

Radically **CHANGING THE WAY**
our customers operate and compete



Company PROFILE

Lawson Software (Nasdaq: LWSN) develops, designs and delivers enterprise business process software solutions that serve the specialized needs of services organizations. These include large to mid-sized organizations in healthcare, retail, professional services, public sector, financial services and other strategic markets, which rely on our software to automate and integrate their mission-critical processes and facilitate collaboration among customers, partners, suppliers and employees. Lawson's software solutions include financials, human resources, procurement, distribution, merchandising, services automation and analytics. Lawson's initial public offering took place Dec. 7, 2001, on the Nasdaq National Market.

LOCATIONS

Headquarters

Saint Paul, Minn., United States

International operations

Brentford, Middlesex, United Kingdom

United States locations

Atlanta
Boston
Chicago
Columbus
Dallas
Denver
Los Angeles
Minneapolis
Newton, Mass.
New York
Philadelphia
San Francisco
Seattle
Washington, D.C.

International offices and affiliates

Australia/New Zealand
Benelux
Canada
France
Germany
Honduras
India
Mexico
Nigeria
Portugal
South Africa
Spain
Sweden
Tanzania
Venezuela



workforce optimization

In the services industry, the fully empowered knowledge worker is the No. 1 asset within a company or organization. Imagine the power of the individual connected to the power of the team connected to the power of the organization, creating the most efficient, most effective workforce possible. This is the concept of workforce optimization. And this is the next wave of mission-critical enterprise software that Lawson is delivering to the services industry. At the center of workforce optimization is Services Automation, the Lawson solution that allows services companies and organizations to automate, organize, and manage work, resources, utilization, time and costs to achieve workforce optimization. This is Lawson's mission: Radically changing the way our customers operate and compete.



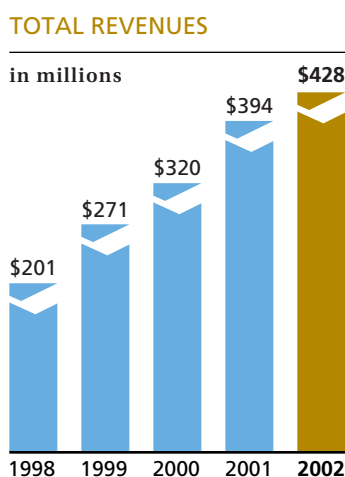
Jay Coughlan

President and chief executive officer

Dear stockholders,

Fiscal year 2002 was a banner year for Lawson Software. After 26 years as a privately held company, Lawson achieved a major milestone by becoming a publicly traded company on Dec. 7, 2001, on the Nasdaq National Market.

It was a day of celebration for Lawson, marking the end of one successful chapter in the Lawson story and the exciting beginning of another.



Fiscal 2002 financial performance

For the year ended May 31, 2002, our revenues increased to a record \$428.3 million, up 8.6 percent, and our net income was \$8.4 million. Our license revenues were \$150.2 million, down slightly at 1.3 percent, and our services revenues were \$278.1 million, up 14.9 percent.

Our business continues to be driven by the addition of new customers – 61 percent of our business came from new customers in fiscal 2002 and 39 percent from existing customers. Our number of customers increased from 1,909 to 2,137 in fiscal 2002, and significant new customers added were Catholic Healthcare West, Lucent Technologies, Schlumberger, State of Arizona, and Albuquerque Public Schools.

For the year, our financial performance reflected the changing economic conditions, which had a significant impact on the technology sector,

After 26 years as a privately held company, Lawson achieved a major milestone by becoming a publicly traded company on Dec. 7, 2001, on the Nasdaq National Market.

as shown by the 17 percent decline in the Nasdaq from the time of our IPO to the close of our fiscal year. The weakening economy had an impact on the enterprise software sector and on the purchasing decisions of some of our customers. We saw slower buying activity from some of our customers toward the end of our year, but the good news was that both new and existing customers continued to purchase our software, benefiting from the fast return on investment our software delivers, the lower total cost of ownership, and the out-of-the-box functionality they need to operate their business more efficiently and effectively.

Our history and our financial performance in fiscal 2002 points to the overall health of Lawson and to our ability to manage our company through all kinds of market conditions. Lawson has thrived

for more than 25 years in the technology sector precisely because of this ability to adjust to and manage through disruptive changes in technology, new competition and an ever-changing economy, while delivering innovative solutions, services and support to our expanding customer base.

For the people who ask me whether it was the right move for Lawson to become a public company given today's challenges for technology companies, my answer is a resounding yes. Lawson is a much stronger company today because of our IPO. Lawson is healthy, and we ended our 26th fiscal year with more than 2,000 customers, nearly \$230 million in cash, cash equivalents and marketable securities, virtually no debt on our balance sheet, and a strong, laser-beam focus on the services industry.



Fiscal 2002 highlights

Besides our IPO, other highlights for the year included:

- Customers: We signed 711 contracts, of which 31 software licensing agreements were valued at more than \$1 million. Our average selling price was \$231,000.
- Products: We met our goal of consistent quarterly delivery of innovative new products.
- Services and support: Our Global Support Center received the prestigious Support Center Practices certification for the fourth consecutive year.
- Acquisitions: We made two technology acquisitions – Account4, Inc., and Keyola.

