

## Resco and SandellSandberg sign agreement

**The agreement between Resco AB and SandellSandberg has been signed. Under the terms of the agreement, Resco acquires SandellSandberg. The deal has created an offer of unique competence to the market.**

Following depreciation of goodwill, the deal will have a positive impact on profitability for Resco. SandellSandberg's present net income is SEK 16 million for the rolling 12-months period and SEK 10 million after depreciation of goodwill.

Resco achieved net sales of SEK 283 million in 1999. Resco's pro forma net sales for 1999 amount to SEK 420 million.

Subsequent to the acquisition, Resco will have 580 employees, including employees of associated companies. Therewith, Resco has increased its workforce by 62 percent since 1 November 1999.

"By virtue of the deal with SandellSandberg, Resco is now offering a total approach to business solutions unavailable from any other firm," says Torstein Johansen, Managing Director of Resco. "I am proud that we can offer such a wide array of leading-edge expertise within the same company. We are progressively developing towards becoming a holistic idea company that also realises solutions."

The purchase will be financed with newly issued shares in Resco. The parties have agreed on two amendments of the Letter of Intent. The number of shares will be increased from 525,000 to 600,000 newly issued shares due to the prevailing market trend. Resco will be redeeming shareholders' equity in SandellSandberg.

Resco's previous converged competence in the areas of Internet-related business strategies, business systems, systems development, operational development and the Internet has now been complemented with expertise in the fields of advertising and architecture.

"Based on good experience in the past, we believe in combining competencies," says Joakim Uebel, Managing Director of SandellSandberg. "We have worked with advertising, branding and architecture and have seen the synergies created by that mix. When one merges several perspectives in one solution, the whole becomes greater than the sum of the parts. By taking this approach, we are going to show the market that we are offering a completely new breed of expertise."

The agreement is predicated on the approval of the board of directors of Resco.

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Resco

Resco unites the communications skills of the modern content provider with broad and deep competence in the fields of Internet strategy, operational development, market communications, competence management, business systems and systems integration. These specialists have earned Resco a unique position in the Nordic IT/Internet market. Following the deal with SandellSandberg, Resco has 580 employees. Resco was founded in 1982 and has been listed on the O List of the OM Stockholm Stock Exchange since 1996.

SandellSandberg

SandellSandberg merges advertising and architecture and the common fields between the two. The company's business concept is to build and communicate strong, sustainable corporate identities.

Founded in 1995, SandellSandberg is a young company that nevertheless represents longstanding industry expertise through the previous experience of the founders. The company is presently active in the international market through clients such as MEXX, EF, Saab Italy, EHPT and Ikea Germany.

SandellSandberg currently has a staff of 53 people working with strategic advertising, architecture, interior design, product design, web design, corporate identity and packaging design. SandellSandberg is also a partner in Brand Management, the first consulting firm dedicated solely to branding processes.

