

We develop intelligence in products and industrial systems

Annual Report 2004

Concents

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ENGLISH TRANSLATION OF PREVAS ANNUAL REPORT 2004.

Annual General Meeting

The Annual General Meeting will be held on Thursday, 17 March 2005 at 17.30, at Aros Congress Center, Hörsalen, Munkgatan 7, Västerås, Sweden.

Notification etc.

To attend the AGM and be entitled to vote, the shareholder must:

- be registered in the share register
- have notified the company

Shareholders must be registered in the share register kept by Värdepapperscentralen VPC AB (VPC) (Swedish Securities Register Centre) not later than 7 March 2005. Nominee shareholders must temporarily register their shares in their own name not later than 7 March 2005. Shareholders must notify the company of their intention to attend the AGM not later than 12.00 on 14 March 2005 as follows:

- by telephone: +46 21-360 19 00
- by fax: +46 21-360 19 29

- by post:
Prevas AB, Klockartorpsgatan 14,
SE-723 44 Västerås, Sweden
- by e-mail: bolagsstamma@prevas.se.

On notification, the shareholder's name, personal identity number (corporate identity number), address and telephone number should be stated.

Change of address

Natural persons registered in Sweden need not notify VPC of a change of address. Other shareholders who have changed their address, and all shareholders who have changed their name or account number should notify the changes to their bank, etc., as soon as possible.

All nominee shareholders should notify changes of name, address and account number to the nominee as soon as possible. A special form for this purpose is available from the bank.

Dividend

The Board of Directors proposes a dividend of SEK 0.50 per share (no dividend the previous year) for the financial year 2004. 22 March 2005 is proposed as the record date. Dividends are expected to be paid through VPC on 29 March 2005.

Financial reporting

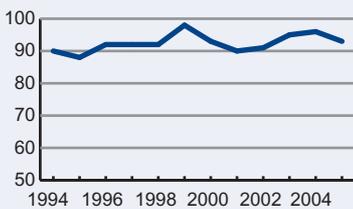
Financial reporting for the financial year 2005 is planned as follows:

Interim Report to 31 March, 28 April 2005
Interim Report to 30 June, 26 August 2005
Interim Report to 30 September,
26 October 2005
Press Release of Financial Results,
7 February 2006
Annual General Meeting, 16 March 2006

A summary of the year

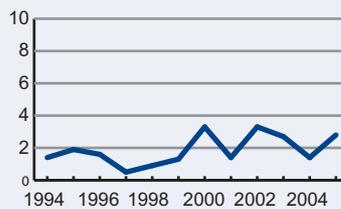
- Prevas is one of the IT sector's most profitable companies, with an 8.0 per cent profit margin for 2004.
- Prevas is the only systems integrator in the Nordic region to be designated as a preferred partner for Microsoft's embedded systems.
- Prevas' presence in the Stockholm market is strengthened through the acquisition of a minority interest in Precon AB. Precon is a start-up company with specialist competence in product development.
- Prevas' focus on increased strength, through minority interests in interesting start-up technology companies, begins. Prevas acquires a minority interest in FlexPack Robotics AB. The company offers flexible packaging solutions mainly for the European pharmaceutical and food industries.
- Breakthrough for Prevas' product focus on the global market. An order is received from the world-leading Danish pharmaceutical company ALK-Abelló.
- Prevas' identity as the "Fixed-price expert" is based on employees competence in specifying, phasing and managing customer assignments by targets. Prevas has a world-class ability to deliver IT projects on time and to the right quality. In 2004, 93 per cent of the company's projects are delivered on time.
- Following five quarters of stable profitability, the focus has shifted to profitable growth. This entailed the recruitment of new employees, particularly during the second half of the year.
- Major orders for consultancy services signed with Amersham Biosciences, Dafgård, GETRAG All Wheel Drive, ICA, Saab, Scania and Sydsvenskan Tryck.
- Orders for products and customer support signed with ALK-Abelló, AstraZeneca, Duni, Elos, Ericsson and Pfizer.
- During the year, Prevas had framework and/or cooperation agreements with Amersham Biosciences, Atlas Copco, Ericsson, Flextronics, FMV, Nokia, Saab, Sandvik and Scania.

Delivery reliability, %



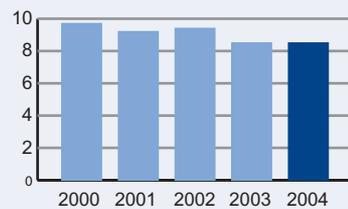
Percentage of projects delivered on time.

Work under guarantee, %



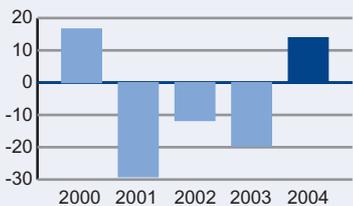
The percentage of work under guarantee with the percentage of work before delivery.

Customer satisfaction

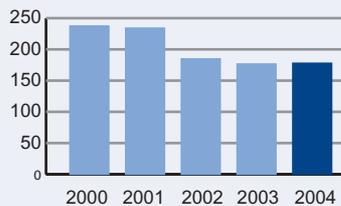


On a scale to 10.

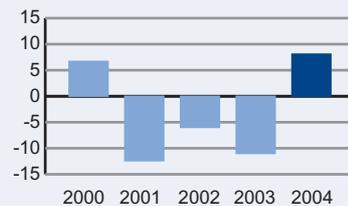
Operating profit/loss, SEK million



Net sales, SEK million



Profit margin, %



Model for the IT sector



2004 saw a turnaround for Prevas. Following three tough years for the IT sector, Prevas could once again show first-rate profitability. Demand for the company's services and products rose gradually during the year and the recruitment of new employees began in earnest during the second half. Further proof of our success was Microsoft's designation of Prevas as its only preferred partner in the Nordic region for embedded systems in future products.

Prevas' three-stage strategy

During 2004, we operated according to a three-stage strategy.

