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PRESS RELEASE, 28 MAY 2012

## FormPipe Software makes public further financial information concerning the acquisition of Traen

On 7 May 2012, FormPipe Software announced the acquisition of Danish software and service company Traen, active within Enterprise Content Management (ECM). The acquisition is an essential step in FormPipe Software's strategy to grow and expand its geographical presence in the Nordic countries through acquisitions. The new Group will become the Nordic countries' leading software company in ECM for the public sector with a pro forma total revenue in 2011 of SEK 327 million and an operating profit (EBIT) of SEK 54 million.

FormPipe Software has established in more detail the 2011 pro forma figures for the new Group, clarifying the company's financial objectives and set new dates for the publication of future financial reports.

FormPipe Software acquires all shares in Traen for approximately SEK 300<sup>1</sup> million on a cash and debt-free basis. The acquisition is financed through a fully guaranteed rights issue of approximately SEK 125 million, as well as through bank financing. FormPipe Software's acquisition of Traen, which is expected to be completed on 31 July 2012, will have a direct impact on the Company's future profits and financial position. The aim of the pro forma statement below is to provide an overall picture of the financial effects that the acquisition and the financing of the acquisition would have had on FormPipe Software's group balance sheet as of 31 December 2011 as well as on the group profit and loss account for the financial year 1 January – 31 December 2011.

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<sup>1</sup> Based on the exchange rate on 6 May 2012, DKK/SEK 1.19

## Pro forma profit and loss account 1 January- 31 December 2011

SEK million	Formpipe Software <sup>1</sup>	Traen reported <sup>2</sup>	Adjustments <sup>3</sup>	Pro forma
Net sales	112.5	214.8	0.2 <sup>a</sup>	327.4
Costs of goods sold	-16.2	-22.2	-0.1 <sup>b</sup>	-38.5
Other costs	-33.5	-35.5	2.4 <sup>c</sup>	-66.6
Personnel costs	-50.0	-119.1	0.0	-169.1
Capitalised work for own account	17.6	8.9	0.0	26.5
Depreciation and amortisation	-10.2	-21.3	5.7 <sup>d</sup>	-25.8
<b>Operating profit</b>	<b>20.2</b>	<b>25.4</b>	<b>8.3</b>	<b>53.9</b>
Financial income	0.1	0.0	0.0	0.1
Financial expenses	-0.3	-11.6	-0.6 <sup>e</sup>	-12.5
<b>Profit after financial income and expenses</b>	<b>20.0</b>	<b>13.8</b>	<b>7.6</b>	<b>41.5</b>
Income tax	-5.3	-3.6	-1.9 <sup>f</sup>	-10.8
<b>Profit for the year</b>	<b>14.7</b>	<b>10.2</b>	<b>5.7</b>	<b>30.7</b>
<b>Minority interest</b>	<b>0.0</b>	<b>0.4</b>		<b>0.4</b>

### Notes to the pro forma profit and loss account 2011

1. Audited financial information taken from FormPipe Software's Annual Report 2011
2. Traen Management accounts 2011 drawn up in accordance with Danish GAAP. The profit and loss account has been converted from Danish kroner to Swedish kronor with a DKK/SEK exchange rate of 1.2113, which is the average exchange rate for the calendar year 2011.
3. Adjustments:
  - a, b) Adjustment with regard to maintenance agreements where the revenue recognition does not conform with IFRS. The total adjustment of the total revenue and operating profit amounts to SEK 0.2 million and SEK 0.1 million respectively.
  - c) Adjustment with regard to existing consultancy contracts in Traen that will cease with the completion of this transaction.
  - d) Adjustment with regard to the depreciation of goodwill in Traen. The depreciation amounted to SEK 5.7 million in 2011.
  - e) Adjustment with regard to the fact that Traen's historical financing will, in connection with the acquisition, be replaced by new financing. All interest costs connected to the historical financing, SEK 10.1 million in total, have been reinstated and instead been replaced by the interest cost for the new financing, which is estimated to amount to SEK 10.7 million.
  - f) Adjustment with regard to tax effects of all performance adjustments are estimated at 25%.

