INVITATION

The Procuritas and INSEAD
9th Seminar on Active Ownership in Public and Private Equity Markets
Monday, January 24, 2005 at 12.45 – 18.00
Auditoriet, Hilton Stockholm Slussen • Guldgränd 8 • Stockholm, Sweden • Tel. 46 8 517 353 00

Once again, Procuritas and INSEAD are proud to present the yearly seminar on active ownership in public and private equity markets. Since the inception of the seminar in 1995, more than 1400 participants, comprised of an impressive number of prominent Swedish and international individuals, have participated. The format has evolved from being a seminar solely focused on active ownership in a more classic sense, to the current format with focus on active ownership as an integral part of society.

We are very pleased to invite you to an afternoon of top class presentations, where you will have an opportunity to both listen to and participate in discussions on current trends and topics within the broad field of corporate governance related issues. We hope that you will find the program as interesting, intriguing, and enjoyable as we do. This seminar will be the second to last, so please enjoy it while it still lasts. Welcome!

This year’s seminar will pay special attention to the following topics:

- The Management Challenge of Transforming the Swedish Armed Forces
- Combining Long-term with Short-term Objectives
- The Greedy Brain
- Economic Crimes – Under Control or Out of Control?
- Globalization – When, Where and Why?
- Do We Need Less Corporate Governance?

Our distinguished list of speakers and panel-members includes:

Mr. Marcus Wallenberg
President and CEO, Investor

General Håkan Syrén
Supreme Commander of the Swedish Armed Forces

Ms. Gudrun Antemar
Director-General, Swedish National Economic Crimes Bureau

Mr. Hans Stråberg
President and CEO, Electrolux

Mr. Fredrik Wersäll
Swedish Prosecutor General

Dr. Martin Ingvar
Professor, Karolinska Institutet

The conference will be conducted in Swedish with simultaneous interpretation to English.

We have limited the number of participants to 300 people, and we will follow a strict first-registered-first-served format. Please fill in the Registration Form and return it to us ASAP.
PROGRAM
The Procuritas and INSEAD 9th Seminar on Active Ownership

12.45 Registration & Coffee

13.15 Private Equity Front Line Report
Private equity has shown a remarkable development over the last two decades, and is now an established part of the financial industry. The evolution of the private equity industry has been very rapid, however the industry now moves into a more mature phase. Mr. Karlander, Managing Partner of Procuritas, will give a brief update on the development of the private equity industry, as well as introduce the 9th, and second-to-last, seminar on active ownership.

Mr. Hans Karlander
Managing Partner, Procuritas Partners

13.30 Old Heritage, New Era, New Demands
The situation for the leadership of the Wallenberg sphere, the icon of the Swedish industry, has changed significantly. Historically, the organization was free to focus on long-term value creation, while today, an increasing effort might be put on satisfying the short-term speculations of the analysts, rather than having a sustainable focus on creating maximum long-term value. But what are the consequences of this? Are the possibilities of maximizing real shareholder value still as great as before? Marcus Wallenberg, CEO of Investor, will discuss these questions, as well as explain what has changed in demands over the history of the organization, and elaborate on whether it is possible to blend the heritage of the past with the realities of today.

Mr. Marcus Wallenberg
President and CEO, Investor

14.00 Do We Need Less Corporate Governance?
In response to scandals and value meltdowns across the globe, we have over the past three years witnessed a series of new laws, regulations, and revised governance codes. The aim of all these is to bring a more professional compliance culture and ethic to the board, thereby decreasing the risks for additional scandals of the same magnitude as we have seen. The discussions have all focused on that shareholder value is created through increased focus on corporate governance. However, a side effect of this is a drastic increase in bureaucracy and costs. Philippe Haspeslagh, Director of INSEAD’s International Directors’ Forum and a Non-Executive Partner in Procuritas, will examine whether the pendulum has not swung too far, and what the consequence of this then would be. Furthermore, he will elaborate on how organizations benefit of operating an organization as a global entity, rather than as a group of local fiefdoms.

Dr. Philippe Haspeslagh
Paul Desmarais Chair Professor of Partnership and Active Ownership at INSEAD

14.30 The Greedy Brain
Arbitrating the interests between individuals and organizations is central in the development of a functional business environment. Corporate governance entails balancing the good of the individual versus the interests of the company. What drives the individual to continuously want more in spite of the fact that all reasonable individual needs are fulfilled? Are we biologically rigged to be greedy or is this something we learn? Why do some curtail their drive to take more than their fair share, while nothing seems to stop others? Martin Ingvar, a leading brain researcher and an expert in the field of neuroimaging and behavior will relate recent advances in the field of motivation and the brain reward system. The result of this discussion will be to shed light on whether there is a biological explanation to all of the corporate governance scandals that have featured over the history of mankind.