1. To return Prevas to its position as one of the market's most profitable IT consultancies. This was achieved.
2. To strengthen Prevas through its own products and minority interests in interesting start-up technology companies. This is ongoing.
Prevas continued to invest in traceability products during 2004. The acquisition of Goods Certificate Manager (software that provides electronic movement certificates for food manufacturers) and CellManager (software to control and monitor production cells) has complemented Prevas' offering.
Two minority interests were acquired, Precon AB and FlexPack Robotics

AB. Precon AB is a company with leading-edge competence in the development of intelligent, communicating products. The company represents Prevas in the Stockholm market through a franchising agreement and has grown from 0 to 15 employees during its first eight months. FlexPack Robotics AB offers flexible packaging solutions mainly for the European pharmaceutical and food industries. The company got off to a flying start by taking over responsibility for around 20 packaging installations previously supplied by ABB. As a result, the company has an initial customer base, which includes companies such as AstraZeneca, Pfizer, NovoNordisk and Fresenius Kabi. Moreover, the company's sales organization was strengthened by a salesperson for Europe based in Germany.

3. To create profitable, mainly organic growth. This has begun.
During the second half of the year, 20 new employees were recruited to Prevas' consulting operations. Demand and growth were largest in the Stockholm and Mälaren regions.

Model for the IT sector

Prevas' vision is to serve as a model for the IT sector. I consider that a model company in our sector always ensures that the customer obtains cost-effective IT solutions that contribute to achieving their business targets. In addition to innovative technical solutions, successful project implementation is an important factor. Moreover, a model company should be an attractive workplace, in which employees develop and flourish, enabling the company to attract and retain the best employees in the sector. From an ownership perspective, a model

company should be a good investment in that it shows good profitability relative to the sector and at the same time expands more rapidly than the sector average.

Unique leading-edge competence

Prevas' offering comprises consultancy services, products and customer support to companies developing products with a large IT component or needing to streamline or automate their operations. Our aim is to further strengthen our offering in these areas. Unique leading-edge competence in product development, industrial automation and traceability solutions is complemented by a quality-assured development process.

World-class project implementation

Prevas celebrates its 20th anniversary in 2005. Reliable project implementation has been one of the company's cornerstones since the start. This ability to successfully plan, tender, implement and maintain IT solutions has continued to be one of the most important customer benefits that Prevas offers the market. Our customers can confidently reckon on getting the agreed function to the right quality and on time. Prevas is pleased to undertake this at a fixed price. Our ability to implement successful projects is crucial in fixed-price projects. We have therefore also chosen the "Fixed-price expert" tagline. As the sector matures, customers increasingly require suppliers to take greater responsibility for delivering function rather than just technical content. This naturally leads to an increase in the proportion of integrated projects. Prevas applauds and wants to take part in driving this trend.

During 2004, we supplied IT solutions to ABB, Amersham Biosciences, AstraZeneca, Atlas Copco, Autoliv, Biacore, Dafgård, Elcoteq, Ericsson, Findus, Flir Systems, FMV, FOI, GETRAG All Wheel Drive, Haldex, IBM, ICA, LGP Allgon, Nobel Biocare, Nokia, Pfizer, Pharmacia, Saab, Sandvik, Sanmina-SCI, Scania, Solectron, Sydsvenskan Tryck, Viasat, Volvo and Westinghouse. These are well-known customers with high demands, where Prevas' ability to realize customer value in IT solutions

constitutes a decisive competitive edge. A qualitative customer survey carried out at the end of 2004 shows that we have very satisfied customers.

Corporate culture

My objective is that Prevas should attract and retain the best employees in the IT sector. Stimulating assignments and planned competence development enable us to maintain our position at the cutting edge of technology. Now that demand is increasing and providing scope for new initiatives, we have chosen, in addition to competence development, to focus on stimulating a healthy lifestyle and consequently better health. My hope is that the chosen strategy will prove to be right, particularly when the labour market heats up.

Good profitability and expansion

Prevas' long-term targets are 10 per cent profitability before tax, 15 per cent annual growth and a dividend equivalent to half of net profit. 2004 saw Prevas return to profitability, even though we did not quite meet the target. Recruitment began during the second half of the year, leading to expansion.

Product-developing growth companies

Swedish companies substantially increased their investments in product development during 2004. My view is that these investments will continue to increase. Following several years of restraint, our customers have a considerable need to renew their products, to ensure that they can meet the increasingly tough global competition. Prevas' increased collaboration with Microsoft on software for future electronics products makes Prevas a natural partner for companies planning new product ventures.

Automation - the opportunity for Swedish manufacturing industry

In industrial systems, the investment level is relatively independent of the economic situation. The driving force underlying new investments is the need for improved efficiency and

larger production volumes. Increased automation is a prerequisite for the continued competitiveness and survival of the Swedish manufacturing industry. These driving forces lead to a growing demand for automation solutions. Prevas' 20 years' experience of applying IT to streamline the whole production chain will, together with the customer's sector expertise, be a prerequisite for continued Swedish production.

Global expansion

Prevas' traceability products for electronics, pharmaceuticals and food show favourable development. Consumers' and public authorities' product information requirements are constantly increasing, particularly in the pharmaceutical and food industries. In 2004, we received an order that constituted a global breakthrough in the pharmaceutical industry. The objective for 2005 is to develop a global partner network, to increase sales of traceability products for pharmaceuticals production. The first countries on the agenda are Germany, the UK, the Irish Republic and the USA.

Continued profitable growth

The objective is that Prevas should continue to be one of the sector's most profitable IT consultancies, with growth in excess of the sector average. We shall achieve these objectives by continuing to operate according to our three-stage strategy, through global expansion of our traceability products and through continued development of our offering in product development and industrial systems.



Anders Englund
CEO Prevas AB
anders.englund@prevas.se

Prevas' operations

We develop intelligence in products and industrial systems

Prevas was founded 20 years ago. When the company started in 1985, the objective was to create an industry-related computer consultancy, which prioritized complete, preferably fixed-price, projects in its own premises. Today Prevas is a modern, project-oriented, hi-tech IT company, which is also an expert in fixed-price IT projects. We offer consultancy services, traceability products and customer support to companies developing products with a large IT component or needing to streamline or automate their operations. Delivery reliability, quality and fixed price are characteristic of Prevas' solutions.

The fixed-price expert

Customers need to ensure that implemented investments are successful, i.e. delivered on time and to the right quality.

We have a world-class ability to deliver IT projects on time and to the right quality. In 2004, more than 90 per cent of our projects were delivered on time. This competence is best seen in fixed-price projects, where it is clearly measurable. The recipe for the success of our IT projects, for both the customer and Prevas, is our employees' competence and focus on carefully specifying, phasing and managing all the work by targets. Our employees' experience of effective project management guarantees our customers effective project implementation even in non-fixed-price assignments.

In 1992, we were the first IT consultancy to be certified to ISO 9001. Since 2003, we have also been certified to the new version of the standard, ISO 9001: 2000.

