

February 14, 2001

Skanditek Year-end report 2000 and summit to Annual General Meeting

- Pretax profit amounted to SEK 139.1 m (3.6).
- Goodwill amortization of SEK 78.3 m (19.3) is included.
- Dividend proposed with SEK 0.20 per share.

The year in brief

- Fermentech Medical was merged with Vitrolife.
- Vellinge Electronics became a wholly owned subsidiary after further share acquisitions.
- Axis was listed on the stock exchange.
- Mydata noted a successful year.
- Theduction, active in the e-learning sector, was added to the investment portfolio.

This is Skanditek

Skanditek is an exchange-listed industrial holding company that has investments in listed and unlisted Swedish companies. The business concept is to be an active, long-term owner. As a result, Skanditek is able to contribute to the development of its portfolio companies by providing industrial and financial expertise at Board and management level.

The portfolio companies are active in the electronics, information technology, biotechnology and service sectors. Investments are mainly made at a relatively early stage of the target companies' development, since this is when Skanditek can contribute business-development experience aimed at high growth, research and development and internationalization.

Investment operations

Skanditek invested SEK 388 m in portfolio companies during the year, including new investments of SEK 177 m in Vitrolife and SEK 8 m in Theduction. The investment in Vitrolife includes SEK 150 m for the book value of the shares in Fermentech Medical that were used as payment for the acquisition.

In April, Skanditek acquired the outstanding 60 percent of the shares in Vellinge Electronics, which thus became a wholly owned Group subsidiary. Payment for this acquisition took the form of 2,995,968 newly issued Skanditek shares. The Board of Director's decision was based on the authorization received from the Annual General Meeting in May 1999.

Divestments during the year totaled SEK 173 m and pertained mainly to Fermentech Medical. Skanditek transferred this holding to Vitrolife in exchange for newly issued Vitrolife shares. The transaction had no impact on the income statement because the book value remained unchanged.

The Group's net investments in tangible fixed assets amounted to SEK 9.4 m (2.9).

Consolidated net sales and earnings

Consolidated net sales during 2000 amounted to SEK 1,302 m (121), which was mainly generated by newly added Group companies. Mydata Automation became a Group company in November 1999 and Vellinge Electronics in April 2000.

Consolidated pretax profit amounted to SEK 139.1 m (3.6). Goodwill amortization and the reversal of negative goodwill were charged against profit in a net amount of SEK 78.3 m (19.3), of which Group companies accounted for SEK 37.0 m (15.2) and associated companies for SEK 41.3 m (4.1) of the goodwill amortization. Skanditek's principle is to amortize goodwill over five years.

In connection with the exchange listing of Axis on June 27, 2000, new shares were issued that contributed equity of SEK 446 m to the company. As a result, Skanditek's share of Axis's net assets rose by SEK 111.6 m, which is included in "Participations in earnings of associated companies" in the income statement. After a deduction for minority share, consolidated profit after taxes was affected in an amount of SEK 78.1 m.

As one of Axis's principal owners, Skanditek, divested, as planned, a portion of its shareholding in connection with Axis's exchange listing and IPO. The capital gain amounted to SEK 16.1 m. The holding, which is included in the 70-percent owned subsidiary G Kallstrom & Co, was reduced from 25.0 till 19.7 percent. As a result, Axis ceased being reported as an associated company as of the third quarter of 2000.

Group companies received SEK 6.6 m in refunds of surplus pension contributions from SPP. In addition, SPP funds of SEK 7.1 m are included in "Participations in earnings of associated companies."

In connection with the merger of Fermentech Medical and Vitrolife, a value-adjustment provision of SEK 4.5 m for the Group's biotechnology holdings was reversed, which had a favorable effect on earnings.

If items affecting comparability are excluded from earnings, profit amounted to SEK 62.2 m. Goodwill amortization, capital gains, refunds of pension contributions from SPP and proceeds resulting from new issues of shares in associated companies are examples of the types of noncomparable items excluded.

