



**Press Release**  
**December 19, 2011**

## **Statement by the Board of Directors of Orc Group AB in relation to Cidron Delfi Intressenter AB's public takeover offer<sup>1</sup>**

### **Background**

This statement is made by the Board of Directors of Orc Group AB ("Orc" or the "Company") pursuant to section II.19 of the rules concerning takeover bids on the stock market adopted by NASDAQ OMX Stockholm (the "Takeover Rules").

Cidron Delfi Intressenter AB<sup>2</sup> ("Cidron Delfi Intressenter"), a company indirectly wholly-owned by Nordic Capital VII Limited<sup>3</sup> ("Nordic Capital Fund VII"), has today, through a press release, announced a public offer to the shareholders of Orc to transfer all of their shares in Orc to Cidron Delfi Intressenter for a consideration of SEK 86 in cash per share in Orc (the "Offer").

The total value of the Offer amounts to approximately SEK 2,021 million. Compared to Orc's volume-weighted average share price on NASDAQ OMX Stockholm during the last three months up to and including 16 December 2011, of approximately SEK 56.60, the Offer represents a premium of approximately 52 percent. Compared to the last closing price of SEK 64.75 per share on NASDAQ OMX Stockholm on 16 December 2011, being the last day of trading prior to announcement of the Offer, the Offer represents a premium of approximately 33 percent.

The acceptance period for the Offer is expected to run from and including 23 December 2011 to and including 27 January 2012. The Offer is conditional upon e.g. that it is accepted to the extent that Cidron Delfi Intressenter becomes the owner to more than 90 percent of the total number of shares in Orc on a fully diluted basis and receipt of necessary regulatory approvals.

The Board of Directors of Orc has, upon request by Cidron Delfi Intressenter, allowed Cidron Delfi Intressenter to conduct a limited confirmatory due diligence investigation in connection with the preparations for the Offer and Cidron Delfi Intressenter has in connection therewith also met Orc's management. In connection with such due diligence, Orc has informed Cidron Delfi Intressenter that the development in Neonet is a disappointment and is even worse than Orc's worst case scenario at the time of the acquisition. In connection with the due diligence Orc has also informed Cidron Delfi Intressenter that downsizings and cancellations of customer contracts, the so called "churn", has been on a level of approximately 10 to 15 percent of ACV ("Annualized Contract Value") on a yearly basis to and including 2007. As from the beginning of the financial crisis in 2008, the churn on a yearly basis has been on a level of around 20 to 25 percent. Besides the above, Cidron Delfi Intressenter has not received any non-public price-sensitive information in the due diligence investigation.

For further information regarding the Offer, please refer to Cidron Delfi Intressenter's press release which was made public today.

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<sup>1</sup> N.B. The English text is a translation of the Swedish text. In case of discrepancy between the Swedish and the English text the Swedish version shall prevail.

<sup>2</sup> A newly formed company indirectly wholly owned by Nordic Capital Fund VII, under name change from Goldcup 7189 AB to Cidron Delfi Intressenter AB.

<sup>3</sup> Nordic Capital VII Limited, a limited liability company established under the laws of Jersey, with registered office in St Helier, Jersey, acting, in relation to the Offer, in its capacity as General Partner for and on behalf of Nordic Capital VII Alpha, L.P. and Nordic Capital VII Beta, L.P.

**The Board of Directors' Recommendation**

The Board of Directors' opinion of the Offer is based on a joint assessment of a number of factors that the Board of Directors has considered relevant in relation to the evaluation of the Offer. These factors include, but are not limited to, the Company's present position, the expected future development of the Company and thereto related possibilities and risks.

On 1 December 2011, Cidron Delfi Intressenter sent a letter to the Board of Directors of Orc with a price indication, without a financing condition and with a request to conduct a limited due diligence investigation. After some negotiations, the parties entered into a confidentiality agreement and on 8 December 2011 Nordic Capital Fund VII had a first meeting with Orc's management. The meeting was positive and Orc's impression was that Nordic Capital Fund VII was very well informed of Orc and its business. On 11 December 2011, Nordic Capital Fund VII and its advisers were granted access to a virtual data room.

The Board of Directors reached the conclusion that contacting other potentially interested financial and industrial parties for Orc would be in the interest of all shareholders. To assist the Board of Directors in such contacts and also to evaluate the Offer at large, the Board of Directors has engaged Lazard as financial adviser. At this point the Board of Directors can neither confirm nor rule out that any competing offer will materialize.

The Offer shall be considered in relation to currently existing alternatives. The Board of Director's conclude that the price that Cidron Delfi Intressenter offers entails a significant premium of 52 percent compared to Orc's volume-weighted average share price on NASDAQ OMX Stockholm during the last three months up to and including 16 December 2011, of approximately SEK 56.60, and a premium of approximately 33 percent compared to the last closing price of SEK 64.75 per share on NASDAQ OMX Stockholm on 16 December 2011.

Under the Takeover Rules, the Board of Directors shall also, based on what Cidron Delfi Intressenter has expressed in its announcement of the Offer, present its views on the impact the completion of the Offer may have on Orc, especially employment, and its views on Cidron Delfi Intressenter's strategic plans for Orc and the impact these could be expected to have on employment and on Orc's business locations. The information that Cidron Delfi Intressenter has provided in this respect in connection with announcement of the Offer is not sufficient for the Board of Directors of Orc to be able to present its view on any material impact the completion of the Offer may have on Orc, especially employment, and on Orc's business locations.

Based on the above, the Board of Directors unanimously recommends Orc's shareholders to accept Cidron Delfi Intressenter's Offer of SEK 86 per share in the Company.

This statement shall in all aspects be governed by and interpreted in accordance with Swedish law. Any disputes relating to or arising in connection with this statement shall be settled exclusively by Swedish courts.

Stockholm, 19 December 2011  
Orc Group AB  
The Board of Directors

**Advisers**

Lazard is financial adviser and Hannes Snellman Attorneys is legal adviser to Orc.

**For additional information, please contact:**

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**About Orc Group**

Orc Group is a leading provider of technology and services for the global financial industry. Orc delivers trading and market access solutions that are used by proprietary trading and market making firms, investment banks, hedge funds and brokerage houses.

The Orc Group serves customers through three business units, each with distinctive offerings:

- **Orc** develops and provides the tools needed to run profitable trading and brokerage businesses.
- **Neonet** offers professional market participants flexible, independent and transparent execution services.
- **CameronTec** is the financial industry leader in FIX infrastructure and connectivity solutions.

With market presence in all major global financial centers, Orc provides sales and support services from its offices across the EMEA, Americas and Asia-Pacific regions.

Orc Group is publicly traded on NASDAQ OMX Stockholm (SSE: ORC).

For additional information, visit [www.orc-group.com](http://www.orc-group.com)

*The information in this press release shall be released by Orc Group in accordance with the Swedish securities markets law. The information was handed in for publication on 19 December 2011 at 8.20 a.m. (CET).*