
ORKLA ASA

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of Orkla ASA will be held at Gamle Logen, Grev Wedels plass 2, 0151 Oslo, on **Thursday, 14 April 2011 at 3 p.m.**

The agenda is as follows:

1. Approval of the financial statements for 2010 for Orkla ASA and the Orkla Group and the annual report of the Board of Directors, including approval of a share dividend for 2010 of NOK 2.50 per share, except for shares owned by the Group

2. Amendment to the Articles of Association

In accordance with the Public Limited Liability Companies Act § 5-8b, it is proposed to amend Article 16, third paragraph, of the Articles of Association, as follows:

“The Board of Directors may decide that shareholders may cast written votes in advance on items of business that are to be considered at the company’s general meetings. Such votes may also be cast through electronic communication. The possibility of voting in advance is contingent upon the existence of a satisfactory method for verifying the identity of the voter. The Board of Directors may establish more detailed guidelines for written advance votes. It shall be evident from the notice of the general meeting whether voting in writing in advance of the general meeting is allowed, and which guidelines, if any, have been established for such voting.”

3. Orkla’s terms and conditions policy, remuneration of executive management and the Group’s incentive programmes

3.1 Explanation of Orkla’s terms and conditions policy and the Board of Directors’ statement of guidelines for the pay and other remuneration of the executive management

3.2 Advisory vote on the Board of Directors’ guidelines for the remuneration of the executive management for the coming financial year

3.3 Approval of guidelines for share-related incentive arrangements for the coming financial year

4. Authorisation to acquire treasury shares

At the Annual General Meeting on 22 April 2010, the Board of Directors was authorised to acquire shares in Orkla ASA until the Annual General Meeting in 2011.

The Board of Directors proposes that this authorisation be renewed.

Authorisation to acquire treasury shares was granted for the first time at the Annual General Meeting on 7 May 1998 and has been renewed every year. In accordance with this

authorisation, the company has acquired 72,222,630 shares in Orkla ASA since 7 May 1998 and up to the present date. However, no shares have been acquired since the Annual General Meeting in 2010.

The reason for this proposal is, as before, to enable the Board to avail itself of the possibility pursuant to section 9-2 et seq. of the Public Limited Liability Companies Act to acquire treasury shares up to a maximum of 10% of the share capital.

Shares acquired pursuant to this authorisation must be cancelled or used for employee incentive programmes. Under the Norwegian Code of Practice for Corporate Governance, if the Board is granted an authorisation that covers several purposes, a separate vote should be held for each purpose. The Board of Directors proposes accordingly the following resolution, cf. section 9-4 of the Public Limited Liability Companies Act:

“(i) The General Meeting of Orkla ASA hereby authorises the Board of Directors to permit the company to acquire shares in Orkla ASA with a nominal value of up to NOK 125,000,000 divided between a maximum of 100,000,000 shares, provided that the company’s holding of treasury shares does not exceed 10% of shares outstanding at any given time. The amount that may be paid per share shall be no less than NOK 20 and no more than NOK 120. The Board of Directors shall have a free hand with respect to methods of acquisition and disposal of treasury shares. This authorisation shall apply from 15 April 2011 until the date of the Annual General Meeting in 2012.

(ii) The authorisation may be utilised to fulfil existing employee incentive programmes, and employee incentive programmes adopted by the General Meeting in accordance with item 3.3 of the agenda.

(iii) The authorisation may be utilised to acquire shares for cancellation.”

5. Authorisation for the Board of Directors to increase share capital through the subscription of new shares

At the Annual General Meeting on 22 April 2010, the authorisation granted to the Board of Directors to increase share capital by up to NOK 90,000,000 through the subscription of new shares was renewed. The authorisation applies until the Annual General Meeting in 2011.

The Board of Directors proposes that the authorisation be renewed.

Such authorisation has regularly been granted by previous general meetings. The reason for this proposal is, as before, that the authorisation will simplify procedures if it should prove desirable to further develop the Group’s core businesses by acquiring companies in return for consideration in the form of the subscription of new shares or otherwise increasing share capital by means of private placements.

The Board of Directors proposes the following resolution, cf. sections 10-14 to 10-19 of the Public Limited Liability Companies Act:

“The Board of Directors is authorised to increase share capital through the subscription of new shares with an aggregate nominal value of up to NOK 90,000,000, divided between a maximum of 72,000,000 shares, each with a nominal value of NOK 1.25. The authorisation may be utilised to further develop the Group’s core businesses by acquiring companies in return for consideration in the form of the subscription of new shares or otherwise increasing share capital by means of private placements. This authorisation may be utilised for one or more share issues.

