

Ratos

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RATOS INVESTS SEK 250M IN THE IT GROUP, DATAVIS

- New capital makes expansion possible for DataVis
- Strong growth is planned from currently 200 employees to become a nationwide full-range supplier of IT services
- 1999 sales SEK 200M – future annual growth-rate estimated to be at least 40 per cent

Ratos has today agreed with the owners and management of the Sundsvall-based IT Group, DataVis, to invest a total of SEK 250M in the company in the beginning of year 2000. The investment will be made through a directed new share issue, share purchases and through convertible subordinated debentures. Ratos' ownership will amount to approximately 48 per cent excluding effects of future conversions. DataVis' other owners include the company's employees and HERE Invest.

Full-range supplier with strong base in Northern Sweden

The consulting company, DataVis, has a strong base as a full-range supplier of IT services in Northern Sweden. For many years, the emphasis has been on system development but has gradually been supplemented with business solutions, Internet, training, product sales as well as technology and operation. In addition to Northern Sweden, the company is represented in Stockholm and Linköping. The Internet operations within Internet consultant O2 are currently also being established in Copenhagen.

Since its start in 1990, DataVis has grown from 6 to approximately 200 employees. Expansion has taken place both organically and via acquisition. During 1999, the two Stockholm companies, Mjukvarukraft and the Internet consulting company, O2, with a total of some 50 consultants were acquired.

Gert Söderberg is President and one of the founders of DataVis.

"We are growing fast. Through Ratos, we get access to both capital and an active owner – something that we see as decisive for achieving our objectives to establish DataVis as a nationwide full-range supplier of IT services. To reach that target, both organic growth and acquisition will be required."

Planned IPO

DataVis has already carried out a private placement of its stock to its employees and also started planning for an IPO on the OM Stockholm Exchange. Now, the company's owners and employees have instead chosen to let the company grow further before a future listing.

"Following some major acquisitions during the past year, I feel this is a better solution. Now we are taking time to establish a stronger operation which I personally believe can become a more interesting public investment," says Gert Söderberg. "Through Ratos we get an indirect

exposure to the stockmarket and also an experienced partner when we are to be listed ourselves.”

In 1998, DataVis’ sales amounted to approximately SEK 160M and result before taxes SEK 3.5M. During 1999, the DataVis Group is expecting sales of approximately SEK 200M and result before taxes of more than SEK 5M. Both in 1998 and 1999, the result has been charged with restructuring costs which have arisen as a result of carried out acquisitions.

DataVis - a further step into the private equity market

A year ago, Ratos’ investment strategy changed. From previously having looked for investments on the stockmarket, the company is now moving towards the private equity market. According to Arne Karlsson, President of Ratos, today’s agreement is fully in line with Ratos’ new strategy.

”DataVis is eminently compatible with Ratos’ new strategy. Here, Ratos is able to act as a greenhouse during a few expansive years. Among other things, I believe that Ratos has an important role to play in DataVis’ acquisition strategy. In collaboration with the management, I also believe that we will be able to contribute to improving the company’s profitability.”

The investment of SEK 250M is in the lower range of the investments which Ratos sees ahead in the implementation of its new strategy. The Active holdings, which Ratos now owns, include Scandic Hotels, the Danish company Superfos, Capona, Dahl, Esselte and ACE. Telelogic – where Ratos’ holding has increased from SEK 30M in value to SEK 350M – and Telia Overseas are also among the Active holdings.

”Both Telelogic and Telia Overseas are exposed to the expansive international telecommunications market. The growth for DataVis lies rather in expanding both geographically and operationally, primarily in Sweden. The company has excellent opportunities for organic growth, as demand for the company’s services will remain high, and there is also a growth potential in DataVis’ acquisition strategy.”

For further comments, please contact:

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**IN-DEPTH INFORMATION REGARDING RATOS AND DATAVIS CAN BE FOUND
ON THE FOLLOWING TWO PAGES.**

RATOS – Growth in value outside the stockmarket

For almost a year, Ratos has had a new strategic orientation. The Company's business concept is, as it always has been, based on creating values by developing actively-owned companies. During the 1990s, Ratos invested mainly in listed companies. The evaluation is now that opportunities for creating growth in value are larger outside the stockmarket. Ratos' assets will therefore be invested in a number of preferably unlisted companies. Ratos will therefore become a public investor in the private equity market.

Ratos' assets currently amount to nearly SEK 9 billion. More than SEK 1.7 billion is invested outside the stockmarket and the remaining portion in listed shares and liquid assets. In its Interim Report, January-September 1999, Ratos reported result after tax of SEK 1,126M, equivalent to SEK 13.85 per share. Below information is shown about Ratos' unlisted holdings and listed associated companies.

Company	Share of capital	Value, SEK M¹⁾	Book value, SEK M²⁾	Share in result, 9 months 1999, SEK M	Operations
Telelogic	20%	395	30	-8	Software development
Telia Overseas	9%	144	144	-	Mobiltelefone licences
Scandic Hotels	24,7%	1,233	158	57	Hotel operator
Capona	47%	334	224	34	Hotel real estate
Dahl	44%	562	562	36	Heating and plumbing wholesaler
Superfos Industries	33%	325	325	-	Packaging, Aerosol filling, Distributor of chemicals
ACE	100%	100	100	-9	Airfreight
Esselte	13%	288	323	-4	Office products
Industri Kapital	-	262	222	-	Private equity fund

¹⁾ Market value of listed associated companies 1999-12-17, book values of other holdings.

²⁾ Book value in parent company and other central companies.

DataVis – Full-range supplier of IT services

The consulting company, DataVis, was founded in Sundsvall in Northern Sweden in 1990. Most of the founders still remain among the company's employees and owners. At the present time, DataVis employs approximately 200 people. DataVis carries out operations in six Business Areas.

Within Business Areas *System Development and Internet Solutions* there are currently around 120 employees. Together, these operations offer development and implementation of fully-integrated system solutions for, among other things, e-commerce.

In Business Area *Technology and Operation* there are approximately 40 employees. Operations comprise everything from operating services to specialist expertise within system technology and infrastructure (e.g. wide band).

Within Business Area *Business Solutions*, which employs around 20 people, DataVis works with, among other things, the Jeeves business system. It offers its customers analysis, implementation and configuration of the system and, when required, develops the customer's internal business procedures.

Business Area *Training* employs some 10 people who offer training within the framework of Microsoft CTEC.

Five people are employed within Business Area *Products* which offers hardware and server configurations (Sun and Compaq) to implement new system solutions on the customer's premises.

The company's customers are found within public administration, commerce and industry, telecommunication as well as banking and insurance. For a long time, DataVis has enjoyed a strong position among the Northern Sweden forestry companies.

Through its acquisition in 1999 of Mjukvarukraft and the Internet consultant, O2, DataVis' operations in Stockholm were strengthened. An establishment of the Internet-operation is currently underway in Copenhagen.

DataVis' strategy for the next few years is to establish itself as a nationwide full-range supplier of IT services. In addition to organic growth, it will be necessary to carry out some acquisitions which will give DataVis sounder geographic coverage.

DataVis, SEK M	1999 (forecast)	1998	1996/97	1995/96
Net sales	200	160.2	43.4	29.6
Result after financial items	5	3.2	6.3	3.0
Average number of employees	195	145	53	40