab and HITT dated 3 July 2012

This is an update press release by Saab AB and HITT N.V., pursuant to section 7 paragraph 1 of the Decree on Public Takeover Bids (Besluit Openbare Biedingen Wft) and section 5:25i of the Dutch Financial Services Act (Wet op het financieel toezicht) in connection with the intended public offer by Saab AB for all the issued and outstanding ordinary shares in the capital of HITT N.V. This announcement does not constitute an offer to sell or buy or the solicitation of an offer to buy or sell any securities, nor shall there be any sale or purchase of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This announcement is not for release, publication or distribution, in whole or in part, in or into, directly or indirectly, the United States of America, Australia, Canada or Japan.

With reference to the joint press release by Saab AB ("Saab") and HITT N.V. ("HITT") of June 7, 2012 regarding the intended public offer by Saab for all the issued and outstanding ordinary shares in the capital of HITT (the "Offer") Saab and HITT announce that the preparations for the Offer are well on track. The advice of the HITT works council has been requested and the consultation process is ongoing.

Saab announces that it expects to submit a request for approval of its offer document to the Netherlands Authority for the Financial Markets ("AFM") before mid July. It is currently expected that the Offer can be launched early/mid August 2012, subject to approval of the AFM and fulfilment or waiver of the other pre-offer conditions.

Further announcements will be made as appropriate.

This is an announcement as referred to in section 7, paragraph 1 (sub a) of the Decree on Public Takeover Offers (Besluit openbare biedingen Wft) and section 5:25i of the Dutch Financial Services Act (Wet op het financieel toezicht).

Further information

The information in this press release is not intended to be complete and for further information explicit reference is made to the offer memorandum, which is still expected to be published early August 2012. The offer memorandum will contain details of the Offer. The HITT shareholders are advised to review the offer memorandum in detail and to seek independent advice where appropriate in order to reach a reasoned judgment in respect of the content of the offer memorandum and the Offer itself.

For more information

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Forward-looking statements and restrictions

This announcement is for information purposes only and does not constitute an offer or an invitation to acquire or dispose of any securities or investment advice or an inducement to enter into investment activity. This announcement does not constitute an offer to sell or issue or the solicitation of an offer to buy or acquire the securities of Saab or HITT in any jurisdiction.

The distribution of this press release may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this document should inform themselves of and observe these restrictions. To the fullest extent permitted by applicable law, Saab and HITT disclaim any responsibility or liability for the violation of any such restrictions by any person. Any failure to comply with these restrictions may constitute a violation of the securities laws of that jurisdiction. Neither Saab, nor HITT, nor any of their advisors assumes any responsibility for any violation by any person of any of these restrictions. Any HITT shareholder who is in any doubt as to his position should consult an appropriate professional advisor without delay. This announcement is not to be published or distributed in or to the United States of America, Australia, Canada or Japan.

This press release may include "forward-looking statements" and language indicating trends, such as "anticipated" and "expected." Although Saab and HITT believe that the assumptions upon which their respective financial information and their respective forward-looking statements are based are reasonable, they can give no assurance that these assumptions will prove to be correct. Neither Saab nor HITT, nor any of their advisors accepts any responsibility for any financial information contained in this press release relating to the business or operations or results or financial condition of the other or their respective groups.

13. NEDERLANDSE SAMENVATTING

13.1 Restricties en belangrijke informatie

In dit Hoofdstuk 13 wordt een samenvatting gegeven van een aantal onderdelen van het Biedingsbericht. Deze Nederlandse samenvatting maakt deel uit van het Biedingsbericht, maar vervangt dit niet. Deze Nederlandse samenvatting is niet volledig en bevat niet alle informatie die voor de Aandeelhouders van belang kan zijn om een afgewogen oordeel te kunnen vormen over het Bod. Het bestuderen van deze Nederlandse samenvatting mag derhalve niet worden beschouwd als een alternatief voor het bestuderen van het volledige Biedingsbericht. De Aandeelhouders wordt geadviseerd het volledige Biedingsbericht (inclusief alle documenten die daarin door middel van verwijzing (*incorporation by reference*) zijn opgenomen) zorgvuldig te bestuderen en zo nodig onafhankelijk advies in te winnen teneinde zich een afgewogen oordeel te kunnen vormen over het Bod en de beschrijving daarvan in het Biedingsbericht. In geval van verschillen tussen deze Nederlandse samenvatting en de Engelse tekst van het Biedingsbericht prevaleert de Engelse tekst van het Biedingsbericht (inclusief alle documenten die daarin door middel van verwijzing (*incorporation by reference*) zijn opgenomen).

Het uitbrengen van het Bod, de verkrijgbaarstelling van het Biedingsbericht en deze Nederlandse samenvatting, alsmede verspreiding van andere informatie met betrekking tot het Bod, kunnen in bepaalde jurisdicties aan bepaalde restricties onderhevig zijn. Dit Bod wordt niet, direct of indirect, gedaan in enige jurisdictie waarin het doen van het Bod of het accepteren daarvan niet in overeenstemming is met de in die jurisdictie geldende wet- en regelgeving of waarvoor enige registratie, goedkeuring of neerlegging bij enige toezichthoudende instantie vereist is die niet uitdrukkelijk in dit Biedingsbericht is voorzien. Aanmeldingen onder het Bod door Aandeelhouders die niet in Nederland woonachtig zijn, zullen worden aanvaard door de Bieder indien zulke aanmeldingen in overeenstemming zijn met de aanmeldingsprocedures zoals omschreven in dit Biedingsbericht. De Bieder en diens respectievelijke bij de vennootschap betrokken ondernemingen, bestuurders, commissarissen, werknemers en adviseurs sluiten iedere aansprakelijkheid uit ter zake van overtredingen door enig persoon van (enige restricties uit) enige wet- en regelgeving met betrekking tot de acceptatie van het Bod door Aandeelhouders die niet in Nederland woonachtig zijn. De Aandeelhouders dienen zo nodig onverwijld onafhankelijk advies in te winnen over hun positie. Voor de restricties van het Bod wordt tevens verwezen naar Hoofdstuk 1 (Restrictions) en Hoofdstuk 2 (Important Information) van het Biedingsbericht. Iedere persoon (inclusief maar niet beperkt tot bewaarders, gevolmachtigden en beheerders) die dit Biedingsbericht of enig verwant document naar enige jurisdictie buiten Nederland wenst door te zenden of van plan zou zijn dit te doen dient zorgvuldig Hoofdstuk 1 (Restrictions) en Hoofdstuk 2 (Important Information) te lezen voor enige actie wordt ondernomen. Het verspreiden van dit Biedingsbericht in jurisdicties buiten Nederland kan wettelijk verboden zijn en personen die de beschikking krijgen over dit Biedingsbericht dienen zichzelf te informeren over, en te voldoen aan, dergelijke restricties. Het niet voldoen aan dergelijke restricties kan een overtreding van de effectenwet- en regelgeving van de betreffende jurisdictie opleveren.

De informatie opgenomen in Hoofdstukken 1 tot en met 6, 9, 11, 12, 13 en 14 van dit Biedingsbericht is enkel verstrekt door de Bieder. De informatie opgenomen in Hoofdstukken 7, 8 en 15 van dit Biedingsbericht is enkel verstrekt door de Vennootschap. De informatie opgenomen in pagina 1 tot 3 en Hoofdstuk 10 van dit Biedingsbericht is enkel verstrekt door de Bieder en de Vennootschap gezamenlijk.

De Bieder is exclusief verantwoordelijk voor de juistheid en volledigheid voor de informatie die opgenomen is in dit Biedingsbericht en enkel is verstrekt door de Bieder. De Vennootschap is exclusief verantwoordelijk voor de juistheid en volledigheid voor de informatie die opgenomen is in dit Biedingsbericht en enkel is verstrekt door de Vennootschap. De Bieder en de Vennootschap zijn gezamenlijk verantwoordelijk voor de juistheid en volledigheid van de informatie die is opgenomen in dit Biedingsbericht en enkel is verstrekt door de Bieder en de Vennootschap gezamenlijk.

De informatie opgenomen in Hoofdstuk 15.3 (Auditor's statement relating to the comparative overview in Hoofdstuk 15.2) en Hoofdstuk 15.5 (Auditor's report relating to the financial statements in Hoofdstuk 15.4) is aangeleverd door Deloitte en is identiek aan de informatie in de respectievelijke originele accountantsverklaringen die zijn afgegeven door Deloitte.

Geen andere persoon dan de Bieder en HITT, zonder enige afbreuk te doen aan de accountantsverklaringen afgegeven door Deloitte als opgenomen in dit Biedingsbericht en de Fairness Opinie afgegeven door ABN AMRO Bank N.V. aan de HITT Boards, heeft toestemming om enige informatie te verstrekken of enige mededeling te doen namens de Bieder of HITT in verband met het Bod of de informatie opgenomen in dit Biedingsbericht. Indien dergelijke informatie is verstrekt of mededeling is gedaan door andere partijen dan de Bieder of HITT, dient er niet te worden afgegaan op zulke informatie of mededelingen als ware die zouden zijn afgegeven door of namens de Bieder of HITT.

De Bieder en HITT verklaren elk dat de informatie in dit Biedingsbericht waarvoor zij verantwoordelijk zijn, voor zover hen redelijkerwijs bekend kan zijn, na het treffen van alle redelijke maatregelen om ervoor zorg te dragen dat zulks het geval is, in overeenstemming is met de werkelijkheid en dat geen gegevens zijn weggelaten waarvan vermelding de strekking van het Biedingsbericht zou wijzigen. Bepaalde financiële en statistische informatie in dit Biedingsbericht kan naar boven of beneden afgerond zijn en kan derhalve niet als accuraat worden aangemerkt.

De informatie uiteengezet in dit Biedingsbericht geeft de situatie weer ten tijde van de datum van dit Biedingsbericht, tenzij anders vermeld. De uitgave en verspreiding van dit Biedingsbericht impliceert geenszins dat de hierin opgenomen informatie juist en compleet zal blijven na de datum van uitgave van het Biedingsbericht. Het voorgaande is niet van invloed op de verplichtingen van de Bieder en HITT om een openbare mededeling te doen uit hoofde van artikel 5:25i van de Wft of artikel 4 lid 1 en lid 3 van het Bob, indien vereist.

Dit Biedingsbericht bevat de informatie inzake het Bod zoals vereist uit hoofde van artikel 5:76 Wft en artikel 8 Bob en is goedgekeurd door de AFM uit hoofde van artikel 5:76 Wft.

De Standpuntbepaling van de raad van bestuur en raad van commissarissen ingevolge artikel 18 Bob kan beschikbaar gesteld of verstuurd worden aan Aandeelhouders in hetzelfde pakket als dit Biedingsbericht, maar vormt geen onderdeel van dit Biedingsbericht, zoals omschreven in het Bob en is niet onderworpen aan voorafgaande beoordeling en goedkeuring van de AFM. De Standpuntbepaling is wel onderworpen aan beoordeling van de AFM na publicatie daarvan.

13.2 Definities

Aanbeveling	de aanbeveling van de HITT Boards met betrekking tot het Bod en de Transacties zoals weergegeven is in Hoofdstuk 6.6 (Recommendation by HITT Boards)
Aanmeldingstermijn	de periode, gedurende welke de Aandeelhouders hun Aandelen bij de Bieder kunnen aanmelden, beginnend op 7 augustus 2012 en eindigt op 2 oktober 2012, behoudens verlenging in overeenstemming met artikel 15 lid 2 van het Bob en de bepalingen van dit Biedingsbericht, op het Uiterste Tijdstip van Aanmelding
Aandeelhouder(s)	houder(s) van Aandelen
Aandelen	gewone aandelen in het aandelenkapitaal van HITT met een nominale waarde van EUR 0,25
Aangesloten instelling	aangesloten instelling bij Euronext Amsterdam als bedoeld in artikel 1 van de Wet giraal effectenverkeer
Aantal Aangemelde Aandelen	het aantal Aandelen dat aangemeld is onder het Bod en welke niet zijn ingetrokken, tezamen met de Aandelen die op dat moment direct of indirect worden gehouden door Saab, als percentage van het geplaatste kapitaal van de Vennootschap op de Uiterste Dag van Aanmelding
Acceptatie Periode	de periode, gedurende welke de Aandeelhouders hun Aandelen bij de Bieder kunnen aanmelden, beginnend om 7 augustus 2012 en eindigt op 2 oktober 2012, behoudens verlening in overeenstemming met artikel 15 van het Bob en de bepalingen van dit Biedingsbericht, op het Uiterste Tijdstip van Aanmelding
Activaverkoop	heeft de betekenis die aan "Asset Sale" is gegeven in Hoofdstuk 6.10.3 (Asset Sale pursuant to the

	Business Purchase Agreement)
AFM	stichting Autoriteit Financiële Markten
BAVA	de buitengewone vergadering van Aandeelhouders, te houden op 21 september 2012, om 14:00 uur, in Hotel de Cantharel, Van Golsteinlaan 20, Apeldoorn. ter bespreking van onder andere het Bod overeenkomstig artikel 18 van het Bob en waarin de Governance Besluiten zullen worden genomen
Betaal- en Wisselkantoor	ING Bank N.V.
Biedingsbericht	dit biedingsbericht dat de voorwaarden en beperkingen beschrijft die van toepassing zijn op het Bod, waar 'Part II' geen deel van uitmaakt
Bieder of Saab	SAAB AB (Publ), een vennootschap opgericht naar Zweeds recht, met statutaire zetel in Linköping
Biedprijs	een bedrag in contanten van EUR 6,60 voor elk Aandeel dat op een geldige wijze is aangemeld en geleverd, onder de voorwaarden van het Bod
Bob	Besluit openbare biedingen Wft
Bod	het bod dat door de Bieder is gedaan om alle uitstaande Aandelen te kopen onder de voorwaarden uiteengezet in dit Biedingsbericht
Combinatie	de combinatie van HITT en Saab
Dag van Gestanddoening	de datum waarop de Bieder publiekelijk aankondigt dat het Bod gestand wordt gedaan; zijnde niet later dan de derde Werkdag na de Uiterste Dag van Aanmelding
Dag van Overdracht	de dag van overdracht die niet later zal plaatsvinden dan drie Werkdagen na Gestanddoening, behoudens onvoorziene omstandigheden
Deloitte	Deloitte Accountants B.V.
EUR, euro of €	euro, het wettig betaalmiddel van de Europese Monetaire Unie
Euronext Amsterdam	de effectenbeurs van Euronext Amsterdam door NYSE Euronext, de gereguleerde markt van Euronext N.V.