Strategy Provide business process software and services featuring in-depth vertical functionality to help our customers achieve workforce optimization.

Mission To provide superior software to services organizations that radically changes the way they operate and compete.

Purpose Provide technology that gives people the freedom to pursue their passion.

Values

- People
- Integrity
- Competence

- Marketing: On Sept. 5, 2001, we launched our new corporate identity and Web site, along with our “One Size Does Not Fit All” advertising campaign. We also had strong attendance at our annual customer conference with more than 4,000 attendees.

The Lawson vision

Over the past five years, we have built strong momentum by providing vertical extensions of enterprise resource planning (ERP) software to our customers. Today, our goal of building on our strong ERP heritage and foundation by identifying and delivering mission-critical solutions for services organizations continues.

What this means is that the services industry (encompassing people-intensive companies and organizations) requires different functionality than the manufacturing industry and follows

The strength and focus of our vision, the innovation of our products, the passion of our employees and the support of our strong customer base help position us for continued success.

unique business processes, and it is our goal to understand these unique requirements at a granular level and identify the mission-critical software that meets our customer needs. We will then deliver these solutions through our continued strong investment in research and development or acquire them through targeted technology acquisitions.

We continue to execute successfully on our strategy, with our Professional Services Automation/ Services Automation solution for people-intensive organizations like high-technology companies, IT divisions, and professional services firms that provide project-based services. In addition, Lawson Merchandising gives us the complete retail solution that we can now bring to our more than 350 retail customers. And Keyola brings us Smart Notification technology, which has been added to our enterprise software suites.

ERP software is our heritage and foundation with a strong and growing customer base. We are also driving additional growth opportunity by adding more vertical functionality to our solutions with new mission-critical applications such as Lawson Merchandising and Professional Services Automation/Services Automation and others still to be identified.

Fiscal 2003 goals

Key goals for fiscal 2003 include continuing our momentum across all areas: sales, markets, customers, products and operations. Specifically, our focus is to:

- continue providing innovation to our customers through Lawson research and development efforts and through targeted technology acquisitions;

We are 100-percent focused on our mission of providing superior software to services organizations that radically changes the way they operate and compete.

- continue to add new customers and add new functionality for our existing customers;
- upgrade our customers to the latest Lawson application series;
- continue our consistent quarterly delivery of innovative new products;
- continue improving our operating performance.

In summary, Lawson's business model is one of perpetuity. In 1975, our founders set out with a vision that established a strong foundation for today's Lawson. Today, we are a healthy company that stands to benefit from an improved economy. The strength and focus of our vision, the innovation of our products, the passion of our employees and the support of our strong customer base help position us for continued success.

We are 100-percent focused on our vertical strategy of providing business process software and services featuring in-depth vertical functionality to help our customers achieve workforce optimization. And we are 100-percent focused on our mission of providing superior software to services organizations that radically changes the way they operate and compete. To our stockholders, customers, and employees, I thank you for your continued support.

Sincerely,



Jay Coughlan

President and chief executive officer

Aug. 31, 2002

why Lawson wins

LAWSON DELIVERS LOWER TOTAL COST OF OWNERSHIP AND FASTER RETURN ON INVESTMENT

1. Software tailored to specific industries

Lawson's expertise in the services industry leads to pre-configured functionality that addresses the specific business needs of our customers and delivers more out-of-the-box value in the overall solution. Lawson's 360-degree solutions focus on the key business processes in each targeted services industry. In addition, our sales, marketing and services organizations have industry-specific teams with many years of industry experience.

2. Software that's easy to install

Because Lawson's solutions are flexible, they are easy to deploy into a customer's system with pre-configured industry solutions or they can be customized, without expensive and difficult modifications, to conform to the customer's business processes. Lawson's open architecture allows our software to run on most leading hardware and operating system platforms and operate with the leading relational database management systems. This allows our customers to choose the most appropriate platforms independently from selecting our solutions. Lawson solutions can

integrate with legacy systems through standard interfaces and integration protocols. Our solutions are accessed directly through a standard Web browser or a wireless device that makes them readily deployable without extensive training. Lawson software is also highly scalable, enabling deployment in large, global enterprises as well as in small- and medium-sized businesses.

3. Software that's up and running fast

Lawson's industry focus and flexible solutions are designed for fast and easy enterprise deployment. Our knowledge of the services industry allows our industry-focused services teams to implement our software with an in-depth understanding of the business needs of the customer, thereby reducing time, effort and expense.

software designed for the services industry

ENTERPRISE SOFTWARE APPLICATIONS

Lawson Enterprise Performance Management Suite

Applications

Analytic Architect
Enterprise Reporting
Scorecard
Smart Notification
Smart Notification Solutions
Workforce Analytics

Lawson Distribution Suite

Applications

Billing
Customer Self-Service
Franchise Management
Order Entry
Smart Notification Solutions
for Distribution
Work Order

Lawson Financials Suite

Applications

Accounts Payable
Accounts Receivable
Asset Management
Cash and Treasury Management
Enterprise Budgeting
Enterprise Consolidations
Financial Reporting Self-Service
General Ledger
Lease Management
Payables Management
Project and Activity Accounting
Smart Notification Solutions
for Financials
Strategic Ledger

