



Press release, December 17, 2001

Dimension announces offer for Kipling, strengthening its position as an IT integrator for the telecom industry

Dimension AB (publ) ("Dimension") today has issued a public offer to the shareholders and warrant holders of Kipling Holding AB (publ) ("Kipling") to tender their shares and warrants to Dimension ("the Offer").

**Telephone conference tomorrow, Tuesday, 9:00 a.m. CET, at telephone no. +46 8 5005 2541.
The conference will be held in Swedish.**

- **The acquisition will give Dimension access to cutting-edge competence and services, significantly strengthening its position as a supplier of infrastructure solutions for the telecom industry, particularly in third-generation mobile networks. The acquired operations will serve as a central part of Dimension's recently formed subsidiary, Dimension Telecom Solutions.**
- **The acquisition is expected to generate significant income synergies, in addition to cost savings.**
- **For every three shares in Kipling, shareholders are being offered one newly issued share in Dimension. As an alternative, shareholders in Kipling as of December 21, 2001 are being offered a cash payment of SEK 7.00 per share for up to 500 shares.**
- **The Offer represents a premium of approximately 15 percent.**
- **The Board of Directors of Kipling unanimously recommends that shareholders accept the Offer. Shareholders representing 46 percent of the votes and capital in Kipling already have pledged to accept the Offer.**
- **The acceptance period for the Offer is scheduled to extend from January 7, 2002 through January 25, 2002.**

This press release may not be distributed or published in any country where the Offer contravenes laws or other regulations on the issuance of such offers. The Offering is not directed toward persons whose participation requires additional prospectuses, registration or other measures than those required by Swedish law.



Reason for the Offer

The acquisition of Kipling is in line with Dimension's strategy to become the leading IT integrator for business-critical infrastructure in the Nordic and Baltic regions by offering a broad range of solutions and increased service content.

Infrastructure solutions for the telecom sector have always been a priority in Dimension's operations. It expects this area to become even more important as the transition to the mobile Internet, efforts in 3G and ongoing consolidation on the network side leads to an increased focus on network services and content. Demand for operational and monitoring services is also expected to grow significantly, as will operators' need for expert competence to ensure availability in networks and speed up the launch of new services.

Dimension feels that a broader range of services with cutting-edge competence for the telecom industry will significantly improve the Group's competitive strength. In the process, sales are expected to rise and the Group's margins improve. Dimension will concentrate its offering of infrastructure solutions for telecom operators' service networks in the recently formed subsidiary, Dimension Telecom Solutions. The acquisition of Kipling is a key element in this effort. Through the acquisition, both companies can benefit from each other's competence, services and clients, contributing to a more complete client offering and a strong position in the Nordic market.

Following the acquisition of Kipling, the operations of Dimension Telecom Solutions will have an estimated annual turnover of SEK 300 million, with the objective of being profitable directly from the acquisition date. Dimension Telecom Solutions will have around 70 employees following the acquisition.

Sven Uthorn, Managing Director of Dimension, comments on the acquisition of Kipling:

"The acquisition of Kipling strengthens Dimension in an area with great potential in the years to come. Kipling complements Dimension's competence and experience as an IT integrator with expertise in 3G and the mobile Internet. Kipling's position is especially strong in integration services for billing, CRM and monitoring systems. Together, we therefore enhance our offering for telecom companies and gain an even stronger market position in infrastructure solutions for third-generation mobile networks."

Mats Olsson, Managing Director of Kipling, comments on the acquisition:

"Kipling's specialist competence in telecommunications fits well into Dimension's future efforts in mobile solutions. As a small company, it has been hard for us to find a market for this competence, but after Dimension's acquisition we will be able to compete in a larger arena. Dimension has a strong financial position and a complementary client base well-suited to Kipling's consulting organization."



Potential increase in profitability

The acquisition of Kipling is expected to generate significant income synergies. In terms of costs as well, Dimension expects to realize synergies through economies of scale, primarily in administration and Group functions.

Ownership structure

Provided that all shareholders accept the Offer and choose the share alternative, Kipling's current shareholders together will own 4.3 percent of the shares and votes in Dimension after full dilution.

Board of Directors and Management

No immediate changes in Dimension's Board of Directors will be proposed following the acquisition. The large part of the current management team at Kipling will retain senior positions in the subsidiary Dimension Telecom Solutions.

