

Notice to attend Orc Software AB's (publ) Annual General Meeting¹

The shareholders of Orc Software AB (publ), reg. no. 556313-4583, are hereby invited to attend the Annual General Meeting to be held on Tuesday 3 May 2011 at 4 p.m. (CET) at the offices of Orc Software, at Kungsgatan 36, 5th floor, Stockholm, Sweden. Registration will commence at 3.30 p.m. (CET).

Registration

Shareholders who wish to participate at the Annual General Meeting must

- be registered in the shareholders' register maintained by Euroclear Sweden AB ("Euroclear") on Wednesday 27 April 2011, and
- notify the Company at:
 - Orc Software AB (publ), Årsstämman, Box 7832, 103 98 Stockholm, Sweden,
 - or by telephone at +46 8 506 478 10,
 - or on the Company's web page, www.orcsoftware.com,

no later than on Wednesday 27 April 2011 at 4 p.m. (CET). The application shall include the shareholder's name, personal or corporate identity number, number of shares held, address, telephone number and information regarding assistants and, where applicable, representatives, wishing to attend the Annual General Meeting.

Any personal record data from powers of attorney and the register of shareholders maintained by Euroclear will be used for necessary registration and preparation of the voting list for the Annual General Meeting.

Authorised representatives etc.

A shareholder who will be represented by a proxy at the Annual General Meeting shall issue a dated power of attorney for such proxy. A power of attorney issued by a legal entity shall be accompanied by a certified copy of a certificate of registration or similar document ("Registration Certificate") for such legal entity. The Registration Certificate and the power of attorney cannot be older than one year, however not when the power of attorney according to its wording is valid for a longer period, maximum five years. The proxy form is available on Orc Software's web page: www.orcsoftware.com.

Original powers of attorney, Registration Certificates and other documents of authorisation should be received by the Company at the address mentioned above not later than on Wednesday 27 April 2011.

Nominee-registered shares

Shareholders whose shares have been registered in the name of a nominee must, in order to be entitled to attend the Annual General Meeting, temporarily register their shares with Euroclear in their own name. A shareholder who wishes to be recorded in the share register in his/her own name, must notify his/her nominee thereof in due time before Wednesday 27 April 2011, at which day such registration shall be effected.

Number of shares and votes

Orc Software has at the time for this notice 23,505,275 issued shares. Each share represents one (1) vote. The Company holds no own shares.

¹ This document is an in-house translation of the Swedish original. In case of discrepancies the Swedish version shall prevail.

Shareholders' right to request information

The shareholders present at the Annual General Meeting have a right to request information regarding the matters on the agenda or the Company's financial situation in accordance with Chapter 7 Section 32 of the Swedish Companies Act (2005:551).

Proposed agenda

1. Opening of the meeting.
2. Election of Chairman of the meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one or two persons to approve the minutes.
6. Determination of whether the meeting has been duly convened.
7. Presentation of the annual report and the auditor's report and the consolidated financial statements and the auditor's report for the group, as well as a description of the work of the Board of Directors, the Remuneration Committee and the Audit Committee.
8. Resolution regarding:
 - (a) adoption of the profit and loss account and the balance sheet and the consolidated profit and loss account and consolidated balance sheet;
 - (b) discharge from liability of the Board of Directors and the Managing Director; and
 - (c) allocation of the Company's profit in accordance with the adopted balance sheet.
9. Determination of the number of members of the Board of Directors and Deputy Directors, if applicable, and the number of auditors and deputy auditors, if applicable, to be elected by the Annual General Meeting.
10. Determination of the remuneration to the Board of Directors and the auditors.
11. Election of the Board of Directors.
12. Election of auditor.
13. Resolution regarding principles for appointment of the Nomination Committee.
14. Resolution regarding principles for remuneration of Group Management.
15. Resolution regarding authorisation for the Board of Directors to acquire and transfer the Company's own shares.
16. Resolution regarding authorisation for the Board of Directors to issue new shares.
17. Amendment of the Articles of Association.
18. Other questions.
19. Closing of the meeting.

