



## **Year-end report 2010**

Västerås, 4 February, 2011

## A strong finish; increased sales and new orders

### JANUARY - DECEMBER

- Sales SEK 519.4 (513.2) million
- Operating profit EBIT SEK 14.6 (-19.3) million
- Operating margin EBIT 2.8 (-3.8) %
- Net income SEK 9.0 (-15.4) million
- Earnings per share SEK 0.83 (-1.52)
- Cash equivalents SEK 7.5 (11.8) million
- The Board proposes to the AGM a dividend of SEK 0.50 (0.00) per share.

### OCTOBER - DECEMBER

- Sales SEK 148.3 (123.5) million
- Operating profit EBIT SEK 7.0 (-19.4) million
- Operating margin EBIT 4.7 (-15.7) %
- Net income SEK 4.6 (-14.5) million
- Earnings per share SEK 0.42 (-1.43)

### A word from the CEO

Strong order intake during the fall led to increased sales and improved margins in the last quarter of the year. The Industrial Systems business area reported strong, positive margins just as it has during earlier quarters this year. But, we are now also noticing a positive trend for the Product Development business area.

The market appears to be much more robust now than it was at the start of 2010. With more than 25 years of experience in this industry, Prevas holds a prominent position as a niched, market-leading company in the area of product development and industrial IT.

2010 was a stable year and order intake steadily increased during the year. Our IT deliveries continue to be world-class. Customer satisfaction is 8.4 (on a scale of 1 to 10) and delivery reliability is 92%, which certainly contributes to future growth and stability. As a direct consequence of that, we have observed a clear trend of improved margins and increasing sales in the quarterly reports.

In summary, 2010 has been a strong year from a technical and marketing perspective. We have also invested in a future platform for profitable growth, stability and flexibility, with a number of new start-ups and offerings.

Mats Lundberg, CEO Prevas AB



# Sales

## JANUARY – DECEMBER

Sales were SEK 519.4 (513.2) million, which is an increase of 1.2 percent. Sales per employee increased and were SEK 1 234 (1 087) thousand. The number of workdays was 252 (250).

## OCTOBER – DECEMBER

Sales were SEK 148.3 (123.5) million, which is an increase of 20.1 percent. Sales per employee amounted to SEK 348 (271) thousand, which is an increase of 28.4 percent. The total number of working days was 64 (63).

# Income

## JANUARY – DECEMBER

Operating profit EBIT was SEK 14.6 (-19.3) million, with a corresponding operating margin of 2.8 (-3.8) percent. Profit before depreciation EBITDA was SEK 27.7 (-6.2) million, with a corresponding profit margin before depreciation of 5.3 (-1.2) percent.

Net income was SEK 9.0 (-15.4) million.

The increase in profits is primarily due to two factors. First and foremost, the increase in profits is due to an overall improvement in capacity utilization. There was good growth during the latter part of the year and operations in Denmark, which had been a burden on profits most of the year, also improved. The other factor is the action plan that Prevas implemented during the last quarter of 2009. That year, restructuring costs amounted to SEK 16.5 million. During the year, there was an impairment loss on products of SEK 1.1 million, which had a negative impact on profits for the Industrial Systems business area. In the Product Development business area, costs were recognized for confirmed and anticipated bad debt losses, as well as a write-down on inventory, of SEK 1.0 million. During the year, Prevas' costs associated with setting up operations in Dubai, Bangalore and Oslo were SEK 4.6 million.

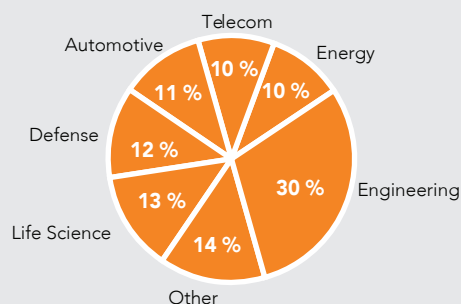
## OCTOBER – DECEMBER

Operating profit EBIT was SEK 7.0 (-19.4) million, with a corresponding operating margin of 4.7 (-15.7) percent. Profit before depreciation EBITDA was SEK 10.1 (-15.7) million, with a corresponding profit margin before depreciation of 6.8 (-12.7) percent.