The Board of Directors may decide to deviate from the preemptive right of shareholders to subscribe for shares pursuant to section 10-4 of the Public Limited Liability Companies Act.

The Board of Directors may decide that payment for the shares shall be effected in assets other than cash, or the right to subject the company to special obligations pursuant to section 10-2 of the Public Limited Liability Companies Act. If payment is made in assets other than cash, the Board may decide that such assets shall be transferred to a subsidiary in return for a corresponding settlement between the subsidiary and Orkla ASA.

The authorisation also applies to decisions to merge pursuant to section 13-5 of the Public Limited Liability Companies Act.

This authorisation shall apply from 15 April 2011 until the date of the Annual General Meeting in 2012.”

6. Election of members and deputy members to the Corporate Assembly

Reference is made to the recommendation of the Nomination Committee which may be found at www.orkla.com.

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8. Approval of the Auditor's remuneration

Pursuant to Article 17 of the Articles of Association, the general meeting shall be opened and chaired by the Chair of the Corporate Assembly.

Shareholders are entitled to participate in the general meeting, either in person or by a proxy of their own choice. Notice of attendance must be received no later than **3.00 p.m. on 11 April 2011**. Notice of attendance may be given electronically through Orkla’s website www.orkla.com or VPS Investor Services, or by

completing and sending the attendance form to DnB NOR Bank ASA, Registrar’s Department.

Shareholders who wish to attend and vote at the general meeting by proxy may send the proxy form electronically through VPS Investor Services, or to DnB NOR Bank ASA, Registrar’s Department, within the time limit stated above. Proxy forms may also be brought to the general meeting. Proof of the identity of the proxy and the person represented by proxy, and the company certificate if the shareholder is a legal entity, must be submitted along with the proxy.

The attendance and proxy form is attached.

The company has issued 1,028,930,970 shares. Each share carries one vote at the general meeting, but no voting right may be exercised for shares belonging to the Group. Shareholders, who has given notice of attendance, are entitled to vote the number of shares that they each own, and that are registered with the Norwegian Central Securities Depository (VPS) on the date of the general meeting. If a shareholder has acquired shares shortly before the general meeting, the voting rights for the transferred shares may only be exercised if the acquisition has been recorded by the VPS, or if the acquisition has been reported to the VPS and documentary evidence thereof is presented at the general meeting. Shareholders may bring advisor and may give one advisor the right to speak.

The shares will be quoted exclusive of the dividend on 15 April 2011. Based on the decision of the general meeting regarding the share dividend, the dividend will be paid on 29 April 2011 to shareholders of record as of the date of the general meeting. In order to avoid loss or delay, shareholders must give notice of their acquisition of shares and any change of address as soon as possible, and specify the account into which dividends are to be paid to the bank/stockbroker selected as account manager, to the Norwegian Central Securities Depository.

In accordance with Article 16, second paragraph, of the Articles of Association, the Board of Directors has decided that documents concerning items of business to be considered at the general meeting shall be made available on the company’s website instead of being sent out with the notice of the general meeting. This also applies to documents which by law shall be enclosed with or attached to the notice of the general meeting. A shareholder is nonetheless entitled to request that the documents be sent to him or her free of charge, upon request to the company. Information as to how shareholders can have the documents sent to them may be found at www.orkla.com.

Notice of the general meeting and other documents relating to items of business, as well as further information concerning the rights of shareholders, may be found at www.orkla.com.

The Annual General Meeting will be webcasted directly on www.orkla.com, and will be simultaneously interpreted into English.

Oslo, 24 March 2011

Idar Kreutzer
Chair of the Corporate Assembly

APPENDIX TO ITEM 6 ON THE AGENDA

To the General Meeting of Orkla ASA

ELECTION OF MEMBERS AND DEPUTY MEMBERS TO THE CORPORATE ASSEMBLY

1. Introduction

In 2010, the General Meeting of Orkla ASA adopted special instructions for the Nomination Committee (the Instructions). These Instructions may be found on the company's website www.orkla.com/investor. The Nomination Committee has organised its activities in accordance with the Instructions.

The Nomination Committee has considered the composition of the Corporate Assembly and its deputy members at several meetings. The Nomination Committee has contacted major shareholders for suggestions or comments in connection with the coming elections, and has spoken with representatives of several shareholders. Information on the way shareholders may submit comments and suggestions to the Nomination Committee has been available on the company's website. The Nomination Committee has had meetings with the Chair of the Board of Directors and the President and CEO of Orkla ASA.