Proposed resolutions:

Item 2, Chairman of the meeting

The Nomination Committee² proposes that Manfred Löfvenhaft is appointed Chairman of the Annual General Meeting.

Item 8 (c), Proposal regarding distribution of dividends

The Board of Directors has proposed the Annual General Meeting to decide on a payment of dividends in the amount of SEK 7 per share and to set the record date for purposes of the payment of dividends on 6 May 2011. Should the Annual General Meeting adopt a resolution in accordance with the proposal, it is estimated that dividends will be distributed by Euroclear on 11 May 2011.

Item 9, Number of Board Members and auditors

The Nomination Committee proposes that the Board of Directors consists of six ordinary Board Members with no Deputy Directors and one auditor with no deputy auditor.

² The Nomination Committee represents approx. 34 percent of the votes in Orc Software and consists of Anders Rydin (SEB Investment Management and SEB Asset Management S A), Kerstin Stenberg (Swedbank Robur fonder), Staffan Persson (Zimbrine Holding BV), Frank Larsson (Handelsbanken Fonder) and the Chairman of the Board of Directors (Markus Gerdien up until 10 February 2011, thereafter Patrik Enblad). Anders Rydin has been Chairman of the Nominating Committee. The criteria for election of and convening the Nomination Committee can be found on the Company's web page www.orcsoftware.com.

Item 10, Determination of the remuneration to the Board of Directors and auditors

The Nomination Committee proposes that the Chairman of the Board of Directors shall receive a remuneration amounting to SEK 450,000 (SEK 450,000) and that each other member of the Board of Directors receives a remuneration amounting to SEK 205,000 (SEK 190,000). Total remuneration to the Board of Directors is thereby proposed to amount to SEK 1,475,000 (SEK 1,400,000).

In addition, the Nomination Committee proposes that the Chairman shall be authorised to allocate SEK 150,000 (SEK 150,000) for committee work if deemed appropriate. In the event that the Chairman participates in committee work, the Chairman shall be entitled to the same remuneration as other members of such committee.

Provided that it is cost neutral for Orc Software and after the written agreement between Orc Software and a (Swedish) limited company wholly owned by one member of the Board of Directors, Orc Software may allow that the remuneration to the member of the Board of Directors is invoiced by the member of the Board of Directors' wholly owned limited company. In that case, the invoiced fee shall be increased by an amount equal to statutory social insurance contributions and statutory value added tax.

Fees to the auditors to be paid upon approval of their invoice.

It is noted that the Nomination Committee recommends that the members of the Board of Directors shall own shares in the Company.

Item 11, Election of Board Members

The Nomination Committee proposes re-election of Patrik Enblad, Lars Granlöv, Staffan Persson, Eva Redhe Ridderstad and Carl Rosvall as members of the Board of Directors.

In addition the Nomination Committee proposes that Cecilia Lager is elected as new member of the Board of Directors.

The Nomination Committee proposes that Patrik Enblad is elected Chairman of the Board of Directors.

Item 12, Election of auditor

The Nomination Committee proposes re-election of Ernst & Young AB as auditor for one year. Ernst & Young has notified the Nomination Committee that the auditor Ola Wahlquist is intended to be appointed auditor in charge.

Item 13, Resolution regarding principles for appointment of the Nomination Committee

The four largest shareholders in accordance with Euroclear's registers of registered shareholders on the last banking day of August (per group of owners), who wish to participate, shall appoint one representative each to the Nomination Committee no later than six months prior to the Annual General Meeting. The Chairman of the Board of Directors shall be co-opted to the Nomination Committee and act as convener of the Nomination Committee. In the event that one or more shareholders decline their right hereof, the next largest shareholder shall be entitled to a corresponding right.