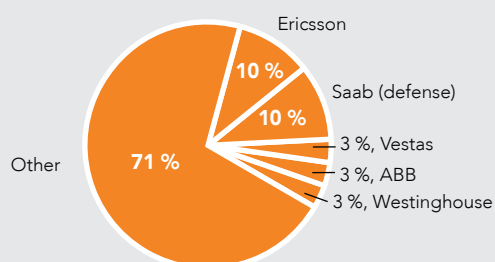
Net income was SEK 4.6 (-14.5) million.

During the period, the Industrial Systems business area recognized additional impairment losses on products of SEK 0.2 million. Prevas also incurred costs associated with setting up operations in Dubai, Bangalore and Oslo equal to SEK 2.6 million.

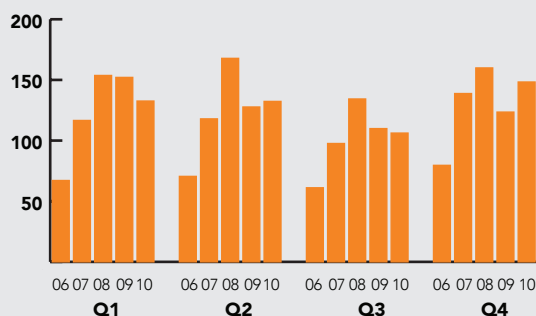
SALES PER SECTOR 2010, THE GROUP



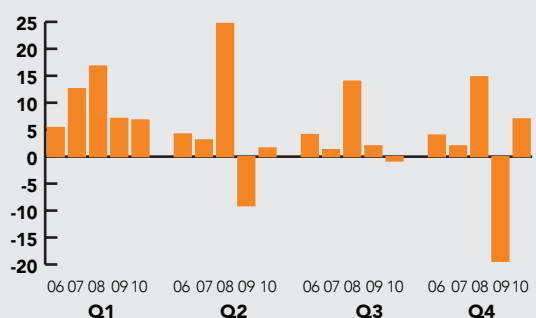
FIVE LARGEST CUSTOMERS 2010, THE GROUP



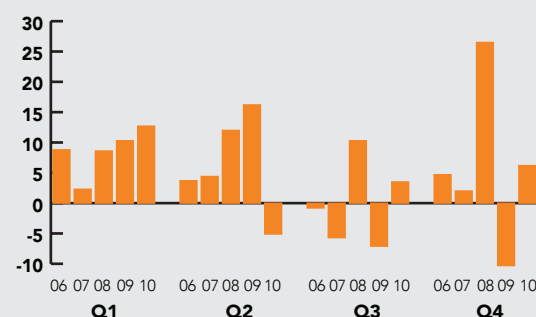
SALES PER QUARTER (MSEK), THE GROUP



EBIT PER QUARTER (MSEK), THE GROUP



CASH FLOW FROM OPERATING ACTIVITIES (MSEK), THE GROUP



## Cash flow and cash equivalents

Cash flow from operating activities (after restructuring costs) was SEK 6.4 (9.0) million for the year. At the end of the year, cash equivalents totaled SEK 7.5 (11.8) million, excluding bank overdraft facility. Amortization of loans during the year was SEK 2.2 million and utilized credit facility as of the balance sheet date was SEK 10.7 million. Total cash flow was affected by additional consideration on prior acquisitions of SEK 4.0 million, as well as restructuring costs of SEK 11.0 million.

## Financial position

Equity was SEK 155.8 (152.5) million at the end of the year, with a corresponding equity ratio of 54 (53) percent. Equity per share was SEK 15.36 (15.09).

## Employees

The average number of employees during the period was 421 (472), of which 288 (349) worked in the Product Development business area and 115 (104) worked in the Industrial Systems business area. There were also 18 (19) employees working in management and administrative positions. The total number of employees at the end of the period was 456 (497), of which 14 % were women.

## Investments

The company made investments in fixed assets worth SEK 4.4 (7.4) million during the year. Of the total amount, SEK 4.2 (5.3) million was for machinery and equipment, while SEK 0.2 (2.1) million was for product development and intangible assets. Besides these items, goodwill increased SEK 4.0 million related to the additional consideration on prior acquisitions. The remaining change in goodwill was related to currency translation on prior acquisitions. During the period, Prevas started up operations in Gävle and Gothenburg with shared ownership. Prevas is the majority owner.

