14 August 2000

HiQ – excellent growth with top profitability

IT and management consultancy HiQ increased turnover to SEK 174.3 million (SEK 104.7 m), an increase of 66% on the first half of 1999. At the same time, HiQ improved its profit prior to goodwill by 49% to a total of SEK 28.9 million (SEK 19.5 m) which is equivalent to a margin prior to goodwill depreciation of 16.6 %. The figures include the acquisitions of WISE Networks and Open Software, which are consolidated as of 1 May.

"HiQ's market has been excellent during the first half of the year. Demand has risen and we have consolidated our position in the market with our distinct focus on high-tech consultancy services in the fields of telecoms, the mobile Internet and simulation technology," says Lars Stugemo, CEO of HiQ International.

"We have gained 35 new customers since the turn of the year, divided between the different fields, but particularly in finance and telecoms. Our endeavour to supply top-quality services ensures customer satisfaction, which means that we are able to grow while maintaining high profitability. So we take a very positive view of the future," Stugemo continues.

At the beginning of the year, HiQ acquired IT and telecoms consultants WISE Networks in Copenhagen and Open Software in Gothenburg.

"The integration has proceeded smoothly and both subsidiaries are contributing to growth as well as profitability. The acquisitions strengthen our market offering by increasing our geographical presence, and they have brought in several interesting new assignments and customers. The Active Preferred Supplier agreement with Ericsson in Gothenburg and the agreement with Motorola concerning the development of systems for Tetra in Denmark are two excellent examples," comments Stugemo.

HiQ's international expansion continues, with assignments in some ten different countries, and in May, HiQ set up a subsidiary in Helsinki.

"We are endeavouring to make HiQ into a more international company and the proportion of international assignments is increasing. Our goal is to grow organically while maintaining good profitability, and to complement this growth with strategic acquisitions that provide us with new customers, better geographic coverage or new skills," concludes Stugemo.

HiQ's CEO, Lars Stugemo, will be presenting the Interim Report at Operaterrassen at 9 a.m. tomorrow, Tuesday 15 August. The presentation will also be broadcast on the Internet at 4 p.m. that afternoon. The report is also available on HiQ's home page, www.hiq.se, and can be ordered by calling +46 8 588 90 000.

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HiQ is the IT and management consultancy focusing on high-tech solutions within telecoms, the mobile Internet and simulation technology. Formed in 1992, the company is now a leader in these fields and the Nordic region is its domestic market. The Group's turnover in 1999 was SEK 223 million and it employs 365 people in Sweden, Norway, Denmark and Finland. HiQ is listed on the OM Stockholm Stock Exchange. For more information, please visit our web site at www.hiq.se