The names of the members of the Nomination Committee shall be made public as soon as the members have been appointed. The Chairman of the Nomination Committee shall, unless the members decide otherwise, be the member that represents the shareholder with the largest voting power. The Chairman of the Board of Directors or any other member of the Board of Directors is, however, not to be the Chairman of the Nomination Committee. The Nomination Committee shall hold its mandate until a new Nomination Committee is appointed. The members of the Nomination Committee shall not be entitled to any remuneration.

A member shall resign from the Nomination Committee if the shareholder who has appointed that member is no longer one of the four largest shareholders, where after a new shareholder, in order of ownership in the Company, shall be entitled to appoint a member. Unless there are special reasons, however, no changes in the composition of the Nomination Committee shall occur if only minor changes in voting power have taken place or if the change occurs later than two months before the Annual General Meeting. However, a member of the Nomination Committee shall resign automatically if the shareholder who has appointed such member has sold his entire holding in the Company. Shareholders that have appointed a representative to the Nomination Committee shall be entitled to dismiss such member and appoint a new representative as a member of the Nomination Committee. Changes in the composition of the Nomination Committee shall be publicly announced as soon as such changes have occurred.

The Nomination Committee shall prepare a proposal to be presented for approval at the Annual General Meeting (and Extra General Meeting if applicable) regarding the appointment of Chairman of the Annual General Meeting, members of the Board of Directors, Chairman of the Board of Directors, remuneration to the Board of Directors, principles for the appointment of the Nomination Committee and, if applicable, the appointment of auditors as well as remuneration to the auditors. The Company shall upon request from the Nomination Committee, provide administrative resources in order to facilitate the Nomination Committee's work. If required, the Company shall be responsible for reasonable expenses related to external consultants that the Nomination Committee deems necessary in order to fulfill its duties.

Item 14, Resolution regarding principles for remuneration and other terms of employment for the Executive Management Team

The Board of Directors has prepared a proposal for principles for remuneration and other terms of employment for the Executive Management Team. Orc Software considers global remuneration practice as well as the practice of the home country of each individual in the Executive Management Team. The Board of Directors shall have the right to deviate from the principles decided at the Annual General Meeting if there are specific reasons for this in an individual case.

The proposal is mainly in conformity with the Board of Directors' proposal for 2010 and that, as resolved by the Annual General Meeting, has been applied during the year.

The basic principles for the remuneration structure for 2011 are:

- To promote consensus between employees and shareholders regarding their long-term view of the operations.
- To ensure that employees receive remuneration that is competitive and in line with the market to make it possible to retain and recruit personnel.
- To offer salary levels based on the results achieved, duties, competence, experience and position.

Orc Software's remuneration and benefits for the Executive Management Team comprise: base salary, annual variable salary, pension benefits corresponding to a premium of 15-20 percent of the base salary, health insurance, health care insurance, parking benefit and the possibility to participate in Orc Software's long term incentive programme in accordance with the terms and conditions of such programme. Severance pay for members of the Executive Management Team amounts to a maximum of 12 monthly base salaries.

The annual variable salary may, inter alia, be based on the development of the entire Company or the part of the Company where the employee is employed. The development shall relate to the achievement of various targets. Such targets shall be determined by the Board of Directors and may, for example, be related to the financial results or the Company's sales results. The annual variable salary may amount to a maximum of 10-60 percent of the base salary (except in respect of senior executives with sales responsibility, for which no cap applies). In addition, variable remuneration may be paid out as a part of the long term incentive programs that have been resolved by General Meetings in Orc Software AB.

A salary review is made every year for members of the Executive Management Team. The review takes into account market salary trends, employee performance, changes in areas of responsibility and the development of the Company.

In addition, previously resolved remunerations are presented in a note to the financial statements under "Salaries, other remunerations and social costs".