Dr. Martin Ingvar
Professor, Kardinska Institutet

15.00 Café Procuritas

15.30 Transforming the Swedish Armed Forces into the New Millennium
The Swedish Armed Forces are in the midst of a radical transformation. The end of the Cold War has led to a dramatic change of the Swedish strategic environment. Old military threats have dissolved and have been followed by new and very different challenges, where more focus is on international operations not directly aimed at defending the Swedish soil. The current challenges can be seen from two different viewpoints. The first is from the “owner’s” perspective, looking at the aim of the organization and the amount of resources that can be spent to reach this goal. The second is from the “manager’s” standpoint, which includes the implementation of the decisions of the political masters, to reshape the organization to cope with the budgetary restrictions and other political realities. General Syrén, Supreme Commander of the Swedish Armed Forces, will elaborate on the challenges facing the Swedish Armed Forces in the coming years, including the greatest management challenge of modern times – transforming a large organizational structure that for half a century has been tuned to meet a large scale invasion, into a flexible instrument for international crisis management tasks.

General Håkan Syrén
Supreme Commander of the Swedish Armed Forces

16.00 Economic Crimes – Under Control or Out of Control?
The economic crimes issue is a very large, and growing, problem. The various branches of the judicial system fight a war to get the situation under control. However, the battle appears to be difficult to win. The complexity of economic crimes leaves the criminal justice system struggling to penetrate the problems at hand, thereby creating leeway for the perpetrators. Furthermore, the criminality evolves faster than the legislation can adapt. One attempt to counter the problems was the creation of the Swedish National Economic Crimes Bureau. However, the organization has yet to even scratch at the surface of the problem. Is it possible to come to terms with these problems? And are the various parts of the Swedish judicial system doing all that is possible to get to terms with the mounting problems? And finally, does the legislation reflect the needs in this area?

In this part of the program, we will focus on the situation for the public prosecutors and what they are doing in order to come to terms with the greediness reflected by the economic criminality of the private sector. Mr. Wersäll will provide an introduction on the daily work of a Prosecutor General, followed by a panel discussion.

Mr. Fredrik Wersäll
Swedish Prosecutor General

Ms. Gudrun Antemar
Director General, Swedish National Economic Crimes Bureau

Mr. Christer van der Kwast
Chief Prosecutor and Head of the National Unit against Corruption

Mr. Gunnar Stetler
Head of Eastern Department, Swedish National Economic Crimes Bureau

Moderator
Mr. Olle Rossander
Journalist

16.45 Globalization – When, Where and Why?
There have for a long period of time been a lot of discussions regarding the globalization process. While the debate in the media has focused on when, where and how the transformation into a more global society will take place, others have ensured that it actually has started to happen – and that it happens fast basically everywhere! Hans Stråberg, head of Electrolux with 72,000 employees globally, has both experienced and taken part of this transformation from a driver’s seat. He will share what he has done and seen in this transformation process, as well as elaborate on how organizations benefit of operating an organization as a global entity, rather than as a group of local fiefdoms.

Mr. Hans Stråberg
President and CEO, Electrolux

After the seminar we invite speakers and audience to continue the discussion over cocktails.
Gudrun Antemar
Ms. Antemar is the Director General of Swedish National Economic Crimes Bureau. Her previous appointments include various positions at the Ministry of Justice, as well as Chief Legal Officer at the office of the Prosecutor General, as well as being a Judge. Ms. Antemar holds an LL.M. from University of Stockholm.

Philippe Haspeslagh
Mr. Haspeslagh is Professor in Business Policy at INSEAD, where he directs the Mergers and Acquisitions Program. During 1996 and 1997 he served as Director of the Cabinet of the Belgian Minister of Small- and Medium-Sized Enterprises and Agriculture. He is a Partner of Procuritas, as well as a consultant on acquisitions and corporate strategy to several international companies. He holds a DBA from Harvard Business School.

Martin Ingvar
Dr. Ingvar is Professor at the Karolinska Institutet, and the acting Chairman of the Department of Clinical Neuroscience at the Karolinska Institute. He is also the Chairman of the World Childhood Foundation. Dr. Ingvar is a well established clinical researcher within neuroscience and has published a wide array of books and reports within cognitive neurophysiology. He holds a PhD within Neuroscience.

Hans Karlander
Mr. Karlander is Managing Partner of Procuritas since 1995. He has held various positions in AB Electrolux and IndustriFinans AB, and was Executive Vice President of Swedbank. In 1992-1994, he served as Under-Secretary of State at the Swedish Ministry of Industry and Commerce. Mr. Karlander is or has been a board member of several private and public companies. He holds an M Sc from Stockholm School of Economics.

Christer van der Kwast
Mr. van der Kwast is the Swedish Chief Prosecutor. He heads Riksensheten mot korruption, the Swedish National Unit against Corruption. He has previously held a number of different positions within the Prosecutor General’s office. Mr van der Kwast holds an LL.M.

