

Savcor Acquires Forest IT business from Athena

Sao Paulo, Brazil, November 8th, 2006 – Savcor Ltda has announced the acquisition of all businesses of Athena Recursos Naturais Ltda, a Brazilian Forest IT company.

The combination of Savcor and Athena creates one of the world's largest, most innovative and diversified forest IT companies. The acquisition brings together some of the industry's strongest software brands in Forest Management Systems (FMS) designed to add value to clients core businesses. The move boosts a strategic initiative to advance a powerful software platform, based on “Framework” technologies, that scales from mobile data collection devices to high-end servers.

"The rapid expansion of plantation forests, pulp and paper industry and mechanical wood processing in South America is creating high demands for Forest Management Systems," says Pasi Niemeläinen, Managing Director of Savcor Ltda. "Savcor and Athena are at the center of this trend, and together we will build on our combined heritage to redefine the way the forestry cluster can further maximize their competitiveness."

This week the company will begin executing the planned integration of the two companies' operations, networks and customer care organizations to ensure a smooth transition and immediate value for customers, partners and investors. Management of the combined company includes executives and board members from both organizations. Savcor's Pasi Niemeläinen continues as Managing Director of the South American operations. Athena's Silvana Nobre has joined Savcor as Director of Operations, Mauro Assis remains Director of Systems Development and Luiz Carlos Estraviz Rodriguez continues as the Leading Consultant on Forest Management Systems. The employees of Athena will be transferred to Savcor and they will continue providing services for the South American and international clients.

About Athena

"Athena's research and development of Forest IT systems started in 1999 in close co-operation with some of the largest Brazilian forest companies. During the past 6 years, Athena has proven to be the superior IT solutions provider for plantation forests", says Silvana Nobre, Director of Operations. "Athena's IT solutions will be marketed through Savcor global sales network and in addition, Savcor will integrate them to it's global forestry IT solutions. This will provide great possibilities to further optimize the forestry operations and to deliver efficiency, efficacy, velocity and flexibility to further maximize our clients competitiveness" says Mr. Hannu Savisalo, the CEO of Savcor Group. "The forest industry is going through a huge revolution right now. Plantation owners and processing plants are streamlining their operations to improve their efficiency and profitability, and that is precisely where the best software solutions, mobile data computing and consulting services are required."

Athena already provides services for an impressive portfolio of forestry companies. Current Athena clients will benefit from the expanded resources and increasing operational and service scale made possible by the integration into Savcor. Their service as Remsoft's solutions provider in Brazil will also continue uninterrupted.

About Savcor

Savcor was founded in 1981 and today has over 1600 employees. The Savcor Group's head office is located in Mikkeli, Finland, and the company has its own operations in 15 countries. Savcor owns production subsidiaries in addition to Finland in the USA, China, Brazil, Hungary, Denmark, Sweden and Australia supported by several sales offices.

“Savcor has been providing services and equipment for South American pulp and paper producers since 1994. The main focus so far has been in solutions covering a wide range of corrosion prevention, anti-fouling and process control applications to the whole pulp and paper production chain. Through the local Sao Jose dos Campos based office which was established in 1999, we have created strong business relationships with all the main players on the industrial side. The acquisition of Athena will further boost our presence and competence on the forestry side of the value chain”, says Pasi Niemeläinen, Managing Director of Savcor Ltda.

Savcor Forest specializes in producing hi-tech information systems for the entire Forest Sector and related industries utilizing the latest tools and technologies available. Savcor provides enterprise resource planning and wood procurement systems for sawmills and board mills. In addition, they provide a full range of systems for forestry management, contract management, materials procurement and logistics systems, including measurement hardware, distributed by one of it's subsidiaries, Masser calipers and relascopes. These hi-tech tools increase efficiency and cut down on unprofitable phases of the production chain, improving the performance at every step, from the seedling to final industrial processing and beyond.

“Savcor Forest has developed wood procurement, forest, and mechanical wood processing information systems for 15 years. We have gained a detailed knowledge and expertise in partnership with a great number of partners and customers world wide. Long lasting development work has resulted in many proven products and solutions. Development in information technology is an ongoing task and therefore our software products continue to evolve to make the best use of new ideas and technologies to the benefit of our customers”, comments Matti Perämäki, Managing Director of Savcor Forest Global from Finland.

For further information, please see www.savcor.com or www.athenasoft.com.br

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