Consultancy services

Prevas offers consultancy services in product development and industrial

systems. We increase our customers' prospects of successful product development and of streamlining or automating their production or logistics.

Our core competence is in defining, managing and implementing projects. These strong values have been developed thanks to our demanding customers. We have long delivered consultancy services and IT solutions to Sweden's most well-known companies. In most cases, these were mission-critical solutions and systems.

Products & Customer support

Traceability products

Prevas offers products and systems solutions in traceability, testing and quality control for electronics, pharmaceuticals and food production.

Customer support

Prevas offers customer support services for the systems, solutions and products that it develops and delivers. These services may also include operating responsibility and product administration. The objective is to guarantee our custo-

mers high availability of implemented investments.

Customers

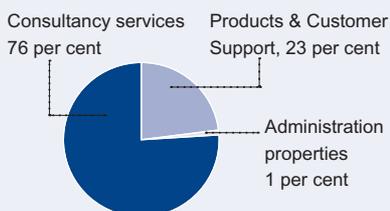
Prevas has a strong customer base among both traditional export companies and development-intensive growth companies. The combination of operational expertise, quality assurance and subsequent customer support services guarantees the viability and availability of deliveries. This is also reflected in the fact that we have very satisfied customers.

The customer base is stable with a high level of repeat business. Fixed-price projects accounted for 43 per cent of projects in 2004.

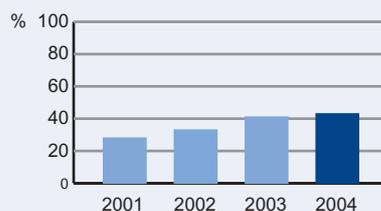
The five largest customers in 2004 and their percentage share of turnover were as follows:

- ABB Group 11 % (12 %)
- Saab Group 8 % (5 %)
- Ericsson Group 7 % (12 %)
- Viasat 7 % (1 %)
- Amersham Biosciences 6 % (9 %)

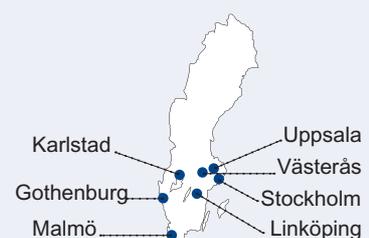
Turnover breakdown



Percentage of fixed-price projects



Prevas offices



Business concept, vision and strategy

Business concept

Prevas' project quality and applied expertise in software development secure the customer's investments.

Vision

Prevas' vision is that the company should be a **"model for the IT sector"**.

From different perspectives, this means that:

Market:

- Prevas should be perceived as the technical leader in its operating areas.
- Prevas should expand more rapidly than the IT sector as a whole.

Finance:

- Prevas should be one of the IT sector's most profitable companies.

Employees:

- Prevas should attract and retain the best employees.

Process:

- Prevas should be the customer's first choice, due to superior project implementation and the most cost-effective solutions.
- Prevas should be easy to do business with.

Strategy and positioning

In order to achieve our vision and our objectives, we have chosen the following strategies:

Market

- In each operating area, we should define which target groups to focus on and carefully identify which companies are interested in the customer value we offer.
- We should plan a number of sales activities and seminars to be implemented, in order to reach new customer groups.
- Image building should be based on a carefully prepared plan, in which each individual activity helps to strengthen the Prevas brand.
- Sales should be generated by developing customer relationships, in order to achieve good, long-term customer relationships. We should support our sales activities with well-planned advertising.
- Increased globalisation through our customers, partners and own sales.

Finance

- Prevas should show sustained profitability, with positive cost variances in fixed-price projects.
- Prevas should grow organically, supported by acquisitions of companies with complementary competence or customer relationships.

- Prevas should strengthen the company through its own products and minority interests in interesting start-up technology companies.

Employees

- Prevas should be an attractive workplace offering stimulating assignments and planned competence development.
- Prevas should offer a good work-life balance.
- Prevas should promote a strong corporate culture, in which employees enjoy going to work.
- Prevas' corporate culture should be marked by decentralized decision-making, a businesslike and responsible approach as well as quality- and cost-consciousness.
- Prevas should have good leadership marked by openness, dialogue, participation and honest communication.
- Prevas' employees should be offered a share in the company's financial success.

Process

- As the "Fixed-price expert" and due to its world-class project implementation, documented by established performance indicators, Prevas should be the competitive, secure option for its customers in project procurement.
- An effective integration process for acquired businesses secures the value of investments made.

Organisational chart



Our employees

Focused on specifying, phasing and managing all work by targets



We are a knowledge company, which means that our employees and their profile are an important aspect of our company. We combine a knowledge of our customers' operations with modern software development.

Prevas' corporate culture

An important aspect, particularly in a service company, is the corporate culture guiding and directing our actions and decision-making in everyday activities. At Prevas, we have tried to summarize our culture in five core values: technical expertise, quality, commitment, profitability and family values.

In employee surveys, employees are asked how they experience our core values in their daily work. This enables us to measure how well we are achieving these values and how this changes over time. We can also see how we can further improve employee well-being and our quality philosophy. During 2004, our employees took part in two employee surveys.

Prior to their first working day, new employees receive an induction pack, in which we describe our core values and give a thorough presentation of our organization. If required, special induction days are also held, where new employees have an opportunity to meet Prevas' management.



Interesting projects at the leading edge of technology

We want to be a leader in the areas in which we operate. This means that we often carry out cutting-edge development projects, requiring a sound education and considerable knowledge of the customers' business. The majority of employees have many years' experience in our operating areas.

Curiosity about new technology and new solutions is an important aspect of our everyday life. In order to maintain competitiveness and a high competence profile, we offer interesting projects at



the leading edge of technology and a flexible organization.

Methodical project implementation

Our procedures have been certified to ISO 9001 since 1992 and have also been certified to the new version of the ISO quality standard, ISO 9001:2000.

Our ability to deliver projects on time, to the right quality and at a fixed price has inspired great confidence among our customers. Our recipe for achieving this is a process-oriented operation with a well-developed, pragmatic project model that everyone complies with. The project model is based on methodical project implementation and sound resource planning to minimize overtime. Our procedures, directives and project model are easily accessible to all employees via our intranet. Quality management is a natural part of our daily activities.

Commitment

The opportunity to carry out projects from pilot study to implementation and to work in project teams makes for committed and stimulated employees. Moreover, the implementation of as many assignments as possible in our own offices increases the sense of togetherness, strengthening Prevas' corporate culture.