Fairness Opinie	heeft de betekenis die aan "Fairness Opinion" is gegeven in Hoofdstuk 2.9 (Financial Advisers)
Fusieovereenkomst	de fusieovereenkomst tussen Saab en HITT van 6 juni 2012
Fusieregels	alle toepasselijke wet en regelgeving, inclusief maar niet beperkt tot de toepasselijke artikelen van en alle nadere regelgeving en beleidsregels afgekondigd onder de Wft, het Bob, het SER-Besluit Fusiegedragsregels 2000, de Wet op de ondernemingsraden, de regelgeving en beleidsregels van Euronext en het Burgerlijk Wetboek
Gestanddoening	gestanddoening van het Bod
Gerelateerden	iedere corporatie, vennootschap, coöperatie of andere onderneming of rechtspersoon of rechtssubject welke direct of indirect gecontroleerd wordt door de partij waar naar verwezen wordt, inclusief iedere dochtermaatschappij en groepsmaatschappijen zoals bedoeld in de artikelen 2:24a en 2:24b van het Burgerlijk Wetboek
Governance Besluit(en)	de besluiten die worden voorgelegd aan de Aandeelhouders op de BAVA, zoals beschreven in Hoofdstuk 7 (Extraordinary General Meeting of HITT Shareholders)
HITT Boards	raad van bestuur en raad van commissarissen van HITT
HITT Groep	HITT, inclusief diens Gerelateerden
Materieel Nadelig Effect	één (of meer) verandering(en), effect(en), gebeurtenis(sen), ontwikkeling(en) of omstandighe(i)d(en) die, een materieel nadelig effect heeft/hebben of zal/zullen hebben of waarvan een dergelijk effect redelijkerwijs te verwachten is, met betrekking tot de onderneming(en), activa, intellectueel eigendom, bedrijfsresultaten, pipeline, financiële positie of kasstromen van de HITT Groep, waardoor van de Bieder redelijkerwijs niet kan worden verwacht een Bod te doen, of het Bod gestand te doen, met dien verstande dat het volgende (op zichzelf, dan wel in combinatie met een ander(e) hieronder omschreven effect, gebeurtenis of omstandigheid) niet in aanmerking genomen zal worden bij de vaststelling of een dergelijk Materieel

Nadelig Effect heeft plaatsgevonden:

(a) enige verandering, gebeurtenis, ontwikkeling of omstandigheid die de bedrijfsectoren of markten waarin de HITT Groep actief is in het algemeen betreft, tenzij de HITT Groep daardoor buitenproportioneel wordt geraakt in verhouding met bedrijven die hun activiteiten verrichten in dezelfde bedrijfssector;

(b) elke verandering in de algemene economische, politieke of financiële marktomstandigheden in welke markt dan ook, dan wel veranderingen in valutaverhoudingen of rentetarieven, tenzij de HITT Groep daardoor buitenproportioneel wordt geraakt in verhouding met bedrijven die hun activiteiten verrichten in dezelfde bedrijfssector;

(c) enig(e) verandering, effect, gebeurtenis, ontwikkeling of omstandigheid als gevolg van nakoming van de Fusieovereenkomst;

(d) enig(e) verandering, effect, gebeurtenis, ontwikkeling of omstandigheid als gevolg van een inbreuk van de Fusieovereenkomst of van het toepasselijke recht door de Bieder of de Bieders voorwaarden, handelingen of nalatigheid;

(e) enige verandering in het toepasselijke recht;

(f) de/het onderhandelingen, aankondiging of aangaan van de Fusieovereenkomst of de Transacties

Na-aanmeldingstermijn

een periode van niet meer dan twee weken na de Dag van Gestanddoening, gedurende welke Aandeelhouders die hun Aandelen nog niet hebben aangemeld onder het Bod gedurende de Aanmeldingstermijn, de mogelijkheid wordt gegeven dit alsnog te doen, op dezelfde wijze en onder dezelfde voorwaarden als opgenomen in dit Biedingsbericht

Onherroepelijke Toezegging

heeft de betekenis die aan "Irrevocable" is gegeven in Hoofdstuk 6.7 (Committed Shares)

Overdracht

de afwikkeling van het Bod, inhoudende (i) de betaling van de Biedprijs door de Bieder aan de Aandeelhouders die op geldige wijze hun Aandelen hebben aangemeld (of op ongeldige wijze, indien de

	Bieder zulke Aandelen desalniettemin aanvaardt) en geleverd onder het Bod en niet op een geldige wijze ingetrokken en (ii) levering van die Aandelen aan de Bieder
Post-Settlement Herstructurering	elk(e) transactie, herstructurering, procedure of proces welk(e) geïmplementeerd zal worden om zo snel als praktisch uitvoerbaar na Overdracht mogelijk te maken dat (i) de notering van HITT beëindigd zal worden en (ii) de Bieder alle Aandelen en of de gehele HITT onderneming verwerft, inclusief, maar niet beperkt tot een uitkoop, de Activaverkoop of een juridische fusie
Standpuntbepaling	de standpuntbepaling van HITT, welke geen deel van dit Biedingsbericht uitmaakt en welke niet voorafgaand is goedgekeurd door de AFM maar na publicatie zal worden beoordeeld
Superieur Bod	heeft de betekenis die aan "Superior Offer" is gegeven in Hoofdstuk 6.19.1 (Exclusivity Provisions)
Support Letters	heeft de betekenis die aan "Support Letters" is gegeven in Hoofdstuk 6.7 (Committed Shares)
Transacties	het Bod, de Activaverkoop, andere Post-Settlement Herstructureringen en andere transacties die het gevolg zijn van Governance besluiten en/of de Fusieovereenkomst
Uiterste Dag van Aanmelding	de datum waarop de Aanmeldingstermijn eindigt, te weten op 2 oktober 2012, behoudens verlenging overeenkomstig artikel 15 van het Bob en de bepalingen van dit Biedingsbericht
Uiterste Tijdstip van Aanmelding	het tijdstip waarop de Aanmeldingstermijn eindigt, te weten op 2 oktober 2012, behoudens verlenging overeenkomstig artikel 15 van het Bob en de bepalingen van dit Biedingsbericht
Vennootschap of HITT	HITT N.V., een naamloze vennootschap opgericht naar Nederlands recht, met statutaire zetel in Apeldoorn, Nederland
Voorwaarde(n)	de voorwaarden om het Bod gestand te doen als nader beschreven in Hoofdstuk 6.5 (Offer Conditions)

Werkdag(en)	(een) dag, anders dan een zaterdag, zondag of een officiële feestdag in Nederland, waarop banken in Nederland volgens de Algemene Bank-CAO geopend zijn
Wft	Wet op het financieel toezicht

13.3 Het Bod en uitnodiging aan Aandeelhouders

De Bieder brengt hierbij een openbaar cash bod uit om alle geplaatste en uitstaande Aandelen te verwerven onder de voorwaarden en conform de restricties zoals beschreven in dit Biedingsbericht. De Aandeelhouders wordt geadviseerd om dit Biedingsbericht (inclusief alle documenten die zijn opgenomen door middel van verwijzing) grondig en compleet door te lezen en indien toepasselijk onafhankelijk advies in te winnen om zo tot een evenwichtig oordeel te komen ten aanzien van het Bod en de inhoud van dit Biedingsbericht.

De Aandeelhouders worden hierbij uitgenodigd om hun Aandelen onder het Bod aan te melden op de wijze, onder de voorwaarden, conform de bepalingen en onder de restricties zoals beschreven in dit Biedingsbericht.

13.4 De Biedprijs

Aan de Aandeelhouders die het Bod accepteren en hun Aandelen aanmelden zal, onder de voorwaarden en conform de restricties zoals opgenomen in het Biedingsbericht, voor elk Aandeel dat op geldige wijze is aangemeld (of op ongeldige wijze, indien de Bieder zulke Aandelen desalniettemin aanvaardt) en geleverd en niet op een geldige wijze is ingetrokken, een netto betaling in contanten plaatsvinden ten bedrage van EUR 6,60 per Aandeel, op de voorwaarde dat de Bieder het Bod gestand zal doen.

De Biedprijs is inclusief enig dividend of andere uitkering op de Aandelen dat mogelijk is of wordt vastgesteld en/of betaald voor de Dag van Overdracht. In het geval van een dergelijke uitkering zal dientengevolge, indien de registratiedatum plaatsvindt voor de Dag van Overdracht, de Biedprijs verminderd worden met een bedrag gelijk aan wat er is uitgekeerd per Aandeel. Verwezen wordt naar Hoofdstuk 5.2 (Offer Price) en Hoofdstuk 6.14 (Dividend Policy).

13.5 Rationale van het Bod en substantiëring van de biedprijs

Het is de visie van Saab en HITT om een wereldwijde marktleider te worden op het gebied van Traffic Management en Hydrografie door optimaal te profiteren van elkaars sterke punten.

De Combinatie zal een sterke marktpositie innemen en zal een breed portfolio van wereldwijd toonaangevende producten aanbieden, door combinatie van innovatieve software systemen met moderne sensorsystemen. De Combinatie zal voorts groot genoeg zijn om te kunnen profiteren van schaalvoordelen en mee te kunnen dingen naar grotere projecten.

Door de overname beschikt Saab over een sterk groeiplatform van waaruit zij kan voortbouwen op het gezamenlijke marktaandeel en van waaruit zij haar capaciteit kan verbeteren tot het wereldwijd verkopen, leveren en onderhouden van toonaangevende producten.

Saab en HITT zijn van mening dat het Bod in het beste belang van de Vennootschap en al haar Aandeelhouders en andere stakeholders is. Het Bod voorziet in een aantrekkelijk rendement voor de Aandeelhouders en biedt significante strategische en operationele voordelen voor stakeholders van de Vennootschap met inbegrip van haar klanten, crediteuren, leveranciers, bestuur en werknemers.

De Combinatie zal naar verwachting binnen drie jaar bepaalde inkomens-synergien genereren als gevolg van het feit dat de respectieve klantenkringen van de beide ondernemingen een zeer geringe overlap vertonen terwijl het respectieve productaanbod van de beide ondernemingen complementair is. Daarnaast zal de Combinatie bepaalde kostenbesparing opleveren, met name op het gebied van ontwikkelingskosten daar waar een overlap in de producten bestaat en besparingen op verkoop- en administratieve functies.

Bij het vaststellen van de Biedprijs heeft de Bieder de geschiedenis en de vooruitzichten van HITT zorgvuldig in aanmerking genomen, waaronder begrepen analyses van historische financiële informatie ontleend aan de jaarrekening van HITT, marktrapporten, persberichten alsook lange termijn winstgevendheid, kasstromen en de balans. Ook heeft de Bieder zorgvuldig gekeken naar de geschiedenis van de marktwaarde van de Aandelen, zoals hieronder uiteengezet. Ten behoeve van het vaststellen van de Biedprijs heeft de Bieder het volgende overwogen:

13.5.1 Analyses

- De Bieder heeft een analyse verricht van de toekomstige netto kasstromen met inachtneming van de historische ontwikkelingen en de verwachte financiële ontwikkelingen van HITT op stand-alone basis en een gewogen gemiddelde van de kapitaalkosten van 10%. Er is gerekend met de vooruitzichten voor de komende 10 jaar waarbij de overblijvende waarde aan het eind van de periode van 10 jaar is gebaseerd op constante kasstromen in het tiende jaar. Hierbij heeft de Bieder rekening gehouden met de potentiële toekomstige waarde van de producten van HITT en lopende en toekomstige projecten. De Bieder heeft de waardering van HITT's lopende en toekomstige projecten aangepast teneinde tot een correctie te komen ten aanzien van de inherente risico's ten aanzien van de afronding van de projecten en de continue investeringsnoodzaak om HITT's concurrentiepositie te behouden en haar verplichtingen te kunnen blijven voldoen. In de analyse is uitgegaan van een continue groei van 2%. Zowel op het percentage dat is gebruikt voor de gewogen gemiddelde kapitaalkosten als op het percentage dat is gebruikt voor de continue groei is een sensitiviteitsanalyse toegepast.

- Voorts is een analyse verricht van biedpremies in vergelijkbare transacties van bedrijven die genoteerd staan aan Euronext Amsterdam (zoals hieronder beschreven).
- Een analyse van richtprijzen van analisten is niet verricht vanwege de beperkte beschikbaarheid van analyses ten aanzien van HITT.

13.5.2 Premies

- De Biedprijs zal cash worden betaald, hetgeen Aandeelhouders de kans geeft om direct een zekere en substantiële waarde te realiseren voor hun Aandelen.
- De waarde van de Aandelen is gedaald gedurende het afgelopen jaar tot aan de aankondiging van het Bod. De slotkoers van de Aandelen op 6 Juni 2012, de dag voordat Saab en HITT het voornemen aankondigden om het Bod te lanceren, was bijvoorbeeld EUR 4,80, hetgeen EUR 1,42 lager is dan de slotkoers van EUR 6,22 van 6 Juni 2011. Saab is ervan overtuigd dat de onbeïnvloede koers en de daarmee corresponderende geïmpliceerde waarde van HITT, het beeld van de markt van HITT als zelfstandig bedrijf reflecteert, inclusief mogelijke toekomstige ontwikkelingen van het bedrijf.
- De Biedprijs vertegenwoordigt een premie van 38 procent ten opzichte van de slotkoers van EUR 4,80 op 6 juni 2012, de dag voordat Saab en HITT het voornemen aankondigden om het Bod te lanceren.
- De Biedprijs vertegenwoordigt een premie van 44 procent ten opzichte van de gemiddelde slotkoers van de Aandelen van EUR 4,58 gedurende een periode van 30 dagen eindigend op 6 juni 2012, de dag voordat Saab en HITT het voornemen aankondigden om het Bod te lanceren.
- De Biedprijs vertegenwoordigt een premie van 33 procent ten opzichte van de gemiddelde slotkoers van de Aandelen van EUR 4,98 gedurende een periode van één jaar eindigend op 6 juni 2012, de dag voordat Saab en HITT het voornemen aankondigden om het Bod te lanceren.
- De geboden premie is hoger dan de gemiddelde dagpremie van 25% voor de 11 Nederlandse openbare biedingen met een vermogenswaarde van tussen EUR 10 mio en EUR 100 mio en die zijn aangekondigd in de periode tussen 1 Januari 2000 en 31 Maart 2012 (Adecco/DNC (52%), Voestalpine/Nedcon (24%), Epicor Software/Scala Business Solutions (45%), Transforma/UCC (17%), Ordina/Devote (20%), VDL/Weweler (42%), Bravelend/Van Dorp Despec (33%), Mikron Technology/Axxicon (18%), Tessag Industrieaanlagen/Smit Transformatoren (15%), Favini/Gelderse Papiergroep (30%) and Zueblin/European City Estates(14%)). De premies zijn geschat aan de hand van informatie die verschaft is door FactSet, MergerMarket en SDC Platinum (Thomson Reuters).

