

Positive response to C Technologies' salary relinquishment program

Employees within C Technologies Group have been invited to acquire warrants in C Technologies and at the same time accept an optional salary cut during a maximum period of 18 months. Cost savings totalling some SEK 16 million over 18 months will be achieved through the optional pay cuts. 170 employees have – at market price - acquired a total of 1,856,440 warrants, which has raised approx. SEK 7,4 million. Should the issue be fully subscribed, the parent company will receive just over SEK 123 million. In addition there are two current warrant programs that, if fully subscribed, will provide the company with a further SEK 370 million.

"The big support for the salary relinquishment program, accepting a short-term salary cut to be substituted by a stake in future growth, is naturally regarded as our employees' proof of commitment and positive belief in the future," says Mats Lindoff, CEO C Technologies AB.

The salary relinquishment program, which was optional, offered a maximum 20% cut of gross salary, entitling each SEK 500 cut the right to acquire 1,500 warrants. A total of six different warrant programs were offered, with a duration period of 2 and 3 years respectively. The issue price per share varying between SEK 46 and SEK 136 has been calculated according to the Black and Scholes' model. If fully subscribed the warrants will provide a maximum of approx. SEK 123 million.

Due date	Redemption price
31 January 2004	SEK 46, 66 and 95
31 January 2005	SEK 58, 89 and 136

At the Extraordinary General Meeting on Jan 16, it was resolved, in addition to the salary relinquishment program, to issue a total of 5,170,714 debentures with detachable warrants, used by holders of warrants to be exchanged for shares in Anoto AB. The holders have undertaken to, subsequent to having subscribed for shares in Anoto AB, exchange these shares for shares in the parent company C Technologies AB. If fully subscribed the warrants will provide a maximum of approx. SEK 248 million.

Due date	Redemption price
31 May 2003	approx. SEK 26
31 August 2003	approx. SEK 41
30 November 2003	approx. SEK 67
31 March 2004	approx. SEK 67

Since the Annual General Meeting 2001 there is a current staff warrants program in the parent company C Technologies AB comprising just over 1,6 million warrants at an issue price of SEK 75. The program runs at different periods as from May 15, 2002 through December 15, 2005. Fully subscribed this program will provide the parent company with approx. SEK 123 million.

Periods	Total share of options to be utilised for subscription of shares
May 15, 2002 – May 14, 2003	10%
May 15, 2003 – May 14, 2004	30%
May 15, 2004 – May 14, 2005	60%
May 15, 2005 – December 15, 2005	100%

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C Technologies AB (publ) is a Swedish, high tech company offering unique solutions for transmission of handwritten text from paper to digital media, scanning of printed text and intelligent camera surveillance. The basic philosophy is to adapt products and services to suit man's intuitive behavioural pattern. All the products and services are based on digital camera technology and image processing in real time. C Technologies Group presently has three trademarks: Anoto – a comprehensive paper, pen and server technology solution making it possible for the first time to connect all paper products with the endless possibilities offered by the digital world, C-Pen – a scanning pen that can store, translate and send printed text, and WeSpot – a hardware and firmware platform enabling intelligent camera surveillance. C Technologies Group today has approx. 300 employees and headquarters located in Lund, Stockholm, Boston, Tokyo and Hong Kong. Major owners are the founder Christer Fåhræus, Capital Group and Ericsson. C Technologies' share is listed under the O-list on OM Stockholm Exchange (Attract 40). For more information: www.technologies.se