Item 15, Resolution regarding authorisation for the Board of Directors to repurchase and transfer the Company's own shares

The Board of Directors proposes that the Annual General Meeting authorises the Board of Directors to acquire the Company's own shares in accordance with the following conditions:

1. The repurchase of the Company's own shares shall take place on the NASDAQ OMX Stockholm in accordance with the rules regarding purchase and sale of the Company's own shares as set out in NASDAQ OMX Stockholm's Rulebook for issuers.
2. The repurchase of the Company's own shares may be made on one or several occasions for the period up until the next Annual General Meeting.
3. The Company's own shares may be re-purchased up to an amount where the Company's holding of its own shares does not at any time exceed 10 percent of the total number of shares in the Company.
4. A repurchase of the Company's own shares on the NASDAQ OMX Stockholm may only be made at a price per share that falls within the registered price interval for the share at any given time.
5. Payment for the shares shall be made in cash.

The Board of Directors proposes that the Annual General Meeting authorises the Board of Directors to transfer the Company's own shares in accordance with the following conditions:

1. The transfer of the Company's own shares shall take place: (i) on the NASDAQ OMX Stockholm in accordance with the rules regarding purchase and sale of the Company's own shares as set out in NASDAQ OMX Stockholm's Rulebook for issuers; or (ii) in conjunction with an acquisition of a Company or business on market terms.
2. The transfer of the Company's own shares may be made on one or several occasions for the period up until the next Annual General Meeting.
3. Shares may be transferred to a maximum of what is authorised by the Annual General Meeting for the Board of Directors to resolve on repurchases of the Company's own in accordance with the above.
4. A transfer of the Company's own shares on the NASDAQ OMX Stockholm may only be made at a price per share that falls within the registered price interval for the share at any given time.
5. The authorisation comprises a right to resolve on divergences from the shareholders' preferential rights and an authorisation for payment to be made in other consideration than cash.

The purpose of the authorisations described above is to ensure that the Company is continually able to adapt its capital requirements and thereby increase shareholder value, and to ensure that the Company is able to transfer shares as payment for or to finance any future acquisitions.

In order to be valid, the proposal for resolution by the Board of Directors in accordance with this item must be supported by shareholders with at least two thirds of both the votes cast and shares represented at the Annual General Meeting.

Item 16, Resolution regarding authorisation for the Board of Directors to issue new shares

The Board of Directors proposes that the Annual General Meeting resolves to authorise the Board of Directors, during the period until the next Annual General Meeting, to issue new shares:

- (i) where the shareholders shall enjoy preferential rights to subscribe for the new shares; and
- (ii) where the Company's shareholders shall not enjoy preferential rights to subscribe for the new shares in connection with an acquisition of a Company.

An issue of new shares may be made with or without payment in kind, subject to a right of set-off or in accordance with other terms set out in Chapter 13, Section 5, item 6, of the Swedish Companies Act.

The authorization may be utilized upon one or several occasions. The Board of Directors' utilization of such authorisation may not imply that the total increase in share capital exceeds 10 percent of the registered share capital at the time of the authorization. The basis for the assessment of the issue price shall be the market value at the time for utilization.

The purpose of the authorisation described above is to increase the Company's financial flexibility and to give the Board of Directors the opportunity to finance acquisitions, whereupon newly issued shares may be utilized as consideration for such acquisitions or where the new shares are issued to institutional investors against cash consideration in order to finance the acquisition in whole or in part.

In order to be valid, the proposal for resolution by the Board of Directors in accordance with this item must be supported by shareholders representing at least two thirds of both votes cast and shares represented at the Annual General Meeting.

Item 17, Amendment of the Articles of Association

The Board of Directors proposes that the name of Orc Software AB is changed to Orc Group AB, which means a change of § 1 in the Articles of Association.

In order to be valid, the proposal for resolution by the Board of Directors in accordance with this item must be supported by shareholders representing at least two thirds of both votes cast and shares represented at the Annual General Meeting.

The annual report, the auditor's report and complete proposals and other documentation in accordance with the Companies Act will be available at the Company's head office no later than on Tuesday 12 April 2011 and in electronic format at the Company's web page, www.orcsoftware.com. The documentation will also be sent free of charge to the shareholder who so requests and states its address.

**The Board of Directors
Stockholm, March 2011
ORC SOFTWARE AB (publ)**