## Key indicators per quarter

|  | 2010<br>Q4 | 2010<br>Q3 | 2010<br>Q2 | 2010<br>Q1 | 2009<br>Q4 | 2009<br>Q3 | 2009<br>Q2 | 2009<br>Q1 | 2008<br>Q4 | 2008<br>Q3 | 2008<br>Q2 | 2008<br>Q1 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Net sales, MSEK                              | 148.3      | 106.2      | 132.3      | 132.6      | 123.5      | 109.9      | 127.7      | 152.1      | 159.9      | 134.3      | 167.8      | 153.7      |
| EBIT, MSEK                                   | 7.0        | -0.8       | 1.6        | 6.8        | -19.4      | 2.0        | -9.1       | 7.1        | 14.8       | 14.0       | 24.7       | 16.8       |
| Operating margin, %                          | 4.7        | -0.7       | 1.2        | 5.2        | -15.7      | 1.9        | -7.2       | 4.7        | 9.2        | 10.4       | 14.7       | 11.0       |
| Number of working days                       | 64         | 66         | 60         | 62         | 63         | 66         | 59         | 62         | 62         | 66         | 62         | 62         |
| Number of employees at the end of the period | 456        | 452        | 449        | 449        | 497        | 484        | 492        | 528        | 548        | 554        | 554        | 565        |
| Average number of employees                  | 426        | 409        | 419        | 432        | 456        | 449        | 480        | 511        | 518        | 504        | 521        | 528        |
| Net Sales/employee, kSEK                     | 348        | 260        | 316        | 307        | 271        | 245        | 266        | 298        | 309        | 266        | 322        | 291        |
| Equity Ratio, %                              | 54         | 56         | 52         | 54         | 53         | 60         | 55         | 52         | 57         | 54         | 48         | 46         |
| Earnings per share, SEK                      | 0.42       | -0.09      | 0.06       | 0.45       | -1.43      | 0.13       | -0.70      | 0.49       | 1.09       | 1.02       | 1.79       | 1.18       |
| Equity per share, SEK                        | 15.36      | 14.98      | 15.28      | 15.31      | 15.09      | 16.44      | 16.54      | 17.26      | 18.14      | 16.61      | 15.49      | 13.60      |

## Strong business financial indicators: on-time delivery of projects

As a part of the company's quality assurance system, we constantly measure customer satisfaction, delivery reliability and warranty work. More than 90 percent of our projects are delivered on time. That figure is significantly above the industry average. That, in combination with a customer satisfaction level of 8.4 (on a scale of 1 to 10) makes Prevas highly valued by its customers.

# Important events during the year

## **Focus on International Markets**

During the first half of 2010, Prevas opened new offices in Bangalore, India, Dubai and the United Arab Emirates. These foreign offices are a first step into new growth markets, which will also strengthen Prevas' ability to compete in Scandinavia.

## **New operations in Gothenburg, Borlänge and Gävle**

Prevas has had a strong customer base in the Gävle region for more than 20 years, with the Sandvik Group at the forefront. In September, Prevas started up new operations, focusing mainly on consulting within the area of business and production systems. There are approximately ten employees working in this area and the aim is to double that number within one year.

Prevas now has a new subsidiary, Prevas Technology West AB, located in Gothenburg. The company offers cutting-edge expertise in system development for organizations with intensive product and system development activities located in western Sweden. We offer reinforcement of specialist expertise on location with the customer in the areas of technical IT and embedded systems when such is lacking in the customer's project. The investment in Prevas Technology West AB is part of the company's long-term strategy, and it constitutes a unique partner together with the rest of the organization in the western part of Sweden.

In order to be easily accessible to our customers, a branch office was opened in Borlänge.

## **Expansion in Norway**

Prevas is continuing to invest and is establishing product development activities in Norway. Prevas has been established in Norway since 2007 with offerings within industrial IT. When industrial companies are looking for manufacturing-related IT solutions, Prevas is a natural partner. This venture has been very successful and we see many opportunities for expansion in the area of product development as well. Existing customers are offered new services at the same time as Prevas reaches out to a new market.

## **Nominated for the Swedish Embedded Award – for the third year in a row**

For the third year in a row, Prevas was nominated for the Swedish Embedded Award. Together with Zenicor Medical Systems, Prevas competed against four other companies in the category "Enterprise" for this prestigious prize. Prevas and Interspiro won the award in 2009 for an advanced communication system for smoke diving teams.