Offer premium and offer value

The Offer represents a premium of approximately 15 percent based on the average volume-weighted prices paid on the Stockholm Exchange for Dimension and Kipling's shares during the ten most recent trading days. Based on the most recent prices paid for Dimension and Kipling's shares on December 14, 2001, the Offer represents a premium of approximately 12 percent.

The Offer corresponds to SEK 6.67 per Kipling share, based on the Dimension share's latest price paid on December 14, 2001. Based on the Dimension share's average volume-weighted price paid for the 10 days up to and including December 14, 2001, the Offer corresponds to SEK 7.46 per Kipling share.

The total value of the Offer based on the latest price paid on December 14, 2001 amounts to approximately SEK 27.5 million. The cash offer is based on the latest price paid for the Dimension share on December 14, 2001, which amounted to SEK 20.00.

Prior to the Offer, Dimension had a total of 29,519,200 shares outstanding. As a result of the Offer, Dimension, with the support of the authorization of the Annual General Meeting on April 23, 2001, will issue not more than 1,374,266 new shares.

At the time of the Offer's announcement, neither Dimension nor any of its subsidiaries owned any shares or warrants in Kipling.

Cash payments are being offered for Kipling's outstanding warrants as follows:

For each warrant 1999/2002 issued by Kipling, holders are being offered SEK 0.30.
For each warrant 2000/2002 issued by Kipling, holders are being offered SEK 0.10.
For each warrant 2001/2003 issued by Kipling, holders are being offered SEK 0.50.

If all warrants are tendered as part of the Offer, the aggregate cash compensation for outstanding warrants will amount to approximately SEK 60,000.

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Financial effects of the acquisition

The Dimension shares that will be issued in exchange for shares in Kipling in implementing the Offer will allow Dimension, after the acquisition, to retain its stable financial position.

The acquisition of Kipling is expected to give rise to goodwill of approximately SEK 35-40 million after the necessary write-down of existing goodwill in Kipling and other adjustments. Dimension intends to amortize the goodwill arising from the acquisition over a period of ten years.

Conditions for the Offer

Dimension's Offer is conditional on:

- Its acceptance to such an extent that Dimension becomes owner of shares and warrants representing more than 90 percent of the total number of shares in Kipling. However, Dimension retains the right to implement the Offer at a lower level of acceptance.
- That the Offer, prior to an announcement of its implementation, is not wholly or partly rendered impossible as the result of laws or other statutes, court decisions, the actions of government agencies or similar circumstances in Sweden or abroad, which have occurred or are expected to occur or due to other circumstances beyond Dimension's control.

Preliminary timetable

A prospectus on the Offer will be made available on December 28, 2001 and is expected to be distributed to shareholders and holders of warrants issued by Kipling around January 3, 2002. The acceptance period for the Offer is scheduled to extend from January 7, 2002 through January 25, 2002. Provided that Dimension implements the Offer by January 30, 2002, settlement is expected to begin on February 7, 2002 to shareholders and warrant holders who have accepted the Offer. Dimension retains the right to extend the acceptance period as well as reschedule the settlement date.

Adviser

Dimension has retained H&Q Technology as its financial advisor in connection with the Offer.

Stockholm, December 17, 2001

Dimension AB (publ)

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About Dimension

Dimension is an IT integrator that designs and implements infrastructure to handle business-critical information. Examples include advanced server, security and data storage solutions for e-commerce and Internet banking systems, Internet/intranets and business systems. Clients are primarily in telecommunications, banking & finance, media and manufacturing industry. In 2000 Dimension's sales amounted to SEK 1,475 million, with a profit after financial items of SEK 138 million. The Group has 335 employees in Sweden, Norway, Denmark, Finland, Latvia and Lithuania. The head office is located in Bromma, Stockholm. The Dimension share is listed on the Stockholm Exchange's O-list.

For more information, see www.dimension.se

About Kipling

Kipling is an independent consulting firm that provides advanced services and integrated solutions for telecom operators and suppliers. The group has 60 employees and is represented in Karlskrona, Lund, Gothenburg, Stockholm and São Paulo. The parent company's head office is located in Karlskrona. The Kipling share is listed on the Stockholm Exchange's O-list.

For more information, see www.kipling.se

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