



## **Industri-Matematik Announces Corporate Restructuring**

Mt. Laurel, New Jersey – October 10, 2002 – Industri-Matematik International Corp. (NASDAQ: IMIC) – the Order Company – today announced a corporate restructuring designed to substantially reduce costs and refocus the Company for long-term growth. As part of the initiative, Industri-Matematik will move its corporate headquarters from Stockholm, Sweden to Mt. Laurel, New Jersey and will concentrate overall product strategy and initiatives around order management and logistics.

In connection with these actions, Industri-Matematik has implemented a workforce reduction of approximately 20% of its global employee base. The Company expects to record restructuring charges of approximately \$4.0-5.0 million in the second fiscal quarter ending October 31, 2002. The majority of the restructuring charges are related to severance payments. Cash savings from these actions are expected to be approximately \$8 million annually. As a result of the workforce reduction and related cost savings, management believes that the Company will achieve break-even operating results on a quarterly basis as early as the fourth quarter of fiscal 2003 (ending April 30, 2003) or the first quarter of fiscal 2004.

"Industri-Matematik remains a solid and viable organization. The restructuring is specifically designed to bring operating expenses in line with the Company's reduced revenue levels as a result of persistent, slow economic conditions in the technology sector. We remain committed to continue developing our world-class products and delivering superior support to our valued customer base," said Lin Johnstone, president and CEO of Industri-Matematik.

Management will host an investor conference call to discuss the corporate restructuring at 10:00 a.m. Eastern Time, today, October 10, 2002. To participate in the call, dial (800) 288-8975 in the U.S. or (612) 332-0725 from outside the U.S.

### **About Industri-Matematik**

Industri-Matematik International – The Order Company – is a provider of high-performance supply chain solutions for the retail value chain which turn supply chain friction into smooth order flows. Its software enables companies to manage order and replenishment business processes based on actual customer demand to enable best-in-class, pull-driven supply chain practices. The Company's software includes collaborative order management, fulfillment, customer relationship management (CRM), distribution center and store replenishment, supply chain analytics, visibility, and event management capabilities. Industri-Matematik customers cover the entire retail value chain from manufacturers to logistics and business service providers to wholesalers and retailers. They include some of the world's leading brands such as AstraZeneca, British Airways, Campbell Soup, Canadian Tire, Foster's, Kellogg's, Royal Ahold, Schenker, Starbucks, Flextronics, TNT Express, and Warner/Elektra/Atlantic.

The statements contained in this release that are not historical facts contain forward-looking information with respect to plans, projections or future performance of Industri-Matematik and further versions of its software products, the achievements of which involve certain risks and uncertainties, including, but not limited to, the success of its reorganization, product demand and market acceptance risks, the effect of economic conditions particularly in its target markets, the impact of competitive products and pricing, product development, commercialization and technological difficulties, and other uncertainties detailed in Industri-Matematik's filings with the Securities and Exchange Commission, particularly its Annual Report on Form 10-K filed in July 2002. All information in this release is as of October 10, 2002. Industri-Matematik undertakes no duty to update any forward-looking statement to conform the statement to actual results or changes in its expectations.

For Industri-Matematik company and product information, and press releases, please access the Industri-Matematik site on the World Wide Web at: <http://www.industri-matematik.com>

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