The response received from shareholders is that the composition of the Corporate Assembly should be balanced and reflect the composition of the shareholder body. This is in conformity with point 4.1 of the Instructions, which states that:

"The recommendation regarding election of members to the Corporate Assembly [...] shall be based on ensuring that they represent a broad cross-section of the company's shareholders."

The recommendation of the Nomination Committee is in accordance with the Instructions and reflects the shareholders' interests and the composition of the shareholder body.

Further grounds for the recommendation of the Nomination Committee will be provided at the general meeting.

2. The Corporate Assembly

2.1 Members

At Orkla's Annual General Meeting in spring 2010, all of the members of the Corporate Assembly were elected for a term of one year, and consequently the following persons are up for election:

	<u>Elected in:</u>
Johan H. Andresen jr.	(member 2001)
Idar Kreutzer	(member 2003)
Rune Bjerke	(member 2007)
Kjetil Houg	(member 2007)
Nils-Henrik Pettersson	(member 2003)
Gunn Wærsted	(deputy 2001-03, member 2003)
Lars Windfeldt	(member 2006)
Olaug Svarva	(deputy 1995-01, member 2006)
Dag Mejdell	(member 2006)
Marianne Blystad	(member 2006)
Nils Selte	(member 2008)
Terje Venold	(deputy 2001-09, member 2009)
Claus R. Flinder	(member 2010)
Ann Kristin Brautaset	(deputy 2006-10, member 2010)

The Nomination Committee recommends that all of the members of the Corporate Assembly be re-elected:

	<u>No. of shares owned personally/company affiliation and shareholding at 31.12.2010</u>
Johan H. Andresen jr.	(0)/Ferd AS (100 000) ¹
Idar Kreutzer	(0)/Storebrand (16 357 563)
Rune Bjerke	(0)/DnB NOR (32 362 241)
Kjetil Houg	(600)/Oslo Pensjonsforsikring (4 000 000)
Nils-Henrik Pettersson	(42 080)/Advokatfirmaet Schjødt AS (0)
Gunn Wærsted	(0)/Nordea (3 452 937)
Lars Windfeldt	(0)/Arcanum Eiendom AS (391 265), Arcanum AS (15 000), Winta Invest Holding (20 000)
Olaug Svarva	(0)/Folketrygdforbundet (105 298 631)
Dag Mejdell	(15 350)/Posten Norge AS (0)
Marianne Blystad	(0)/ Advokatfirmaet Ro Sommernes DA (0)

Nils Selte	(52 000)/Canica-systemet (238 342 000)
Terje Venold	(1 000)/Veidekke ASA (0)
Claus R. Flinder	(0)/Simonsen Advokatfirma (0)
Ann Kristin Brautaset	(0)/Folketrygdfondet (105 298 631)

¹ Acquired after 31.12.2010

Under Article 8, fourth paragraph, of the Articles of Association, the term of election may be set at up to two years. The Nomination Committee is of the opinion that an annual assessment of the overall composition of the Corporate Assembly will ensure somewhat greater flexibility, and therefore proposes that the term of election be set, as last year, at one year, i.e. until the Annual General Meeting in 2012.

2.2 Deputy members

At Orkla's Annual General Meeting in spring 2010, all of the deputy members were elected for a term of one year (the deputy members are listed in the order in which they are to be summoned):

	<u>Elected from:</u>
Odd Gleditsch d.y.	(2010)
Anne Birgitte Fossum	(2003)
Scilla Treschow Hokholt	(2003)
Benedikte Bjørn	(2006)
Andreas Enger	(2007)
Mimi K. Berdal	(2009)

The Nomination Committee recommends that the following deputy members be re-elected:

	<u>No. of shares owned personally/company affiliation and shareholding at 31.12.2010</u>
Odd Gleditsch d.y.	(101 000)/Tenden advokatfirma (0)
Scilla Treschow Hokholt	(71 965)/Fritzøe Gård (0)
Benedikte Bjørn	(0)/Statoil ASA (3 086 034)
Andreas Enger	(4 000) ¹
Mimi K. Berdal	(0)

¹ Incl. shares owned by related parties

The Nomination Committee further recommends that Gunnar Rydning be elected as new deputy member of the Corporate Assembly. Information on Mr Rydning is included in the attachment to this recommendation.

