



## Press release

### DORO hit by strong US dollar and continued component shortage

DORO, the Lund-based telecommunications company listed on the O-list (Attract 40) of the OM Stockholm Exchange, has continued to be hit by a strong US dollar and the global component shortage.

### Strong Dollar

The US dollar has continued to gain strength since the middle of June. A majority of DORO's products are bought in US dollars and sold in other currencies. The purchase price usually drops for each different product. The price reduction level has usually absorbed the higher USD exchange rate. DORO has a currency policy, where, a limited amount (around 25% of the flow) is hedged in US dollars.

Due to the components shortage, suppliers' prices are steady or rising. The climbing USD rate during the quarter, has only been marginally compensated for in sales prices on important markets due to long-term price commitment.

### Continued components shortage

The shortage of different components has continued in Q3. The shortage has been caused by a global shortage of manufacturing capacity and has mainly affected DECT - digital wireless telephones. The main reason is the substantial growth in demand for mobile telephones. Delivery orders are in place until early Q1 2001. Activities in France continue to have disturbances in the supply of products.

The shortage of products increases the purchase price and logistics costs.

### Programme of measures

During the year an effectivity programme will be carried out in all companies in the Group. A rationalisation programme will be completed meaning the number of products within the Group will be cut by 30% before next year. Furthermore, cost-cutting measures will be carried out in all areas of the Group. Different programmes are to be carried out to integrate the latest acquisitions (DORO Matra Telecom and DORO Atlantel).

Special measures are being implemented in the UK and France, which have not developed according to plan.

### Considerably lower profits for the full-year

DORO believes that the profit for the year will be considerably lower than last year (a pre-tax profit of SEK 65 million).

DORO will issue its Q3 report on 16 October.

More information about Doro can be found at: [www.doro.com](http://www.doro.com)

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Lund 17 August 2000