Lawson Human Resources Suite

Applications

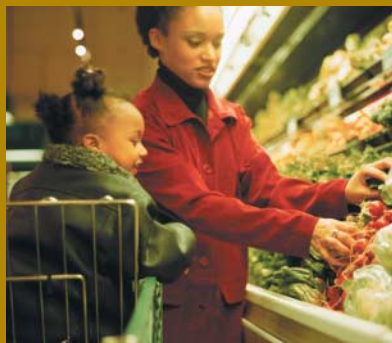
Absence Management
Benefits Administration
Employee and Manager Portal
Employee and Manager
Self-Service
e-Recruiting
Payroll
Pay-to-Bill
Personnel Administration
Smart Notification Solutions
for Human Resources
Tips
UK Payroll

CUSTOMERS



Healthcare

Includes: Integrated delivery networks, hospitals, academic medical centers and other providers



Retail

Includes: Grocery, hard goods, drug stores, automotive supply, home improvement and other retailers



Professional Services

Includes: Technology, government contractors, management consulting, architecture and engineering, marketing and advertising, research and testing and other firms

MISSION-CRITICAL APPLICATIONS

Lawson Procurement Suite

Applications

Case Carts
e-Procurement
Inventory Control
Purchase Order
Requisitions
Requisitions Self-Service
Smart Notification Solutions
for Procurement
Vendor Portal
Vendor Self-Service

Lawson Merchandising Suite

Applications

Category Management
Distribution
Efficient Assortment
Lawson Library
Replenishment
Store Logistics
Strategic Pricing

Lawson Professional Services Automation Suite

Packages

Professional Services Automation
Smart Notification Solutions
for Professional Services
Automation

Lawson Services Automation Suite

Packages

Services Automation Premium
Services Automation Standard
Smart Notification Solutions
for Services Automation



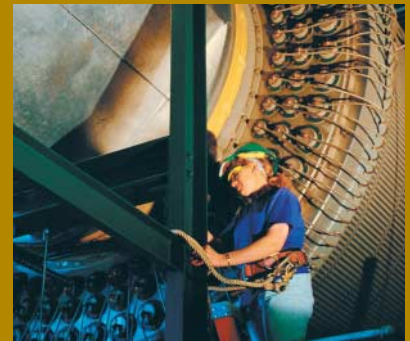
Public Sector

Includes: K-12 education, local government, state government and other organizations



Financial Services

Includes: Property and casualty, life, auto/home, commercial banks, retail/consumer banks, credit unions and other financial services providers



Strategic Markets

Includes: Energy, entertainment, publishing, transportation and other services companies

healthcare

PROVIDENCE
MEDICAL
CENTER
EARLE A. CHILES
RESEARCH INSTITUTE

CLIENT PROVIDENCE HEALTH SYSTEM – LAUREEN O'BRIEN
REGIONAL DIRECTOR OF INFORMATION SERVICES

CUSTOMER SINCE 2000

Providence Health System selected Lawson's Financials, Human Resources and Procurement suites to help it stay competitive in the healthcare marketplace, manage its growth, reduce its costs and improve the efficiency of its expanding business.

★ Providence Health System is a not-for-profit organization made up of hospitals, clinics, physicians, long-term care and assisted living facilities and other services and programs located in Alaska, Washington, Oregon, and Southern California. It has 33,000 employees in four states.

patients, not paperwork

RADICALLY CHANGING THE WAY OUR CUSTOMERS OPERATE AND COMPETE

Lawson is a market leader in the healthcare industry, serving more than 500 healthcare customers representing more than 4,500 facilities, including seven of the top 10 integrated delivery networks. Lawson also serves managed care systems, academic medical centers, hospitals, clinics, physician group practices, home healthcare, long-term care and other health services enterprises.

Healthcare organizations rely on Lawson Financials, Human Resources, Services Automation, Enterprise Performance Management and Procurement suites to help manage their business so they can focus on their patients, automate and streamline materials management to improve their bottom line, and overcome the challenges of today's shortages in healthcare labor.

For example, Providence Health System selected Lawson's Financials, Human Resources and Procurement suites to help it stay competitive in the healthcare marketplace, manage its growth, reduce its costs and improve the efficiency of its expanding business.

Providence is a not-for-profit organization made up of hospitals, clinics, physicians, long-term care and assisted living facilities and other services and programs located in Alaska, Washington, Oregon and Southern California. It has 33,000 employees

in four states and was recently recognized as one of the most "wired" healthcare organizations by the Healthcare Information and Management Systems Society.

"In selecting Lawson, one priority for us was technology that would provide an integrated solution that would allow us to act like a single organization operating in different regions," says Laureen O'Brien, regional director of information services, Providence Health System. "We knew the only way to achieve that goal was to have an integrated system of finance, human resources and procurement. With our new HR software, we can now standardize data definitions and procedures where it makes sense and can promote the use of best practices. With one common chart of accounts, our financial data will now be comparable and applicable to the audience, whether it is a report for a single entity or our system board. And self-service applications will really empower our managers and staff by providing them with useful information that they can access from work or home or anywhere they have Internet access."