Consolidated net profit amounted to SEK 78.6 m (loss: 4.3), which corresponds to SEK 1.36 per share (1999: loss of SEK 0.08, based on the number of shares at that time). Excluding goodwill amortization and the reversal of negative goodwill, net profit amounted to SEK 156.9 m (15.0), which corresponds to SEK 2.70 per share (0.27).

Since Skanditek has the character of an industrial holding company, analyses of the financial statements should be conducted with caution. Ownership shares in portfolio companies vary, as does the composition of both Group and associated companies.

Parent Company

The Parent Company's net sales in 2000 amounted to SEK 0.9 m (1.4) and pertained mainly to services invoiced to Group companies. A net loss of SEK 16.7 m (profit: 22.3) was reported, which includes SEK 9.3 m (0) for write-downs of long-term shareholdings. The sale of Sibia Neurosciences had a positive effect of SEK 21.5 m on the earnings reported for 1999.

Portfolio companies' net sales and earnings

Amount in SEK m	Holding ¹⁾	2000 Net sales	2000 Operating profit ²⁾	2000 Operating margin	1999 Net sales	1999 Operating profit ²⁾	1999 Operating margin
IT AND TELECOM							
Axis ³⁾	14%	707.7	-241.5	neg	636.4	5.3	0.8%
Beep Network	41%	3.2	-10.0	neg	8.0	-2.6	neg
LGP Telecom ^{3,4)}	10%	1,299.0	190.4	14.7%	875.5	121.9	13.9%
Mydata Automation	39%	896.6	137.2	15.3%	467.1	15.1	3.2%
TPC Security ⁵⁾	18%	21.5	-18.4	neg	2.3	-5.5	neg
SUB-CONTRACT PRODUCTION ELECTRONICS							
PartnerTech ³⁾	26%	1,188.5	97.7	8.2%	807.4	65.7	8.1%
Vellinge Electronics	100%	457.9	29.9	6.5%	426.0	33.5	7.9%
INTERNET-BASED SERVICES							
Plenia Sweden	34%	11.7	-34.9	neg	5.4	-33.9	neg
Theeducation	19%	0.9	-11.2	neg	0.0	-0.3	neg
VS Market	34%	0.2	-17.7	neg	0.0	-1.7	neg
FINANCIAL SERVICES							
H Lundén Kapitalförvaltning	14%	13.3	7.9	59.4%	9.2	3.3	35.9%
PBK Outsourcing	40%	54.9	-1.1	neg	44.0	4.2	9.5%
MEDIA							
The Chimney Pot	41%	36.3	-0.5	neg	35.6	7.4	20.8%

BIOTECHNOLOGY

BioNative	24%	35.8	-2.2	neg	40.0	-1.0	neg
CMA Microdialysis	58%	46.0	-1.9	neg	42.6	-5.7	neg
InRo BioMedTek	33%	0.6	0.3	50.0%	0.5	0.2	40.0%
Vitrolife ⁴⁾	45%	82.2	-26.1	neg	67.9	-15.9	neg

¹⁾ When computing ownership shares, the holdings of the subsidiary G Kallstrom & Co have been converted at a rate of 70 percent.

²⁾ Earnings do not include items affecting comparability, such as refunds of pension contributions from SPP.

³⁾ Listed on the OM Stockholm Exchange's O-List.

⁴⁾ The figures for 1999 are pro forma.

⁵⁾ Listed on the OM Stockholm Exchange's New Markets list.

The figures reported for net sales and operating profit in the table above pertain to the 2000 calendar year. Certain companies have different fiscal years.

Group companies

Companies in which Skanditek's share of the voting rights exceeds 50 percent are reported as Group companies. This means that they are consolidated in the Group accounts after a deduction for minority share.