13.6 Gecommitteerde Aandelen

HITT Holding B.V., houdster van 53,4% van de Aandelen, heeft onherroepelijk toegezegd de door haar gehouden Aandelen aan te bieden onder de voorwaarden en bepalingen van het Bod en verbindt zich onherroepelijk om op de BAVA ten gunste van de Governance Besluiten te stemmen (de "**Onherroepelijke Toezegging**"). Deze Onherroepelijke Toezegging bevat de gebruikelijke voorwaarden, met inbegrip dat de Onherroepelijke Toezegging automatisch vervalt indien de Fusieovereenkomst wordt beëindigd conform de voorwaarden, bijvoorbeeld doordat de Vennootschap of de Bieder in geval van een Superieur Bod geen herzien bod uitbrengt, zoals beschreven in Hoofdstuk 6.19.1 (Exclusivity Provisions). De Bieder heeft aan HITT Holding B.V. geen informatie verschaft in verband met het Bod, die niet in het Biedingsbericht is opgenomen, noch heeft HITT Holding B.V. naar beste weten van de Bieder zulke informatie ontvangen.

Daarnaast hebben vier grote Aandeelhouders die samen 20,2% van de Aandelen houden, bevestigd dat ook zij het Bod ondersteunen in Support Letters. De vier grote Aandeelhouders zijn niet gehouden om hun Aandelen aan te bieden wanneer een derde partij een openbaar bod doet, waarbij de vergoeding per aandeel de Biedprijs overschrijdt. De Bieder heeft aan deze vier grote Aandeelhouders geen informatie verschaft in verband met het Bod, die niet in het Biedingsbericht is opgenomen, noch hebben deze vier grote Aandeelhouders naar beste weten van de Bieder zulke informatie ontvangen.

De CFO van de Vennootschap, de heer Schuiteman, houdt 1.000 aandelen, heeft onherroepelijk toegezegd de door hem gehouden Aandelen aan te bieden onder de voorwaarden en bepalingen van het Bod. De CFO heeft naar beste weten van de Bieder geen informatie ontvangen in verband met het Bod, die niet in het Biedingsbericht is opgenomen en relevant is voor de beoordeling van het Bod door Aandeelhouders. Verwezen wordt naar Hoofdstuk 6.7 (Committed Shares).

13.7 Financiering van het Bod

Onder verwijzing naar Artikel 7 van het Bob, heeft Saab op 7 juni 2012 aangekondigd over voldoende middelen te beschikken om het Bod te financieren. De Biedprijs zal worden gefinancierd door Saab's thans beschikbare middelen uit kas, kredietmarkt en aandelenmarkt. De financiering van het Bod is niet afhankelijk van instemming van derden. Verwezen wordt naar Hoofdstuk 6.4 (Financing of the Offer).

13.8 Voorwaarden

Niettegenstaande de andere bepalingen met betrekking tot het Bod, is de verplichting van de Bieder om het Bod gestand te doen ervan afhankelijk dat aan de volgende Voorwaarden is voldaan of, voorzover van toepassing, daarvan afstand is gedaan:

- (a) op de Uiterste Dag van Aanmelding bedraagt het aantal Aandelen dat aangeboden is onder het Bod tezamen met de Aandelen die direct of indirect worden gehouden door de Bieder voor eigen rekening, ten minste 75% van het gesplaatst kapitaal van de

Vennootschap;

- (b) op of voorafgaande aan de Uiterste Dag van Aanmelding heeft zich geen Materieel Nadelig Effect voorgedaan;
- (c) op of voorafgaand aan de Dag van Gestanddoening heeft de Vennootschap geen inbreuk gemaakt op de Fusieovereenkomst (met inbegrip van enige inbreuk op de garanties van de Vennootschap zoals beschreven in de Fusieovereenkomst), voor zover die inbreuk naar verwachting redelijkerwijs een Materieel Nadelig Effect kan hebben voor de Vennootschap, de Bieder, het Bod of de Transacties of, indien er sprake is van een dergelijk inbreuk die niet is hersteld door de Vennootschap binnen 5 (vijf) Werkdagen na ontvangst van een schriftelijk kennisgeving door de Bieder, zij het dat de Vennootschap geen recht heeft op een dergelijke periode om de inbreuk te herstellen, wanneer de inbreuk niet kan worden hersteld;
- (d) op of voorafgaand aan de Dag van Gestanddoening heeft de Bieder geen inbreuk gemaakt op de Fusieovereenkomst (met inbegrip van enige inbreuk op de garanties van de Bieder zoals beschreven in de Fusieovereenkomst), voor zover als gevolg van een dergelijke inbreuk redelijkerwijs niet van de Vennootschap en de HITT Boards kan worden verwacht het Bod of andere transacties te blijven ondersteunen en bij de uitvoering en afronding daarvan samen te werken of, indien een sprake is van een dergelijke inbreuk, die niet is hersteld door de Bieder binnen 5 (vijf) werkdagen na ontvangst van een schriftelijke kennisgeving door de Vennootschap, zij het dat de Bieder niet het recht heeft op een dergelijke periode om de inbreuk te herstellen als de inbreuk niet kan worden hersteld;
- (e) op of voorafgaand aan de Dag van Gestanddoening, hebben de HITT Boards de Aanbeveling niet gewijzigd of ingetrokken;
- (f) op of voorafgaand aan de Dag van Gestanddoening, zijn noch de Onherroepelijke Toezegging noch de Support Letters ingetrokken of gewijzigd, zij het dat op deze Voorwaarde geen beroep kan worden gedaan zolang de Onherroepelijke Toezegging nog steeds volledig van kracht is en als gevolg van de Onherroepelijke Toezegging en de Support Letters van de grote Aandeelhouders ten minste 62% van het geplaatste aandelenkapitaal het Bod blijft steunen;
- (g) op of voorafgaand aan de Uiterste Dag van Aanmelding, zijn de Governance Besluiten genomen tijdens de BAVA, zij het dat deze Voorwaarde alleen het Governance Besluit ter zake van de Activaverkoop zal inhouden indien het aantal Aandelen dat is aangemeld onder het Bod en welke niet zijn ingetrokken minder zal zijn dan 95% van het geplaatst kapitaal van de Vennootschap zoals bedoeld in artikel 2:92a BW en/of artikel 2:359c BW;
- (h) op of voorafgaand aan de Dag van Gestanddoening, is er geen openbare mededeling gedaan waaruit blijkt dat een andere persoon dan de Bieder een Superieur Bod voorbereidt;

- (i) op de Dag van Gestanddoening is er geen bevel, schorsing, uitspraak of besluit genomen door een rechter, arbiter, overheid, overheidsinstantie of andere toezichthoudende of administratieve instantie en geen wet in formele zin, regel, wettelijke regeling, overheidsbesluit of rechtelijke beschikking, van kracht geworden, geëxecuteerd of van toepassing geacht op het Bod of de Transacties, waardoor het Bod of de Transacties of de mogelijkheid van de Bieder om effectieve controle over de Vennootschap te verkrijgen op enige materiele wijze wordt beperkt, verboden of vertraagd of waardoor het redelijkerwijs te verwachten is dat het zal worden beperkt, worden verboden of worden vertraagd;
- (j) op of voorafgaand aan de Dag van Gestanddoening, is geen kennisgeving van de AFM ontvangen inhoudende dat de voorbereiding van het Bod in strijd is met hoofdstuk 5.5 van de Wft en dat op grond van artikel 5:80 lid 2 van de Wft, de beleggingsondernemingen (zoals gedefinieerd in de Wft) niet zouden mogen meewerken aan de executie en voltooiing van het Bod; en
- (k) op of voorafgaand aan de Dag van Gestanddoening is de Fusieovereenkomst niet beëindigd in overeenstemming met de voorwaarden daarvoor.

De vervulling van Voorwaarde (k) is niet enkel afhankelijk van de wil van de Bieder zoals bedoeld in artikel 12 lid 2 van het Bod, doordat de Fusieovereenkomst niet alleen door de Bieder maar ook door de Vennootschap kan worden beëindigd, en alleen indien een van de gevallen omschreven in Hoofdstuk 6.19.2 (Termination) zich voordoet.

De Voorwaarden (a), (b), (c), (e), (f), (g) en (h) zijn uitsluitend ten behoeve van de Bieder. Daarvan mag, voor zover toegestaan door de toepasselijke wetgeving, enkel afstand worden gedaan door de Bieder (geheel of gedeeltelijk), door middel van een schriftelijke verklaring aan de Vennootschap. In het geval dat het Aantal Aangemelde Aandelen minder is dan 75%, zal de Bieder van Voorwaarde (a) enkel afstand kunnen doen nadat zij hiervoor toestemming heeft gehad van de Vennootschap.

Voorwaarden (i) en (k) zijn ten behoeve van de Bieder en de Vennootschap gezamenlijk en daarvan mag alleen (geheel of gedeeltelijk) afstand van worden gedaan door de Vennootschap en de Bieder gezamenlijk door middel van een schriftelijke overeenkomst.

Voorwaarde (d) is uitsluitend ten behoeve van de Vennootschap en daarvan mag de Vennootschap te allen tijde (geheel of gedeeltelijk) afstand doen door middel van een schriftelijke verklaring aan de Bieder.

Van Voorwaarde (j) kan geen afstand worden gedaan.

De Bieder en HITT zijn overeengekomen in de Fusieovereenkomst dat geen van hen de Voorwaarden mag inroepen indien de niet-nakoming van (een) dergelijke Voorwaarde(n) is veroorzaakt door een tekortkoming van de inroepende partij van enige op haar rustende verplichtingen onder de Fusieovereenkomst.

13.9 Aanmelding

13.9.1 Het Bod en uitnodiging aan Aandeelhouders

De Aanmeldingstermijn vangt aan op 7 augustus 2012 om 9:00 uur en eindigt, tenzij de termijn verlengd, om 18:00 Nederlandse tijd op 2 oktober 2012.

Indien en voor zover één of meer van de Voorwaarden niet is vervuld, kan de Bieder de Aanmeldingstermijn verlengen voor een minimale periode van twee weken en een maximale periode van tien weken zodat in deze periode deze Voorwaarden kunnen worden vervuld of, voor zover wettelijk toegestaan, daarvan afstand kan worden gedaan. In aanvulling daarop kan de Aanmeldingstermijn worden verlengd als een van de gebeurtenissen in artikel 15, paragraaf 5 van het Bod plaatsvindt. Verdere verlengingen zijn afhankelijk van de goedkeuring van de AFM, welke alleen in uitzonderlijke omstandigheden gegeven zal worden.)

Als de Bieder het Bod verlengt tot na de initiële Aanmeldingstermijn, zullen alle verwijzingen in dit Biedingsbericht naar "Aanmeldingstermijn", "Dag van Gestanddoening" of "18:00 Nederlandse tijd op 2 oktober 2012" verwijzen naar de laatste datum en tijd van de verlengde Aanmeldingstermijn, tenzij uit de context anders blijkt.

Zoals in Hoofdstuk 5.3 (Acceptance of the Offer by Shareholders and Tender Procedures), is aangegeven, kan een financiële tussenpersoon een eerdere deadline voor aandeelhouders vaststellen, zodat de financiële tussenpersoon tijdig kan voldoen aan haar aanmeldingsverplichtingen.

Indien de Bieder de Aanmeldingstermijn verlengt, zal de Bieder binnen drie Werkdagen na de initiële Uiterste Dag van Aanmelding een publieke aankondiging maken. Zie Hoofdstuk 5.9 (Announcements).

Indien aan alle Voorwaarden van het Bod is voldaan of, voor zover wettelijk toegestaan, daarvan afstand is gedaan, zal de Bieder alle Aandelen aanvaarden die op geldige wijze zijn aangemeld (of op ongeldige wijze, indien de Bieder deze Aandelen desalniettemin heeft aanvaard) en niet zijn ingetrokken als gevolg van de voorwaarden van het Bod, met inachtneming van de procedures zoals uiteengezet in Hoofdstuk 5.3 (Acceptance of the Offer by Shareholders and tender procedures). Verwezen wordt naar Hoofdstuk 5.4 (The Acceptance Period and extension of the Acceptance Period).

13.9.2 Gestanddoening

Het Bod wordt gedaan onder voorbehoud van de vervulling van de Voorwaarden, inclusief, maar niet beperkt tot een Aantal Aangemelde Aandelen van tenminste 75%. De Bieder behoudt zich het recht voor om van bepaalde Voorwaarden af te zien voor zover toegestaan is door de wet en zoals uiteen is gezet in Hoofdstuk 6.5 (Offer Conditions).

De Bieder zal niet later dan op de derde Werkdag na de Uiterste Dag van Aanmelding, zijnde de Dag van Gestanddoening, vaststellen of aan de Voorwaarden is voldaan of dat daarvan afstand wordt gedaan. Op de Dag van Gestanddoening zal de Bieder, in overeenstemming met artikel 16 van het Bob, een openbare mededeling doen inhoudende dat ofwel (i) het Bod gestand wordt gedaan, ofwel (ii) het Bod wordt verlengd in overeenstemming met Artikel 15 van het Bob, ofwel (iii) het Bod wordt ingetrokken, omdat niet is voldaan aan de Voorwaarden en daarvan geen afstand is gedaan.