Pathmark

retail

CLIENT	PATHMARK STORES INC. – BOB SCHOENING	FRANK VITRANO
	CHIEF INFORMATION OFFICER	CHIEF FINANCIAL OFFICER
CUSTOMER SINCE	2001	

Pathmark CIO Bob Schoening calls the retailer's rapid implementation of the Lawson financial system "a huge success story that has set the stage for Pathmark to increase efficiencies and become even more competitive." ★ Headquartered in Cateret, N.J., Pathmark is one of the nation's leading supermarket retailers, operating 143 supermarkets in the New York-New Jersey and Philadelphia metropolitan areas and employing more than 27,000 associates. The company has stores that are located in both urban and suburban marketplaces, and is particularly noted for its historical commitment to opening stores within the inner-cities of its trading area.

thriving in a competitive environment

RADICALLY CHANGING THE WAY OUR CUSTOMERS OPERATE AND COMPETE

During the past year, Lawson continued to strengthen its leadership position in the retail sector. Lawson now serves more than 350 retail customers, including seven of the top 25 grocery chains, 23 of the top 100 restaurant chains, 20 of the top 100 specialty chains, eight of the top 20 apparel retailers, and five of the top 10 U.S.-based retailers. In addition, *Retail Info Systems News* recently named Lawson the leading enterprise software provider to the retail industry in its “Leaderboard 2001,” a study of the 50 best software companies serving companies in the retail space.

As a result of a recent strategic acquisition, Lawson now provides the leading 360-degree retail solution that industry analysts refer to as the whole product solution – encompassing store operations, supply chain, merchandising, human resources, marketing, financials, analytics and distribution.

Retailers rely on Lawson solutions to help them address the challenges of managing their businesses in a competitive environment. For example, Lawson financial systems give retailers the information they need to increase profit margins. Lawson human resources systems allow retailers to recruit, retain and motivate their best people to reduce the persistent challenge of employee turnover. Lawson distribution and

procurement systems provide retailers with the tools they need to better manage complicated inventory flows through multi-step supply chains. And Lawson’s merchandising suite was designed by retailers for high-volume retail enterprises, delivering a comprehensive solution that includes category management/merchandising, strategic pricing, and supply chain applications for retail planning, selection, acquisition and control of merchandise.

When Pathmark Stores Inc., one of the nation’s leading supermarket retailers, decided it needed to implement an entirely new financial system, Pathmark undertook a detailed evaluation of a number of enterprise software providers. According to Bob Schoening, senior vice president and CIO, Pathmark chose Lawson because of its demonstrated ease-of-use and speed of implementation. After signing the contract in April, the entire system – including process flow, procurement, requisitions, activity management and analytics – was fully implemented by the December target date.

“Moving to this entirely new technology platform in such a short timeframe was a huge success story,” Schoening says. “Now that the platform is in place, we’ve set the stage for Pathmark to capitalize on opportunities we’ve identified to increase efficiencies and become even more competitive.”



professional services

CLIENT	AMEY PLC – DICK FLOWER
	MANAGING DIRECTOR OF RESOURCE MANAGEMENT SOLUTIONS
CUSTOMER SINCE	2002

After it installed Lawson's PSA suite and linked it to existing HR and financial back-office systems, Amey improved its workforce productivity and efficiency, enhanced its ability to forecast revenue and improved its cash flow and profit margins. ★ U.K.-based Amey plc provides integrated business support services for the public and private sectors.

Its offerings range from managing large-scale transportation infrastructure to delivering professional and back-office services.

time is money

RADICALLY CHANGING THE WAY OUR CUSTOMERS OPERATE AND COMPETE

In the past year, Lawson leaped into a leadership position in providing solutions to professional services organizations that rely on their billable people and talent for their revenue. Lawson now serves four of the top 10 legal firms, two of the world's largest architectural firms and five of the top 20 professional employer organizations. About Lawson's Professional Services Automation (PSA) solution, Aberdeen Group wrote that Lawson had "squarely positioned itself as a leading provider of end-to-end PSA solutions, well ahead of most of its competitors."

In the face of increasing competition and pressure to boost shrinking profit margins, professional services organizations today rely on Lawson PSA, Human Resources and Financial suites to manage projects from start to finish, deploy resources more efficiently, and analyze and identify where they can increase profitability.

For example, Amey plc, a leading United Kingdom-based provider of integrated business support services, came to Lawson when it realized it needed to improve data consistency across a number of its disparate information management systems. To address the issue, Amey installed Lawson's PSA suite and linked it to existing legacy HR and financial back-office systems.

Amey is now able to collect all relevant data into a centralized storeroom, and Amey's authorized users anywhere in the world can access data via a standard browser. The result: Amey's employees can easily obtain analysis of customer status, project time scales, estimates to completion and budget constraints. The system has improved Amey's resource management, project delivery and commercial control – and also increased returns for the business.

Dick Flower, managing director of Amey Resource Management Solutions, says, "Lawson PSA maximizes workforce productivity and efficiency, enhances our ability to accurately forecast revenue and also improves cash flow and profit margins."

