

Zound by Semcon and LMS Announce Distribution Partnership for Scandinavia and the Baltic States

Semcon Takes up Exclusive Distribution of LMS Virtual.Lab and LMS Test.Lab

Leuven, Belgium and Göteborg, Sweden – 1 October, 2004 – Zound by Semcon and LMS International announced the signing of a partnership agreement for the exclusive distribution of the LMS virtual simulation software, testing systems and advanced engineering services in Scandinavia and the Baltic states. Vehicle manufacturers, suppliers and other advanced manufacturing companies in the Nordic countries will greatly benefit from the synergy between both companies. Semcon has a strong presence in the Nordic countries, and has built long-term relationships with its customers by offering top-class design and engineering services. LMS' leading software suites, testing systems and unique engineering capabilities for functional performance engineering complement Semcon's strategy to deliver complete design and engineering solutions

Under the agreement, Semcon will take up the exclusive distribution and customer support for the complete portfolio of LMS virtual simulation software and testing systems. The software covered under the agreement includes the full LMS Virtual.Lab and LMS Test.Lab software suites, with applications for acoustics, noise and vibration, system dynamics, ride and handling, structural integrity, durability and reliability. Semcon will also market LMS SCADAS III laboratory-based and mobile data acquisition.

Semcon and LMS International will also provide a broad range of joint engineering services, from full project responsibility and product co-developments, to overload contracting, technology transfer, contract research, and engineering methods auditing. The joint expertise ranges from concept and initial design optimization, detailed modeling and predictive studies, to prototype refinement by hardware testing. LMS and Semcon engineers can take full responsibility for the functional performance of new product designs, for example, orchestrating the overall noise and vibration, handling and durability performance of a new vehicle.

"The addition of LMS's skills in hybrid testing, test systems and virtual simulation programs, complements our range within Functional Performance," says **Stefan Ohlsson**, Managing Director of Zound by Semcon. In the Functional Performance sector, Semcon helps businesses develop products in the automotive, telecom and medi-tech sectors and quality test throughout the entire production process, from pilot study to final product.

Marc Boonen, vice President Sales, LMS International stated: "Reinforcing our product distribution and engineering services activities in the Nordic countries with Semcon is another step in the overall expansion of the LMS organization. The years of experience of Semcon in product design and engineering, its extensive staff of over 1,500 highly trained people and its long-standing relationships with joint customers like Volvo Cars and Volvo Group, Saab Automobile, Scania, Ericsson and many others, makes Semcon our partner of choice in Scandinavia."

For further information, please contact:

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About LMS International LMS is an engineering innovation partner for companies in the automotive, aerospace and other advanced manufacturing industries. LMS enables its customers to get better products faster to market, and to turn superior process efficiency to their strategic competitive advantage. LMS delivers a unique combination of virtual simulation software, testing systems, and engineering services. We are focused on the mission critical performance attributes in key manufacturing industries, including structural integrity, handling, safety, reliability, comfort and sound quality. Through our technology, people and over 25 years of experience, LMS has become the partner of choice for most of the leading discrete manufacturing companies worldwide. LMS, a Dassault Systèmes Gold Partner, is certified to ISO9001:2000 quality standards and operates through a network of subsidiaries and representatives in key locations around the world.

Semcon is one of the leading design and development companies in the Nordic region, with around 1,500 employees and sales in 2003 of SEK 1.2 billion. Semcon's consultants develop products, processes and people at the leading industrial businesses in the Nordic region. The combination of good growth over 20 years and well-established relationships with leading industrial groups provides a strong base for continued success. Semcon AB (publ) is listed on the O-list of Stockholmsbörsen and is currently active in Sweden, Norway, Denmark, the UK and Malaysia, and, via partners, in Spain and China.