13.9.3 Overdracht

Indien de Bieder het Bod gestand doet, zal aan de Aandeelhouders die het Bod accepteren en hun Aandelen hebben aangemeld voor het Uiterste Tijdstip van Aanmelding, onder de voorwaarden en conform de restricties zoals opgenomen in het Biedingsbericht, voor elk Aandeel dat op geldige wijze is aangemeld (of op ongeldige wijze, indien de Bieder die Aandelen desalniettemin aanvaardt) en geleverd en niet op een geldige wijze is ingetrokken, een betaling plaatsvinden ten bedrage van EUR 6,60 per Aandeel. De Dag van Overdracht zal niet later zijn de drie Werkdagen na de Dag van Gestanddoening.

De Aandeelhouders die tijdens de Na-aanmeldingstermijn het Bod accepteren en hun aandelen aanmelden zullen onverwijld worden betaald en in elk geval niet later dan drie Werkdagen volgend op de datum waarop de Aandelen worden aangeboden.

Na overdracht (levering) van de Aandelen is, intrekking, ontbinding of nietigverklaring van de aanmelding of overdracht van Aandelen niet toegestaan.

13.9.4 Na-aanmeldingstermijn

Indien de Bieder het Bod gestand doet, zal de Bieder binnen drie Werkdagen na de Dag van Gestanddoening, in overeenstemming met artikel 17 van het Bob, een Na-aanmeldingstermijn aankondigen teneinde Aandeelhouders die hun Aandelen nog niet hadden aangemeld gedurende de Aanmeldingstermijn in staat te stellen hun Aandelen aan te melden onder dezelfde voorwaarden en condities die van toepassing zijn op het Bod. Een dergelijke Na-aanmeldingstermijn zal aanvangen op de eerste Werkdag na de datum waarop de Na-aanmeldingstermijn is aangekondigd en kan minimaal drie dagen tot maximaal twee weken duren.

Gedurende de Na-aanmeldingstermijn hebben Aandeelhouders die hun Aandelen gedurende de Aanmeldingstermijn hebben aangemeld en welke Aandelen zijn geaccepteerd en Aandeelhouders die hun Aandelen hebben aangemeld gedurende de Na-aanmeldingstermijn, niet het recht om hun Aandelen in te trekken.

13.10 Aanvaarding van het Bod en aanmeldingsprocedure

13.10.1 Algemeen

De Bieder behoudt zich het recht voor om Aandelen te aanvaarden die zijn aangemeld voor aanvaarding, zelfs indien dit niet geschiedt op de wijze zoals omschreven in Hoofdstuk 5.3 (Acceptance of the Offer by Shareholders and tender procedures).

13.10.2 Aanmelding via een Aangesloten Instelling

Aandeelhouders die hun Aandelen houden via een Aangesloten Instelling moeten hun Aanmelding via hun bank of commissionair niet later dan 18:00 Nederlandse tijd op 2 oktober 2012 bekend maken, tenzij de Aanmeldingstermijn is verlengd overeenkomstig Hoofdstuk 5.4 (The Acceptance Period and extension of the Acceptance Period). Bewaarinstellingen, banken of effectenmakelaars kunnen een eerdere deadline vaststellen voor Aanmelding door Aandeelhouders zodat de bewaarinstelling, bank of effectenmakelaar voldoende tijd heeft om de Aanmelding door te geven aan het Betaal- en Wisselkantoor. Dienovereenkomstig dienen houders van Aandelen die direct of indirect gehouden worden via een Aangesloten Instelling contact op te nemen met hun bewaarinstelling, bank of effectenmakelaar om informatie te verkrijgen omtrent de uiterste datum waarop de Aandeelhouders het Bod dienen te aanvaarden en zich te houden aan de data gecommuniceerd door een dergelijke bewaarinstelling, bank of effectenmakelaar aangezien die data zouden kunnen verschillen met de data en tijden aangegeven in dit Biedingsbericht. Verwezen wordt naar Hoofdstuk 5.3.2 (Acceptance through an Admitted Institution).

13.10.3 Houders van Aandelen die individueel zijn geregistreerd in het aandeelhoudersregister van HITT

Aandeelhouders van Aandelen die individueel zijn geregistreerd in het aandeelhoudersregister van HITT die hun Aandelen willen aanmelden onder het Bod, dienen een compleet en getekend aanmeldingsformulier te overhandigen aan het Betaal- en Wisselkantoor in overeenstemming met de voorwaarden van het Bod, niet later dan voor het Uiterste Tijdstip van Aanmelding. De aanmeldingsformulieren zijn op verzoek verkrijgbaar bij het Betaal- en Wisselkantoor. Het aanmeldingsformulier zal dienen als een akte van levering met betrekking tot de Aandelen waarnaar hierin verwezen wordt.

13.11 Besluitvorming en aanbeveling van de HITT Boards

Na zorgvuldige afweging van de verscheidene aspecten van de voorgenomen Transactie hebben de raad van bestuur en de raad van commissarissen van HITT geconcludeerd dat het Bod zoals uiteengezet in dit Biedingsbericht in het beste belang is van de Vennootschap en haar stakeholder (met inbegrip van de Aandeelhouders). De raad van bestuur en de raad van commissarissen van HITT (i) verlenen de Vennootschap goedkeuring voor het aangaan van de fusieovereenkomst, (ii) keuren unaniem goed en steunen volledig het Bod en de andere Transacties, in het geval van de Activaverkoop onder voorwaarde van goedkeuring van de BAVA, (iii) bevelen de Aandeelhouders aan om het Bod te aanvaarden en hun Aandelen aan

te melden onder het Bod en (iv) raden aan de Governance Besluiten (sub (ii), (iii) en (iv) te aanvaarden, hierna samen te noemen de "Aanbeveling".

13.12 Gevolgen van het Bod met betrekking tot liquiditeit en beëindiging beursnotering

Door de aankoop van Aandelen door de Bieder als gevolg van het Bod zal het aantal Aandeelhouders en het aantal openbaar verhandelbare aandelen afnemen, als gevolg waarvan de liquiditeit en mogelijk marktwaarde van de resterende niet aangemelde Aandelen negatief zal worden beïnvloed.

Indien het Bod gestand wordt gedaan is de Bieder voornemens om, voor zover toegestaan onder het toepasselijke recht, zo spoedig als redelijkerwijs mogelijk onder de geldende regels en voorschriften, de notering van de Aandelen aan Euronext Amsterdam te beëindigen.

Wanneer ten minste 95% van de Aandelen in handen is van één enkele Aandeelhouder geldt als algemene regel, dat beëindiging van de notering van de Aandelen aan de Euronext Amsterdam is toegestaan. Echter, de notering van de Aandelen aan de Euronext Amsterdam kan ook worden beëindigd als gevolg van de Activaverkoop, gevolgd door liquidatie (zie Hoofdstuk 6.10.3: Asset Sale pursuant to the Business Purchase Agreement) of door middel van een juridische fusie (zie Hoofdstuk 6.10.4: Legal Merger).

De Bieder heeft niet de intentie te voorzien in een liquiditeitsmechanisme voor de Aandelen die niet worden aangemeld onder het Bod, anders dan dat de Bieder mogelijk een standaard order kan plaatsen op Euronext Amsterdam om Aandelen van minderheidsaandeelhouders in te kopen tegen een prijs gelijk aan de Biedprijs of dat de Vennootschap Aandelen in haar eigen kapitaal kan inkopen tegen een prijs gelijk aan de Biedprijs.

13.13 Post-Settlement Herstructurering

In het geval dat na de Dag van Gestanddoening of, voor zover van toepassing, na de Na-aanmeldingsperiode, de Bieder samen met Gerelateerden meer dan 95% van het geplaatste kapitaal van de Vennootschap houdt in de zin van artikel 2:92a BW en/of 2:359c BW, zal zij de resterende Aandelen die niet zijn aangemeld verwerven door middel van de wettelijke uitkoopprocedure overeenkomstig artikel 2:92a BW en/of 2:359c BW. Verwezen wordt naar Hoofdstuk 6.10.2 (Buy-Out).

Na de Dag van Gestanddoening is het de bedoeling van de Bieder om de onderneming van HITT te integreren in de onderneming van Saab. De Bieder behoudt zich het recht voor om middels iedere door het toepasselijk recht toegestane methode alle Aandelen te verwerven en/of de corporate, fiscale en financieringsstructuur van HITT als onderdeel van de Saab groep te optimaliseren, inclusief Saab's huidige Nederlandse activiteiten. Na Gestanddoening, kan de Bieder Post-Settlement Herstructureringen voorstellen (waar toepasselijk) en (doen) implementeren, inclusief maar niet gelimiteerd tot een uitkoop, de Activaverkoop, een juridische (driehoeks-)fusie, inbreng van contanten of natura in ruil voor aandelen, uitkering

van winst, reserves of activa, afwikkeling van de Vennootschap, een opvolgend bod op Aandelen die worden gehouden door minderheidsaandeelhouders, omzetting van de Vennootschap in een B.V., een combinatie van het voorgaande of iedere transactie, herstructurering, aandelenuitgifte, of procedure ten aanzien van de Vennootschap of Gerelateerden van de Vennootschap die nodig zijn om de hierboven genoemde doelen te behalen.

De Bieder is met de Vennootschap overeengekomen dat in het geval dat na de Dag van Gestanddoening of, voor zover van toepassing, na de Na-aanmeldingsperiode, de Bieder samen met diens Gerelateerden minder dan 95% van het geplaatste kapitaal van de Vennootschap houdt in de zin van artikel 2:92a BW en 2:359c BW, de Bieder stappen kan nemen om de Activaverkoop te bewerkstelligen. De HITT Boards hebben besloten, afhankelijk van een aandeelhoudersbesluit daartoe zoals uiteengezet in Hoofdstuk 7 (Extraordinary Meeting of Shareholders), om de Activaverkoop goed te keuren. Indien de Bieder ervoor kiest om een Activaverkoop te implementeren, dan zullen Aandeelhouders die hun Aandelen niet hebben aangemeld onder het Bod, dezelfde vergoeding ontvangen per Aandeel die de Aandeelhouders zouden hebben ontvangen indien deze hun Aandelen hadden aangemeld onder het Bod, zonder rentevergoeding en onder aftrek van enige toepasselijke (bron)belastingen. De Fairness Opinie bepaalt onder meer dat de Activaverkoop eerlijk (*fair*) is tegenover de Vennootschap vanuit een financieel perspectief. Verwezen wordt naar Hoofdstuk 6.10.3 (Asset Sale pursuant to Business Purchase Agreement) en Aandeelhouders die overwegen hun Aandelen niet aan te melden wordt met klem aangeraden kennis te nemen van Hoofdstuk 6.10.3.

13.14 Aankondigingen

Iedere aankondiging met betrekking tot het gestand doen van het Bod en aankondigingen met betrekking tot het verlengen van de Acceptatie Periode zal door middel van een persbericht worden uitgebracht. Onder voorbehoud van de wettelijke vereisten op grond van de Fusieregels en zonder afbreuk te doen aan de manier waarop de Bieder een publieke aankondiging zou willen doen, zal op de Bieder geen enkele verplichting rusten om een publieke aankondiging te verrichten anders dan zoals hierboven uiteengezet.

13.15 HITT en Saab

De raad van bestuur van HITT bestaat uit S. (Sjoerd) Jansen (CEO) en J.M. (Martin) Schuiteman (CFO). De raad van commissarissen van HITT bestaat uit J.A. (Albert) Stroink (Chairman), E.A. (Eric) van Amerongen (Vice-Chairman), J.E. (Jan) Vaandrager en M.P. (Mark) Prinsen.

Het Management Board van Saab bestaat uit Marcus Wallenberg, Håkan Buskhe, Johan Forssell, Sten Jakobsson, Per-Arne Sandström, Cecilia Stegö Child, Åke Svensson, Lena Treschow Torell, Joakim Westh, Stefan Andersson, Catarina Carlqvist and Conny Holm.

14. ADVISERS

Advisers to Saab

Financial adviser

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SEB Enskilda
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Legal adviser

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The Netherlands

Advisers to HITT

Financial adviser

FBM Mahler B.V.
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1077 XV Amsterdam

Legal adviser

Loyens & Loeff N.V.
Fred Roeskestraat 100
1076 ED Amsterdam
The Netherlands

Auditor

Deloitte Accountants N.V.
Orteliuslaan 1041
Postbus 85103
3508 AC Utrecht

15. FINANCIAL STATEMENTS

15.1 General

The following financial information is made available in this Section 15:

- Section 15.2 Comparative overview of HITT's balance sheet, income statement and cash flow statement for the financial years 2011, 2010 and 2009;
- Section 15.3 Auditor's statement relating to the comparative overview in Section 15.2;
- Section 15.4 Financial statements for the financial year 2011, including explanatory notes;
- Section 15.5 Auditor's report relating to the financial statements in Section 15.4;

HITT as a rule does not publish financial statements in respect of the first and third quarter of a financial year. As a result, no audited results of HITT in respect of the first quarter or 2012 are available. Reference is made to the press release by HITT dated 1 May 2012 relating to the Q1 trading update. HITT will publish its results for the first half of the Financial Year 2012 by press release at the end of August, 2012, prior to the date of the EGM. Shareholders are advised to await HITT's results for the first half of the Financial Year 2012 before making their decision to tender their Shares under the Offer.

15.2 Comparative overview of HITT's balance sheet, income statement and cash flow statement for the financial years 2011, 2010 and 2009

A comparative overview of summaries of HITT's consolidated income statement, balance sheet and cash flow statement for the financial years 2009, 2010 and 2011 has been prepared in accordance with the Decree and has been derived from the respective audited financial statements for the financial years 2009, 2010 and 2011.