Our employees are able to take the decisions required in their work, without being hampered by long decision-making

processes or complicated administration. In order to realize this, we have created a flat organizational structure with few formal levels.

Various share ownership schemes have been launched to create long-term motivation and employees have been offered staff options.

Competence development

Competence development is fundamental in a knowledge company like Prevas. Apart from competence development linked to specific projects, career development discussions are carried out at least once a year for each employee. These discussions take place between line manager and employee. The line manager has the task of making the best use of the employee's ability and stimulating his/her career development. At the same time, each individual employee is responsible for raising his/her level of competence.

Profitability

A profitable business is a prerequisite for secure, enjoyable employment, creating opportunities for both the individual and the company to develop.

Healthy employees

In order to avoid the modern problems of stress and burnout, we try to create a positive social community both at work and outside work. Our employees should be

able to achieve a good work-life balance. In practice, this means, for example, that overtime is the exception. We also try to offer individual employment and project terms.

Employee well-being is of the utmost importance. We focus on stimulating a healthy lifestyle and consequently better health. Our employees have an opportunity to take part in various leisure activities and subsidized fitness training in their spare time.

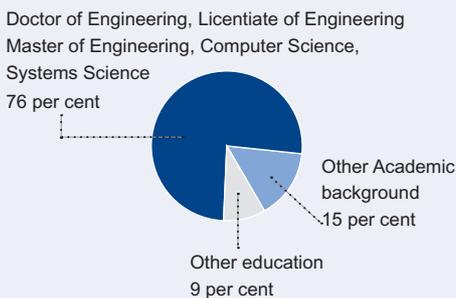
Equal opportunities

Our ambition is to increase the proportion of female employees, which was 20 per cent at the end of 2004.

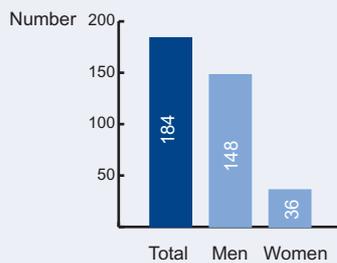
Of course, we have a well-developed equal opportunities plan, which emphasizes that working conditions should be suitable for both men and women.



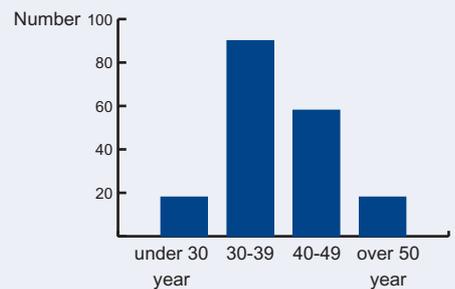
Competence profile



Number of employees, 31 Dec 2004



Age distribution



Product development

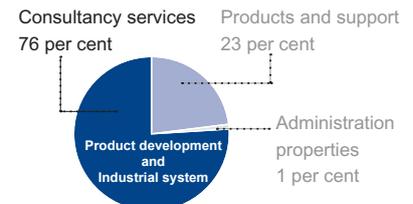
Intelligent, networked machines



Some of our customers

ABB, Amersham Biosciences, Atlas Copco, Autoliv, Flir Systems, Nokia, Saab, Sectra, Stoneridge, SmartTrust and Viasat.

Turnover breakdown



What is product development?

For Prevas, product development means the ability to manage and implement technically complex development projects, with a high level of competence. The end result for our customers is a profitable product.

The development of profitable products requires a short time to market and a product of the right quality. The product's quality affects the customer's support and maintenance costs. In turn, this affects the long-term profitability over the product's whole lifecycle. By developing profitable products for the customer, we have a decisive opportunity for contributing to the customer's profitability.

Our offering

An increasing number of products with a higher degree of computer power are being developed. Products are becoming more intelligent. The need to communicate with the environment is increasing, which also leads to products being increasingly networked. We have technical competence in all areas, from the printed circuit board level inside the appliance to the applications that make the product unique. We have well-documented procedures for costing, managing and quality assuring the different phases of a project.

We act as a partner to a large number of customers, where we take

a greater responsibility in our undertaking than just supplying specialist competence. The partner relationship is a bilateral undertaking. Prevas often invests in the customer's development environment. This approach strengthens the customer/supplier relationship in a long-term and profitable way for both parties. In projects in which we have total responsibility, we notice that customers are increasingly taking advantage of our offer to deliver at a fixed price.

Our market position

Over the past few years, work has been carried on to extend the life of existing products, in order to keep down the costs of development departments. Now that we can note that the development of new products has picked up again, Prevas is well positioned in an expanding market.

Our product development customers are found in the following sectors:

- Automotive industry
- Defence industry
- Life Sciences
- Telecoms
- Engineering industry

Customers see us as an important partner

Our customers range from small to large industrial enterprises.

A typical Prevas' customer is a product company, which is a specialist in

its own operating area, but has limited competence in electronics and software development. Here we take overall responsibility for product development. This often ranges from processes, quality systems and project management to implementation and testing of the finished product.

Another type of assignment is when small and large enterprises use the services of Prevas' specialist consultants in areas in which their own competence needs strengthening.

Our product development customers include ABB, Amersham Biosciences, Atlas Copco, Autoliv, Flir Systems, Nokia, Saab, Sectra, Stoneridge, SmartTrust and Viasat.

Well-established methodology

Our combination of considerable technical expertise, well-developed procedures and a sound quality philosophy throughout the development project is characteristic of Prevas. Our well-established project methodology is an important competitive edge, both in projects where we have total responsibility and in projects where we strengthen the customer's competence. Many of the projects are at the very leading edge of technology, positioning us high up the value chain. This is stimulating for our employees, while providing the best possible competence development for our

consultants.

Prevas has been involved in product development for 20 years and has contributed to the success of many product development companies in achieving a leading position in their respective market areas.

Future prospects for our areas of focus

Embedded systems

Over 90 per cent of the world's computers are embedded in various types of products, which are not associated with computers or computer use, so-called embedded systems. Embedded systems range from the ABS brakes in a car to a pacemaker.

An embedded system often has complex hardware, some form of real-time operating system and application software. Prevas' offering covers all areas in the development of the embedded system.

Telematics

Today we see a clear trend, in which an increasing number of the products we develop require some form of communication with the environment. There are many advantages in enabling communication. One example is remote electricity meter reading, which saves money and increases the level of service to the end customer.