CMA Microdialysis develops and manufactures instruments for microdialysis, which is a completely new diagnostic technique. The instruments are used to take continuous tests of tissue fluids and to provide a basis for faster and more reliable diagnoses. The method is becoming increasingly accepted in the clinical testing sector throughout Europe.

Mydata Automation develops and manufactures state-of-the-art machines for the surface mounting of electronic components on printed circuit boards. The company noted a successful year, as reflected in doubled sales and favorable profitability. The successes were attributable to a buoyant market for industrial products, successful product launches and increased demand for large printed circuit boards. A slackening has been noted in market conditions during the early part of 2001, however.

Vellinge Electronics is a contract manufacturer of electronics for the Swedish engineering industry. The company noted lower volume growth than previously during 2000, due to the loss of a product with a high component content from a client company during the year. However, the general trend towards increased contract manufacturing is an indication of continued growth.

Associated companies

Companies in which Skanditek's share of the voting rights is at least 20 percent and not more than 50 percent are reported as associated companies in accordance with the equity method, also known as partial consolidation.

Beep Network's data system Tailor Retail for retail outlets, is sold to small and medium-sized stores, mainly in Sweden. The company's development of the next generation of this system has been substantially delayed, which has resulted in increased costs. Due to this, the company's operations are currently being restructured.

BioNative, which has developed a large-scale process for the production of natural interferon, is currently highly dependent on sales of one major product. It is highly likely that sales will decline during 2001.

H Lundén Kapitalförvaltning conducts fund-management operations. The Eikos Fund, which was established on January 1, 2000, is a national hedge fund, whose unit value rose by 24.9 percent after fees during the year.

InRo BioMedTek manufactures and sells new reagents for diagnostic and therapeutic applications.

PartnerTech is a partner that assumes responsibility for the entire value chain – from product development and production to distribution and aftermarket services. A lower sales growth than last year is expected for the beginning of 2001.

PBK Outsourcing is a leading supplier in the market for the outsourcing of accounts administration. Growth in the accounting services segment contributed to a 25-percent increase in sales during the year.

Plenia Sweden is an Internet-based market and meeting place for employers and job-seeking private individuals. The first stage of a new system for internal recruitment within large companies was installed during the year. The related development costs were considerable.

The Chimney Pot is Scandinavia's largest supplier of state-of-the-art digital services for feature films, advertising films and music videos. A new business area was formed during the year for the production and design of moving pictures for new media.

Vitrolife is a biomedical group that is active in the global market. The company works with products used in cell and tissue technology. The highlight of the year was the company's merger with Skanditek subsidiary Fermentech Medical. Vitrolife is studying the potential for an exchange listing of its shares during 2001.

VS Market, which was formed in 1999, has developed a new gaming product for the Internet, with equities as the underlying instrument. Most of the company's operations during the year were development oriented.

Other portfolio companies

Portfolio companies in which Skanditek's share of the voting rights is less than 20 percent are reported as other portfolio companies in accordance with the purchase method.

Axis develops and markets network products that simplify connections to complex networks. The company's sales of network cameras rose by 184 percent during the short fiscal year May - December. Due to the company's focus on new markets in the mobile Internet and wireless local networks segments, considerable investments are made in research and development. Axis's 50-percent-owned subsidiary Netch, which develops business systems for the Internet, was adversely affected by weaker market conditions, which exerted pressure on earnings.

LGP Telecom offers cost-effective radio solutions to systems suppliers and mobile operators as part of efforts to improve radio coverage, data transmission speeds and the capacity of mobile communication networks. The group also offers design and production of precision mechanics, primarily to the telecom industry. Sales growth was strong during the year and profitability increased.

Theeducation, which was formed in 1999, has developed a tool that complements traditional teaching methods. The concept is based on a teaching approach called “question-based learning,” whereby interactive web-based material is combined with a virtual classroom on the Internet.

TPC Security is active in the market for intelligent communications between machines, known as the machine-to-machine or M2M segment. TPC also offers after-market services in the form of surveillance via its communications center.