Pursuant to Article 8, fourth paragraph, of the Articles of Association, the term of election may be set at up to two years. As stated above, the Nomination Committee is of the opinion that an annual assessment of the overall composition of the Corporate Assembly will ensure somewhat greater flexibility, and therefore proposes that the term of election be set at one year, i.e. until the Annual General Meeting in 2012.

The Nomination Committee proposes that the deputy members be summoned to attend meetings in the following order in the event of the inability of a member to attend.

Odd Gleditsch d.y.	(1)
Gunnar Rydning	(2)
Scilla Treschow Hokholt	(3)
Benedikte Bjørn	(4)
Andreas Enger	(5)
Mimi K. Berdal	(6)

2.3 Fees

The fees for members and deputy members of the Corporate Assembly were last adjusted in 2010. It has previously been the practice of the General Meeting to adjust the fees for the Corporate Assembly every third year. The Nomination Committee proposes to continue this practice, and therefore does not recommend that an adjustment be made this year.

Oslo, 24 March 2011

Idar Kreutzer

Nils-Henrik Pettersson

Leiv Askvig

Olauq Svarva

ATTACHMENT RELATING TO POINT 2.2 OF THE RECOMMENDATION:

Gunnar Rydning (born in 1952)

Mr Rydning has been proposed by Pareto Forvaltning, which represents approximately 13.8 million shares in Orkla ASA. Mr Rydning owns 50 000 shares in Orkla ASA.

Education: Norwegian School of Economics and Business Administration 1974-78 (siviløkonom)
U.C. Berkeley, 1979-80, MBA

Career: Verdane Capital (formerly Four Seasons Venture) 1986 – the present www.verdanecapital.com
Kreditkassen (now Nordea) 1980-85

Elected offices: Eastern Bulk Carriers AS, Oslo; member of the Board of Directors
Dalen AB, Gothenburg; member of the Board of Directors
Netconnect AS, Oslo (listed on Oslo Axess); member of the Board of Directors
Colibria AS, Oslo; member of the Board of Directors
Arvani AS, Oslo; member of the Board of Directors and part-owner
Hectronic AB, Uppsala; member of the Board of Directors
Miami AS; member of the Board of Directors

Offices and assignments for Orkla: None

APPENDIX TO ITEM 7 ON THE AGENDA

To the General Meeting of Orkla ASA

ELECTION OF MEMBERS TO THE NOMINATION COMMITTEE

Pursuant to Article 18 of its Articles of Association, Orkla has a Nomination Committee that is charged with

“submitting recommendations to the General Meeting regarding its election of members to the Corporate Assembly, recommendations to the shareholder-elected members of the Corporate Assembly regarding their election of members to the Board of Directors, and recommendations to the Corporate Assembly regarding its election of the Chair of the Board. In connection with the preparation of recommendations regarding the election of the Board Chair, the Nomination Committee is supplemented by one representative designated by the employee-elected members of the Corporate Assembly.”

The following member of the Nomination Committee is up for election:

	<u>Elected as from:</u>
Nils-Henrik Pettersson	(member 2009) (Canica)

When the Nomination Committee contacted the largest shareholders, it also requested suggestions and comments in connection with the election of members to the Nomination Committee. Information as to how shareholders can submit suggestions regarding the composition of the Nomination Committee has been available on Orkla's website.

Point 4.1 of the Instructions reads as follows:

“The recommendation regarding election of members to [...] the Nomination Committee shall be based on ensuring that they represent a broad cross-section of the company's shareholders.”

Point 4.2 of the Instructions further reads as follows:

“The recommendation regarding election of members of the Nomination Committee shall be based on the principle that the majority of the members shall be independent of the company's Board of Directors and executive management, and that at least one of the members should not be a member of the Board of Directors or the Corporate Assembly. The recommendation may be submitted by all members of the Nomination Committee.”

The Nomination Committee has not received further views regarding its composition.

A unanimous Nomination Committee therefore recommends that Nils-Henrik Pettersson be re-elected as member as the Nomination Committee. As of 31 December 2010, Mr Pettersson owned 42 080 shares in Orkla ASA.

Pursuant to Article 18, first paragraph, of Orkla's Articles of Association, and point 1 of the Instructions, it is proposed that the term of election be set at two years, i.e. until the Annual General Meeting in 2013.

The fees for members of the Nomination Committee were last adjusted in 2010. It has previously been the practice of the General Meeting to adjust the fees for the Nomination Committee every third year. The Nomination Committee proposes to continue this practice, and therefore does not recommend that an adjustment be made this year.

Oslo, 24 March 2011

Idar Kreutzer

Leiv Askvig

Nils-Henrik Pettersson

Olaug Svarva