Broad technical competence and excellent reference projects in telematics make us well positioned in this area.

Windows Embedded

In 2004, Prevas was the only systems integrator in the Nordic region to be designated as a Gold Level Member or preferred partner for Microsoft's embedded operating systems, Windows Embedded. In view of this increased collaboration with Microsoft, a substantial expansion of projects based on this platform is expected in 2005.

Migration of encryption systems for digital TV satellite boxes

Viasat's business concept is to package and distribute entertainment in the form of TV channels, such as TV3, TV8, ZTV, Viasat Sport and TV1000.



During 2004, Viasat implemented a successful transfer of its platform for digital satellite TV to the new, secure encryption technology VideoGuard. The transfer was implemented by downloading software directly to subscribers' satellite boxes and distributing new viewing cards.

Prevas developed new software that enabled Viasat to supply the new encryption technology in the satellite boxes supplied by Nokia.

In a press release on 13 September 2004, Hans-Holger Albrecht, CEO and President of the parent company MTG, said: "The project has been implemented according to plan and is one of the first times that a satellite TV operator has migrated its subscribers to a new encryption technology. We have implemented the migration at a low cost, while it has taken place in the simplest possible way for our customers."

Product platforms based on Windows Embedded

Since Prevas was designated as a Gold Level Member or preferred partner by Microsoft, a number of strategic customer projects have been implemented. Many products are facing a technology change and there is a great need to develop new product platforms based on Windows Embedded. Customers can achieve considerable savings in both development time and product cost. The majority of these projects are of a confidential nature, due to our customers' competitive situation in the market.



Prevas designated as a Gold Level Member and preferred partner for Microsoft's embedded operating systems

Customers include Flir Systems, SPM Instrument, Trimble and Åkerströms.

Industrial systems

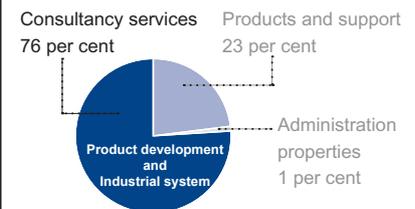
For more efficient and more profitable production



Some of our customers

ABB, Arla, AstraZeneca, Autoliv, Dafgård, DN/Expressen, Ericsson, Findus, GETRAG All Wheel Drive, Haldex, Sandvik, Scania, Sydsvenskan Tryck, Volvo and Westinghouse

Turnover breakdown



What are industrial systems?

Industrial systems are computer-based systems solutions, which facilitate, streamline and assure the quality of the company's production process.

Systems delivered by Prevas include control systems that control production equipment through digital signals, cell computers that enable unmanned production in a production cell, and higher level production systems to increase quality, efficiency and availability in factories. Other examples are materials control systems for warehousing and driverless trucks, as well as hand-held computer solutions, which neatly provide direct information to production staff.

Industrial systems can most simply be described as the computer solution, which exists between business systems and production equipment and which links the two together.

Our offering

Our strategy is one of close collaboration with our customers. Our business consultants help customers to identify opportunities for improvements in the production process. Senior consultants analyse technical solutions to identified opportunities for improvements and economies. A project team solves the technical challenges and implements cost-effective solutions. Our customer

support operations ensure operation after systems installation.

We offer complete solutions in the main areas of planning and ordering, control and monitoring.

Planning and ordering

This comprises the optimal allocation of production between different production resources. The control of materials supply is included in this area. Here there are often considerable opportunities for achieving a more efficient materials flow in the production process.

We have unique expertise in internal logistics, stock management and various control systems for materials handling. We integrate different systems, equipment and interfaces into total solutions. We have considerable experience of production plants with high availability and traceability requirements, particularly in the automotive, manufacturing, printing, food, pharmaceutical, electronics, wholesale and distribution sectors.

Control

This comprises the optimal utilization of production equipment and materials. Better and faster information to the operators makes better decisions possible. The control systems relieve the operators and enable a considerably higher capacity utilization of production equip-

ment. Fully developed control systems enable unmanned production, which further reduces production costs.

We supply systems to control robotized production cells, materials flows, automated warehousing and trucks, palletizing, packing, sampling and testing etc.

Monitoring

This entails the collection and presentation of data from the production process. Here there are considerable opportunities particularly for better maintenance, quality improvements and a reduction in the number of rejects. TAK and OEE are two concepts that have begun to be generally accepted over the past few years. TAK and OEE describe how to measure the efficiency of a production process.

We supply systems for streamlining, monitoring, resource utilization and quality control.

Our market position

The demands for increased efficiency to achieve profitable production are continuously raised. Competition from low-cost countries is forcing European companies to manufacture to a higher quality and with a lower labour input per manufactured unit. The solution is industrial systems, i.e. strong IT support in the production process.

Prevas has a unique offering. We supply pilot studies, with our industrial business consultants, and turnkey IT systems ranging from signals in the production process to business systems. Few players in the Nordic market have Prevas' breadth and depth in IT solutions for the manufacturing industry. Moreover, our project implementation approach minimizes the loss of output otherwise usual in the roll-out of new IT solutions.

Our industrial systems customers are found in the following sectors:

- Automotive industry
- Food
- Life Sciences
- Process industry
- Telecoms
- Engineering industry

Our customers rely on us

Our industrial customers continuously invest in their own production process. The demands on us are cost effectiveness and rapid payback on investments. We have a good inflow of orders from these customers. We regard this as proof of our competitiveness and that our competence is highly valued in the market.

Customers include ABB, Arla, AstraZeneca, Autoliv, Dafgård, DN/Expressen, Ericsson, Findus, GETRAG All Wheel Drive, Haldex, Sandvik, Scania, Sydsvenskan Tryck, Volvo and Westinghouse.

Prevas streamlines Findus' production

Findus is one of Europe's leading producers of processed and semi-processed frozen foods. Findus' green peas are the market leader in Sweden. The company received assistance from Prevas in improving the overview and the efficiency of its production flow, from the pea harvest in the field to the frozen and packed products in the factory.



Findus frozen peas.

The solution was a web-based system that enables early planning of the harvest, transportation and production flow. Current production and quality are continuously reported to everyone at Findus.

Prevas modernizes newspaper printing works

Sydsvenskan Tryck AB prints the newspapers Sydsvenska Dagbladet and Kvällsposten.



