## **Press Release**



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## IAR Systems off to a good start in 2006 – signs two license agreements

IAR Systems, a subsidiary of the O-listed Nocom AB, has signed two major license agreements with leading Japanese electronics manufacturers. One of the agreements refers to the fast-growing ARM technology, where IAR Systems has a technological and market lead. The two orders are worth a combined SEK 3.7 million in pure license revenue.

"Japan and its many global high-tech companies are highly interesting to us, and agreements of this type clearly strengthen our position in the expansive Japanese market," says Olle Eriksson, President of IAR Systems AB. "We started seeing the first indications of increased license sales already in the second quarter of 2005. Our long-term strategic initiative to renew and revitalize the company is now having a visible impact on sales. We are certainly off to a good start in 2006 compared with earlier years."

IAR Systems enjoyed strong development in 2005, mainly due to the streamlining process that started in 2004 and has resulted in increased software revenue, both in absolute terms and as a percentage of sales. In 2005 IAR Systems was successful in many markets and achieved particularly strong sales growth in Germany, the USA and Asia. The increase in sales was primarily linked to chips embedded in the increasingly widespread ARM technology

"IAR Systems was early to identify the major potential of ARM technology, and this is starting to bear fruit. We will increase our focus and investments in this area and see the ARM segment as a key growth area for IAR Systems," says Stefan Skarin, President and CEO of Nocom.

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IAR Systems was established in 1983 and is part of the Nocom Group since 2005. IAR Systems is a leading global supplier of development tools for embedded systems. The majority of sales go to overseas customers, which include several prominent manufacturers of automobiles, cell phones, medico technical equipment, white goods and consumer electronics. IAR Systems is represented in some 30 countries through its subsidiaries and distributors. The company is headquartered in Uppsala, Sweden, and has offices in the USA, Japan, China, the UK, Germany and Brazil with a total of around 90 employees.

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