

Stockholm, August 4, 2008

The Board of Directors of IBS AB recommends shareholders not to accept the offer from Deccan Value Advisors

Background

Deccan Value Advisors Fund L.P., Deccan Value Advisors Fund Ltd., A/D Value Fund L.P. and Y/D Value Fund L.P. ("Deccan") announced on 30 June, 2008 a public bid for all shares in IBS AB ("IBS" or "the Company"). Deccan announced that it had increased its shareholding in IBS to above 30.0 percent of the votes. Thus, in accordance with the provisions governing mandatory bids, Deccan made a public cash offer to the shareholders of IBS.

According to the offer document dated 11 July, 2008 (the "Offer Document") the shareholders of IBS are offered to tender all their shares in IBS to Deccan for a consideration of SEK 9.64 (the "Offer Price") in cash per share (the "Offer"). The Offer Price is subject to adjustment should IBS pay any dividend or in any other way distribute or transfer funds to shareholders before settlement of the Offer.

On 1 July, 2008, the Board of Directors of IBS ("the Board") issued a press release stating that it would revert with its recommendation to the shareholders well in time before the end of the acceptance period.

The Board has retained Carnegie Investment Bank AB ("Carnegie") as financial advisor.

Two of IBS' board members, Vinit Bodas and George Ho are employed by Deccan Value Advisors L.P., which is the general partner and financial advisor to Deccan. Due to Vinit Bodas and George Ho being related to the bidder, they have not participated in the Board's assessment of the offer.

Recommendation by the Board of Directors

It is the opinion of the Board that the Company is currently going through a transition phase that will significantly improve the long term profitability of IBS. During the first quarter 2008, IBS launched a new phase of its ongoing activity program in order to improve profitability. Among the activities in this phase, IBS reduced the number of non-billable staff considerably compared with the 2007 level. The implementation of a new global structure in order to better support international customers in IBS' key industry solutions has been finalized. The company has just successfully completed a rights issue that was fully subscribed. The rights issue provided the company with approximately SEK 397 million before transaction costs. This capital will enable IBS to improve profitability by making investments in new and expanding geographic markets, complete the new product offerings on new technical platforms, continue the shift of resources to mid- and low-cost countries and to implement other cost measures within the aforementioned activity program. A detailed plan for these activities will be presented during the fall 2008.

In reviewing the Offer and deliberating on its recommendation, the Board has considered IBS' current performance and future prospects, as well as other factors deemed to be of relevance in relation to its assessment of the Offer.

Deccan has provided limited information regarding the effects that the completion of the Offer would have on IBS, in particular with regard to employment and IBS' strategic plans. Deccan states it does not currently intend to change IBS' strategic plans or to any material extent, change

IBS CORPORATE HEADQUARTERS

P.O. Box 1350, Hemvämsgatan 8
SE-171 26 Solna, Sweden

Corp Reg No: 556198-7289
Reg Office: Stockholm, Sweden

Tel: +46 8 627 23 00

Fax: +46 8 764 59 65

info@ibs.net

www.ibs.net



the terms of employment or number of employees at the Company's current locations. However, no guidance is given with respect to any such plans in the medium- to long term. Based on the very limited information provided to date by Deccan, the Board cannot make any assessment as to what effect the Offer would have on the location of IBS' businesses, or the employment situation for current employees.

Carnegie Investment Bank AB has issued a fairness opinion to the Board of Directors. This opinion is attached to this statement.

In summary, the Board believes that the transition phase that IBS is currently going through, will significantly improve the long term profitability of the Company. In view of this, it is the opinion of the Board that the Offer Price does not adequately reflect the value of IBS.

The Board recommends IBS' shareholders **not** to accept the Offer.

Shareholders with a short-term view on their holding in IBS should notice that the general economic development is currently uncertain. In the event that further economic developments prove to be worse than expected, this could have a negative effect on IBS' earnings.

Furthermore, shareholders' attention should also be drawn to the fact that Deccan currently controls 27.1 percent of the outstanding capital and 44.4 percent of the outstanding votes of IBS. Such ownership concentration could potentially reduce the liquidity in the market for the IBS share, which could have a negative effect on its price going forward.

