

## **Recommendation by the Board of Directors of Diligentia**

On the 18th January 2000, the Board of Directors of Castellum announced a public offer to the shareholders of Diligentia to tender their shares in Diligentia for newly issued shares in Castellum.

It is the duty of the Board of Directors to protect the interests of Diligentia's shareholders and seek out opportunities to create shareholder value. In its assessment of the recent offer from the Board of Castellum, the Board of Diligentia took into particular consideration the industrial and financial consequences of a merger.

Since the market values of the two companies are at a discount in relation to net asset value, the proposal by the Board of Castellum of a dividend to the shareholders of SEK 4.50 per share as well as their intention to make a share repurchase/redemption worth SEK 2,500 million greatly influenced the position of the Board of Diligentia.

In addition to the tender condition of one Castellum share for one Diligentia share, Castellum's proposed dividend of SEK 4.50 per share and the planned share repurchase/redemption is estimated to represent a total cash payment of about SEK 27 per share in Diligentia. To this should be added the fact that Castellum's Board has stated its explicit intention to act in various ways to create further value for shareholders.

Against this background, the Board of Diligentia unanimously decided to recommend the shareholders to accept Castellum's offer.

Stockholm, 18th February 2000

Diligentia AB (publ)  
The Board of Directors