Liquidity, equity/assets ratio and number of shares

At year-end, the Group's liquid funds totaled SEK 70.1 m (97.0). It also had short-term investments in the form of publicly traded shares in an amount of SEK 42.9 m (56.7). Interest-bearing liabilities amounted to SEK 85.5 m (5.0).

The Group's equity/assets ratio was 56 percent (67). The Parent Company's equity/assets ratio was 99 percent (98). The Group's shareholders' equity amounted to SEK 12.50 (8.82) per share.

Following the issue of 2,995,968 new shares, in connection with the acquisition of Vellinge Electronics, the total number of shares is 58,039,888.

Personnel

The average number of employees in the Group during the year was 581 (344). The calculation includes only Group Companies at the end of each year respectively. The corresponding number of Parent Company employees was 7 (5).

Annual General Meeting

The Annual General Meeting will be held at 6 p.m. on Thursday, March 22, 2001 at Svenska Läkaresällskapet, Klara Östra Kyrkogata 10, Stockholm.

See enclosed summit on page 11 in this press release.

Dividend

The Board of Directors proposes that Skanditek pay a dividend to shareholders for the first time in its 18-year history. It is proposed that SEK 0.20 be paid per share, corresponding to a total of SEK 11.6 m.

Stockholm, February 14, 2001

SKANDITEK INDUSTRIFÖRVALTNING AB (publ)

Board of Directors

Financial reports

The Annual Report in a PDF format is scheduled for publication on Skanditek's website on Tuesday February 20.

The printed Annual Report is scheduled for distribution to shareholders as of February 27.

The scheduled publication dates for interim reports during the forthcoming fiscal year are as follows:

Three-month report	Friday, April 27
Six-month report	Tuesday, August 21
Nine-month report	Thursday, October 25

Interim reports and press releases will be published in Swedish and English.

For further information, please contact:

Patrik Tigerschiöld, President and Chief Executive Officer

Tel: +46-8-614 00 20; mobile phone +46-70-777 71 90; e-mail: patrik.tigerschiold@skanditek.se

Håkan Dahlin, Chief Financial Officer

Tel: +46-8-614 00 29; mobile phone +46-709-28 06 52; e-mail: hakan.dahlin@skanditek.se

Income statements

Amount in SEK thousands	2000	Group 1999	Parent Company 2000	Parent Company 1999
Net sales	1,302,369	121,073	889	1,434
Cost of sold goods	-785,169	-66,321	-	-
Gross operating income	517,200	54,752	889	1,434
Income from divestments of portfolio companies	17,000	22,878	760	22,100
Participations in earnings of associated companies	72,693	3,162	-	-
Income from shares of group companies	-	-	4,528	7,946
Income from shares of associated companies	-	-	-7,832	-
Income from shares of other portfolio companies	3,742	4,714	-	-
Sales expenses	-143,863	-24,027	-	-
Administrative expenses	-58,656	-25,284	-12,675	-10,990
Research and development expenses	-119,908	-23,867	-304	-234
Other operating income and expenses	-37,590	-	1,136	-
Amortization of goodwill	-39,146	-19,629	-	-
Reversal of negative goodwill	2,196	4,420	-	-
Operating profit/loss	213,668	-2,881	-13,498	20,256
<i>Earnings from financial investments</i>				
Interest revenue and similar items	24,160	7,008	-3,242	2,232
Interest expenses and similar items	-9,101	-737	-1	-314
Profit/loss after financial items	228,727	3,390	-16,741	22,174
Appropriations	-	-	-	111
Minority share	-89,586	184	-	-
Pretax profit	139,141	3,574	-16,741	22,285
Tax	-60,494	-7,856	-	-
Net profit/loss for the year	78,647	-4,282	-16,741	22,285

