



PRESS RELEASE

Observer AB is quoted on the Attract 40 section of Stockholmsbörsen's O-list and has approximately 26,000 shareholders.

Stockholm, Sweden, December 3, 2003

Observer strengthens its customer offering through US acquisition

Observer is strengthening its customer offering by acquiring the US company MediaMap for USD 23 million, and in the process further consolidating its position as the market leader. Observer expects its profit per share and cash flow to be positively affected from the date of acquisition.

The acquisition brings together two of the leading US providers of communication management services for the PR industry and corporate communications professionals. MediaMap, with an annual turnover of approximately USD 13 million, offers databases and IT applications for managing contact information on media and journalists. Its services include detailed information on media that covers companies in Technology, Business & Finance, Healthcare and Consumer Goods. MediaMap's principal owner is the private equity firm Warburg Pincus.

Observer and MediaMap's customers now will both have access to Observer's solutions, with a broad-based media information, and MediaMap's solution, with in-depth, industry-specific information.

Since acquiring Bacon's of the US in late 2001, Observer has successfully offered media monitoring services to database customers as well. MediaMap's strong customer base will now also have access to professional media monitoring services.

Through the acquisition, Observer, the market leader in the US, Canada, UK and Nordic region, consolidates its position as the world's leading provider of media and journalist contact information, a segment currently experiencing good growth.

Financing

The purchase price of USD 23 million will be paid in cash and financed through a combination of liquid assets and existing loan facilities. To maintain financial preparedness for its further expansion, Observer's board of directors intends to finance a portion of the acquisition with the proceeds of a new share issue offered to a limited number of Swedish and international institutional investors. The new issue of two million shares will be implemented as part of the authorization granted by the Annual General Meeting in May 2003.

**Effect on profit**

Observer expects its profit per share, as well as, the group's cash flow to be positively affected as of the acquisition date.

Integrating MediaMap with Observer's US subsidiary Bacon's will immediately result in synergies. The combination of efficiency gains and increased sales will mean good opportunities to bolster the positive development of Observer's US operations.

MediaMap will be consolidated in Observer's accounts as of December 2003.

Goodwill

The acquisition will give rise to goodwill in the Observer group of approximately USD 25 million, which will be amortized over 10 years. Goodwill amortization is tax deductible over 15 years against profit in the US operations. Net present value of the tax reductions exceeds USD 5 million.

Comment by Observer President and CEO Robert Lundberg

"Combining MediaMap's services with our current product line gives our customers an even better offering. The acquisition provides good opportunities to develop services for new customer groups and to benefit to an even greater extent from the positive turnaround in the US market."

"We consolidate our position as market leader, at the same time that profit and cash flow are positively affected right from the date of acquisition. In my opinion, there are good opportunities to further improve our market shares. We will achieve this through both organic growth and acquisitions. And with the new share issue, we can maintain a high level of financial preparedness."

Stockholm, December 3, 2003

Observer AB (publ)

Board of Directors and President

Observer AB

Observer is active in Business and Communication Intelligence and offers market monitoring and communication evaluation services. Customers, who are primarily in IR and PR, are also offered tools and channels for distribution and publication of business information.

Observer has around 2,400 employees and a turnover of SEK 1.7 billion in 2002. The company operates in the US, UK, Sweden, Canada, Germany, Norway, Finland, Denmark, Portugal, Ireland, Estonia, Latvia and Lithuania.



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<p>Further comments on the acquisition will be provided at a telephone conference with part of Observers AB's management at 3:00p.m. (CET) on December 3. To participate, please phone +44 (0) 207 162 0189</p>
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