

## P R E S S   R E L E A S E

Stockholm September 25, 2006

### **BTS Group AB has completed the acquisition of The Advantage Performance Group and The Real Learning Company**

**Stockholm, Sweden– BTS Group AB (publ)**, the world's leading business simulation training and consulting company, today announced that it has completed the acquisition of the businesses of The Advantage Performance Group (APG) and The Real Learning Company (RLC) according to the intentions communicated in a press release on August 6, 2006.

APG and RLC recorded combined net revenues of USD 21.3 million in 2005 with an adjusted EBIT of USD 2.2 million. Based on the performance of APG and RLC in 2005, the acquisition would have added approximately 40 per cent to the revenues of BTS in 2005. Added together APG and RLC recorded a compounded annual growth during the period 2000 – 2005 in excess of 10 per cent.

BTS strategy for acquisitions aims to create a broader base for future organic growth while actively consolidating a highly fragmented market and gaining the opportunity to serve new and existing customers with new products.

RLC brings a strong product portfolio of sales and leadership development solutions as well as highly creative customer and product development resources. APG is a leading independent human performance consulting network based on 35 fulltime sales– product specialist equivalent and more than 100 skilled training facilitators. The APG network is based on a franchise model where the franchisees work exclusively with APG's product offerings.

#### **Acquisition payment and financing**

BTS has acquired, as previously disclosed, from Advantage Performance Group Inc. and The Real Learning group all of their respective businesses including all immaterial rights, a preliminary net operating capital of USD 1.5 million and no interest bearing debt. Reflecting the consequence that net operating capital at the closing is lower than previously assumed the up front cash payment has been adjusted accordingly. The definitive up front cash payment will be determined by the net operating capital as of the closing day, subject to audited financial statements

The payment consists of:

- USD 2.0 million in the form of a new share issue to the sellers of 356 400 B shares at SEK 40.93 using the mandate given at the last Annual General Meeting. The shares issued have a lock-up period of 26 to 30 months.
- Up front cash payment of USD 16.9 million of which USD 13.8 million is financed through USD based loans. The remaining USD 3.1 million is financed by BTS own cash position
- An earn-out, maximized to USD 4.0 million which will be financed using BTS operating cash flow. The earn-out will be paid if the purchased businesses meet specific profitability targets during 2006 and 2007

The acquisition is estimated to have a positive impact on BTS earnings per share in 2006. No further financial facts are disclosed.

“This deal brings two of the elite US companies in our sector – with very high customer satisfaction and innovation - into the BTS family,” says Mr. Henrik Ekelund, President and CEO of BTS Group AB. “APG and Real Learning have a solid track record of profitable growth, and the combination of our two organizations builds a stronger foundation for continued organic growth both in the US market and globally. Real Learning’s new and innovative suites of solutions in sales and leadership development, combined with the BTS portfolio, forms a complete range of solutions within business acumen, sales and leadership to serve our global customer base. Also, the addition of APG’s 35 full time sales and account managers, more than 200 customers and over 100 independent facilitators creates a very strong market force in the US. APG’s business model based on strong individual incentives and a high proportion of variable costs is very attractive,” concludes Mr. Ekelund.

“As Advantage Performance Group sought to expand market presence both domestically and globally we wanted a strategic partner who shared our enthusiasm for helping clients achieve measurable business impact from training. Three years ago we set out to fundamentally change the way our industry works with our proprietary Advantage Way™ process. Other than our great partner Real Learning, no other company than BTS shared the same passion for our vision. BTS has the resources to accelerate the adoption of Advantage’s unique training program implementation and evaluation methods across the globe”, says Mr. John Hoskins, Co Founder of Advantage Performance Group.

“As founder of The Real Learning Company, I couldn’t have imagined partnering with an organization other than BTS. We share the same customer centric business model and content development methodology – the true cornerstones of our businesses - and our core values- are completely aligned. This merger will positively impact our customers, our teams, and our various shareholders exponentially. ” says Mr. Richard Hodge, Founder of The Real Learning Group.

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**About BTS Group AB**

BTS Group AB is the leading and most successful consultant- and training company within the segment of business simulations. BTS supports executive management in corporate change processes and the implementation of new strategies with the objective to create a more successful and profitable company. BTS delivers this through real life, tailor-made business simulations. All projects are managed as tailor-made business simulations delivered as e-learning solutions, software solutions or as interactive seminars. Regardless of the delivery method participants are given the opportunity to create their own experiences and instantly see the result of their efforts by working in a simulated environment where real live corporate data and conditions apply. All of this creates a highly efficient education process where business strategies and objectives are transformed into action which in turn leads to a higher awareness of which decisions in the day-to-day business effect corporate profitability and success. The overall result is measurable and sustainable profit improvements. BTS customers are leading global corporations. Currently BTS customer list includes some 20 of the world’s 100 largest companies including Coca-Cola, Weyerhaeuser, GM, Vodafone, Boeing, Telstra, Adobe, HP, Cisco, DHL, Honda, Toyota, GAP, SonyEricsson, Nokia, Scania and Sony.

BTS Group AB (publ) shares are traded on The Stockholm Stock Exchange under the symbol BTS B. Visit us at [www.bts.com](http://www.bts.com)