

PRESS RELEASE

Halmstad, March 21, 2012

HMS Networks: Notice of the Annual General Meeting

The shareholders of HMS Networks AB (publ) are hereby invited to the Annual General Meeting, which will be held 10.00 a.m on Thursday April, 19 2012 at HMS headquarter, Stationsgatan 37, Halmstad. Registration for the Annual General Meeting will begin at 9:00 a.m.

Right of participation in the Annual General Meeting

Shareholders who wish to participate in the Annual General Meeting shall be registered in the share register kept by Euroclear Sweden on Friday 13 April 2012 and give notice of their intention to participate at the Meeting to the Company no later than 4 p.m. on Monday 16 April 2012.

Notification of participation should be made by telephone on +46 35-17 29 80 or in writing to HMS Networks AB (publ), Stationsgatan 37, 302 45 Halmstad, by fax on +46 35-17 29 09 or by e-mail to ir@hms.se. The notification should state the name, social security or corporate registration number, shareholding, address, daytime telephone number and information, if necessary, on representation, and if so, the relevant details on deputies. In this case, a certified copy of the registration certificate, power of attorney or other document demonstrating the signatory's authority to sign must be included in the notification of participation.

Proxies

If a shareholder is represented by a proxy, the proxy should be issued with a power of attorney dated for this day. If the power of attorney is issued by a legal entity, a certified copy of the registration certificate, or other document demonstrating the signatory's authority to sign for the legal entity, must be included. The power of attorney and any registration certificate may not be more than one year old. The power of attorney (original), and registration certificate must be sent to the Company in good time prior to the Meeting at the above stated address. The form is available on the Company's website: <http://investors.hms.se> and at the Company's head office.

Nominee registered shares

Shareholders whose shares are registered in the name of a nominee through a bank or Securities Register Centre must temporarily re-register the shares in their own name to be able to participate at the Meeting. Such registration must be done at Euroclear Sweden no later than Friday 13 April 2012, which means that shareholders must notify their intentions on this matter to the nominee well in advance of the stated date.

The number of shares and votes

The total number of shares and votes in HMS Networks AB amounts to 11,152,900.

Proposed agenda

1. Opening of the Meeting
2. Election of the Chairman of the Meeting
3. Drawing up and approval of the voting list
4. Approval of the Agenda
5. Election of one or two persons to approve the minutes
6. Determination as to whether the Meeting has been duly convened
7. Presentation of the Annual Report, Auditors' Report and the Consolidated Accounts and Consolidated Auditors' Report
8. Report by the CEO
9. Resolution concerning the adoption of the Income Statement and Balance Sheet, and of the Consolidated Income Statement and Consolidated Balance Sheet
10. Resolution concerning the allocation of the Company's profit as set forth in the adopted Balance Sheet
11. Resolution concerning the discharge of liability for Board Members and CEO
12. Presentation of the work of the Nomination Committee
13. Determination of the number of Board Members and Deputies
14. Determination of fees payable to Board Members and Auditors
15. Election of Board Members and Chairman
16. Principles for appointing members of the Nomination Committee
17. Proposal regarding guidelines for salaries and other remuneration to the CEO and other Members of executive management

18. Decision to authorize the board of directors to issue new shares
19. Decision regarding a share saving plan
20. Close of Meeting

Nomination Committee's proposals

Point 2 and 13-15

The Nomination Committee for 2011, comprising chairman Jan Svensson (Latour), Evert Carlsson (Swedbank Robur Fonder), Nicolas Hassbjer (Hassbjer Investment) and Urban Jansson (Chairman of the Board), proposes:

- that Urban Jansson shall be appointed Chairman of the Annual General Meeting. (Point 2)
- that the Board of Directors shall consist of seven Board Members without Deputies. (Point 13)
- that directors' fees totalling SEK 1,200,000 shall be paid, of which SEK 300,000 shall be paid to the Chairman, and SEK 150,000 to each Board Member who is not an employee of the company. The fees to the Auditor shall be paid according to approved invoices. (Point 14)
- that Urban Jansson, Ray Mauritsson, Göran Sigfridsson, Nicolas Hassbjer, Henrik Johansson, Gunilla Wikman and Charlotte Brogren are re-elected as Board Members and that Urban Jansson is re-elected as Chairman of the Board. (Point 15)

Point 16

The Nomination Committee proposes that the Annual General Meeting shall determine principles regarding the appointment of members of the Nomination Committee before the Annual General Meeting 2013, mainly in accordance with the following.

HMS shall have a Nomination Committee consisting of one representative from each of the three largest shareholders or owner groups (by number of votes) and the Chairman of the Board. The names of the three Committee members and the shareholders they represent shall be made public at the presentation of the Q3 report of the Company, and the contact names for questions regarding the Nomination Committee shall also be made public at that time. The Nomination Committee will be appointed on the basis of known shareholders in the Company on 31 August of the calendar year of question. The mandate period of the Nomination Committee extends until such time as a new Nomination Committee is appointed.

Proposals from the Board of Directors

Point 10

The Board proposes that the Parent Company's result of SEK -8,148 and profit brought forward of SEK 112,544,342, a total of SEK 112,536,194, is allocated so that SEK 2.25 per share, corresponding to a total of SEK 25,094,025 is paid to the shareholders as dividend and that the remaining amount is brought forward. The proposed record date for the dividend is Tuesday 24 April 2012. If the Annual General Meeting approves the Board's proposal, it is estimated that the dividend will be paid out through Euroclear Sweden on Tuesday 27 April 2012.

