

Doro acquires Birdy Technology SAS, partially by way of an issue in kind, to further strengthen position in tele-assistance and mHealth

Doro's growth strategy includes developing, on the basis of its success with mobile phones for seniors, its offering of health-related products and services for older people via mobile phone technology (referred to as mHealth).

In accordance with this strategy, Doro has, in addition to the recently announced acquisition of Prylos SAS, also acquired the French-based company Birdy Technology SAS, which operates within the area of tele-assistance. This strengthens Doro's involvement with the upcoming mHealth services, extending the company's opportunities for continued growth. The acquisition is being implemented by Doro and wholly-owned subsidiary Doro SAS.

Birdy Technology is a company consisting of two people that was established in 2008. As its main product, Birdy Technology develops a fixed GSM gateway which, via the mobile network connects various sensors (fall sensors, wrist alarms, smoke detectors, etc.) to a call center when the sensors are triggered. In this way, seniors' everyday lives are made safer and more comfortable, while relatives are granted peace of mind.

Xavier Corbin, the CEO and founder of Birdy Technology SAS, has 20 years of experience in the tele-assistance market. He will remain within the Doro group for at least three years and will be in charge of developing the Group's tele-assistance business on a global basis.

Birdy Technology's customers include both private and public home-tele-assistance companies in France. The company is expected to generate sales of approximately EUR 1.2 million in 2011. Read more at www.birdy-technology.com.

"The acquisition of Birdy Technology represents an opportunity for Doro to strengthen its offer in tele-assistance, forming a solid platform from which to add mHealth services at a later stage. Xavier Corbin's expertise in the field of tele-assistance will help us develop our position in this market." says Doro's CEO Jérôme Arnaud. "We perceive growth and cost synergies with Birdy with whom we have much in common in terms of technologies and potential customers," he continues.

The purchase price for Birdy Technology amounts to approximately EUR 1.29 million, of which about EUR 0.61 million will be paid in cash to non-executive shareholders and EUR 0.68 million in the form of 241,543 newly-issued Doro shares to Xavier Corbin in exchange for his shares in Birdy Technology. The share issue, which will result in a dilution of 1,3 percent, is made in accordance with the authorization to Doro's Board of Directors approved by Doro's 2011 Annual General Meeting. As a result of the share issue, the number of shares in Doro will rise by 241,543 shares, to 19,349,174 shares, and the share capital will increase by SEK 241,543 from SEK 19,107,631 to SEK 19,349,174.

Xavier Corbin has subscribed for the newly-issued shares at a subscription price of SEK 25.56 per share. The subscription price has, pursuant to the share transfer agreement entered into with the shareholders of Birdy Technology, been based upon the average stock price of Doro's shares during a period of ten business days prior to the date of the Board of Director's resolution regarding the

About Doro

Doro is a Swedish company focusing on the development, marketing and sales of telecom products specially adapted to the growing worldwide population of seniors. With over 35 years of experience in telecommunications, and sales in more than 30 countries on 5 continents, Doro is the world's leading brand for easy-to-use mobile phones. Doro created the Care Electronics category and in recent years, its products have received several highly distinguished international design awards. The company had sales of SEK 633 m in 2010. Doro's shares are quoted on the Nasdaq OMX Stockholm, Nordic list, Small companies. Read more about Doro at www.doro.com

share issue. The share issue is subject to registration with the Swedish Companies Registration Office.

An additional purchase price of approximately EUR 0.46 million, but not totaling more than EUR 0.6 million, will be paid to Xavier Corbin provided that certain significant and well-defined sales targets are met during a three-year period. Payment of the additional purchase price is conditional on Xavier Corbin remaining employed by Birdy Technology or Doro SAS at the time of payment. Payment shall be made annually and may, according to Doro SAS' choice, be made in cash or in the form of newly-issued Doro shares.

The effect of the acquisition on Doro's financial position and earnings in 2011 is expected to be marginal.

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