Cash flow statements

Amount in SEK thousands	2000	Group 1999	Parent Company 2000	Parent Company 1999
Cash flow from operating activities	-1,409	-27,396	25,625	-29,126
Cash flow from investment activities	-60,941	-43,382	-64,340	-73,969
Cash flow from financial activities	35,011	138,305	-10,000	130,283
CASH FLOW FOR THE YEAR	-27,339	67,527	-48,715	27,188

Balance sheets

Amount in SEK thousands	Group		Parent Company	
	Dec 31, '00	Dec 31, '99	Dec 31, '00	Dec 31, '99
ASSETS				
FIXED ASSETS				
Intangible fixed assets				
Goodwill	166,572	87,260	-	-
Negative goodwill	-7,537	-9,582	-	-
	159,035	77,678	-	-
Tangible fixed assets				
Plant and machinery	23,677	10,141	-	-
Equipment, tools, fixtures and fittings	10,351	8,827	469	238
	34,028	18,968	469	238
Financial fixed assets				
Shares in Group companies	-	-	839,191	736,831
Receivables from Group companies	-	-	13,965	91,680
Shares in associated companies	209,792	186,389	339,850	129,237
Receivables from associated companies	12,680	-	10,000	-
Shares in other portfolio companies	136,101	36,794	15,734	20,794
Other long-term receivables	18,201	12,754	-	-
	376,774	235,937	1,218,740	978,542
Total fixed assets	569,837	332,583	1,219,209	978,780
CURRENT ASSETS				
Inventories, etc				
Raw materials and consumables	126,838	25,683	-	-
Work in progress	36,271	5,859	-	-
Finished products and goods for resale	94,912	58,461	-	-
	258,021	90,003	-	-
Current receivables				
Accounts receivable - trade	305,413	120,777	-	-
Receivables from Group companies	-	-	817	2,125
Receivables from associated companies	606	-	599	-
Other receivables	39,224	24,896	3,783	5,328
Prepaid expenses and accrued income	9,979	5,171	470	379
	355,222	150,844	5,669	7,832
Investments				
Other investments	72,580	106,660	10,041	75,658
	72,580	106,660	10,041	75,658
Cash and bank	40,438	47,003	4,035	12,750
Total current assets	726,261	394,510	19,745	96,240
TOTAL ASSETS	1,296,098	727,093	1,238,954	1,075,020

Balance sheets

Amount in SEK thousands	Dec 31, '00	Group Dec 31, '99	Dec 31, '00	Parent Company Dec 31, '99
EQUITY AND LIABILITIES				
EQUITY				
Restricted equity				
Share capital (58,039,888 shares at par value SEK 6)	348,239	330,263	348,239	330,263
Share premium reserve	-	-	681,739	538,832
Restricted reserves/Statutory reserve	337,583	154,737	121,025	121,025
	685,822	485,000	1,151,003	990,120
Non-restricted equity				
Retained earnings/accumulated loss	-39,210	5,011	94,889	46,303
Net profit/loss for the year	78,647	-4,282	-16,741	22,285
	39,437	729	78,148	68,588
Total equity	725,259	485,729	1,229,151	1,058,708
MINORITY INTERESTS	180,504	95,313	-	-
PROVISIONS				
Provision for taxes	10,540	2,194	-	-
Value adjustment of Biotechnology assets	-	4,459	-	-
Other provisions	12,762	10,749	-	-
	23,302	17,402	-	-
LONG-TERM LIABILITIES				
Liabilities to credit institutions	64,415	4,671	-	-
Liabilities to Group Companies	-	-	6,892	-
Other long-term liabilities	18,871	11,227	100	-
	83,286	15,898	6,992	-
CURRENT LIABILITIES				
Liabilities to credit institutions	3,508	-	-	-
Advance payments from customers	4,764	10,319	-	-
Accounts payable - trade	134,817	44,424	261	471
Liabilities to Group Companies	-	-	69	8,356
Income tax liability	48,199	5,466	-	-
Other current liabilities	26,042	11,638	317	5,006
Accrued expense and prepaid revenues	66,417	40,904	2,164	2,479
	283,747	112,751	2,811	16,312
TOTAL EQUITY AND LIABILITIES	1,296,098	727,093	1,238,954	1,075,020

Summons to Annual General Meeting

The shareholders of Skanditek Industriförvaltning AB (publ) are hereby summoned to the Annual General Meeting to be held on Thursday, 22 March 2001 at 6 p.m. at Svenska Läkaresällskapet, Klara Östra Kyrkogata 10, Stockholm.