Olle Rossander
Mr. Rossander is an independent journalist and author. His previous appointments include heading Dagens Nyheter’s business section, as well as being Editor-in-Chief of Affärsvärlden. He was the Principal Secretary of Förtroende kommissionen, the Swedish Commission on Business Confidence. Mr. Rossander has also published books regarding ethics in the public and private sectors.

Hans Stråberg
Mr. Stråberg is CEO and President of Electrolux. Mr. Stråberg joined the company in 1983. Previous positions in the company include various positions as Executive Vice President. Prior to becoming CEO and President of Electrolux, he was COO of the Electrolux Group. He is also a Board member of AB Ph Nederman & Co and of the Association of Swedish Engineering Board. Mr. Stråberg has an M Sc in Engineering from Chalmers University of Technology.

Håkan Syrén
General Syrén is the Supreme Commander of the Swedish Armed Forces. General Syrén joined the Swedish Armed Forces in 1973. Previous appointments include heading the Swedish Joint Military Intelligence and Security unit. He has also worked at the Swedish Ministry of Defense. He is a member of the International Institute of Strategic Studies and the Royal Swedish Academy of War Sciences.

Marcus Wallenberg
Mr. Wallenberg is the CEO of Investor, and has been with the company since 1993. He is the Deputy Chairman of Ericsson, Saab AB, and SEB. Furthermore, he is a Board member of AstraZeneca, b-business partners B.V., Hi3G Access AB, Scania AB, Stora Enso Oyj, and Knut och Alice Wallenberg's Stiftelse. Mr. Wallenberg holds a B Sc in Foreign Service, from Georgetown University.

Fredrik Wersäll
Mr. Wersäll is the Swedish Prosecutor General. Previously, he was a Swedish Supreme Court Judge. Other previous appointments include Chief of Legal Affairs and Director at the Swedish Ministry of Justice. Mr. Wersäll holds an LL.M.
**Procuritas Partners**

Procuritas was established in 1986 and specializes in initiating, structuring, and financing Scandinavian buyouts. Procuritas arranged the first two Scandinavian buyouts of listed companies, and has been a leading player in the region for 19 years. Procuritas has 22 employees and offices in Stockholm, Copenhagen and Guernsey.

Procuritas Partners manages at present three private equity funds. The first fund, Procuritas MBO Invest Consortium (PMIC), was established in 1990 with a committed capital of SEK 254 million and was one of the first funds with the sole objective of investing in Scandinavian buyouts. Seven companies have been acquired and these investments have generated a return in excess of SEK 1054 million on the SEK 122 million invested, translating into an annual compounded return to PMIC exceeding 100%.

The second fund, Procuritas Capital Partners II (PCPII) was launched in 1997 and has committed capital close to SEK 1 billion, allowing it to participate in buyouts of significant size. Investments include CityMail Sweden AB, Nordic Specialist Group, Sandå Projekt AB, Bravida ASA and Axenti A/S. Among the PCP II investors are Länsförsäkringar, Nordea, Finnish insurance groups Sampo and Pohjola, Verizon, Pomona Capital and the State of Kuwait.

The third fund, Procuritas Capital Investors III (PCI III), has a committed capital of EUR 227M and is currently open for new investments. Since the inception, investments have been made in Wermland Paper, Thermin, Expan and Brio Lek&Lär. Among the PCI III investors are Gjensidige Nor, Hamburgische Landesbank, Invesco, Kelonia Placering, Morgan Stanley, Nordea, Norsk Hydro, Sampo, Statoil, and Verizon.

Creating value in all stages of an investment through close co-operation with management, Procuritas is an excellent option for institutional investors who view active ownership as a prerequisite for good returns.

For more information, please visit our web site www.procuritas.se

**INSEAD**

INSEAD has campuses in Fontainebleau, France and in Singapore and is the largest business school in Europe. It was rated number one in Europe and number six in the world by Financial Times in 2003.

It is one of the few business schools that are genuinely international, maintaining a pioneering role in a range of transnational and cross-cultural issues applicable to management. INSEAD offers an extensive executive development program with over five thousand participants representing over seventy countries, a ten-month MBA program, as well as Ph.D. and Research Development Programs. The Institute's faculty consists of more than 150 full-time professors.

Among the many research programs initiated by INSEAD, the Institute operates a special program on Corporate Governance, including the unique International Director's Forum, an experience based learning event for Chairmen and Supervisory Board Members.

To ensure that INSEAD’s goals and strategies are well directed and implemented, the Institute has four advising bodies: The Board of Directors, The International Council, the Advisory Committee on Management Education (ACME), and the INSEAD Alumni Association.

The INSEAD Swedish Council, which forms a part of the INSEAD International Council, acts as a special channel of communication between the Swedish corporate sector and the Institute. The Council promotes the profile of INSEAD in Sweden, counsels and supports the Institute, and enhances INSEAD’s financial development through support from corporations, individuals, and foundations.

For more information, please visit our web site www.insead.fr