
PRESS RELEASE 27 June 2003

Ratos sells holding in Capona Exit gain SEK 172m

Ratos has sold its entire holding in Capona for a total of SEK 512m. This investment – which has been in Ratos’s portfolio for almost five years – has provided an average annual return of 29%.

Ratos has had a stake in Capona ever since the company’s formation five years ago. Capona originated in Ratos’s former holding PriFast, which distributed Capona to its shareholders at the end of 1998.

Today, Ratos sold 7,598 000 shares in Capona, corresponding to almost 40% of the capital and voting rights, to Choice Hotels Sweden AB, a subsidiary of the Norwegian listed hotel group Choice Hotels Scandinavia ASA. Choice Hotels Sweden will pay a total of SEK 418m for the shares, corresponding to SEK 55 per share. Out of the consideration, SEK 25m is to be paid after two years and bears a market interest rate. At the same time Ratos, through a securities broker, sold 1,436,452 shares for SEK 79m, which also corresponds to SEK 55 per share. In addition, since its most recent interim report, Ratos has sold 300,000 shares in Capona via the market for a total of SEK 4.9m. As a result of these transactions, Ratos no longer owns any shares in Capona.

In connection with the transaction Ratos has also purchased 2 million shares in Choice Hotels Scandinavia ASA for NOK 50m (approximately SEK 55.5m) with a lock-up period of 18 months.

The exit gain, which will be reported in the second quarter, amounts to approx. SEK 172m. The exit gain includes an adjustment for accumulated translation differences whereby the impact of the sale on Ratos’s shareholders’ equity amounts to approx. SEK 164m.

Ratos has received a total of SEK 512 for its holding in Capona. In addition, Ratos received a dividend from Capona in April of SEK 32.7m. The average annual return (IRR) on the investment in Capona has been 29%.

“Ratos has been an active owner in Capona since the company was listed. Today we are pleased to be able to hand over the baton to a new owner with long experience of the industry and a firm position in the Nordic hotel industry,” says Ratos’s CEO Arne Karlsson.

“In my opinion it is positive for Capona’s future development to get an industrial player such as Choice as a new owner,” comments Olle Persson, CEO of Capona regarding the sale.

This press release is aimed to be a disclosure notice.

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Ratos is a listed private equity company. The business concept is to maximise shareholder value over time by investing in, developing and divesting primarily unlisted companies. Ratos thus offers stock market players a unique investment opportunity. The net asset value of Ratos’s investments is more than SEK 8 billion. Ratos’s holdings include Arcorus, Atle Industri, Camfil, Dahl, DataVis, DIAB, Dynal Biotech, Gadelius, Haendig, Haglöfs, Hilding Anders, HL Display, Industri Kapital, Intervect, Lindab, Martinsson, Overseas Telecom, Q-Labs and Superfos