



SVC AG
SCHMIDT · VOGEL
CONSULTING

PRESS RELEASE

Annual Meeting of SVC AG: loud approval for the merger of SVC and APCON to form itelligence AG

Bielefeld, 29th June 2000 – At today's annual meeting of SVC AG Schmidt · Vogel Consulting in Bielefeld, the company's shareholders approved all of the agenda items with an overwhelming majority. The merger of SVC AG with APCON AG to form one of the leading e-business integrators proved particularly popular.

As soon as itelligence AG has been entered in the Commercial Register, SVC shareholders will be able to exchange their holdings for shares in the newly established itelligence AG. For each SVC share with a computed nominal value of 1.00 Euro, they will receive an itelligence AG share certificate with a computed value equal to 1.00 Euro of the new company's share capital. Herbert Vogel, management board spokesman for SVC AG, is more than satisfied that the share swap will prove a success: "From the point of view of the SVC shareholders, as a result of the merger operating profits this year are already set to rise by more than 20 percent - from a financial perspective as well, the swap is clearly an attractive proposition."

Looking at the business model for the new itelligence, SVC and APCON complement one another superbly. Apcon's technological and e-business strengths as well as its individual software skills are matched by the sales and marketing strengths, SAP skills and business sector know-how contributed by SVC. The new itelligence AG will be able to offer its customers rigorously designed total solutions extending from business consulting and web strategy via ERP integration through to web design ("one-stop business solutions").

"Front-office" solutions (web-based applications) can in this way be optimally combined with the customer's "back office" (the totality of complex IT-controlled business processes). itelligence can now span the entire value creation chain.

What's more, the merger will also lead to decisive potential for cross-selling - above all thanks to the complementary client structure and the joint global presence of the two partners. SVC is strong in Western Europe and the USA (with eight branches in America alone), whilst APCON's presence extends to the whole of Central and Eastern Europe - particularly including all of the new eastern candidates for EU membership. SVC AG's special knowledge of small and medium-sized businesses and of the services and manufacturing sectors counterbalances APCON's experience of larger companies and of the banking/insurance, chemicals and consumer goods sectors.



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The establishment of itelligence marks the arrival of one of the largest IT and e-business specialists with a planned total of 1500 employees by the end of this year, and with a current total of 36 branches in 18 industrialised countries across the world, primarily in the major growth centres of the United States and Europe. From day one, itelligence will have a large client base numbering over 700, including large numbers of growth-oriented businesses. Many of the companies quoted on Germany's Neuer Markt use itelligence software to control their business operations. itelligence's client base also takes in a series of major groups - ranging from Ericsson, TUI, IBM and Lufthansa via Bosch, ESSO, Degussa and DaimlerChrysler Aerospace through to Signal-Iduna, Hermes and the Deutsche Bank subsidiary Easy Cash.

"It is plain to see what decisive added value will accrue to both customers and shareholders from the merger to form itelligence AG," declared Herbert Vogel at the launch of the new company.

The 1999 financial year was a highly successful one for SVC. Turnover rose by 86 percent from 37.2 million to 69.2 million Euro – entirely as a result of internal growth. At the same time pre-tax profits (EBIT) climbed from 2.6 million Euro to 5.0 million Euro - up 92.3 percent. And for the year 2000 the business prospects are equally superb. The management board expects continuing strong growth in both turnover and profits.