A man in a blue shirt and patterned tie stands with hands on hips in front of the South Dakota State Capitol building. The building features large columns and the words "SOUTH DAKOTA" are visible on the facade above the entrance.

public sector

CLIENT	STATE OF SOUTH DAKOTA – COLIN KEELER DIRECTOR OF FINANCIAL SYSTEMS
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CUSTOMER SINCE	2000
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The State of South Dakota went live with Lawson's Human Resources Suite, including Payroll, in July 2001. The ASP-hosted service has enabled the HR staff to increase its focus on managing employee training to improve recruitment and retention.

fiscal responsibility

RADICALLY CHANGING THE WAY OUR CUSTOMERS OPERATE AND COMPETE

Lawson serves more than 100 public sector customers, including three of the 20 largest school districts in the United States and five of the top 20 state organizations. Kindergarten through 12th grade school districts, universities, colleges, cities, counties, state governments, public-owned utilities, membership organizations and service organizations all use Lawson software designed for the public sector.

These organizations depend on Lawson's solutions to help meet the needs of a variety of stakeholders – students, constituents, members, employees, vendors and the community – while maximizing the impact of limited budgets and keeping spending on target. Lawson's solutions are easy to implement, use and adapt, enabling public sector customers to shift their focus from data collection to data analysis and use.

For example, Lawson helps its public sector customers automate paper-intensive human resources administration with Lawson Human Resources Suite and Employee and Manager Self-Service. Lawson Human Resources automates the core functions of HR departments, such as payroll and benefits administration. Employee Self-Service then enables employees to easily enroll or amend benefits, change personal data and sign up for

professional development opportunities from any location, thus freeing the HR team to focus on strategies for effective workforce management.

The State of South Dakota manages payroll for 12,000 employees and benefits for 18,000 employees scattered across hundreds of communities. The state's Bureau of Finance and Management, which manages all ERP systems, turned to Lawson's Human Resources Suite hosted by an application service provider to replace a variety of HR systems that ranged from desktop databases to filing cards, and included a 24-year-old payroll system. Now, with the integrated Lawson system, all information is easily accessible from one place, freeing HR personnel to provide value-added services to state employees instead of processing HR transactions.

"Employee and Manager Self-Service really played a big role in our decision to select Lawson Human Resources," says Colin Keeler, director of financial systems for the State of South Dakota. "Now, instead of spending all our time and effort keeping legacy systems running and compliant with federal requirements and tax laws, we can devote our efforts toward increasing the services we provide to employees, such as career path planning and training."

financial services



CLIENT TIAA-CREF – THOMAS VAYNA
DIRECTOR OF HUMAN RESOURCES INFORMATION TECHNOLOGY

CUSTOMER SINCE 1999

After deploying the Lawson Human Resources Suite, TIAA-CREF improved information access for its workforce, increased efficiency, saved time and reduced printing and distribution costs. ★ Headquartered in New York, TIAA-CREF is a leading provider of financial services for the education and research communities with 6,600 associates in 27 locations across the United States. The company ranks among the Fortune 100.

gaining the competitive edge

RADICALLY CHANGING THE WAY OUR CUSTOMERS OPERATE AND COMPETE

Lawson's financial services customers include seven of the 25 largest financial companies and three of the top 10 commercial banks. Insurance companies, banks, credit unions, brokerages and real estate companies all use Lawson solutions.

The traditional borders between industries in the financial services world are blurring as institutions merge, acquire and expand into new markets. Financial services organizations rely on Lawson Financials, Human Resources, Services Automation, Enterprise Performance Management and Procurement suites to maximize productivity and profitability to stay competitive in this evolving marketplace.

For instance, Lawson helps its financial services customers meet the challenge of hiring and retaining highly qualified employees. Lawson Human Resources Suite helps streamline and automate HR tasks. Because employees and managers can address many administrative issues themselves, the HR team can focus on strategic issues such as analyzing productivity, assuring compliance with government regulations and reporting needs, and effectively tracking HR costs.

At TIAA-CREF, a provider of financial services for the education and research communities with 6,600 associates in 27 locations across the United States, Lawson has completely updated the

company's human resources and payroll functions. For the first time, managers have year-round Web-based access to current and historical employee compensation information along with the ability to analyze individual pay status and forecast various compensation scenarios in a convenient spreadsheet format. In addition, managers now recommend and approve salary actions through a streamlined, electronic process that virtually eliminates paper.

Across the company, all TIAA-CREF associates have intranet access to their pay information for both current and past paydays. Additional self-service features for employees are being rolled-out through the end of the year, providing them the ability to view their compensation data, current benefits, and training transcripts, update dependent and emergency contact information, and make changes to their tax-withholding and tax filing statuses.