Point 17

For the CEO and other members of executive management, the principles for determining remuneration are based on salary, short and long-term incentive programs and pension benefits. The Board proposes that corresponding principles shall be approved by the Annual General Meeting 2012 for the period up to the end of the Annual General Meeting 2013.

Point 18

The board of directors in HMS Networks AB hereby proposes that the general meeting of shareholders resolves to authorize the board of directors to, at one or more occasions for the period up to the next annual general meeting of shareholders, to increase the share capital in the company by no more than SEK 55,000 by a new issue of no more than 550,000 shares. The board of directors shall be authorized to decide upon new issue of shares with deviation from the shareholders' pre-emption rights and/or with a provision of non-cash, by way of set-off or otherwise with condition in accordance with Chapter 2 clause 5 sections 1-3 and 5 in the Swedish Companies Act (sw: aktiebolagslagen).

The mandate only applies upon possible acquisitions, and if no acquisitions are completed where payment, in whole or in part, is made in the form of HMS shares no issue of new shares will be implemented and therefore the mandate will not be applied.

An issue of new shares in accordance with this authorization shall be on market conditions. The board of directors shall be authorized to decide on the terms and conditions regarding new issues under this authorization and what persons shall be entitled to subscribe for the new shares. The reason to propose that the board of directors shall be authorized to resolve on a new issue with deviation from the shareholders' pre-emption rights and that the board shall be authorized to decide on a new issue with non-cash consideration or a new issue by way of set-off or otherwise on such terms and conditions as referred to above is that there have been requests from sellers of companies to receive shares in HMS as partial payment in connection with acquisitions and that it can act as an important incentive for the seller to receive shares in HMS Networks AB in connection with acquisitions by smaller entrepreneurial companies.

If the authorization to issue new shares is exercised in whole it shall correspond to a dilution of shares of no more than 5.0 %.

It is proposed that the managing director is authorized to make such minor adjustments to this resolution that may be necessary in connection with the registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

Resolution in accordance with the proposition of the board of directors requires approval of shareholders representing at least two thirds of votes cast as well as the represented shares at the general meeting of shareholders.

Point 19

The Board of Directors of HMS Networks AB (publ) (“the Company”) proposes that the annual meeting of shareholders resolves on the share savings plan described below, directed towards all employees in the group in which the Company is the parent company (“HMS Group”).

All employees in the HMS Group are offered the possibility of participating in the Share Savings Plan. The participants can invest a minimum of 1% and a maximum of 6% of their annual salary before taxes during the period 1 January 2012 – 31 December 2013. The maximum investment level is determined on the basis of the individual’s position in the Company. For the participants whose investment remains and who continue to be employed at the end of the plan, on 31 December 2016, matching shares are granted, 1:1. If, in addition, the financial goals established by the Board of Directors are achieved, as regards the matching period 2014-2016, performance based shares can also be granted, 1:1. The transfer of both matching shares and performance based shares will be free of charge during the period 1 January – 31 March 2017.

The Board of Director’s proposal for the implementation of a share savings plan is based on the acquisition of own shares, through repurchase on the market, to be undertaken in order that the Company’s obligation to deliver such shares to the plan participants can be realized. Repurchase is expected to take place directly after the end of the investment period, that is, during the first quarter of 2014 and, consequently, there is a requirement of a resolution to be undertaken by the 2013 annual meeting of shareholders. On the assumption of full participation, the expected number of shares saved through the plan will imply that the maximum number of shares which can be repurchased will be approximately 60,000, which is equivalent to approximately 0.5 percent of the total number of shares in the Company.

Majority resolution

For a resolution to be adopted there is a requirement of at least nine tenths of both the number of votes represented at the meeting, as well as of the number of shares represented at the meeting.

Documentation

The complete text of the Board’s proposal is available at the Company’s head offices and will also be available on the Company’s website, www.hms.se, as of 5 April 2012, and can be sent to any shareholders requesting a copy.

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The Annual Report and Auditor’s Report for the 2011 financial year are posted on the Company’s website. A printed version can be ordered by sending address details to ir@hms.se. The Board’s statement regarding the proposal for allocation of profit (point 10), the Nomination Committee’s and Board’s complete proposals regarding points 16, 17, 18 and 19, and the Auditor’s statement on whether the Board’s guidelines on remuneration to leading executives have been followed, are available from the Company and are sent out to those shareholders who require it and state their postal address.

Halmstad, March 2012
HMS Networks AB (publ)
The Board of Directors

For more information please contact:

CFO HMS Networks AB Gunnar Högberg, telephone: +46-35 17 29 95
CEO HMS Networks AB Staffan Dahlström, telephone: +46-35 17 29 01

HMS Networks AB (publ) is a world-leading supplier of communication technology for industrial automation. Sales amounted to SEK 384 million in 2011. Over 90% of these sales were to customers located outside Sweden. All development and the major portion of manufacturing are carried out at the head office in Halmstad. Sales offices are located in Japan, China, Germany, Denmark, India, UK, USA, Italy and France. HMS has 240 employees and produces network interface cards and products to interconnect different networks under the trademark Anybus®. The network interface cards are embedded in automation equipment such as inverter drives, robots, control systems and sensors. This allows subcomponents in machines to communicate with one another and with different networks in order to build more efficient and flexible automation systems with reduced energy consumption. HMS is listed on NASDAQ-OMX Nordic Exchange in Stockholm in the category Small Cap, Information Technology.