IBS AB

Board of Directors

For more information please contact:

Oskar Ahlberg, Investor Relations Director, IBS AB

Phone: +46 70 244 24 75

oskar.ahlberg@ibs.net

IBS in brief

With over 30 years of supply chain expertise, IBS is a leading provider of complete ERP solutions. IBS focuses on mid-sized and large distribution companies, as well as sales and manufacturing subsidiaries of international groups, mainly within industries such as automotive, electrical, food, industrial supplies, paper, pharmaceutical, publishing and wholesale distribution. More than 5,000 customers across some 40 countries use IBS software to gain fast and measurable returns on IT investments.

IBS B share is listed on OMX Nordic Exchange Stockholm. For more information, please visit www.ibs.net

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Fairness opinion given by Carnegie Investment Bank AB

The Board of Directors of
IBS AB

Stockholm 4 August, 2008

The Board of IBS AB (publ) ("IBS", and together with its subsidiaries the "IBS Group") has requested Carnegie Investment Bank AB ("Carnegie") to provide an opinion as to the fairness, from a financial point of view, of the terms of the offer, as defined below. (the "Offer").

Deccan Value Advisors announced on 30 June, 2008, that it had increased its shareholding in IBS to above 30.0 percent of the votes. Thus, in accordance with the provisions governing mandatory bids, Deccan Value Advisors made a public cash offer to the shareholders of IBS. According to the offer document dated 11 July, 2008 (the "Offer Document") the shareholders of IBS are offered to tender all their shares in IBS to Deccan for a consideration of SEK 9.64 (the "Offer Price") in cash per share. The Offer Price is subject to adjustment should IBS pay any dividend or in any other way distribute or transfer funds to shareholders before settlement of the Offer. The implementation of the Offer is contingent upon all necessary permits, approvals, decisions and other measures by governmental authorities or suchlike. Settlement is intended to take place on 22 August, 2008.

Carnegie has as a basis for this opinion, regarding the financial terms, reviewed and considered i.a.:

- i) a press release dated 30 June, 2008 and an offer document dated 11 July, 2008 containing i.a. the terms and conditions of the Offer;
- ii) the audited annual report for IBS for the financial year 2007; and the unaudited interim report for the period ended 30 June, 2008;
- iii) internal financial analyses and forecasts prepared by the management of IBS relating to the IBS Groups business;
- iv) discussions with senior management of the IBS Group concerning the past and present activities, financial position, investment requirements and future prospects of the IBS Group;
- v) official information concerning share prices and turnover in the IBS share;
- vi) official information from OMX Nordic Exchange Stockholm concerning public offers for certain other companies listed on OMX Nordic Exchange Stockholm;
- vii) information i.a. from external sources, regarding listed companies comparable with IBS as well as information regarding terms and conditions for acquisitions of companies comparable with IBS;
- viii) other information concerning the past and present activities of the IBS Group as well as such other information which Carnegie has deemed necessary or appropriate to take into account as basis for this opinion.

Carnegie has assumed and relied upon, without independent verifications, the accuracy and completeness of the information, which was publicly available or furnished to us by IBS, or otherwise reviewed, by Carnegie for the purposes of this opinion. Carnegie's opinion is necessarily based on financial, regulatory, market and other conditions as in effect on, and the information made available to us as of the date hereof. The circumstances on which this opinion is based may be affected by subsequent events.

Carnegie has relied on information presented or forwarded to us by senior management of IBS regarding assessments of the IBS Group's ability to reach its financial and operational goals (and the assumptions on which these are made) which have been made by senior management of IBS and approved by the Board of Directors of IBS. Carnegie expresses no view as to such financial analyses, forecasts or projections or the assumptions on which they are based.

Based upon and subject to the foregoing, it is our opinion, as of the date hereof, that the Offer is not fair from a financial point of view for the shareholders of IBS. Carnegie does not hereby express any opinion or any recommendation as to whether or not holders of shares should accept the Offer.

Carnegie is acting as advisor to the Board of Directors of IBS in respect of the Offer. Carnegie is engaged in securities sales and trading as defined and regulated by applicable Swedish law. This includes e.g. sales and trading in securities and other financial instruments for Carnegie's own benefit or on behalf of other parties and Carnegie may, in the normal course of its securities sales and trading operations, trade or take positions in securities directly or indirectly affected by the Offer.

This opinion is addressed to the Board of Directors of IBS and is solely intended as a basis for the Board's deliberations and decision in respect of the Offer and the opinion may not, without prior consent from Carnegie, be invoked or used for any other purpose and, pursuant to such consent, only be used or invoked in its entirety. This opinion is governed by Swedish law and any dispute relating thereto shall be settled exclusively by Swedish courts.

CARNEGIE INVESTMENT BANK AB (publ)

Investment Banking