Consolidated statements of financial position 2009-2011

in €1000	2009	2010	2011
ASSETS			
Non-current assets			
Property, plant and equipment	627	506	701
Goodwill	1.141	1.280	2.886
Development costs	4.898	5.140	6.205
Deferred tax assets	198	311	465
	<u>6.864</u>	<u>7.237</u>	<u>10.257</u>
Current assets			
Inventories	246	221	399
Trade and other receivables	12.335	12.501	13.316
Current tax assets	684	57	682
Derivative financial instruments	0	268	0
Cash and cash equivalents	6.661	11.009	6.813
	<u>19.926</u>	<u>24.056</u>	<u>21.210</u>
	<u><u>26.790</u></u>	<u><u>31.293</u></u>	<u><u>31.467</u></u>
EQUITY AND LIABILITIES			
Equity			
Attributable to owners of the parent			
Issued capital	1.173	1.173	1.173
Share premium	4.848	4.848	4.848
Legal reserves	4.396	4.678	4.561
Retained earnings	6.061	6.623	8.759
Non-controlling interests	129	-31	-5
	<u>16.607</u>	<u>17.291</u>	<u>19.336</u>
Non-current liabilities			
Retirement benefit obligation	1.294	1.280	0
Deferred tax liabilities	875	879	1.253
Obligations under finance leases	47	26	8
Other non-current liabilities	2.216	2.185	1.261
Current liabilities			
Trade and other payables	6.724	10.213	9.007
Current tax liabilities	699	1.383	1.428
Provisions	525	221	389
Derivative financial instruments (cr)	19	0	46
	<u>7.967</u>	<u>11.817</u>	<u>10.870</u>
	<u><u>26.790</u></u>	<u><u>31.293</u></u>	<u><u>31.467</u></u>

Consolidated statements of income 2009-2011

in €1000	2009	2010	2011
Revenue	32.296	36.234	40.662
Cost of materials and subcontracting	-14.230	-16.345	-14.793
Employee benefits expense	-13.103	-13.123	-15.716
Product development	1.755	2.089	3.078
Depreciation and amortization expense	-2.376	-2.252	-3.362
Other expense	-4.367	-4.235	-5.382
Operating profit (loss)	-25	2.368	4.487
Finance costs and income	73	-56	-118
Profit (loss) before tax	48	2.312	4.369
Income tax expense	-1	-617	-956
Profit (loss) from continuing operations	47	1.695	3.413
Profit (loss) from discontinued operations	265	545	0
Profit (loss)	312	2.240	3.413
Attributable to:			
Owners of the parent	345	2.404	3.260
Non-controlling interests	(33)	(164)	153
	312	2.240	3.413

Consolidated statements of cash flows 2009-2011

in €1000	2009	2010	2011
Cash flow from operating activities			
Operating profit (loss)	-25	2.368	4.487
Adjustments for:			
	-		
Movement of working capital	1.246	3.700	-2.729
Movement of retirement benefit obligation	-218	-14	-1.280
Movement of provisions	50	-310	163
Depreciation property, plant and equipment	360	344	386
Amortization development costs	1.823	1.790	2.979
Impairment development costs	193	117	0
Cash generated from operations	937	7.995	4.006
Interest paid	-44	-51	-122
Income tax paid	-856	181	-1.088
	37	8.125	2.796
Cash flow from investing activities			
Investments in property, plant and equipment	-196	-202	-535
	-		
Investments in product development	1.755	-2.089	-3.078
Disposal of property, plant and equipment	1	1	2
Acquisition of subsidiaries	0	0	-2.018
Disposal of subsidiaries	265	545	0
	-		
	1.685	-1.745	-5.629
Cash flow from financing activities			
Payment for buy-back of shares	0	-970	0
Dividend paid	-657	-657	-1.168
Payments of financial lease liabilities	-8	-21	-17
Interest received	126	94	56
	-539	-1.554	-1.129
	-		
Net in(de)crease in cash	2.187	4.826	-3.962
Cash at start of period	8.502	6.661	11.009
Effect of foreign exchange rate changes	346	-478	-234
Cash at end of period	6.661	11.009	6.813

15.3 Auditor's statement relating to the comparative overview in Section 15.2

Independent auditor's report

To: the General Meeting of Shareholders of HITT N.V.,

The accompanying comparative overview of consolidated income statement, consolidated financial position and consolidated cash flow statement for the financial years 2009, 2010 and 2011 (hereafter: the statement) of HITT N.V., Apeldoorn, is derived from the audited financial statements of HITT N.V. for the years ended 31 December 2009, 31 December 2010 and 31 December 2011. We expressed an unqualified opinion on these financial statements in our reports dated February 1, 2010, February 1, 2011 and February 6, 2012. The statement has been prepared by management in accordance with the criteria for the comparative overview as included in section 15.2 of the Offer Document dated August 6, 2012.

Management's responsibility

Management is responsible for the preparation of the statement in accordance with the criteria for the comparative overview as included in section 15.2 of the Offer Document dated August 6, 2012. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the statement that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the statement based on our audit. We conducted our audit in accordance with Dutch Law, including the Dutch Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the statement has been correctly derived, in all material respects from the financial statements 2009, 2010 and 2011 of HITT N.V. and in accordance with the criteria as included in section paragraph 15.2 of the Offer Document dated August 6, 2012.

Restriction on Use and Distribution

The statement is prepared solely for enclosure in the Offering Memorandum dated August 6, 2012 in connection with the public cash offer by SAAB AB to acquire all issued and outstanding

ordinary shares HITT N.V. and should not be used for other purposes.

Enschede, August 6, 2012

Deloitte Accountants B.V.



A.J.E. Jansman

Signature for identification purposes:



15.4 Financial statements for the financial year 2011, including explanatory notes

HITT N.V.

Financial statements 2011

Consolidated statement of income

For the year ended December 31			
x € 1,000; except per share data		2011	2010
Continuing operations			
Revenue	10	40,662	36,234
Cost of materials and subcontracting		(14,793)	(15,882)
Employee benefits expense	11	(15,716)	(13,123)
Product development	12	3,078	2,089
Depreciation and amortization expense	13	(3,362)	(2,252)
Other expense	14	(5,382)	(4,698)
Operating profit (loss)		4,487	2,368
Finance costs and income	15	(118)	(56)
Profit (loss) before tax		4,369	2,312
Income tax expense	16	(956)	(617)
Profit (loss) from continuing operations		3,413	1,695
Discontinued operations			
Profit (loss) from discontinued operations	17	-	545
Profit (loss)		3,413	2,240
Attributable to:			
Owners of the parent		3,260	2,404
Non-controlling interests		153	(164)
		3,413	2,240
EARNINGS PER SHARE			
From continuing and discontinued operations:	18		
Basic		0.73	0.52
Diluted		0.73	0.52
From continuing operations:			
Basic		0.73	0.40
Diluted		0.73	0.40

Consolidated statement of financial position

At December 31			
		x € 1,000	
		2011	2010
ASSETS			
Non-current assets			
Property, plant and equipment	19	701	506
Goodwill	20	2,886	1,280
Development costs	21	6,205	5,140
Deferred tax assets	22	465	311
		10,257	7,237
Current assets			
Inventories		399	221
Trade and other receivables	23	13,316	12,501
Current tax assets	25	682	57
Derivative financial instruments	26	-	268
Cash and cash equivalents		6,813	11,009
		21,210	24,056
		31,467	31,293
EQUITY AND LIABILITIES			
Equity			
Attributable to owners of the parent	27	19,341	17,322
Non-controlling interests		(5)	(31)
		19,336	17,291
Non-current liabilities			
Retirement benefit obligation	28	-	1,280
Deferred tax liabilities	29	1,253	879
Obligations under finance leases		8	26
		1,261	2,185
Current liabilities			
Trade and other payables	30	9,007	10,213
Current tax liabilities	31	1,428	1,383
Provisions	32	389	221
Derivative financial instruments	26	46	-
		10,870	11,817
Total liabilities		12,131	14,002
		31,467	31,293

Consolidated statement of comprehensive income

For the year ended December 31	x € 1,000	2011	2010
Profit (loss)		3,413	2,240
Translation of foreign operations		186	180
Gains (losses) on cash flow hedges		(348)	(148)
Income tax relating to cash flow hedges		87	39
Other comprehensive income		(75)	71
Comprehensive income		3,338	2,311
Attributable to:			
Owners of the parent		3,187	2,471
Non-controlling interests		151	(160)
		3,338	2,311

Consolidated statement of changes in equity

x € 1,000	Issued capital	Share premium	Development costs reserve	Cash flow hedge reserve	Translation reserve	Retained earnings	Attributable to owners of the parent	Non-controlling interests	Group equity
Balance at January 1, 2010	1,173	4,848	4,415	218	(237)	6,061	16,478	129	16,607
Profit (loss)	-	-	-	-	-	2,404	2,404	(164)	2,240
Translation of foreign operations	-	-	-	-	176	-	176	4	180
Gains (losses) on cash flow hedges	-	-	-	(148)	-	-	(148)	-	(148)
Income tax relating to cash flow hedges	-	-	-	39	-	-	39	-	39
Comprehensive income	-	-	-	(109)	176	2,404	2,471	(160)	2,311
Movement of the legal reserve	-	-	215	-	-	(215)	-	-	-
Share buy-back	-	-	-	-	-	(970)	(970)	-	(970)
Dividends	-	-	-	-	-	(657)	(657)	-	(657)
Balance at December 31, 2010	1,173	4,848	4,630	109	(61)	6,623	17,322	(31)	17,291
Profit (loss)	-	-	-	-	-	3,260	3,260	153	3,413
Translation of foreign operations	-	-	-	-	188	-	188	(2)	186
Gains (losses) on cash flow hedges	-	-	-	(348)	-	-	(348)	-	(348)
Income tax relating to cash flow hedges	-	-	-	87	-	-	87	-	87
Comprehensive income	-	-	-	(261)	188	3,260	3,187	151	3,338
Movement of the legal reserve	-	-	(44)	-	-	44	-	-	-
Dividends	-	-	-	-	-	(1,168)	(1,168)	-	(1,168)
Acquisition non-controlling interest	-	-	-	-	-	-	-	(125)	(125)
Balance at December 31, 2011	1,173	4,848	4,586	(152)	127	8,759	19,341	(5)	19,336

Consolidated statement of cash flows

For the year ended December 31	x € 1,000	2011	2010
Cash flow from operating activities			
Operating profit (loss)		4,487	2,368
Adjustments for:			
Movement of working capital		(2,729)	3,700
Movement of retirement benefit obligation		(1,280)	(14)
Movement of provisions		163	(310)
Depreciation property, plant and equipment		386	344
Amortization development costs		2,979	1,790
Impairment development costs		-	117
Cash generated from operations		4,006	7,995
Interest paid		(122)	(51)
Income tax paid		(1,088)	181
		<u>2,796</u>	<u>8,125</u>
Cash flow from investing activities			
Investments in property, plant and equipment		(535)	(202)
Investments in product development		(3,078)	(2,089)
Disposal of property, plant and equipment		2	1
Acquisition of subsidiaries		(2,018)	-
Disposal of subsidiaries		-	545
		<u>(5,629)</u>	<u>(1,745)</u>
Cash flow from financing activities			
Payment for buy-back of shares		-	(970)
Dividend paid		(1,168)	(657)
Payments of financial lease liabilities		(17)	(21)
Interest received		56	94
		<u>(1,129)</u>	<u>(1,554)</u>
Net in(de)crease in cash		<u>(3,962)</u>	<u>4,826</u>
Cash and cash equivalents at start of period		11,009	6,661
Effect of foreign exchange rate changes		(234)	(478)
Cash and cash equivalents at end of period		<u>6,813</u>	<u>11,009</u>

Notes to the consolidated financial statements

For the year ended December 31, 2011

1 General information

HITT N.V. (the Company) is a listed company incorporated in the Netherlands. The address of its registered office, the principal place of business of the Company and its subsidiaries (the Group) are disclosed below.

The Company directly or indirectly owns the following subsidiaries as at December 31, 2011:

Operating subsidiaries	Place of establishment	Percentage of ownership
HITT Holland Institute of Traffic Technology B.V.	Apeldoorn, The Netherlands	100.0
HITT (HK) Ltd.	Hong Kong, People's Republic of China	100.0
Quality Positioning Services (Q.P.S.) B.V.	Zeist, The Netherlands	100.0
Quality Positioning Services, Inc.	Houston, Texas, U.S.A.	100.0
IVS 3D, Inc.	Portsmouth, New Hampshire, U.S.A.	100.0
Interactive Visualization Services, Inc.	Fredericton, New Brunswick, Canada	100.0
IVS 3D Ltd.	Banbury, United Kingdom	60.0
Klein Systems Group Ltd.	Vancouver, British Columbia, Canada	100.0
Ad Navigation AS	Moss, Norway	51.0

IVS 3D Ltd. and Ad Navigation AS are consolidated in full, reflecting a non-controlling interest in equity and the statement of income.

The consolidated financial statements and notes thereto are presented in EUR 1,000 unless mentioned otherwise.

2 Significant accounting policies

Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union. They are prepared on the historical cost basis, except for provisions and certain liabilities that are based on present value and certain financial instruments that are based on fair value. The accounting policies set out below have been applied consistently to all periods presented in the consolidated statements.

In accordance with article 402, Part 9, Book 2, the Company only presents Result on participating interests after tax as a separate line item in its Company statement of income.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and of the entities controlled by the Company. Control is achieved where the company has the power to govern the financial and operating policies of the subsidiary so as to obtain the benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of income from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Group. All intra-group transactions, balances, income and expense are eliminated in the consolidation.

Non-controlling interests in net assets of consolidated subsidiaries are identified separately from the equity attributable to equity holders of the parent. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is

calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date (see 3.16.2); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Foreign currencies

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are nominated in foreign currencies other than the functional currency, are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency other than the functional currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the profit or loss for the period. Exchange differences arising on the retranslations of non-monetary items carried at fair value are included in the profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains or losses are recognized directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognized directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are translated into Euro using exchange rates prevailing on the balance sheet date. Income and expense items (including comparatives) are translated at the average exchange rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are credited or charged to the translation reserve (equity). Such translation differences are recognized in profit or loss in the period in which the foreign operation is disposed of.

Goodwill and fair value adjustments on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation.

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and related sales taxes. Sales of goods are recognized when goods are delivered and title has passed.

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognized by reference to the stage of completion of the contract activity at balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized to the extent that it is probable that contract costs incurred will be recoverable. Contract costs are recognized as expense in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately. Nearly all long-term construction contracts are accounted for by the percentage of completion method.

Government grants

Government grants relating to internally generated intangible assets are included in non-current liabilities at fair value, where there is a reasonable assurance that the grant will be repayable as a royalty payment on revenue generated from this internally generated intangible asset.

Government grants relating to costs are recognized in the statement of income over the period necessary to match them with the costs that they are intended to compensate. Generic government grants are included in other income; government grants relating to employee benefits expense are included therein.

Finance costs and income

Net finance costs and income comprises interest calculated using the effective interest rate method, foreign exchange gains and losses and gains and losses on hedging instruments that are recognized in the statement of income. Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to that asset's net carrying amount.