## **Machines that communicate with each other - the M2M partnership program**

Communication between machines, both in the home and in industry, is a strong trend. Prevas is a member of Telia's M2M partnership program. Prevas is a chosen system integrator that can quickly and efficiently deliver customized M2M solutions.

## **General agreements with global telecommunications companies**

Prevas has been invited by a world-leading telecom company to supply product development services in the area of R&D as part of a general agreement. The term of the agreement is one year, with the option to extend it at the end.

## **Starting new cooperation with ABB**

As part of a joint effort, Prevas and ABB will be marketing and selling FOCS (Furnace Optimization Control System). This system has helped the steel industry reduce its energy consumption by 5 to 20 percent in furnaces where the system has been installed.

## **General agreements**

In order to assist customers in the best manner possible, Prevas invests in long-term customer relationships that include deep insight into customers' enterprises. General agreements important for continued cooperation have been signed with such companies as: ABB, Atlas Copco, Ericsson, FMV, GE Healthcare, Maquet, Saab AB, Sandvik and Volvo.

# Market trends and events within the business areas

## **Full speed ahead - Industrial Systems business area**

Many of our manufacturing customers are now producing at full speed. Hiring is underway in many areas and they are looking at making investments in manufacturing-related IT solutions. The challenge is to now identify the solu-

tions that will quickly bring about the greatest results. Thus, the positive market trend that we have mentioned in recent quarters is continuing.

The Industrial Systems business area's operating margin was once again strong during the fourth quarter. There is a great need to hire IT engineers and project managers with manufacturing experience. Expansion is thus high on the list of priorities for 2011 as well.

The market's interest in and understanding of manufacturing-related IT solutions is increasing and the greatest amount of focus is on solutions to improve productivity. This is where Manufacturing Enterprise Solutions (MES systems) play an important role and in this area, Prevas has a very strong market position. Another item that is high on the list of priorities for our customers is Business Intelligence Solutions (BI Solutions), which provide management with a better understanding of the production status. Energy savings continue to be an area that is prioritized by the market.

Prevas works with several world-leading companies, such as ABB, Ericsson, FMC, Outokumpu, Sandvik, SSAB, Statoil, Volvo and Westinghouse.

#### **Positive trend - Product Development business area**

The start of 2010 was relatively weak, since several regions were still suffering from the effects of the recession. During the year, we have noticed a steady recovery in the market and a significant increase in new orders.

Operating margin for the Product Development business area has been relatively weak during the first half of the year. The operating margin for the Danish business has been brought down by provisions for doubtful accounts and write-downs on fixed-price projects. We are now noticing a positive trend in the development of operating margins in all regions. Highlights from last quarter of 2010 were a good order intake and rising hourly rates.

One of the highlights of the year was Prevas' nomination for the Swedish Embedded Award for the third year in a row. This year, Prevas was nominated together with its customer, Zenicor Medical systems. Another highlight was the attention received last summer by Prevas' customer, Medfield Diagnostics, as Key-Note at the annual NI-Week in Austin, Texas. The company has developed a new instrument that is used for diagnosis of stroke patients. Prevas also signed new general agreements during the year with all of its major customers in the defense, life sciences and automotive industries.

Prevas works with many world-leading companies, such as ABB, Atlas Copco, Bombardier, Danfoss, Ericsson, Maquet Critical Care, Novo Nordisk, Saab, Vestas and Volvo.

## **The Parent Company**

### **JANUARY – DECEMBER**

Sales were SEK 425.7 (418.5) million and profit/loss after financial items was SEK 7.4 (-24.7) million. During the year, the Parent Company's costs associated with setting up operations in Dubai, Bangalore and Oslo were SEK 4.1 million.

## **Risks and uncertainties**

The market situation improved during the year and we have noticed that the market is stabilizing.

The Prevas Group, including the Parent Company, relies on certain guiding principles when it comes to managing risks in various parts of its business. Successful risk management is a continuous process conducted within the framework for operations management. It is an integral part of the everyday follow-up of the business. Examples of business and market related risks are: competition and downward pressure on prices, how our customers' businesses develop, bad debt losses, risks associated with the state of the market and fluctuations in exchange/interest rates.

## **Related party transactions**

These types of transactions are reported in Note 27 of the annual report. They are primarily related to purchases and sales between companies belonging to the Group.

# Accounting principles

This summary interim report for the Group was prepared in accordance with IAS 34, Interim Financial Reporting and the Annual Accounts Act, where applicable. The interim report for the Parent Company was prepared in accordance with Chapter 9, Interim Report, of the Annual Accounts Act.

