



Press Release
January 13, 1999

Celsius and Saab invest jointly in systems for safer air and sea traffic:

Celsius/Saab acquire GP&C Sweden AB from Swedish Space Corporation

Celsius and Saab are each acquiring a 50-percent interest in GP&C Sweden AB from the Swedish Space Corporation. GP&C Sweden AB develops and markets a system which transmits position and identity between individual ships or aircraft.

With this acquisition, the two companies are establishing a solid base for continued growth, production and marketing in a segment which is expected to expand sharply over the next few years.

The business operations of GP&C Sweden have focused primarily on applications in marine navigation. The company reported sales of SEK 8 M in 1998, with a staff of ten. The operation will be coordinated with the activities in this field in which Celsius and Saab were already jointly engaged under the product name LINCS, and which have focused mainly on air-traffic applications.

LINCS and GP&C products are based on a Swedish patent. They utilize the GPS (Global Positioning System) to determine individual position. This data, together with an individual ID signal and other information, is transmitted via radio to other users of the system within the radio's range. This enables the pilot/navigator of an aircraft to see the positions of all other aircraft equipped with the system on a display in the form of a digital map, providing they are within range of the radio which the system uses. The user does not have to "log on" to the system, but is connected and automatically assigned a time-slot for data transmission.

This acquisition enhances the basis for continued investment in a growth market where the steady increase in traffic places ever greater demands on safety and efficiency. The initial market consists of large aircraft and vessels for the transport of passengers and goods. Celsius' and Saab's access to global networks ensure effective market coverage.

Lars Bergholtz, currently Purchasing Manager for Business Unit Commercial Aircraft at Saab AB, will be appointed president of the new company. Ingvar Johansson, head of Professional Management Systems, Celsius Group, will be appointed chairman.

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Celsius is an advanced-technology international industrial group, with domestic markets in the Nordic countries, the U.S.A. and Australia. Firmly founded on a comprehensive joint technological base, operations focus primarily on three priority areas: Defence, Commercial Aviation Services and Business Development, which currently comprises Materials Technology, Explosives and Infomatics. With annual sales of approximately SEK 12 billion, the Celsius Group numbers some 11,000 employees.

Saab is active in the aerospace and defence industries and offers advanced products and systems based on sophisticated information technology. Saab comprises five business areas: Military Aerospace, Space, Training Systems, Commercial Aircraft and Combitech. With annual sales of approximately SEK 9 billion, the Saab Group numbers some 8,000 employees.