

Press Release

September 12, 2011

IAR Systems acquires Signum with complementary technology for advanced embedded systems

IAR Systems has acquired Signum Systems Corp., which is a California-based provider of software and hardware for embedded systems. The acquisition gives IAR Systems access to complementary skills and products for software development of advanced embedded systems, especially for the rapidly growing market for ARM-based processors.

“Within embedded systems demand is growing rapidly for advanced solutions, much of it driven by the growth of ARM processors. By combining Signum’s technology with IAR Embedded Workbench, our market-leading development tool, we will open a new market with integrated software and hardware solutions for advanced processors,” says Stefan Skarin, CEO of IAR Systems. “The acquisition means that we will broaden our offering. Like us, Signum has extensive expertise and a long history of quality products.”

The acquisition is expected to have limited financial impact on IAR Systems in 2011 and contribute positively to both sales and earnings from 2012. This is through sales of Signum’ products, but it is also expected that the strengthening of the offering will contribute to increased sales of IAR Systems’ development tools.

The acquisition is financed with a combination of cash and shares in IAR Systems Group AB, with an initial purchase price and an additional payment based on performance to 1 October 2015. No new shares are issued in IAR Systems in connection with this transaction since the company uses stocks held in treasury from previous buy-backs. The total purchase price will not exceed a value of SEK 23 million regardless of share price development. IAR Systems will assume the acquisition on October 3.

IAR Systems was founded in 1983 and is the world-leading supplier of development tools for embedded systems. Its software is used by over 14,000 companies to program processors that control products in, for example, industrial automation, medical devices, consumer electronics, and the automotive industry.

Signum was founded in 1979 and has a technological leadership position in the market for emulators and debuggers. An emulator consists of both hardware and software and is used to recreate a processor function in another environment, such as a PC. A debugger is software for debugging code in a processor. These functions are increasingly important as the complexity of embedded systems is increasing. Signum Systems is based in Camarillo, California and has eleven employees. For more information see www.signum.com.

IAR Systems contacts:

Stefan Skarin, CEO IAR Systems Group AB

Tel: +46 70 865 10 05 E-mail: Stefan.skarin@iar.com

Fredrik Medin, Marketing Director, IAR Systems
Tel: +46 18 16 78 00 E-mail: fredrik.medin@iar.com

IAR Systems Group AB discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act.

About IAR Systems Group

IAR Systems is the world's leading supplier of software tools for programming of chip in embedded systems. The software enables over 14 000 large and small companies to develop premium products based on 8-, 16-, and 32-bit microcontrollers, mainly in the areas of industrial automation, medical devices, consumer electronics, telecommunication and automotive products. IAR Systems has an extensive network of partners and cooperates with the world's leading semiconductor vendors. IAR Systems Group AB is listed on NASDAQ OMX Stockholm. For more information, please visit www.iarsystemsgroup.com.

IAR Systems Group AB (publ) | Kista Science Tower | 164 51 Kista | Tel: +46 8 41092000 |
Corp identity nr 556400-7200