

World-leading research and industry unite to found a new ground-breaking Swedish software company.

Press release April 26, 2006

Stockholm – April 26, 2006 – SAAB AB, the Venture Capital funds KTH Seed Capital and Rendera Såddkapital invest 4.5 MSEK to spin-out 10 years of world-leading research on advanced numerical analysis at the Royal Institute of Technology (KTH) and Uppsala University.

The company – with the working name GEMS (General ElectroMagnetic Solver) - will develop and market software for simulating electromagnetic complexities. The software will enable construction engineers in telecom and other high-tech industries to develop prototypes and products both faster and with better quality control. The capital injection will speed-up the product development and market introduction.

- *GEMS is a great example of how the industry and academic institutions can work together to form a customer centric company with cutting-edge technology, says Jakob Svärdröm CEO of KTH Seed Capital. It also creates a foundation for Swedish research to keep and cultivate world leading technology. I'm also delighted we already in this early phase see a big international interest for GEMS.*

Major industrial and high-tech companies increasingly demand both faster time-to-market and first-time capability. This has led to a wide adoption of virtual prototyping typically for mechanical constructions. With the rapid digitalization and communication enabling of myriads of products, electromagnetic simulations are now becoming an important growth area. In addition, electromagnetic fields can potentially pose hazardous radiation, which makes accurate and comprehensive prototyping essential. GEMS has already signed tier-one customers in the industry, and has agreements with a number of academic customers.

- *We are today using the current version of GEMS when we develop our products. It enables to speed-up development cycles and to assure we have great quality at delivery, says Hans Berlin, Manager at SAAB Communications.*

The company was originated at PSCI (Parallel Scientific Computing Institute) at KTH in collaboration with Uppsala University. The research was sponsored by VINNOVA for 10 years. GEMS collaborates with leading researchers and is also about to extend its European collaboration agreement with Fraunhofer-Chalmers. Chairman of the company will be Magnus Bergman, a successful entrepreneur with a background in the software industry, and today an active business angel. Mr. Bergman will also co-invest in the company. Harald Hermansson, a pioneer with extensive expertise in the area, will be appointed CEO

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KTH Seed Capital

KTH Seed Capital, www.kthseedcapital.se, is a 127 MSEK venture fund investing in scalable technologies in early phases. The fund has a preference for investing in projects with relevance for KTH and the network around KTH. The LPs of KTH Seed Capital include W Capital Management (Wallenbergstiftelsen), SEB Företagsinvest, Industrifonden och KTH Holding.