Taxation

Tax is calculated on the result before income tax, taking into account the prevailing rates and tax legislation in the different countries. Tax is accounted for in the profit and loss account, unless it relates to items directly recognized in equity, in which taxes are also accounted for in equity. Tax assets represent tax losses carried forward in certain jurisdictions in which the Company operates.

Deferred tax assets and liabilities reflect net effects of tax losses carried forward and temporary timing differences between the carrying value of assets and liabilities for financial purposes and the amounts used for income tax purposes. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are only recorded if they are considered to be realizable in the future, which is reassessed at each balance sheet date.

Goodwill

Goodwill arising on the acquisition of a subsidiary or a jointly controlled entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets and liabilities of the subsidiary or jointly controlled entity recognized at the date of acquisition. Goodwill is initially recognized as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is not amortized. Instead it is tested for impairment at least annually. Any impairment loss is recognized in the statement of income as soon as it occurs and it is not reversed in subsequent periods.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Product development

Expenditure on research activities is recognized as expense in the period in which it is incurred.

An internally-generated intangible asset arising from the Group's development activities is capitalized only if all of the following conditions are met:

- an asset is created that can be identified; and

- it is probable that the asset created will generate future economic benefits by its technical and commercial feasibility; and
- the development cost of the asset can be measured reliably.

The addition to the capitalized development costs is included as a separate category in the statement of income. Where these criteria are not met, development expenditure is charged to profit or loss in the period in which it is incurred.

Amounts recognized as development costs are capitalized and amortized over the estimated useful economic life. These development costs are divided into software technology related costs and product related costs. Amortization of the technology is calculated using the straight-line method. Generally the amortization term does not exceed 3 years. Product related costs are expensed as incurred based upon an estimated useful life of less than one year. The amortization charge of these intangibles is included under depreciation and amortization expense.

Property, plant and equipment

Fixtures, furniture and computers are stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives and calculated using the straight-line method. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, when shorter, the term of the relevant lease. The gain or loss arising on the disposal or retirement of an item of equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Impairment of assets

At each balance sheet date the Group reviews the carrying amounts of its tangible and intangible assets to determine whether changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If such indication exists, the recoverable amount will be estimated in order to determine the extent of the impairment loss. The recoverable amount is the greater of the net selling price and the value in use. The value in use reflects the net present value of the future cash flow generated by the asset, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount is lower than the carrying amount, a reduction to the carrying amount is made. Such an impairment loss is recognized as an expense immediately.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. The system and calculation method applied is the discounted cash flow method. In principle the period for the discounted cash flow calculations is indefinite. The calculations of the value in use, use cash flow projections based on actual operating results and actual three year forecasts and limiting further growth to nil.

Inventories

Inventories consist of raw materials and finished goods. They are valued at the lower of cost and net realizable value. Costs comprise direct materials and, where applicable, direct labor costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Construction contracts

Construction contracts, consisting of the balance of costs incurred, profits and losses recognized less amounts invoiced, are stated as a receivable (amounts due from customers for contract work) when the balance is positive. If the balance is negative, it is stated as a liability (amounts due to customers for contract work). Reference is made to the accounting principles under 'Revenue'.

Trade receivables

Trade receivables are recognized at face value less provisions for bad debts. The provision for bad debts is determined on individual receivables.

Derivative financial instruments and hedge accounting

The Group uses financial instruments to hedge risks associated with foreign currency fluctuations. Derivative financial instruments are recognized initially at fair value. Subsequent to initial recognition, derivative financial instruments are stated at fair value. Recognition of any resultant gain or loss depends on the nature of the item being hedged and according to application of hedge accounting.

Hedge accounting is applied for instruments used for hedging firm commitments and forecasted trade transactions of the Group. Accordingly changes in the fair value of derivative financial instruments that are designated and effective as cash flow hedges are recognized directly in equity, and the ineffective portion is recognized immediately in the statement of income. Amounts deferred in equity are recognized in profit or loss in the period in which the hedged item affects the statement of income.

Changes in the fair value of other derivative financial instruments (for instance those used for hedging of intercompany loans and receivables) are recognized in profit or loss as they arise, similar to the foreign exchange results of these hedged positions.

Retirement benefit obligations

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies determined by actuarial calculations. Till the end of 2010 the group has both defined benefit and defined contribution plans. A defined contribution plan is a plan under which the group pays fixed contributions into a separate entity. The group has no constructive or legal obligation to pay further contributions to this entity.

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. For defined benefit retirement plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. See also the note on Retirement benefit obligation.

The retirement benefit obligation represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses and unrecognized past service cost, and as reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to unrecognized actuarial losses and past service cost plus the present value of available refunds and reductions in future contributions to the plan.

Amortization of unrecognized gains or losses has been included as a component of the annual expense for a year if, as of the beginning of the year, that cumulative net unrecognized gain or loss exceeds 10% of the greater of the plan liability or value of plan assets. If amortization is required, the amortization is that excess divided by the expected average remaining working lives of the employees participating in the plan.

3 Statement of cash flows

The statement of cash flows has been prepared using the indirect method. With this method, the result is adjusted for items in the statement of income that have no impact on income and expense in the year under review, and changes in items in the statement of financial position and statement of income whose income and expense are not considered to belong to the operational activities.

The cash position in the statement of cash flows comprises cash and cash equivalents. The purchase price of acquisitions and disposal of subsidiaries is included under the cash flow from investing activities. Dividends are included in the cash flow from financing activities. Transactions which do not involve a cash exchange are not included in the statement of cash flows.

4 Adoption of new and revised International Financial Reporting Standards

There were no new or revised standards or IFRIC interpretations effective for the year ending on December 31, 2011 with significant impact on HITT's financial statements 2011. HITT did not opt for early adoption of new standards, amendments to standards and new IFRIC interpretations, which are mandatory for annual periods beginning on or after January 1, 2012 or later.

HITT expects that the adoption of new standards, amendments to standards and new IFRIC interpretations in future periods will have no material impact on HITT's financial statements 2012.

5 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses financial derivatives to hedge certain currency risk exposure.

Market risks

Currency risk

The Group operates internationally and is exposed to foreign currency exchange risks arising from various currency exposures, primarily with respect to the American dollar, Australian dollar, Canadian dollar and the Hong Kong dollar. Management has set up a policy to require Group companies to manage their foreign currency risks relating to firm commitments and forecasted transactions. The Group treasury risk management policy is to hedge all foreign currency exchange risks in excess of EUR 50 in all non functional currencies for all fully controlled entities over the full project period. The Group treasury uses foreign currency forward contracts and currency swap contracts to manage the foreign currency exposure.

The Company also hedges the foreign currency risk of loans provided to group companies (participations) which are in the participation's functional currency. Foreign currency exchange risk arising from the remaining net assets value of the Group's foreign currency operations is not hedged.

The Group does not use derivative financial instruments for speculative purposes.

The sensitivity towards a 10% increase of key currencies during 2011, with all other variables held constant and taken into account effects at financial instruments, is shown in the following table (all amounts are before taxes):

x € 1,000	Profit (loss) before tax	Equity
AUD	27	27
CAD	-	96
GBP	31	32
HKD	(8)	(3)
NOK	29	25
USD	1	(6)
	80	171

Interest rate risk

As the Group has no significant interest bearing assets or liabilities, the Group's income and operating cash flows are substantially independent of changes in market interest rate. An exception is the free available cash within the Group which is deposited at the bank for a relatively short term in so far as not needed as working capital. If the interest rate had been 1% higher during the year, the interest income would have been approximately EUR 25 higher in 2011.

Price risk

Price risk can partly be mitigated by negotiating lower prices with suppliers. The pricing in long-term maintenance contracts is often subject to an annual indexation.

Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposure to contract customers during the execution of the project and from outstanding receivables. Banks and financial institutions are only accepted if they are ranked class A or better. If payment risks with a contract customer are expected, contract customers are evaluated via a credit rating agency and/or the payment is settled by a letter of credit or advance payments. Contract customers in general comprise of local public authorities or larger private conglomerates, but can also comprise partners in a project or resellers of software products.

Liquidity risk

Liquidity risk is managed by maintaining strict procedures on the reduction of working capital and by maintaining sufficient cash and/or the availability of cash by an adequate amount of committed credit lines. This is incorporated in the monthly reporting process. Reference is made to the contingent liabilities for more information about the credit facilities.

The following table provides an overview of the liquidity risk in the financial obligations of HITT:

x € 1,000	< 3 months	> 3 months < 1 year	> 1 year < 5 years	> 5 years	Total
Non-current liabilities	162	332	869	-	1,363
Current liabilities	4,762	5,844	-	-	10,606
Derivative financial instruments	46	-	-	-	46
Issued bankgaranties	1,208	3,413	1,567	77	6,265
	6,178	9,589	2,436	77	18,280

The liabilities are predominantly non-interest bearing and do not include derivative financial liabilities

Management monitors the development of the working capital and usage of the credit facilities per company on a monthly basis. Moreover management monitors annual forecasts of the Group's cash flow position on a quarterly basis.

6 Critical estimates and judgments

In preparing the consolidated financial statements management has made estimates and judgments. These estimates and judgments affect the reported amounts of assets and liabilities, revenues and expense and disclosed contingent assets and liabilities at the date of the financial statements.

Critical estimates and judgments:

- Goodwill: reference is made to note 20 about the valuation of goodwill and impairment test thereof.
- Development costs: reference is made to note 21.
- Deferred tax assets: reference is made to note 22.
- Provisions on construction contracts: reference is made to note 24.
- Retirement benefit obligations: reference is made to note 28.

7 Reclassifications

Project related business travel expense previously were included in the costs of materials and subcontracting, but from now on are included in the business travel expense which are part of the other expense line item. Also the sales related travel costs that were previously included in the selling expense, are now included in the business travel expense. It is felt

that both reclassifications contribute to the insight in the cost (development) by nature. This has no effect on the profit or equity, but means a shift between added value and other expense.

The effect of this can be summarized as follows:

	<u>2010 reported</u>	<u>reclassification</u>	<u>2010 restated</u>
Cost of materials and subcontracting	16,345	(463)	15,882
Selling expense (part of other expense)	637	(202)	435
Business travel expense (part of other expense)	512	665	1,177

8 Acquisitions and divestments

On April 21, 2011 HITT's subsidiary Quality Positioning Services (Q.P.S.) B.V. acquired all of the shares of IVS to strengthen its position on worldwide market for Hydrography and Navigation. IVS is market leader in marine information processing, visualization and analysis software, and its main product group is Fledermaus. Fledermaus is complementary to the products of QPS, and is part of the Hydrography and Navigation segment. Sales, marketing and product development synergies are expected.

IVS consists of the following entities:

Operating subsidiaries	Place of establishment	Percentage of ownership	Consideration transferred
IVS 3D, Inc.	Portsmouth, New Hampshire, U.S.A.	100.0	1,028
Interactive Visualization Services, Inc.	Fredericton, New Brunswick, Canada	100.0	1,520
			<u>2,548</u>

IVS 3D, Inc. owns a 60% share in IVS 3D Ltd. (Banbury, United Kingdom).

The consideration was fully paid in cash. There are no contingent consideration liabilities. Acquisition related cost amounting to approximately EUR 180 have been recognized as an expense in 2011 within the 'General expense' line item (part of 'Other expense').

Assets and liabilities recognized in the consolidated statement of financial position at acquisition date:

Development costs	893
Other non-current assets	100
Current assets	837
Non-current liabilities	(147)
Current liabilities	(742)
Fair value of identifiable net assets acquired	<u>941</u>

The goodwill arising on acquisition is built up as follows:

Consideration transferred	2,548
Less: fair value of identifiable net assets acquired	(941)
Less: non-controlling interests	(125)
Goodwill	<u>1,482</u>

The goodwill represents a combination of intangible assets that do not qualify for separate recognition and expected synergies from combining operations of the acquiree and the acquirer. The goodwill is not deductible for tax purposes.

The non-controlling interest is measured at its fair value at the acquisition date (=40% of the fair value of the identifiable net assets of IVS 3D Ltd.).

The net cash outflow on acquisition as shown in the cash flow statement is built up as follows:

Consideration in cash	2,548
Less: cash and cash equivalent balances acquired	(530)
	<u>2,018</u>

The amounts of revenue and profit or loss of the acquiree since the date of acquisition included in the consolidated statement of income for 2011 are:

Revenue	1,413
Profit	163

Had these business combinations been effected at January 1, 2011, the amounts would have been:

Revenue	2,202
Profit	173

No companies were sold in 2010 and 2011.

9 Segment information

The Group's reportable segments are:

- Traffic (consisting of Aviation, Marine and Port Management systems)
- Hydrography and navigation

The financial information per	segment		as follows:	
	2011		2010	
x € 1,000	Traffic	Hydro	Traffic	Hydro
Revenue	33,200	7,462	30,935	5,299
Depreciation and amortization expense	(2,068)	(1,287)	(1,330)	(914)
Finance costs and income	(351)	(63)	(221)	(31)
Income tax expense	(846)	(149)	(451)	(161)
Profit (loss)	2,311	1,173	1,236	533

All segment revenue reported above is from external customers. The operating profit (loss) per segment includes an allocation of central administration costs, directors' salaries and general and administrative costs.

Segment profit (loss)	x € 1,000	2011	2010
Traffic		2,311	1,236
Hydrography and navigation		1,173	533
Shareholder and other unallocated costs		(71)	(74)
Discontinued operations		-	545
		3,413	2,240
Segment assets	x € 1,000	2011	2010
Traffic		21,024	17,983
Hydrography and navigation		11,505	3,273
Unallocated (including eliminations)		(1,062)	10,037
		31,467	31,293
Segment liabilities	x € 1,000	2011	2010
Traffic		14,388	13,381
Hydrography and navigation		7,545	1,643
Unallocated (including eliminations)		(9,802)	(1,022)
		12,131	14,002
Segment average number of employees		2011	2010
Traffic		132	122
Hydrography and navigation		49	35
Unallocated		1	1
		182	158

10 Revenue

Revenue was generated in the following regions:

x € 1,000	2011		2010	
	%		%	
Netherlands	38	15,370	37	13,255
Rest of Europe	21	8,464	16	5,831
Asia	28	11,632	34	12,451
Rest of the world	13	5,196	13	4,697
	100	40,662	100	36,234

The majority of revenues concern rendering of services. Revenue consisted of:

x € 1,000	2011	2010
Construction contract revenue	27,608	25,054
Other revenues	13,054	11,180
	40,662	36,234

In 2011 there was one customer generating more than 10% of revenue. HITT realized revenues on construction contracts for Rijkswaterstaat Noord-Holland (part of the Dutch government) of in total EUR 5.6 million (2010: EUR 5.5 million).