"Both Manager and Employee Self-Service promise a significant return on our Lawson investment in terms of time saved and reduced printing and distribution costs," says Tom Vayna, director of human resources information technology, TIAA-CREF. "Best of all, the Lawson system helps us to provide our managers and associates the job, salary, and personal information they want in a way that's convenient for them to access."

strategic markets



CLIENT	GANNETT CO., INC. – HOPE BLUDWORTH
	MANAGER OF ACCOUNTING SYSTEMS AND SERVICES

CUSTOMER SINCE	1997
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Gannett says it counts on the Lawson Financials Suite to get the job done. The company uses it to manage financial reporting and analysis across 120 different business units encompassing small-town newspapers, major metro dailies, local television stations and the company's flagship property, *USA TODAY*. ★ Headquartered in McLean, Va., Gannett is a diversified news and information company with operations in 43 states and around the world. Gannett has the largest newspaper group in the United States with daily paid circulation of 7.7 million. The company's 94 daily newspapers include *USA TODAY*. The company also owns and operates 22 television stations covering 17.7 percent of the United States, and it has more than 100 Web sites.

end-to-end efficiency

RADICALLY CHANGING THE WAY OUR CUSTOMERS OPERATE AND COMPETE

Lawson provides the enterprise software of choice for category leaders in multiple segments of the service sector. Lawson serves customers in the utility, telecommunications services, transportation, entertainment, publishing and distribution industries. Among Lawson's customers are the world's largest paper and forest products distributor, the world's largest cruise ship operator and the largest wireless service provider in the United States.

In these industries, financial, human resources and procurement managers rely on Lawson's applications to help lower operating costs, improve productivity and streamline informed decision-making. Unique architecture-based attributes of the Lawson Financials Suite help financial managers provide access to comprehensive, integrated financial information, analytics and reporting to everyone who needs to have that information to keep the business on track and agile to adjust to changing market conditions. Human resources managers rely on Lawson's hire-to-retire HR solutions to improve efficiency in recruiting and hiring, administering employee benefits, managing employee development and measuring the contributions of their organization's human capital. For procurement and supply chain

managers, Lawson's Procurement Suite expedites all steps from procurement to payment while enabling online links to suppliers and marketplaces to improve service levels and the overall quality of vendor relationships.

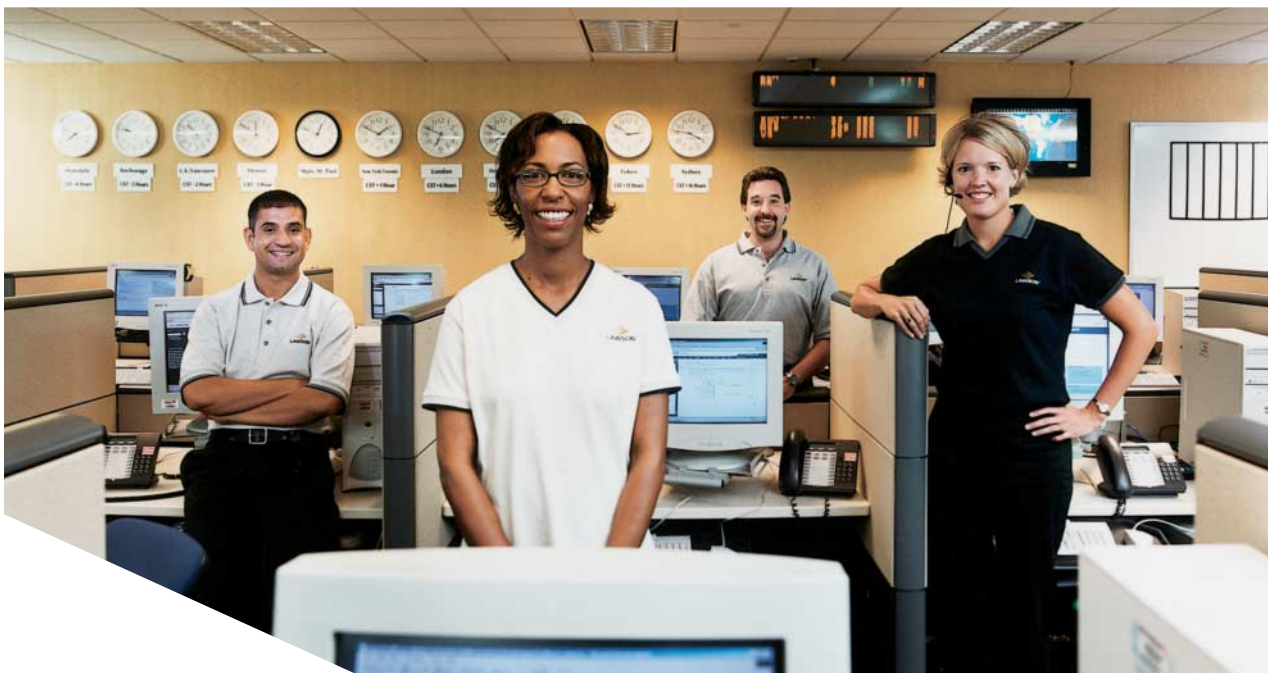
Gannett Co., Inc., publisher of 94 newspapers including *USA TODAY*, uses Lawson's Financials Suite to manage financial reporting and analysis across 120 different business units encompassing small-town newspapers, major metro dailies, local television stations and the company's flagship property, *USA TODAY*.