## Pro forma balance sheet as of 31 December 2011

SEK million	Formpipe Software <sup>1</sup>	Traen <sup>2</sup>	Adjustments <sup>3</sup>	Elimination <sup>4</sup>	Pro forma
<b>Fixed assets</b>					
Goodwill	109.9	27.4	0.0	186.9 <sup>e</sup>	324.3
Other intangible fixed assets	36.8	71.4	0.0	0.0	108.2
Tangible fixed assets	0.9	1.4	0.0	0.0	2.3
Financial fixed assets	6.4	20.1	139.0 <sup>a</sup>	-135.8 <sup>f</sup>	29.8
<b>Total fixed assets</b>	<b>154.0</b>	<b>120.3</b>	<b>139.0</b>	<b>51.2</b>	<b>464.5</b>
<b>Current assets</b>					
Inventory	0.0	0.0	0.0	0.0	0.0
Short-term receivables	34.0	59.1	0.0	0.0	93.1
Cash and bank	12.8	6.6	0.0	0.0	19.4
Total current assets	46.8	65.7	0.0	0.0	112.5
<b>TOTAL ASSETS</b>	<b>200.8</b>	<b>186.0</b>	<b>139.0</b>	<b>51.2</b>	<b>577.0</b>
<b>Equity and liabilities</b>					
Equity	130.4	-44.4	97.2 <sup>b</sup>	51.2 <sup>g</sup>	234.4
Non-controlling interest	0.0	1.3	0.0	0.0	1.3
<b>Liabilities</b>					
Long-term interest-bearing debts	0.0	77.2	31.8 <sup>c</sup>	0.0	109.0
Other long-term debts	8.5	0.0	0.0	0.0	8.5
Short-term interest-bearing debts	0.0	93.6	0.0	0.0	93.6
Other short-term debts	61.9	58.3	10.0 <sup>d</sup>	0.0	130.2
<b>Total liabilities</b>	<b>70.4</b>	<b>229.1</b>	<b>41.8</b>	<b>0.0</b>	<b>341.3</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>200.8</b>	<b>186.0</b>	<b>139.0</b>	<b>51.2</b>	<b>577.0</b>

### Notes to the pro forma balance sheet 2011

- Audited financial information taken from FormPipe Software's Annual Report 2011
- Traen Management accounts 2011 drawn up in accordance with Danish GAAP. The balance sheet has been converted from Danish kroner to Swedish kronor with a DKK/SEK exchange rate of 1.2033, which is the exchange rate on the balance sheet date of 31 December 2011.
- Adjustments:
  - a) Acquisition of shares at SEK 135.8 million and tax asset of SEK 3.2 million linked to the adjustment of revenue recognition in accordance with note d).
  - b, d) Adjustment with regard to Traen's interest rate swap linked to the old financing. This interest rate swap will be liquidated in connection with the acquisition and the new financing, which amounts to SEK 210 million. The total effect amounts to SEK 2.9 million and reduces other short-term debts as well as increases equity. Equity is also adjusted with regards to the rights issue of SEK 104 million and SEK 9.7 million with regards to the effect of the adjusted accounting principle in note d).
  - c) Increase of long-term debts as a result of the acquisition.
  - d) Adjustment with regard to maintenance agreements where the revenue recognition does not conform with IFRS. To illustrate the effects of the adjusted accounting principle, a short-term debt amounting to SEK 13 million has been included in the pro forma, the debt is adjusted against equity with SEK -9.7 million, with a net tax effect of 25%. Adjusted for the interest rate swap of SEK 2.9 million means a net effect of SEK 10 million.
- Eliminations:
  - e) The acquisition analysis will be drawn up as of 31 July 2012. All resulting surplus values will be reported as goodwill until the acquisition analysis is completed.
  - f, g) The value of the acquired shares, SEK 135.8 million, and the equity capital are eliminated.

### FormPipe Software's financial objectives

The Board of FormPipe Software has established long-term financial goals for the company with the aim of generating increased shareholder value through sustainable growth and good profitability.

As a result of the acquisition substantially altering the company's profit and loss account and balance sheet, the Board has decided to clarify that the financial objectives are still valid also for the new merged group.

FormPipe Software shall, through offering the most attractive products on the market, generate good profitability and a level of growth exceeding the general growth within the field of ECM.

FormPipe Software shall, over time, pay a dividend to shareholders of on average at least 30-50 per cent of FormPipe Software's profits after tax. Given the net debt that the financing of the acquisition of Traen entails, the company will prioritise amortisation before dividends for the fiscal year 2012.

### **New schedule for financial information**

23 August 2012 Interim Report January – June

29 November 2012 Interim Report January – September

28 February 2013 Year-end Report 2012

### **For further information, please contact**

Christian Sundin, CEO of FormPipe Software AB, +46 (0)705 67 73 85

For more information about the Company, please go to [www.formpipe.se](http://www.formpipe.se)

Stockholm, 28 May 2012

FormPipe Software AB (publ)

The above information has been made public in accordance with the Securities Market Act and/or the Financial Instruments Trading Act. The information was released at 08:00 on 28 May 2012.

### **About FormPipe Software**

FormPipe Software AB (publ) is a software company within ECM (Enterprise Content Management). We develop and supply ECM products for the structuring of information in larger companies, authorities and organisations. Our software helps organisations to capture, manage and place information in a context. Reduced costs, minimised risk exposure and structured information are benefits gained from using our ECM products.

FormPipe Software was established in 2004 and has offices in Stockholm, Uppsala, Linköping and Copenhagen. FormPipe Software AB (publ) is quoted on NASDAQ OMX Stockholm.