11 Employee benefits expense

x € 1,000	2011	2010
Wages and salaries	11,651	10,143
Other short-term employee benefits	1,903	1,450
Post-employment benefits expense	(334)	654
Termination benefits expense	303	(72)
Other employee expense	455	348
Hired staff expense	1,738	599
	15,716	13,122
Average number of employees	182	158

Post-employment benefits expense in 2010 contained EUR 377 costs of a defined benefit plan for employees in Apeldoorn.

In 2011 the retirement benefit obligation was released following the transition from a defined benefit plan to a defined contribution plan per 1 January. This resulted in a one-off gain in the post-employment benefits expense of EUR 1,219 in the 2011 result. Net of related profit related pay costs and tax effects the one-off effect on the 2011 result was EUR 795.

12 Product development

Product development represents the reduction of expense as a result of capitalizing development costs in the period, consisting mainly of own spent hours. Besides development costs that qualify for capitalization, the Group also develops products and tools for one-time application. These costs amount to EUR 946 (2010: EUR 1,708) and are included in employee benefits expense and other expense.

13 Depreciation and amortization expense

x € 1,000	2011	2010
Depreciation of property, plant and equipment	383	345
Amortization of development costs	2,979	1,790
Impairment of development costs	-	117
	3,362	2,252

The impairment in 2010 occurred in the Traffic segment.

14 Other expense

x € 1,000	2011	2010
Housing expense	1,029	1,011
Research and development	173	278
Repair and maintenance	319	248
Selling expense	476	435
Business travel expense	1,551	1,177
Office expense	455	388
Guarantee expense	(19)	(62)
General expense	1,399	1,223
	5,383	4,698

Research and development expense comprise out-of-pocket costs. See also note 12 on Product Development.

15 Finance costs and income

x € 1,000	2011	2010
Interest income	56	94
Interest expense	(57)	(5)
Foreign exchange results	(52)	(99)
Banking costs	(65)	(45)
	(118)	(55)

16 Income tax expense

x € 1,000	2011	2010
Current tax expense	(705)	(661)
Deferred tax expense	(251)	44
	(956)	(617)

Reconciliation of effective tax rate:

x € 1,000	2011		2010	
	%	€	%	€
Profit (loss) before tax		4,369		2,312
Income tax applying nominal rate	24.8	(1,082)	25.5	(579)
Effect of foreign tax rates	(2.2)	97	(0.2)	5
Effect of adjustments of prior years	1.9	(85)	1.9	(44)
Effect of changes of tax rate	0.3	(11)	(0.4)	10
Effect of non-deductible expense	1.3	(59)	2.2	(52)
Other effects	(4.2)	184	(1.9)	43
	(21.9)	(956)	26.7	(617)

The income tax relating to profit (loss) from discontinued operations in 2010 is excluded from the above calculation of 2010.

17 Discontinued operations

The result on discontinued operations in 2010 concerned a final earn-out consideration regarding the sale of the 50% participating share in AISLive, UK on February 11, 2008. The agreed additional earn-out considerations had not been accrued for at disposal date due to the uncertainty in the fulfillment of the profitability requirements. Also included in the 2010 result was a prior year tax adjustment of EUR 105 with regard to disposal related costs.

18 Earnings per share

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the parent is based on the following data:

x € 1,000	2011	2010
Earnings for the purpose of basic earnings per share (profit for the year attributable to equity holders of the parent)	3,260	2,404
Number of shares	x 1,000	2011
Weighted average number of ordinary shares for the purpose of basic earnings per share	4,494	4,659
Effect of dilutive potential ordinary shares	-	-
Weighted average number of ordinary shares for the purpose of diluted earnings per share	4,494	4,659

19 Property, plant and equipment

x € 1,000	2011	2010
Balance at January 1	506	627
Investments	535	202
Book value of disposals	(2)	(1)
Depreciation	(386)	(344)
Addition due to new business combinations	45	-
Effects of foreign currency translation	3	22
Balance at December 31	701	506
Accumulated cost	2,968	2,691
Accumulated depreciation	(2,267)	(2,185)
Bookvalue at December 31	701	506
Depreciation percentages	20 - 50	20 - 50

Property, plant and equipment mainly consist of fixtures, furniture and computers. The fair value does not deviate significantly from the carrying value.

20 Goodwill

x € 1,000	2011	2010
Balance at January 1	1,281	1,141
Addition due to new business combinations	1,482	-
Effects of foreign currency translation	123	140
Balance at December 31	2,886	1,281

Goodwill relates to the following entities:

x € 1,000	2011	2010
Klein Systems Group Ltd	1,167	1,158
Ad Navigation AS	123	122
IVS 3D	1,596	-
Balance at December 31	2,886	1,280

The carrying amounts of the units remain below the recoverable amounts and as such no impairment losses are accounted for. The discount rates before taxes used in the impairment tests vary from 7 to 8%. The Management Board believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash-generating unit.

21 Development costs

x € 1,000	2011	2010
Balance at January 1	5,140	4,898
Investments	3,007	2,089
Amortization	(2,979)	(1,790)
Impairment	-	(117)
Addition due to new business combinations	904	-
Effects of foreign currency translation	133	60
Balance at December 31	6,205	5,140
Accumulated cost	16,171	12,731
Accumulated amortization	(9,966)	(7,591)
Balance at December 31	6,205	5,140

Regular impairment tests showed some developments with a shorter useful life and they were impaired accordingly in 2010. Discount rates before taxes used in the impairment tests vary from 7 to 8%. The costs of impairment are included in the depreciation and amortization expense.

22 Deferred tax assets

x € 1,000	2011	2010
Balance at January 1	311	198
Addition (release) to income statement	53	87
Effect of changes of tax rate	28	-
Effects of foreign currency translation	16	26
Addition due to new business combinations	57	-
	154	113
Balance at December 31	465	311

The deferred tax assets mainly relate to the tax value of fiscal losses incurred that can be compensated in future years and are expected within one and five years (based on actual 3-years forecasts). The tax assets are stated at nominal value.

23 Trade and other receivables

x € 1,000	2011	2010
Trade receivables	6,541	6,253
Due from customers for contract work	6,015	5,314
Other receivables and prepayments	760	934
Balance at December 31	13,316	12,501

Trade receivables and other receivables are expected to be collected within 3 months after year-end.

The following table provides insight in the ageing of trade receivables and the extent to which receivables are impaired.

x € 1,000	2011	2010
Within credit terms	1,713	4,627
Past due up to 90 days	2,748	448
Past due over 90 days	2,117	1,189
Provision for impairment	(37)	(11)
Balance at December 31	6,541	6,253

The provision for impairment relates to receivables older than 90 days.

The majority of overdue receivables concern invoices to our Indian customers. Although their payment behavior is sometimes unpredictable, collection within 3 months is still expected.

24 Construction contracts

x € 1,000	2011	2010
Cost incurred plus recognized profits (losses)	59,131	40,354
Progress billings	(56,953)	(39,991)
Balance at December 31	2,178	363
x € 1,000	2011	2010
Amounts due from customers (stated under receivables)	6,015	5,314
Amounts due to customers (stated under payables)	(3,837)	(4,951)
Balance at December 31	2,178	363

Amounts due from customers for contract work will be collected based on progress of projects. Collection is expected within one year after year-end.

25 Current tax assets

The amount included under current tax assets concerns advance payments of income tax and VAT receivables.

26 Derivative financial instruments

The Group's activities expose it primarily to the financial risks of changes in foreign exchange rates. The Group uses derivative financial instruments (primarily foreign currency forward contracts) to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions and to hedge foreign exchange exposure of loans provided to participations.

The financial instruments are stated at fair value. The fair value is based on quoted market prices per balance sheet date. Only plain vanilla instruments are used (forward contracts), with observable market prices. All instruments used qualify as level 2 instruments under the definitions of IFRS 7.

x € 1,000	2011	2010
Cash flow hedges of future transactions	(13)	262
Fair value hedges of receivables and payables	(33)	6
Balance at December 31	(46)	268

All financial instruments have an expiration date in 2012. At the expiration dates these contracts are rolled forward in case the hedged item (being a cash receipt) has not yet occurred. The exchange gain/loss resulting from the roll forward is added to the hedging reserve in case of cash flow hedging, and will be recycled to the statement of income when the hedged item affects the statement of income, together with the added results from prior roll forward transactions.

27 Equity

Reference is made to the Company statement of financial position and disclosure for comments on the statutory components with equity.

The non-controlling interest in the Group's equity relates to the 49% interest of the non-controlling shareholders of Ad Navigation AS and the 40% interest of the non-controlling shareholders of IVS 3D Ltd.

28 Retirement benefit obligation

Plan assets

The assets of the Plan were managed by an insurance company. The benefit payments were guaranteed by the insurance company. The plan assets were equal to the discounted cash flows (benefit payments). The profit sharing on investment was not taken into account as it is assumed to be zero.

The investment returns were based on the so-called u-yield (government bonds with duration of 7-8 years). As this return less the investment fee was expected to be less than the contractual discount rate (on average 3.8%), profit sharing was expected to be low.

Methodology

IAS19 does not specify how benefits that do not depend on service should be attributed between past and future service. The approach that we adopted for the Scheme was to identify the "past service" element of the liability for death in service and incapacity benefits by reference to a member's completed service at the measurement date to their total projected service (i.e. in line with the provisions of the US Financial Accounting Standards Boards guidance in FAS87).

Termination of defined benefit plan in 2011

It was agreed with the employees of the Apeldoorn office who participated in the defined benefit plan to replace the existing pension plan by a defined contribution plan. This was effectuated per January 1, 2011. Accordingly the retirement benefit obligation was fully released to the profit and loss account, with exception of the payment of the December 2010 installment that was due in January 2011.

Movement schedule

The movements in the retirement benefit obligation can be summarized as follows:

x € 1,000	Defined Benefit Obligation	Plan Assets	Funded status	Unrecognised gains (losses)	Net liability
Balance at January 1, 2010	9,324	(8,842)	482	812	1,294
Company Service Cost	105	-	105	-	105
Interest cost	492	-	492	-	492
Expected return on plan assets	-	(248)	(248)	-	(248)
Administration cost	-	28	28	-	28
Benefits paid	(88)	88	-	-	-
Expense recognized in the income statement	509	(132)	377	-	377
Plan participants contribution	186	-	186	-	186
Contribution	-	(577)	(577)	-	(577)
Contribution net of participants contribution	186	(577)	(391)	-	(391)
Balance at December 31, 2010 (est.)	10,019	(9,551)	468	812	1,280
Loss (gain)	(34)	38	4	(4)	-
Balance at December 31, 2010	9,985	(9,513)	472	808	1,280
Plan participants contribution	-	-	-	-	-
Contribution December 2010 installment	-	(61)	(61)	-	(61)
Loss (gain) due to termination of pension plan	(9,985)	9,574	(411)	(808)	(1,219)
Balance at December 31, 2011	-	-	-	-	-

Financial assumptions

Weighted average	2011	2010
Discount rate	n/a	5.60%
Expected return on plan assets	n/a	5.60%
Future salary increases		
General	n/a	2.00%
Individual	n/a	0% to 3.23%
Pensions in payment increase rate	n/a	0.00%
Deferred pensions increase rate	n/a	0.00%
Inflation	n/a	2.00%

In 2010 the discount rate was determined on a different basis than in the years before. Main changes are:

- Bloomberg data are taken as basis instead of iBoxx. Bloomberg has more data available.

- Individual bonds are taken as basis instead of average interest rates per term bucket. This makes the determination of the discount rate more transparent.
- For longer terms iBoxx did not contain sufficient comparable bonds to make a reliable estimate of the discount rate. Therefore the risk-free interest rate as published by ECB was applied, increased with a fixed credit spread. By the change to Bloomberg, the number of comparable bonds is increased.

The impact is that the discount rate is approximately 80 basis points higher than it would have been under the old method. Because the discount rate is applied to both the valuation of the assets and on the liabilities, the impact on the net obligation is limited. The impact is estimated on approximately EUR 120.

Demographic assumptions

Item	Description
Mortality	AG Prognosetafel 2010-2060 as published by the Dutch Society of Actuaries, combined with mortality experience factors as published by TowersWatson (2010). No age setback for both males and females before and after the pension age is used.
Disability	Table from Verbond van Verzekeraars, "Zakelijke dienstverlening II".
Withdrawal	Derived from scheme specific experience
Marriage frequency	Based on marital tables published by Actuarial Society (Actuarieel Genootschap), 100% on retirement date.
Age difference	We have assumed a three year age difference between males and females (in favor of females).

The amortization of gains and losses can be summarized as follows:

	x € 1,000	2011	2010
Unrecognised gain (loss)		808	812
Corridor		n/a	(932)
Amount to be amortized		808	-
Average remaining service [years]		-	9.4
Amortization		808	-

29 Deferred tax liabilities

	x € 1,000	2011	2010
Balance at January 1		879	875
Addition (release) to income		304	43
Addition (release) to equity		(87)	(39)
Addition due to new business combinations		149	-
Effects of foreign currency translation		8	-
Balance at December 31		1,253	879

The movements in deferred tax liabilities can be summarized as follows:

	x € 1,000	Development costs	Retirement benefits	Cash flow hedges	Other	Total
Balance at January 1, 2010		1,126	(330)	75	4	875
Addition (release) to income		31	10	-	2	43
Addition (release) to equity		-	-	(39)	-	(39)
Balance at December 31, 2010		1,157	(320)	36	6	879
Addition (release) to income		-	320	-	(5)	315
Addition (release) to equity		(11)	-	(87)	-	(98)
Addition due to new business combinations		149	-	-	-	149
Effects of foreign currency translation		9	-	-	(1)	8
Balance at December 31, 2011		1,304	-	(51)	-	1,253

The deferred tax liabilities are valued against the nominal rates applicable as of 2012. The deferred liabilities with respect to development costs and cash flow hedges will become current liabilities in the same pattern as their underlying balance sheet items. Reference is made to the disclosures of these items in this report.