The revised accounting standards that affect Prevas as of 2010 are as follows: IFRS 3, Business Combinations and IAS 27, Consolidated and Separate Financial Statements.

The revisions result in changes to how transaction costs are reported in conjunction with acquisitions, as well as the effects of revaluing additional consideration reported in net profit/loss for the year. These changes only have an effect going forward.

As of 2010, there are holdings without controlling influence. The revised IAS 27 has an effect on what certain things are called, but no effect on the amounts reported in this report.

Except for the changes mentioned above, the company has applied the same accounting principles and bases of calculation as in the most recent Annual Report.

## Proposed dividend

The Board proposes to the AGM a dividend of SEK 0.50 (0.00) per share.

Stockholm, 4 February 2011

Prevas AB (publ)

Mats Lundberg, CEO Prevas AB

### ANNUAL REPORT

The annual report will be available at the Prevas headquarters at Legeringsgatan 18 in Västerås Sweden approximately three weeks prior to the 2011 AGM. The annual report can also be ordered from the head office, tel. +46 21-360 19 00 or [info@prevas.se](mailto:info@prevas.se).

### ANNUAL GENERAL MEETING

Prevas AB's AGM will convene at 5:30 p.m. on 30 March 2011 at the Aros Congress Center (Munkgatan 7, Västerås Sweden).

### UPCOMING REPORTS

- Interim Report January - March, 29 April 2011
- Interim report Jan-June, 15 July 2011
- Interim report Jan-Sept, 21 October 2011
- Year-end report 2011, 3 February 2012

### INFORMATION

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**This year-end report has not been examined by the Company's auditors. This is a translation of an original document in Sweden. In case of dispute, the original document should be taken as authoritative (Boksluts-kommuniké 2010 at [www.prevas.se](http://www.prevas.se)). Or, contact the company direct.**

**Published on 4 February 2011, 8:30 CET.**

This is information that Prevas AB (publ) must make available to the public in accordance with the Swedish Securities Market Act (2007:528) and/or the Financial Instruments Trading Act.



# Consolidated Financial Statements

| <b>SUMMARY INCOME STATEMENTS (SEK thousands)</b>  | <b>2010<br/>Full Year</b> | <b>2009<br/>Full Year</b>    | <b>2010<br/>Q4</b> | <b>2009<br/>Q4</b> |
|---|---------------------------|------------------------------|--------------------|--------------------|
| <b>Net sales</b>  | <b>519 398</b>            | <b>513 235</b>               | <b>148 301</b>     | <b>123 523</b>     |
| Capitalized work  | 132                       | 1 654                        | 132                | –                  |
| Other external costs  | –143 314                  | –118 276                     | –45 885            | –29 463            |
| Personnel costs   | –348 509                  | –402 838                     | –92 450            | –109 756           |
| <b>Profit/loss before depreciation</b>  | <b>27 707</b>             | <b>–6 225</b>                | <b>10 098</b>      | <b>–15 696</b>     |
| Amortization/impairment of intangible assets  | –7 745                    | –7 185                       | –1 904             | –2 229             |
| Depreciation of property, plant and equipment   | –5 368                    | –5 925                       | –1 232             | –1 428             |
| <b>EBIT</b>   | <b>14 594</b>             | <b>–19 335 <sup>1)</sup></b> | <b>6 962</b>       | <b>–19 353</b>     |
| Net financial items   | –1 838                    | –641                         | –381               | 190                |
| <b>Profit/loss before tax</b>   | <b>12 756</b>             | <b>–19 976</b>               | <b>6 581</b>       | <b>–19 163</b>     |
| Taxes   | –3 782                    | 4 626                        | –1 946             | 4 710              |
| <b>Net profit (loss) for the period</b>   | <b>8 974</b>              | <b>–15 350</b>               | <b>4 635</b>       | <b>–14 453</b>     |
| <b>Net profit (loss) for the period attributable to Parent Company's shareholders</b>           | <b>8 402</b>              | <b>–15 350</b>               | <b>4 237</b>       | <b>–14 453</b>     |
| <b>Net profit (loss) for the period attributable to holdings without a controlling interest</b> | <b>572</b>                | <b>–</b>                     | <b>398</b>         | <b>–</b>           |
| Basic and diluted earnings per share, SEK   | 0.83                      | –1.52                        | 0.42               | –1.43              |