An important process in the newspaper printing works is supplying the newspaper press with paper reels. This process includes automated trucks, an unpacking station, warehousing etc. Prevas' assignment was to modernize and streamline the IT system that controls these processes. The system was commissioned during the autumn of 2004.

Sydsvenskan Tryck AB is part of Bold Printing Group AB, which is a wholly-owned subsidiary of the Bonnier Group. Bold has an annual production of approximately 700 million newspapers with around 40 titles and is consequently one of the leading newspaper producers in the Nordic region.

Traceability products

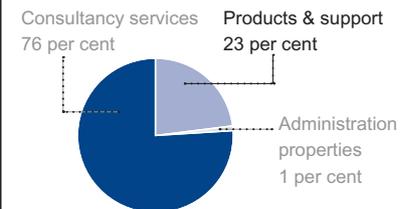
Traceability products in a global market



Some of our customers

ALK-Abelló, Amersham Biosciences, Astra-Zeneca, Coca-Cola, Dafgård, Duni, Elos, Ericsson, Kodak, Nobel Biocare, Pfizer and Unilever

Turnover breakdown



Products for traceability, testing and quality control

Prevas develops and markets products for product information management and product traceability. The company's products are used in the following sectors:

- electronics production
- pharmaceuticals and medical equipment production
- production and distribution of food and consumer goods

The facility to trace and store correct information is today more important than ever. Industrial customers and consumers are making increased demands for product quality. Our products help to ensure traceability and increase the quality of information for our customers, enabling more efficient logistics and a rapid response to quality issues.

Our products

Bartrack, Testnet and QSP

The Bartrack, Testnet and QSP products are three parts of a total concept for traceability of individual electronics cards. Bartrack produces labels to meet traceability requirements. Testnet manages the storage and reporting of test data. QSP presents collected and manually input quality information.

Snitcher Asset Management®

The Snitcher Asset Management product manages traceability of plant and

equipment in geographically distributed systems. The customer's maintenance costs can be drastically reduced by streamlining the utilization of existing resources.

PharmaLine™/ Snitcher Medical®

The PharmaLine product is used in pharmaceuticals and medical equipment production to ensure correct, traceable labelling and is also used for printing labels. The product has been developed to comply with the requirements of the US FDA (Food & Drug Administration) and is used in validated plants.

The Snitcher Medical product is a further development of PharmaLine. The product has been adapted to provide functionality targeted at the global market.

Snitcher Food®

The Snitcher Food product ensures product information management and product labelling in the food industry. The product also ensures that the right information is provided to different players in the food chain.

Today a number of major Swedish food producers use Snitcher Food for their product information management.

Goods Certificate Manager

The flow of goods certificates from suppliers to the wholesale and retail trade is

steadily increasing. Our GCM (Goods Certificate Manager) software is the market leader in Sweden for the electronic management of goods certificates in the food and consumer goods industries.

Our market position

Product operations continued to develop positively during 2004, with new customers in Asia and eastern Europe.

Electronics production

The number of new installations in electronics production declined somewhat during 2004 as the market for electronics production stabilized. The trend towards increased production in eastern Europe and China continued and there were new installations in these regions. Another positive trend is that the number of development projects for existing customers rose somewhat.

The market for the Snitcher Asset Management product is currently primarily within the principal customer Ericsson. The potential for this product within Ericsson's global service organization has broadened.

Pharmaceuticals and medical equipment production

Among companies producing pharmaceuticals in Sweden, Prevas' dominant position with the PharmaLine and Snitcher Medical products was strengthened

by a number of new customer projects. New orders were signed abroad and the number of global projects is increasing.

Production and distribution of food and consumer goods

The market for traceability systems in the food and consumer goods industries continues to develop positively as new requirements by wholesalers and public authorities increase. During 2004, the number of new customers in this area rose significantly.

With the acquisition of the GCM product, Prevas has established itself as a leading supplier of product information solutions for food and consumer goods. The product also opens up new development opportunities for Prevas' other products in the food industry.

Strategic ventures in 2004

A new version of PharmaLine, now with the product name Snitcher Medical, was developed to provide functionality targeted at the global market.

On 1 July 2004, the GCM (Goods Certificate Manager) product was acquired from Emcat eBusiness Solutions AB. The product is used for the management of electronic goods certificates in the food and consumer goods industries and complements Snitcher Food.

The development of the Snitcher Asset Management product was completed during the year, with new functionality for integration into other systems.

Future prospects

During 2005, Prevas' product operations will focus on the following areas:

- Global distribution of Snitcher Medical through direct sales and partners.
- Exploiting the market potential in the food and consumer goods industries.
- Expanding the distribution of Snitcher Asset Management.
- Continuing the development of the Snitcher product range with more application areas for traceability.

Increased capacity utilization for Ericsson

In 2003, Ericsson concentrated its global testing operations in a new organization, Ericsson Test Environments. A need arose fairly rapidly to collect information on the operations' total inventory of testing equipment and instruments, in order to increase the capacity utilization of the relatively expensive equipment and to facilitate better investment decisions.

Prevas supplied the Snitcher Asset Management product, which Ericsson uses for marking equipment with bar codes and scanning with Pocket PCs. The product manages all the equipment in Ericsson's global testing operations.

Apart from the software, Prevas also supplies the Pocket PCs and provides customer support for both the hardware and software.

ALK-Abelló secures its product information

ALK-Abelló is a world leader in the specific diagnosis and treatment of allergy. The company has selected Prevas' Snitcher Medical product for label printing in their production of allergy vaccines.

Prevas has overall responsibility for the project and the assignment also includes the integration of the product into the customer's business systems (SAP) and validation in accordance with GAMP (Good Automation Manufacturing Practice) for compliance with the requirements of the US FDA (Food & Drug Administration).

The order also involves an option to implement Snitcher Medical in all ALK-Abelló's production plants globally.



Thomas Aagaard (Project Manager) and Peter Overbeck (Director Packaging & Distribution) from ALK-Abelló.

Duni sends electronics goods certificates to the Nordic market

Duni is a world-leading and trendsetting company, which offers concepts, products and service for both everyday and festive occasions where food and drink are served.

Duni has selected Prevas' GCM (Goods Certificate Manager) software to supply electronic goods certificates to wholesalers in all the Nordic countries.

