



PRESS RELEASE

The Atle-owned trading company Gadelius is making two acquisitions;

1. The medical engineering company Mansson

2. The packaging company Norden Pac's subsidiary in Japan

■ Gadelius has made a preliminary agreement to acquire the medical engineering trading company Mansson from Handelsbanken.

■ Gadelius has also acquired the packaging company Norden Pac's subsidiary in Japan.

■ These acquisitions mean Gadelius will increase its turnover from 500 million kronor to around 700 million kronor.

■ Already this year the deals will have a positive effect on Gadelius' profit, and consequently on Atle's.

1. Mansson is a specialised Swedish trading company in Japan that imports and sells equipment for the health care sector. The company has a turnover of around 180 million kronor and 110 employees. The business, with its head office in Kobe, Japan will form a separate business area within Gadelius.

Mansson has been operating on the Japanese market since 1920. To begin with the company was a trading company similar to Gadelius, but in recent years it has been refined into a medical engineering trading company. The business is divided into business areas diagnostics, with instruments and equipment mainly for urology and neurology, orthopaedics, with products for implants and surgical instruments.

The company's structure is similar to Gadelius' with Japanese divisional managers in charge of the various sales forces. Mansson has 350 local distributors, but to a large extent works directly with doctors and hospitals in Japan as application know-how constitutes an important factor in the sales process.

2. Norden Pac is a world-leader in the field of machinery for filling tubes. Gadelius represented Norden Pac in Japan during the period 1954-1994, after which Norden Pac started its own subsidiary. Gadelius has now acquired this company. In 1997, Norden Pac had a turnover of around 30 million kronor in Japan. The business will be integrated with Gadelius' existing packaging business.

Stig Karlsson, MD Atle Service & Trade: "The current situation in Japan creates a splendid opportunity for expanding Gadelius' business by means of acquisition. Purchase of Mansson means that Gadelius obtains a completely new business area aimed at one of the strongest growth areas in Japan with a market growth of 5-6 percent annually, partly due to the increasing proportion of elderly people in Japan".

Hans-Bertil Håkansson, MD Gadelius KK: "Gadelius' aim is continuous expansion within existing product areas. Gadelius' strategy for growth states that we should also be growing within new areas, mainly by making acquisitions.

This means the acquisition of Mansson is fully in line with Gadelius' strategy for growth. Mansson is a long-established and well-known company within the field of medical equipment and is also, like Gadelius, an old Swedish trading company with an organisation and corporate culture that are very similar to Gadelius'. The deal will generate substantial co-ordination gains between the companies.

It is very pleasing that Gadelius has also had the opportunity to acquire Norden Pac's subsidiary in Japan. The company, whose products Gadelius has sold and serviced in large numbers in Japan over the past 40 years, fits in well with Gadelius' existing business".

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Atle AB

Atle is an investment company that invests in and develops small and medium-sized companies which usually do not have a stock exchange listing. Atle's core expertise is business development, which includes the ability to find interesting companies, create acquisition situations, develop the companies it owns by means of active and responsible ownership and after a time to find suitable new homes for them.

Normally acquisitions take place in some form of vital development phase for example when a company wishes to expand, or when a structural deal would be most advantageous for its continued development.

Because the companies acquired are not usually listed and the group always plays an active part in their development, Atle differs from traditional investment companies. As soon as Atle steps in as owner, plans are made for the time when Atle's work is complete and the group is to sell its holding in the company. This normally takes place within a period of three to seven years.

Atle was introduced on the stock exchange in 1993 and today has a turnover of around 8 billion kronor and over 7000 employees. Since introduction, the number of shareholders has risen to over 11.000.

The operation is run within seven business areas Atle Karolin Engineering Industry, Atle Service & Trade, Atle Environmental Engineering, Atle Information Technology, Atle Foods, Atle Mergers & Acquisitions and Atle Development.

Atle Service & Trade

Atle Service & Trade is a business area for Atle's investments in service and trading companies. The business area strives to invest in companies with good growth or structuring potential. Within each company the business concept should be based on a unique concept or a significant market share.

Gadelius

In early 1998 Atle Service & Trade acquired the Swedish-Japanese trading company Gadelius from ABB. Gadelius is a trading company with an engineering bias and long traditions in trade between Sweden and Japan. The company works with products in industrial niche markets in a number of different lines of business, such as equipment for the construction and packaging industries and environmental equipment.

In the first place Gadelius represents small and medium-sized companies, in other words the type of company Atle prefers to invest in. Gadelius has a total of 80 employees stationed at the head office in Tokyo and the sales offices in Tokyo, Sapporo, Kobe and Sweden.

Atle's aim in owning Gadelius is to actively develop the company's present and future deals with companies in Sweden, Europe and Japan.