| <b>STATEMENT OF COMPREHENSIVE INCOME<br/>in summary, kSEK</b>                                       | <b>2010<br/>Full Year</b> | <b>2009<br/>Full Year</b> | <b>2010<br/>Q4</b> | <b>2009<br/>Q4</b> |
|---|---------------------------|---------------------------|--------------------|--------------------|
| <b>Net profit (loss) for the period</b>   | <b>8 974</b>              | <b>–15 350</b>            | <b>4 635</b>       | <b>–14 453</b>     |
| Other comprehensive income:   |                           |                           |                    |                    |
| Translation differences for the period  | –5 764                    | –440                      | –478               | 814                |
| <b>Total comprehensive income for the period</b>  | <b>3 210</b>              | <b>–15 790</b>            | <b>4 157</b>       | <b>–13 639</b>     |
| <b>Comprehensive income for the period attributable to the Parent Company's owner</b>               | <b>2 638</b>              | <b>–15 790</b>            | <b>3 759</b>       | <b>–</b>           |
| <b>Comprehensive income for the period attributable to holdings without a controlling influence</b> | <b>572</b>                | <b>–</b>                  | <b>398</b>         | <b>–</b>           |

| <b>BUSINESS UNIT PERFORMANCE</b> | <b>2010<br/>Full Year</b> | <b>2009<br/>Full Year</b> | <b>2010<br/>Q4</b> | <b>2009<br/>Q4</b> |
|----------------------------------|---------------------------|---------------------------|--------------------|--------------------|
| <b>Net sales, kSEK</b>           |                           |                           |                    |                    |
| Product Development              | 361 592                   | 369 977                   | 103 514            | 94 295             |
| Industrial Systems               | 157 806                   | 143 258                   | 44 787             | 29 228             |
| <b>Total</b>                     | <b>519 398</b>            | <b>513 235</b>            | <b>148 301</b>     | <b>123 523</b>     |
| <b>EBIT, kSEK</b>                |                           |                           |                    |                    |
| Product Development              | –6 270                    | –38 580 <sup>2)</sup>     | 2 633              | –20 221            |
| Industrial Systems               | 20 864                    | 19 245 <sup>3)</sup>      | 4 329              | 868                |
| <b>Total</b>                     | <b>14 594</b>             | <b>–19 335</b>            | <b>6 962</b>       | <b>–19 353</b>     |
| <b>Operating margin, %</b>       |                           |                           |                    |                    |
| Product Development              | –1.7 %                    | –10.4 %                   | 2.5 %              | –21.4 %            |
| Industrial Systems               | 13.2 %                    | 13.4 %                    | 9.7 %              | 3.0 %              |
| <b>Total</b>                     | <b>2.8 %</b>              | <b>–3.8 %</b>             | <b>4.7 %</b>       | <b>–15.7 %</b>     |

1) Includes the Q2 and Q4 action plan in the amount of SEK 16 456 thousand.

2) Includes the Q2 and Q4 action plan in the amount of SEK 13 696 thousand.

3) Includes the Q2 and Q4 action plan in the amount of SEK 2 760 thousand.



## Consolidated Financial Statements (cont.)

| <b>SUMMARY BALANCE SHEET (SEK thousands)</b>                    | <b>2010<br/>31 Dec</b> | <b>2009<br/>31 Dec</b> |
|---|------------------------|------------------------|
| Goodwill  | 111 106                | 110 117                |
| Other intangible assets   | 11 427                 | 19 804                 |
| Property, plant and equipment                                   | 13 394                 | 14 519                 |
| Deferred tax assets   | 4 065                  | 5 023                  |
| Current receivables   | 142 544                | 128 452                |
| Cash Equivalents  | 7 488                  | 11 765                 |
| <b>Total assets</b>   | <b>290 024</b>         | <b>289 680</b>         |
| Equity attributable to Parent Company's owner                   | 155 130                | 152 492                |
| Equity attributable to holdings without a controlling influence | 661                    | –                      |
| Long-term provisions  | 218                    | 813                    |
| Deferred tax liability  | 9 742                  | 8 743                  |
| Long-term interest-bearing liabilities                          | 29 824                 | 31 800                 |
| Current interest-bearing liabilities                            | 4 201                  | 3 987                  |
| Other current liabilities                                       | 90 248                 | 91 845                 |
| <b>Total liabilities and equity</b>                             | <b>290 024</b>         | <b>289 680</b>         |