Notification

Shareholders who wish to attend the Annual General Meeting must notify Skanditek by no later than 12 noon on Tuesday, 20 March 2001, by contacting Skanditek Industriförvaltning AB, Kungsträdgårdsgatan 18, 111 47 Stockholm, +46-8-614 00 20 (tel.), +46-8-614 00 38 (fax) or info@skanditek.se. The notification must state name, address, personal identity number (where applicable) or corporate ID number, telephone number and registered shareholding.

Right to attend

In order to be entitled to attend the Annual General Meeting, shareholders must be registered in the share register maintained by VPC (The Swedish Securities Register Center) by 12 March 2001, at the latest. Shareholders whose stock is registered in the name of a trustee must temporarily re-register their stock in their own name in order to attend the Annual General Meeting. The shareholder must notify the trustee to this effect in good time before this day.

Agenda

1. Election of chairman of the AGM.
2. Preparation and approval of the list of voters.
3. Approval of the agenda.
4. Election of two persons to check the minutes.
5. Resolution concerning due convening of AGM.
6. The President's address.
7. Presentation of the annual report, the consolidated financial statements and the auditor's report.
8. Resolution concerning
 - a) adoption of the income statement and the balance sheet, as well as the consolidated income statement and the consolidated balance sheet,
 - b) allocation of profits according to the adopted balance sheet,
 - c) discharge of the Board of Directors and the President from liability.
9. Resolution concerning the number of Directors and deputy Directors.
10. Fixing the fees of the Director and auditors.
11. Election of Directors and deputy Directors.
12. Election of the Nominations Committee.
13. Authorization for the Board to before next AGM decide to issue new shares.
14. Other items.
15. Closure of AGM.

Proposal concerning dividend (item 8b)

The Board proposes a dividend of SEK 0.20 kronor per share, corresponding to SEK 11.6 m, to be paid to shareholders with record day on Tuesday, 27 March, 2001.

Proposal concerning election of Directors (items 9 and 11)

The Nominations Committee proposes that the Board be composed of five Directors without Deputies and the re-election of Directors Mr Johan Björkman, Mr Gunnar Ekdahl, Mr Dag Tigerschiöld, Mr Patrik Tigerschiöld and Mr Mathias Uhlén.

Proposal concerning remuneration (item 10)

The Nominations Committee proposes a director's remuneration of SEK 600,000 to be allocated within the Board and that auditor's remuneration to be settled according to approved accounts.

Proposal concerning authorization for the Board (item 13)

The Board proposes that the AGM authorize the Board to, with exception from the shareholders right of priority, up to the date of next AGM to decide of issue of new shares not exceeding 5,000,000 shares. The purpose of the authorization to decide of issue of new shares is to give the company the opportunity to accomplish acquisitions of entire companies or part of other companies. The decision of issue of new shares may contain conditions that subscription for shares may be paid by capital contributed in kind. The issue price shall be fixed as close to market value of the company's share as possible.

The Board also proposes that the Board, or whom it may appoint, will be authorized by the AGM to make smaller alterations of the AGM decision according to item 13 that may appear necessary in connection with registration at the Patent and Registration Office.

Shareholders representing about 57 percent of the company's shares and votes support the proposals according to items 8b, 10 and 13.

Stockholm, February, 2001

SKANDITEK INDUSTRIFÖRVALTNING AB (publ)

The Board of Directors