

Press release

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Stockholm, July 13, 1999

Mandator Simulation & Training more than doubles the turnover

Mandator Simulation & Training has developed greatly in the international market. The business is expected to more than double its turnover during 1999. The order book has developed very positively so far this year, both within the civil as well as the military business areas.

Mandator Simulation & Training is a concept- and product supplier within the Mandator Group. The business was organized into the Simulation & Training Division last turn of the year to increase the possibility of quicker expansion and for future business development.

This has resulted in a very strong increase of orders during the first six months. An investment program including both product launching and development of an international market organization has been intensified. With a purpose of further focusing on the business and its special business logic, the top management of Mandator has come up with the question of running the Simulation & Training Division as a separate company already by the next turn of the year.

The strategy of the Mandator Group is to find new concept- and product ideas by participating in the most essential IT-projects. After efficient market- and organization development these can be developed into separate operations. Simulation & Training is an example of this.

Strong growing market for simulators and interactive course wear

The market for civil and military training systems is growing strongly. Within trades like, e.g. off shore industry, mining industry, rescue services and air traffic control, there exists today a great need for training and education. Training within these branches is often both expensive and dangerous to conduct.

Industrial companies with complex products, large geographical spread and shorter product life cycles demand more efficient ways of training today. Among the Fortune-500 companies of the US about 50% of the training budget is put on interactive training.

The same need is found among all the military authorities of the world. At the moment these build combat training establishments and game engine centres in order to establish more cost effective and realistic education and training. To estimate the future global market is very difficult. Our estimation is that it will be very large.

New Web based development tool



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The fast technical development and the geographical spread demand efficient distribution solutions of training equipment. Therefore, Mandator Simulation & Training has launched a new web based development tool. The product family **InterAct** has been developed in order to radically render the production of interactive course wear more effective.

Market development and product launchings

In order to meet the great demand of the products and concepts of Mandator Simulation & Training, an investment program is now being implemented including both product launching and development of an international market organisation.

Since the turn of the year Mandator has made the following activities:

- Started the new Division Simulation & Training (January 1st).
- Came to partnership with Osmar International Ltd. and started a strategic co-operation as partners to the global military industry for integrated training establishments (May 5th).
- On NATO's 50-anniversary in Washington in April, Mandator S & T implemented the first parts of the development of a simulation network for training of peace support operations within the frame of PfP (Partnership for Peace). The CATS concept will be the foundation in a global network for training of military effort forces and other units around the world.
- Established a sales office in Singapore, including an agent network in Asia and Europe.
- Acquired the company JL Weibull AB (May 1st).
- Acquired outstanding ownership in Mandator Interactive, former DSU AB (per June 1st).
- Acquired a group of consults from former Prosolvias Clarus in Linköping.
- Launched the concept of InterAct, which is a development tool developed in order to efficiently develop advanced systems for computer based training.

The above mentioned activities have lead to a strongly increased order book. Mandator will continue to develop the business towards a more product oriented and global market. Investments in business development will debit the result during this financial year and is already expected to give an essential contribution to the result during the year 2000.

“Capital Market Day” - Mandator Simulation & Training

In order to further present the Mandator Division Simulation & Training you are hereby invited to a “Capital Market Day” on Wednesday, September 8th at 14.00 on the Mandator head office at Kungsgatan 60.

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