| <b>CHANGES<br/>IN EQUITY, in summary, SEK thousands</b>  | <b>2010<br/>31 Dec</b> | <b>2009<br/>31 Dec</b> |
|--|------------------------|------------------------|
| Opening balance  | 152 492                | 181 248                |
| Total comprehensive income for the period attributable to the Parent Company's owner               | 2 638                  | –15 790                |
| Total comprehensive income for the period attributable to holdings without a controlling influence | 572                    | –                      |
| Employee stock option program  | –                      | 2 150                  |
| Holdings without a controlling influence   | 89                     | –                      |
| Dividends  | –                      | –15 116                |
| <b>Closing balance</b>   | <b>155 791</b>         | <b>152 492</b>         |
| <b>Equity attributable to Parent Company's owner</b>   | <b>155 130</b>         | <b>152 492</b>         |
| <b>Equity attributable to holdings without a controlling influence</b>                             | <b>661</b>             | <b>–</b>               |

# Consolidated Financial Statements (cont.)

| <b>CASH FLOW ANALYSIS (SEK thousands)</b>                                    | <b>2010<br/>Full Year</b> | <b>2009<br/>Full Year</b> | <b>2010<br/>Q4</b> | <b>2009<br/>Q4</b> |
|--|---------------------------|---------------------------|--------------------|--------------------|
| <b>Operating activities</b>  |                           |                           |                    |                    |
| Profit/loss before tax   | 12 756                    | -19 976                   | 6 581              | -19 163            |
| Adjustment for items not included in cash flow                               | 13 072                    | 13 526                    | 3 700              | 5 438              |
| Income tax paid  | -934                      | -5 097                    | 375                | 3 018              |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>24 894</b>             | <b>-11 547</b>            | <b>10 656</b>      | <b>-10 707</b>     |
| <b>Cash flow from changes in working capital</b>                             |                           |                           |                    |                    |
| Change in operating receivables  | -14 092                   | 27 916                    | -21 526            | -8 427             |
| Change in operating liabilities  | -4 445                    | -7 419                    | 6 072              | 8 864              |
| <b>Cash flow from operating activities</b>                                   | <b>6 357</b>              | <b>8 950</b>              | <b>-4 798</b>      | <b>-10 270</b>     |
| <b>Investing activities</b>  |                           |                           |                    |                    |
| Acquisition of business and shares excl. cash equivalents                    | -4 022                    | -4 592                    | -                  | -                  |
| Disposal of businesses and shares, excl. cash equivalents                    | 40                        | -                         | -                  | -                  |
| Investments in intangible assets   | -152                      | -2 113                    | -132               | -26                |
| Investments in property, plant and equipment                                 | -4 244                    | -5 335                    | -1 254             | -1 501             |
| <b>Cash flow from investing activities</b>                                   | <b>-8 378</b>             | <b>-12 040</b>            | <b>-1 386</b>      | <b>-1 527</b>      |
| <b>Financing activities</b>  |                           |                           |                    |                    |
| Change in interest-bearing liabilities                                       | -1 762                    | 9 974                     | 7 771              | 10 072             |
| Employee stock option program  | -                         | 2 150                     | -                  | -                  |
| Dividends paid   | -                         | -15 116                   | -                  | -                  |
| <b>Cash flow from financing activities</b>                                   | <b>-1 762</b>             | <b>-2 992</b>             | <b>7 771</b>       | <b>10 072</b>      |
| <b>Cash flow for the period</b>  | <b>-3 783</b>             | <b>-6 082</b>             | <b>1 587</b>       | <b>-1 725</b>      |
| Cash equivalents at the beginning of the year                                | 11 765                    | 16 745                    | 5 911              | 12 644             |
| Translation difference on cash equivalents                                   | -494                      | 1 102                     | -10                | 846                |
| Cash equivalents at the end of the period                                    | 7 488                     | 11 765                    | 7 488              | 11 765             |
| <b>Cash flow for the period</b>  | <b>-3 783</b>             | <b>-6 082</b>             | <b>1 587</b>       | <b>-1 725</b>      |