30 Trade and other payables

x € 1,000	2011	2010
Trade payables	1,740	2,794
Due to customers for contract work	3,837	4,951
Deferred revenue	1,206	639
Other current liabilities	2,224	1,829
Balance at December 31	9,007	10,213

Trade payables are expected to be paid within 3 months after year-end. Further reference is made to the maturity table on page 52 with respect to the liquidity obligations of the current liabilities.

31 Current tax liabilities

x € 1,000	2011	2010
Current income tax	26	202
Wage tax and social securities	366	454
VAT	1,036	727
Balance at December 31	1,428	1,383

The value added tax, wage tax and social security charges are payable in January 2012. The corporate income tax is expected to be payable within twelve months.

32 Provisions

The movement in provisions can be summarized as follows:

x € 1,000	2011		2010	
	guarantee	severance	guarantee	severance
Balance at January 1	206	13	275	250
Additions	60	293	8	57
Settlements without costs	(81)	-	(69)	(127)
Payments	(36)	(73)	(11)	(169)
Effects of foreign currency translation	3	4	3	2
Balance at December 31	152	237	206	13

The Group provides for guarantee claims to cover expected costs for after sales services. Actual guarantee costs are charged to this provision. Guarantee liabilities predominantly have a short term character.

33 Contingent liabilities

Lease and rental obligations

The Group has entered into the following contractual operational lease and rental obligations:

x € 1,000	2011	2010
Up to 1 year	986	1,126
1 to 5 years	2,229	237
Over 5 years	1,290	-
At December 31	4,505	1,363

Credit facilities

The Group has extended its bank credit facility during 2011 from EUR 15,875 to EUR 20,875. The credit facility is available for bank guarantees and bank overdraft/loans. Overdraft and loans are maximized to EUR 6,000 (2010: EUR 4,000). Per end of year the usage is as follows:

x € 1,000	2011	2010
Bank credit facility - total	20,875	15,875
Issued bank guarantees:		
Bank guarantees due within 1 year	(4,621)	(7,151)
Bank guarantees due within 5 years	(1,567)	(2,106)
Bank guarantees due after 5 years	(77)	(575)
Bank loans/overdraft in use	-	-
Free available credit facility at December 31	14,610	6,043

The current bank credit facility is to a large extent based on a minimum guarantee equity percentage of 25. Interest due on overdraft is linked to the Euribor rate.

The Dutch Group companies are jointly and severally liable and have pledged their work in progress and trade receivables against these facilities.

Foreign currency

The Group has hedged cash flows of the following currencies:

x € 1,000	2011	2010
AUD	776	901
CAD	(1,150)	(1,779)
HKD	106	(2,523)
LVL	181	-
NOK	1,296	461
USD	9,273	14,920
	10,482	11,980

The amounts reflect the net currency receivable (payable) position in the respective currency. An amount of EUR 5,354 (2010: EUR 9,543) relates to future projects receipts and payments, and EUR 5,128 (2010: EUR 2,437) relates to hedged intergroup receivables.

Hedged positions are rolled forward with a risk exposure amounting to the difference in interest rate between the currencies prevailing at the moment of rolling forward and the settlement date of the forward agreement. This risk is not significant.

The foreign currency contracts for future cash receipts and payments only cover existing exposures based on orders from customers. Besides these hedged positions no significant other foreign currency exposure exists of current positions (besides small contracts for which group companies are not required to hedge the foreign currency risk).

The periods in which the cash flows are expected to occur (with exception of those following from fair value hedges) and are expected to affect profit and loss are as follows:

x € 1,000	2011	2010
2011	-	11,264
2012	9,642	397
2013	551	131
2014	217	116
2015	36	36
2016	36	36
Balance at December 31	10,482	11,980

Related parties

Reference is made to the disclosure in the Company financial statements regarding related party employment contracts.

Other

The group had no significant commitments for replacement of property, plant and equipment per December 31, 2011 (December 31, 2010: EUR 232).

A Group company has entered into a consortium agreement with local partners to realize the project for the Gulf of Kachchh, India accepting a joint and several liability. The delivery by the Group Company amounts to approximately 50% of the total contract of EUR 17,000.

34 Service fees external auditor

The service fees from the external auditor, Deloitte Accountants B.V., recognized as other expense, can be specified as follows:

x € 1,000	2011	2010
Audit of the financial statements	65	55
Other audit services	0	3
Tax consultancy	0	0
Other services	6	2
	71	60

Company statement of income

For the year ended December 31	x € 1,000	2011	2010
Company profit (loss) after tax		(71)	(73)
Result of participating interest after tax		3,331	2,477
Profit (loss)		3,260	2,404

Company statement of financial position

Before appropriation of the profit

At December 31	x € 1,000	2011	2010
ASSETS			
Non-current assets			
Property, plant and equipment		8	5
Goodwill		1,290	1,280
Participations	2	9,512	6,263
		10,810	7,548
Current assets			
Trade and other receivables		74	738
Current tax assets		36	44
Receivables from group companies	3	8,440	1,451
Derivative financial instruments		-	268
Cash and cash equivalents		1,571	9,082
		10,121	11,583
		20,931	19,131
EQUITY AND LIABILITIES			
Capital and reserves			
Issued capital	4	1,173	1,173
Share premium		4,848	4,848
Development costs reserve		4,586	4,630
Cash flow hedge reserve		(152)	109
Translation reserve		127	(60)
Retained earnings		8,759	6,622
		19,341	17,322
Liabilities			
Non-current liabilities		1,096	874
Current liabilities		494	936
		1,590	1,810
		20,931	19,132

Notes to the company financial statements

For the year ended December 31, 2011.

1 Significant accounting policies

The Company financial statements have been prepared in accordance with Part 9, Book 2 of the Netherlands Civil Code. In accordance with article 362.8, Part 9, Book 2, the Company applies the same accounting standards as those applied in the consolidated financial statements, with the exception of the accounting standards regarding participations in group companies. Participation in group companies is accounted for using the net asset value. Receivables from Group companies are stated at cost.

The Company financial statements and notes thereto are presented in EUR 1,000, unless mentioned otherwise.

2 Participations

x € 1,000	2011	2010
Balance at January 1	6,263	5,121
Dividend	(261)	(828)
Share of result in associated companies	3,332	1,932
Effects of foreign currency translation	178	38
Balance at December 31	9,512	6,263

The Company directly or indirectly owns the following subsidiaries as at December 31, 2011:

Operating subsidiaries	Place of establishment	Percentage of ownership
HITT Holland Institute of Traffic Technology B.V.	Apeldoorn, The Netherlands	100.0
HITT (HK) Ltd.	Hong Kong, People's Republic of China	100.0
Quality Positioning Services (Q.P.S.) B.V.	Zeist, The Netherlands	100.0
Quality Positioning Services, Inc.	Houston, Texas, U.S.A.	100.0
IVS 3D, Inc.	Portsmouth, New Hampshire, U.S.A.	100.0
Interactive Visualization Services, Inc.	Fredericton, New Brunswick, Canada	100.0
IVS 3D Ltd.	Banbury, United Kingdom	60.0
Klein Systems Group Ltd.	Vancouver, British Columbia, Canada	100.0
Ad Navigation AS	Moss, Norway	51.0

3 Receivables from group companies

Foreign exchange risks of the receivables from group companies were fully hedged at year end.

4 Capital and reserves

Issued capital

The Company's authorized share capital amounts to EUR 4,000 (2010: EUR 4,000) and consists of 8,000,000 ordinary shares (2010: 8,000,000) and 8,000,000 preference shares (2010: 8,000,000) each with a nominal value of EUR 0.25. Of the ordinary shares, 4,694,158 shares (2010: 4,694,158) have been issued and fully paid up as per December 31, therefore the issued share capital amounts to EUR 1,173 (2010: EUR 1,173).

On October 28, 2010 HITT repurchased 200,000 own shares from shareholders. The shares were repurchased at a price of EUR 4.85 per share. As of December 31, 2011 these shares are still held by HITT. The repurchase amount is deducted from retained earnings.

No preference shares have been issued, no certificates of shares exist and no other share or option rights restricting distribution of dividend or repayment of capital exist.

Share premium

The share premium is considered to be paid in capital.

Development costs reserve

The development costs reserve concerns the legal reserve for capitalized development costs of Dutch subsidiaries.

Cash flow hedge reserve

The cash flow hedge reserve is a legal reserve and contains foreign currency exchange gains and losses on financial instruments used for cash-flow hedging of future project receipts and payments. No hedged transactions had to be reversed. See also the note on financial instruments. A deferred tax effect of 25% is taken into account.

Translation reserve

The translation reserve is a legal reserve and comprises foreign currency exchange differences on the translation of the foreign currency balance in financial non-current assets (participations), goodwill and earn-out liabilities regarding foreign operations.

Dividend

In April 2011 a cash dividend of EUR 0.26 per share was paid to shareholders. The total dividend amounted to EUR 1,168.

After balance sheet date the Management Board has proposed a dividend. Reference is made to the 'Additional information'. The dividend proposal has not been recognized in the statement of financial position.

5 Contingent liabilities

The Company accepted liability according to article 2:403 of the Dutch Civil Code for the subsidiaries HITT Holland Institute of Traffic Technology B.V. and Quality Positioning Services (Q.P.S.) B.V.

The Company has issued parent company guarantees on behalf of subsidiaries amounting to EUR 1,530 (2010: EUR 1,530) in relation to projects on hand. In case the subsidiaries fail to fulfill its obligations under the outstanding tender offers, the Company may be called to stand in on behalf of the subsidiary concerned.

The Company and all of its Dutch subsidiaries form part of a fiscal group for value added and income taxes. Subsequently the Company is liable for any of those taxes of these subsidiaries.

6 Related parties

The Company finances operations of subsidiaries, whereby the Company acts as the Group's central treasury by hedging the subsidiaries' foreign currency exchange risks and issuing loans against rates based upon EURIBOR plus a mark-up. Also the Company charged a parent company fee to wholly owned subsidiaries for services rendered.

Two shareholders of HITT Holding B.V. have employment contracts with the Company. Their remuneration is included in the consolidated employee benefits expense and is market conforming.

7 Remunerations

Remuneration of the Management Board

x € 1,000	2011	2010
Sjoerd Jansen (CEO, statutory director):		
- Fixed salary	222	220
- Short term bonus	44	88
- Long term bonus	-	- *
- Retirement benefits	38	37
- Other	23	24
	327	369
Martin Schuiteman (CFO as of Mar 3, 2010, non-statutory director)		
- Fixed salary	120	87
- Profit sharing and/or bonus	22	15
- Retirement benefits	11	6
- Other	14	14
	167	122
John van Asperen (CFO till Mar 3, 2010, non-statutory director)	-	32
	494	523

* The CEO decided to waive his long term bonus of EUR 121 that he was entitled to over 2010.

The bonuses of the Management Board in the foregoing table concern accrued amounts.

No loans or guarantees have been granted to the Management Board.

Remuneration of the Supervisory Board

x € 1,000	2011	2010
Remuneration of the Supervisory Board		
Albert Stroink	25	25
Eric van Amerongen	20	20
Jan Vaandrager	20	20
Mark Prinsen	20	20
	85	85

The remuneration of the Supervisory Directors is independent of profit or loss of the Group. No loans or guarantees have been granted to the Supervisory Board.

Shares and options held by the Boards

Supervisory directors are not granted any shares and/or rights to shares by way of remuneration. At December 31 the Supervisory Board and Management Board held no share options, and held shares (direct or indirect) as follows:

Number of shares x 1,000	2011	2010
Albert Stroink	-	-
Eric van Amerongen	-	-
Jan Vaandrager	-	-
Mark Prinsen	-	-
Sjoerd Jansen	-	-
Martin Schuiteman	1	1

8 Signing of the financial statements

Apeldoorn, February 6, 2012

Management Board

Sjoerd Jansen (CEO)
Martin Schuiteman (CFO)

Supervisory Board

Albert Stroink (Chairman)
Eric van Amerongen (Vice-Chairman)
Jan Vaandrager
Mark Prinsen

15.5 Auditor's report relating to the financial statements in Section 15.4

Other information

Independent auditor's report

To: the General Meeting of Shareholders of HITT N.V.

Report on the financial statements

We have audited the accompanying financial statements 2011 of HITT N.V., Apeldoorn. The financial statements include the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated statement of financial position as at December 31, 2011, the consolidated statement of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of the significant accounting policies and other explanatory information. The company financial statements comprise the company statement of financial position as at 2011, the company statements of income for the year then ended and the notes, comprising a summary of the significant accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the report of the management board in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

[Opinion with respect to the consolidated financial statements](#)

In our opinion, the consolidated financial statements give a true and fair view of the financial position of HITT N.V. as at December 31, 2011 and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

[Opinion with respect to the company financial statements](#)

In our opinion, the company financial statements give a true and fair view of the financial position of HITT N.V. as at December 31, 2011 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

[Report on other legal and regulatory requirements](#)

Pursuant to the legal requirement under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the report of the management board, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b-h has been annexed. Further we report that the report of the management board, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Enschede, February 6, 2012
Deloitte Accountants B.V.

A.J.E. Jansman

Statutory regulations concerning profit allocation

Profits may only be distributed after the adoption of the Annual Accounts and if shareholders' equity exceeds the sum of paid and called-up capital plus legal reserves. Profits shall be distributed to holders of preference shares before any further distribution is made. Following the preference distribution, the Management Board shall determine, subject to approval of the Supervisory Board, what percentage of the profit is to be added to the reserves. The part of the profit remaining after the setting aside of the reserve is at the disposal of the general meeting of shareholders.

Dividend proposal

The Management Board, supported by the Supervisory Board, established the dividend policy to range from 30% to 40% of net results.

The Management Board proposes to pay a cash dividend of EUR 0.26 per ordinary share (last year: EUR 0.26). The dividend will be paid on April 5, 2012. The proposed dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in the financial statements.

Language

According to the decision of the Annual General Meeting of shareholders the annual reports of HITT are in English. A translated Dutch version is also available. In case of differences the English version prevails.

PART II –POSITION STATEMENT

The Position Statement of the HITT Boards is published within the same physical wrap as the Offer Document, but does not form part thereof and is not subject to AFM approval in advance. The AFM will review the Position Statement after publication.