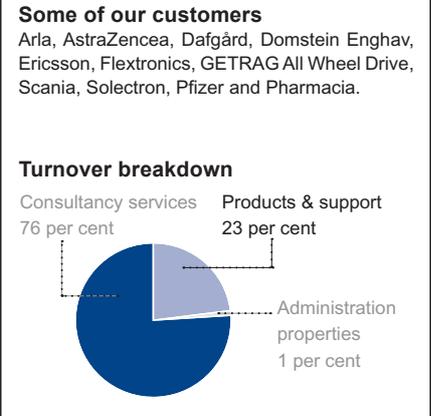
The facility to send goods certificates to all the Nordic markets is available as standard modules in GCM. The modules can be used by both existing GCM customers and new customers, who need to send goods certificates to more countries.



Goods Certificate Manager.

Customer Support

Our customers' security



Prevas' customer support is an important activity, which is much appreciated by our customers. By allowing dedicated support engineers to look after operation and support, our customers secure high availability and security for the products and solutions supplied by Prevas. We are committed to giving our customers the best possible support.

Our offering

Prevas' customer support offers our customers professional support 24/7. Our customers are guaranteed high availability and security for the products and solutions that we have supplied and can instead focus on their core business.

We have a separate organization dedicated to customer support. This means that our customers receive the help they want, when they need it. Our engineers have long experience of rapidly identifying and preventing possible problem areas.

We offer a wide range of services. In order to identify the best support solution for each customer, we go through the customer's operations and requirements. Services may comprise:

- Operating responsibility. We can take total responsibility for the customer's entire operating environment.
- Administration and maintenance. We guarantee effective use of the application or solution in which the customer has invested.
- ASP services (Application Service

Provider). We offer the customer access to software, where we take responsibility for the whole operation and maintenance.

Prevas' customer support has various levels of support agreement, which all secure the customer's requirements for high availability. The customer can quickly and simply contact one of our support engineers.

Focus on operating reliability

We have close contact with our customers and can always access the customer's environment electronically and quickly rectify any problems. At our follow-up meetings, we go through the case statistics and contribute proposals and solutions, in order to jointly increase availability and reduce downtime.

We are committed to giving our customers the best possible support. Our customer support philosophy includes both preventing and solving problems, in order, as far as possible, to guarantee effective and reliable solutions.

Customers

The ability to understand the customer's problems and solve cases within the agreed time has inspired enormous confidence among our customers.

Our customers include Arla, AstraZeneca, Dafgård, Domstein Enghav, Ericsson, Flextronics, GETRAG All Wheel Drive, Scania, Solectron, Pfizer and Pharmacia.

Future prospects

Prevas will deliver more products and solutions to our customers and customer support will be an increasingly natural part of the total customer assignment. Customer support strengthens our long-term relationships with customers and support operations may consequently generate new development assignments. Our dedicated customer support organization is a strength that an increasing number of companies are discovering.

Market and competition

Market

The increased demand in the market, which could be seen at the end of 2003, continued during 2004. Prevas' reputation as a reliable supplier with high technical competence and high delivery reliability has meant that we have been able to take advantage of this in the market, in the form of gradually increasing sales during the year. We consider that these trends will continue and possibly strengthen during 2005.

Overall, this paves the way for expansion during 2005. New employees were recruited in the second half of 2004.

Consultancy services

During the year, the economic improvement mainly led to an increased demand for consultancy services in product development. This particular area was inactive during the recession. Investments in industrial systems in production have been stable for several years. At the end of 2004, we could nevertheless discern a certain upturn in demand for industrial systems.

Products

Prevas' traceability products segment noted an increased demand in the pharmaceutical and electronics sectors. The latter was due to the telecoms sector picking up again.

IT investments in food production developed more slowly than expected during the year, but there is considerable

future potential for both industrial systems and traceability products.

Areas of focus

Ever since the start, Prevas has been one of the most competent consultants supplying embedded systems solutions. It was therefore gratifying that the company was selected as Microsoft's principal partner in the Nordic region now that they are focusing on this interesting growth area.

During the year, Prevas worked intensively with ABB to develop the partnership as Solution Provider in Industrial IT™. This led to a number of new projects during the year, including projects for Dafgård and Outokumpu Stainless.

A focus on the Stockholm market, mainly in product development, was achieved through a minority interest in the company Precon AB. Through a franchising agreement, Precon operates under Prevas' brand. This new venture was successful during 2004.

Prevas also entered into an active partnership with the start-up company FlexPack Robotics AB. The purpose of the partnership is to jointly be able to offer automated packaging solutions, mainly for the pharmaceutical and food industries. Prevas' role in the partnership is to specify logistics solutions and to develop and supply the software in the packaging solutions supplied. This venture also developed favourably.

During the year, Prevas began to fo-

cus on reaching a broader global market with its traceability products. This focus will continue during 2005.

The acquisition of the GCM (Goods Certificate Manager) product during the year substantially increased our customer base in food production. Combined with the Snitcher Food product, the acquisition is expected to lead to an increased customer base and increased sales opportunities over the next few years.

Competition

A continued favourable economic situation during 2005 and increased resource utilization in Sweden will lead to continued price increases for consultancy services.

The increased demand is somewhat offset by major companies starting to offshore their IT development to low-cost countries, such as India and the Baltic States. In the first place, this concerns administrative IT services, but in the long term, this will also involve mission-critical and hi-tech projects.

Some of our customers

Some of our competitions

Consultancy services Product development	ABB, Amersham Biosciences, Atlas Copco, Autoliv, Flir Systems, Nokia, Saab, Sectra, Stoneridge and SmartTrust	Combitech Systems, Enea, HIQ, Teleca, TietoEnator
	Industrial systems	ABB, Arla, AstraZeneca, Autoliv, Dafgård, DN/Expressen, Ericsson, Findus, GETRAG All Wheel Drive, Haldex, Sandvik, Scania, Sydsvenskan Tryck and Volvo
Products & Customer Support Traceability products	ALK-Abelló, AstraZeneca, Coca-Cola, Dafgård, Duni, Elos, Ericsson, GE Healthcare, Kodak, Nobel Biocare, Note, Pfizer and Unilever	Kundutvecklade system, MAPCIS (UK)

The Prevas share

Share capital

Registered share capital amounted to SEK 19,956,500 at the year-end, represented by 7,982,600 shares, par value SEK 2.50 each. Of these, 820,160 were Class A shares and 7,162,440 Class B shares.

Each share has an equal right to the company's assets and profit. Class A shares carry 10 votes at the General Meeting and Class B shares one vote.