Hope Blutworth, manager of accounting systems and services for Gannett, praises the ease-of-use and stability of the Lawson applications: "There are 600 to 700 users on these systems daily in locations ranging from two-person business offices to 20-person accounting departments for major newspapers. There are 120 business units using the software on a daily basis – and one person for Gannett taking all the support calls. If the Lawson applications didn't perform as expected, there's no way we could do this. Our support issues are minimal."

global support and consulting services

Lawson stands alone among its competitors in receiving full certification from Support Center Practices in 11 industry best-practices categories. The Lawson Global Support Center has maintained its certification since 1998 from the internationally recognized program, which evaluates technical support centers against industry-developed benchmarks.

The Lawson Global Support Center has more than 450 experts working round-the-clock to answer customer questions and resolve problems. The Lawson consulting services team consists of more than 430 experts providing consulting, implementation, training and ongoing support to Lawson customers.



GLOBAL SUPPORT CENTER EMPLOYEES

Suraj Pandey, senior technical support systems analyst; June Carey, support consultant; Fred Bozway, GSC supervisor; Tricia Swenson, support consultant.

expert service, proven results

PROVIDING OUTSTANDING QUALITY TO MEET OUR CUSTOMERS' EXPECTATIONS

The industry-specific knowledge fundamental to Lawson's software products extends to Lawson's global support and consulting services team, where our experts are among the most highly trained and rigorously certified in the industry.

The outstanding quality of our support and consulting services team is reflected in the enduring loyalty of Lawson customers and in the high regard with which our service organization is held in the industry. The Lawson Global Support Center maintains an extremely high customer satisfaction rating for resolving issues quickly and meeting expectations for quality of support. Among our primary competitors, Lawson is the only company to receive full certification from Support Center Practices (SCP) in 11 industry best-practices categories. SCP is an internationally recognized program that annually evaluates and recognizes the quality of services provided by technical support centers against industry benchmarks. The Lawson Global Support Center has maintained certification from SCP since 1998.

Among the services provided by Lawson's consulting services team are: industry-specific systems integration expertise to ensure seamless collaboration between customers' current applications and Lawson's software products; proven implementation methodologies that help customers get their systems up and running on time and as expected; onsite and Web-based training in system use and operation from Lawson-certified instructors; and anytime, anywhere technical support from the Lawson Global Support Center providing comprehensive resources for all support needs.

These services, in combination with Lawson's proven business applications, enable our customers to reduce costs and maximize efficiency in their operations and, ultimately, compete more effectively. For example, at the Boeing Employees' Credit Union (BECU), Lawson's support and consulting services team helped make implementation of Lawson's Human Resources suite the catalyst for transforming the role of the credit union's human resources staff. "With Lawson, we're able to free our resources to do things to better serve our members, instead of getting trapped in logistical or administrative duties," says Joan Parish, IT project manager for BECU.

Lawson in the community

Lawson makes a difference in the community by focusing on youth issues related to technology, health and education. Lawson is a co-founder and partner of Saint Paul Reads, a literacy program developed three years ago with Saint Paul, Minn., Public Schools that has motivated 45,000 kindergarten through 12th grade students to read more than 4 million books.



DR. PATRICIA HARVEY, superintendent of Saint Paul, Minn., Public Schools.

kids and communities

PROVIDING VOLUNTEER AND FINANCIAL SUPPORT TO NON-PROFIT ORGANIZATIONS

Lawson recognizes that success means much more than providing outstanding software solutions and service to our customers. Through contributions of time, technology and funding to more than 40 non-profit organizations, Lawson helps strengthen the communities where our employees and clients live, work and raise families.

Lawson's community mission, overseen by the Lawson Lends a Hand committee, is to administer volunteer and financial support to non-profit organizations that are devoted to helping youth in the areas of technology, health and education. Organizations and programs that benefit from Lawson's efforts include Children's Cancer Research Fund, ArtsWork, a summer arts program that employs more than 70 area youth as apprentice artists, and the Young Inventors Fair, a year-long program designed to encourage and recognize young inventors and creative thinkers.

A shining example of Lawson's commitment to community and children is its participation in Saint Paul Reads as co-founder and partner. This literacy program, developed three years ago in partnership with Saint Paul, Minn., Public

Schools, has motivated 45,000 kindergarten through 12th grade students to read an amazing 4.1 million books.

Lawson developed the program's Web site, www.saintpaulreads.org, which provides a suggested book list for each grade level. It also allows students and teachers to track reading progress. During the 2001-2002 school year, students read an average of 33 books each – significantly more than the target of 25 books per student per year.

"Our students' enthusiasm for reading and their reading scores have increased steadily over the past three years," says Dr. Patricia Harvey, superintendent of Saint Paul Public Schools. "We truly appreciate Lawson's contributions to our students' and community's future. Lawson's support has made a difference."

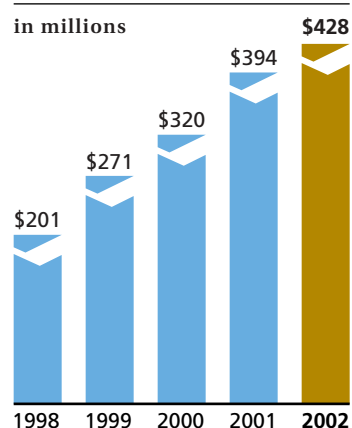
The effectiveness of the program is also making a difference. The percentage of Saint Paul eighth graders passing the Minnesota Basic Standards Reading Test on their first try increased from 49 percent in 1999 to 55 percent in 2002.

