

THIS IS ADDTECH

Technology trading under many brands

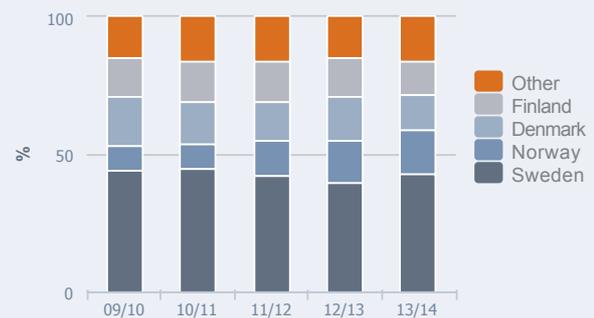
Addtech is a technology trading group that provides technological and economic value added in the link between manufacturers and customers. Addtech operates in selected niches in the market for advanced technology products and solutions. Its customers primarily operate in the manufacturing industry and public sector. The Group has just over 2,000 employees in approximately 130 subsidiaries and achieves annual sales of about SEK 6 billion to around 30 countries.

Addtech's objective is to generate long-term operating profit growth of 15 percent a year and sustainable profitability exceeding 45 percent in terms of return on working capital. Addtech creates value for its owners by supplying its subsidiaries with knowledge, networks and financial strength and by continually acquiring niche technology trading companies within selected market segments.

Net sales and operating profit

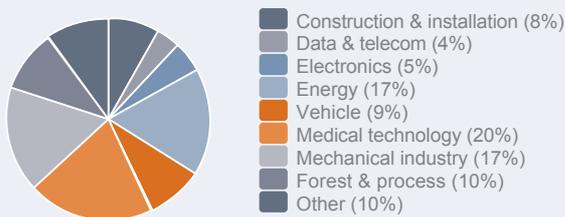


Sales by geographic market



Sales and trading in standard products form the foundation of the business, but advanced technical competence, long-term customer relationships and understanding of customers' operations often lead to more in-depth cooperation and development of customised products, solutions and services. Around half of the sales come from standard products and half from customised products, solutions or services. The close cooperation that the companies' sales staff have with world-leading customers such as ABB, Ericsson, Novo Nordisk, Sandvik, Tetra Pak and Volvo help boost competitiveness as these customers stipulate high innovation, quality and delivery requirements. This provides the Group with valuable knowledge about trends and driving forces in Nordic industry, which is then distributed throughout the Group and to the companies' suppliers.

Sales by customer segment



Shareholder value in three steps

Addtech's earnings and shareholder value are created in three cooperating and mutually-dependent steps.

1. The value-adding base

Shareholder value is underpinned by Addtech's value-adding base, which currently consists of approximately 130 operating companies that all strive to be market leaders in their niches. The companies, which are divided into four business areas, are united by a common corporate culture focused on business skills and technical expertise, combining the flexibility of small companies with the broad networks, resources and financial strength of the group. The companies' business models are based on the need for a link between customers and manufacturer that helps customers choose a supplier and technology from an increasingly complex market.

2. Active ownership

Addtech works actively to increase the profitability of its subsidiaries, but the role of owner is exercised with care. A number of subsidiaries have been created by spinning off successful business ideas from existing subsidiaries. Addtech seeks to combine the advantageous flexibility, personal touch and efficiency of a small enterprise with the resources, networks and industrial competence of a large corporation. Addtech believes that long-term growth and profitability are optimised by taking a small-scale approach on a large scale.

3. Acquisitions for growth

Acquisitions of new subsidiaries are necessary to create long-term profit growth and value for shareholders. New companies increase the value-adding base. They add sales volume, agency companies, customers, competence and, not least, motivated leaders and entrepreneurs. New companies also bring opportunities for efficiency enhancements and development.

