

## **The Board of Directors' proposal for a dividend in accordance with Chapter 18 section 3 of the Swedish Companies Act**

The Board of Directors proposes that the Annual General Meeting resolves on a cash dividend in the amount of USD 1.48/share, corresponding to USD 500 million (rounded off), to be paid in quarterly instalments of USD 0.37/share, corresponding to USD 125 million (rounded off). Before payment, each quarterly dividend of USD 0.37/share shall be converted into a SEK amount based on the USD to SEK exchange rate published by Sweden's central bank (Riksbanken) four business days prior to each record date (rounded off to the nearest whole SEK 0.01/share). The final USD equivalent amount received by the shareholders may therefore slightly differ depending on what the USD to SEK exchange rate is on the date of the dividend payment. The SEK amount per share to be distributed each quarter will be announced in a press release four business days prior to each record date.

The proposed record dates of the quarterly dividends are 2 April 2019, 3 July 2019, 2 October 2019 and 3 January 2020. If the Annual General Meeting resolves in accordance with the Board of Directors' proposal, the quarterly dividends are expected to be paid by Euroclear Sweden AB on 5 April 2019 with an expected ex-dividend date of 1 April 2019, on 8 July 2019 with an expected ex-dividend date of 2 July 2019, on 7 October 2019 with an expected ex-dividend date of 1 October 2019 and on 9 January 2020 with an expected ex-dividend date of 2 January 2020.

In order to comply with Swedish company law, a maximum total SEK amount shall be pre-determined to ensure that the annual dividend distributed does not exceed the available distributable reserves of the Company and such maximum amount for the proposed dividend has been set to a cap of SEK 7.665 billion (i.e., SEK 1.916 billion per quarter). If the total dividend would exceed the cap of SEK 7.665 billion, the dividend will be automatically adjusted downwards so that the total dividend corresponds to the cap of SEK 7.665 billion.

The AGM has the following funds at its disposal:	SEK 54,256,053,996
The Board of Directors proposes that the shareholders are paid a dividend of USD 1.48 per share:	SEK 4,666,058,283 <sup>1</sup>
The following amount will be carried forward as retained earnings:	SEK 49,589,995,713

<sup>1</sup> The amount is based on the USD to SEK exchange rate published by Sweden's central bank (Riksbanken) as at 25 February 2019. The amount is based on the number of shares in circulation on 25 February 2019 and the total dividend amount may change by the record dates as a result of repurchases of own shares or as a result of issue of new shares. The dividend is USD denominated, fluctuations in the USD to SEK exchange rate between 25 February 2019 and approval of the dividend proposal by the Annual General Meeting will have an impact on the total dividend amount reported in SEK.

If the dividend proposal is approved by the Annual General Meeting, the dividend will be recorded as a liability in USD on the date of the Annual General Meeting and the SEK equivalent of the USD liability will fluctuate until the fourth tranche is converted from USD to SEK.

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Stockholm in February 2019  
**Lundin Petroleum AB (publ)**  
*The Board of Directors*