Financial HIGHLIGHTS

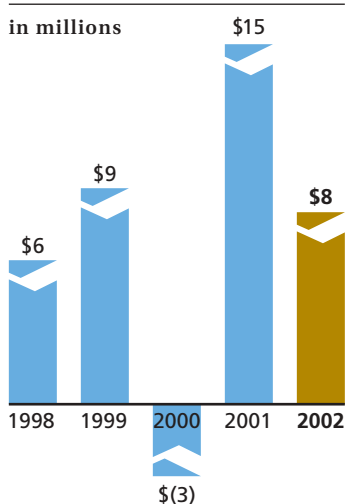
The following financial highlights have been selected from historical financial statements and our Annual Report on Form 10-K, which has been filed with the Securities and Exchange Commission, and is available on our Web site at www.lawson.com/investor/financials. Please see our Annual Report on Form 10-K for a complete discussion on our financial statements.

(In thousands) Fiscal Year Ended May 31,	2002	2001	2000	1999	1998
Total revenues	\$ 428,336	\$ 394,324	\$ 320,130	\$ 270,857	\$ 201,007
Operating income (loss)	15,537	24,170	(4,894)	13,737	11,213
Net income (loss)	8,378	14,569	(3,349)	8,736	6,240
Cash, cash equivalents and marketable securities	229,867	77,608	45,862	41,398	29,713
Working capital	204,100	39,422	6,048	9,233	5,411
Total assets	436,468	236,103	179,630	145,560	104,276
Total liabilities	150,610	175,077	154,292	118,392	86,999
Stockholders' equity (deficit)	285,484	(24,869)	(138,875)	(131,682)	(113,436)

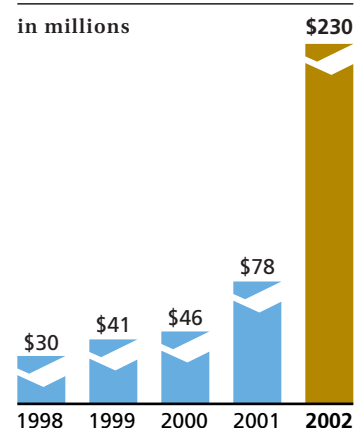
TOTAL REVENUES



NET INCOME (LOSS)



CASH, CASH EQUIVALENTS, AND MARKETABLE SECURITIES



Executive TEAM



From left to right

Back Row **James F. DeSocio**
Executive Vice President

Bruce B. McPheeters
General Counsel, Secretary and
Vice President of Administration

Robert G. Barbieri
Executive Vice President,
Chief Financial Officer

Front Row **John J. Coughlan**
President and
Chief Executive Officer

Dean J. Hager
Executive Vice President

Eric C. Morgan
Executive Vice President

Board of DIRECTORS



H. Richard Lawson
Chairman of the Board



John J. Coughlan
President and Chief
Executive Officer,
Lawson Software, Inc.



David R. Hubers
Former Chairman and
Chief Executive Officer,
American Express
Financial Advisors Inc.



Thomas G. Hudson
Chairman, President
and Chief Executive
Officer, Computer
Network Technology
Corporation



Richard D. Kreysar
Former President and
Chief Executive Officer,
Accrue Software, Inc.



David S. B. Lang
Principal,
TA Associates, Inc.



Geoffrey A. Moore
Chairman, Founder
and Principal,
The Chasm Group

Annual meeting

The annual meeting of stockholders will be held at 10 a.m. Central time Oct. 24, 2002, at the Touchstone Energy Place, Grand Ballroom A, 175 West Kellogg Boulevard, Saint Paul, Minn. 55102.

Form 10-K and other investor information

Copies of the Form 10-K (Annual Report) filed with the Securities and Exchange Commission and other financial documents are available by calling 651-767-7000 or upon written request to:

Investor Relations
Lawson Software
380 St. Peter Street
Saint Paul, Minn. 55102

Independent accountants

PricewaterhouseCoopers LLP

Stock registrar and transfer agent

Mellon Investor Services, LLC
85 Challenger Road
Ridgefield Park, N.J. 07660
1-888-213-0965

Corporate offices

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Saint Paul, Minn.,
United States 55102
651-767-7000

Financial information on the Internet

This corporate report is also available on www.lawson.com, where you will find other information about Lawson.

For investor information, visit www.lawson.com/investor/financials.

Forward-looking statements

This corporate report uses forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that relate to future events or financial performance. In some cases, you can identify forward-looking statements by wording such as "may," "will," "should," "could," "expect," "plan," "anticipate," "believe," "estimate," "predict," "intend," "potential" or "continue" or the negative of such terms or expressions. These forward-looking statements include but are not limited to statements regarding our software development plans and our business strategies and plans. These statements are only predictions. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. The forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. Additional information about factors that may affect our current estimates appears in our Form 10-K filed with the Securities and Exchange Commission.





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(as of Nov. 1, 2002)

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C-AR427-1002

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