| <b>KEY FIGURES</b>   | <b>2010<br/>Full Year</b> | <b>2009<br/>Full Year</b> | <b>2010<br/>Q4</b> | <b>2009<br/>Q4</b> |
|--|---------------------------|---------------------------|--------------------|--------------------|
| Profit margin before depreciation/EBITDA                               | 5.3 %                     | -1.2 %                    | 6.8 %              | -12.7 %            |
| Operating margin/EBIT  | 2.8 %                     | -3.8 %                    | 4.7 %              | -15.7 %            |
| Profit margin  | 2.5 %                     | -3.9 %                    | 4.4 %              | -15.5 %            |
| <i>Number of outstanding shares at the end of the reporting period</i> |                           |                           |                    |                    |
| basic and diluted  | 10 102                    | 10 102                    | 10 102             | 10 102             |
| <i>Average number of outstanding shares</i>                            |                           |                           |                    |                    |
| basic and diluted  | 10 102                    | 10 072                    | 10 102             | 10 102             |
| Basic and diluted earnings per share, SEK                              | 0.83                      | -1.52                     | 0.42               | -1.43              |
| Equity per share, basic and diluted                                    | 15.36                     | 15.09                     |                    |                    |
| Equity ratio   | 54 %                      | 53 %                      |                    |                    |
| Return on capital employed, %  | 8.3 %                     | -9.3 %                    |                    |                    |
| Return on equity, %  | 5.8 %                     | -9.1 %                    |                    |                    |
| Average number of employees  | 421                       | 472                       | 426                | 456                |
| Number of working days   | 252                       | 250                       | 64                 | 63                 |
| Sales per employee, kSEK   | 1 234                     | 1 087                     | 348                | 271                |

# Parent Company Financial Statements

|  | 2010           | 2009           | 2010           | 2009           |
|--|----------------|----------------|----------------|----------------|
|  | Full Year      | Full Year      | Q4             | Q4             |
| <b>SUMMARY INCOME STATEMENTS (SEK thousands)</b>   |                |                |                |                |
| <b>Net sales</b>                                   | <b>425 688</b> | <b>418 476</b> | <b>117 045</b> | <b>97 871</b>  |
| Capitalized work                                   | 132            | 1 296          | 132            | –              |
| Other external costs                               | –128 985       | –105 730       | –40 634        | –25 226        |
| Personnel costs                                    | –273 258       | –322 064       | –70 426        | –89 779        |
| Amortization/impairment of intangible assets       | –12 067        | –11 680        | –2 893         | –3 356         |
| Depreciation of property, plant and equipment      | –2 785         | –3 417         | –619           | –787           |
| <b>EBIT</b>  | <b>8 725</b>   | <b>–23 119</b> | <b>2 605</b>   | <b>–21 277</b> |
| Profit/loss from participations in Group companies | 174            | –988           | –              | –              |
| Interest income and similar profit/loss items      | 645            | 772            | 191            | 159            |
| Interest expenses and similar items                | –2 163         | –1 320         | –483           | –238           |
| <b>Profit (loss) after financial items</b>         | <b>7 381</b>   | <b>–24 655</b> | <b>2 313</b>   | <b>–21 356</b> |
| Appropriations                                     | –              | 12 750         | –              | 12 750         |
| Taxes  | –2 170         | 2 528          | –780           | 2 070          |
| <b>Net profit (loss) for the period</b>            | <b>5 211</b>   | <b>–9 377</b>  | <b>1 533</b>   | <b>–6 536</b>  |

|   | 2010           | 2009           |
|---|----------------|----------------|
|   | 31 Dec         | 31 Dec         |
| <b>SUMMARY BALANCE SHEETS (SEK thousands)</b> |                |                |
| Intangible assets                             | 12 345         | 24 259         |
| Property, plant and equipment                 | 3 947          | 4 968          |
| Financial assets                              | 39 964         | 41 677         |
| Current receivables                           | 117 858        | 98 039         |
| Cash and cash equivalents                     | 390            | 5 843          |
| <b>Total assets</b>                           | <b>174 504</b> | <b>174 786</b> |
| Equity  | 76 518         | 71 307         |
| Provisions                                    | 217            | 813            |
| Long-term interest-bearing liabilities        | 23 340         | 25 146         |
| Current interest-bearing liabilities          | 2 200          | 2 200          |
| Other current liabilities                     | 72 229         | 75 320         |
| <b>Total liabilities and equity</b>           | <b>174 504</b> | <b>174 786</b> |
| Pledged assets                                | 65 000         | 65 000         |
| Contingent Liabilities                        | 5 871          | 3 123          |



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