At the Annual General Meeting on 22 March 2004, as at the previous Annual General Meeting, the Board of Directors was authorized to pass a resolution on a new share issue without reference to existing shareholders' preferential rights. The authorization was for a maximum of 750,000 Class B shares and was intended to be used in connection with company acquisitions, or alternatively to increase the list of shareholders by one or more shareholders of strategic importance. In connection with the acquisition of Precon AB in February 2004, the Board utilized the authorization from

the Annual General Meeting in 2003 by issuing 200,000 Class B shares. The authorization from the Annual General Meeting on 22 March 2004 was not utilized during the financial year.

Share option scheme

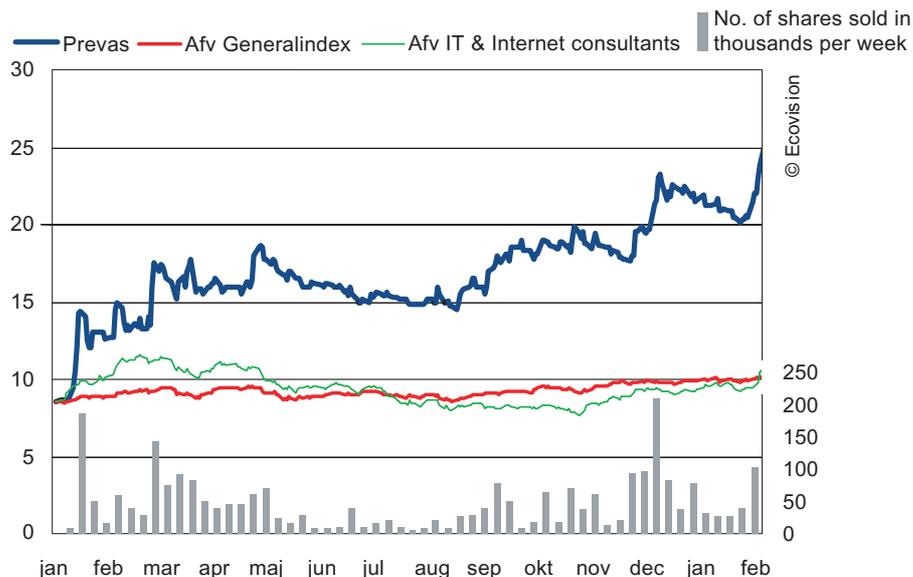
At the Annual General Meeting on 20 March 2002, a share option scheme was approved, with a total of 375,000 staff options targeted at all Prevas' employees and an additional 125,000 other options.

In case of full utilization, the scheme entails a 6.3 per cent dilution of share capital. Each staff option entitles the holder to acquire one new Class B share in Prevas during the period 15 May 2003 to 30 April 2009. The issue price is SEK 15 per share, based on the average price paid in the period 6-19 March 2002.

The aim of the scheme is to create broad involvement in the company's earnings trend and thus facilitate both the retention of competent employees and the recruitment of new employees.

Dividend

The Board of Directors proposes a dividend of SEK 0.50 per share for the financial year 2004. The Board's proposal is based on Prevas' dividend policy, under which approximately half of net profit is to be distributed to shareholders.



Distribution of shares	No. of share-holders	No. of shares	Percentage
Shareholdings on 31-12-2004			
1–500	2,401	456,615	5.7
501–1,000	566	475,602	6.0
1,001–2,000	199	350,058	4.4
2,001–5,000	173	608,396	7.6
5,001–10,000	39	300,689	3.8
10,001–20,000	17	227,720	2.8
20,001–50,000	11	360,400	4.5
50,001–100,000	5	344,880	4.3
100,001–	8	4,858,240	60.9
Total	3,419	7,982,600	100

Shareholders	No. of A shares	No. of B shares	Total no. of shares	Percentage of share capital, %	Percentage of votes, %
Göran Lundin with family	150,000	2,582,340	2,732,340	34.2	26.6
Länsförsäkringar Bergslagen	250,000	1,044,100	1,294,100	16.2	23.1
Per Lysholt	100,000	310,800	410,800	5.1	8.5
Björn Andersson	100,000	208,000	308,000	3.9	7.9
Stieg Westin including company	64,000	49,000	113,000	1.4	4.5
Mats Björkelund	65,280	24,000	89,280	1.1	4.4
Kerstin Danielsson	32,000	–	32,000	0.4	2.1
Anders Hallqvist	22,400	3,200	25,600	0.3	1.5
Lars Sjöström	10,880	2,400	13,280	0.2	0.7
Torbjörn Ek including company	–	104,600	104,600	1.3	0.7
Other shareholders	25,600	2,834,000	2,859,600	35.9	20.0
Total	820,160	7,162,440	7,982,600	100.0	100.0

No. of shares and votes, type of share	No. of shares	No. of votes	Percentage of share, %	Percentage of votes, %
A non-restricted	820,160	8,201,600	10.3	53.4
B non-restricted	7,162,440	7,162,440	89.7	46.6
Total	7,982,600	15,364,040	100.0	100.0

Share price-related data	2004	2003	2002	2001
Share price at year-end (SEK)	21.60	8.50	9.50	16.20
Average number of sold shares per day	10,285	2,747	6,937	9,045

Per share data	2004	2003	2002	2001	2000
KEY RATIOS					
Earnings per share after tax (SEK)	1.41	–1.97	–1.19	–3.64	0.72
Equity per share (SEK)	6.46	4.85	6.81	7.76	11.91
Dividend per share (SEK)	0.50*	–	–	–	0.50

* Proposed dividend

Five year summary

Summary profit and loss accounts, SEK million	2004	2003	2002	2001	2000
Operating income	177.9	176.7	184.9	234.1	237.5
Operating expenses	-157.7	-187.7	-190.1	-231.1	-209.8
Depreciation tangible assets	-3.7	-4.9	-4.6	-4.9	-3.3
Depreciation/write-down intangible assets	-2.4	-3.7	-1.9	-25.2	-5.7
Items affecting comparability *	-	-	-	-2.0	-2.2
Share in profit/loss of associated companies	-0.2	-	-	-	-
Operating profit/loss	13.9	-19.6	-11.7	-29.1	16.6
Net financial income/expense	0.1	0.2	0.6	0.2	-0.7
Profit/loss after financial items	14.0	-19.4	-11.1	-28.9	15.9
Tax	-2.8	4.1	2.1	1.4	-10.4
Net profit/loss for the year	11.2	-15.3	-9.0	-27.6	5.5

* For 2000, the capital gain/loss and the operating profit/loss up to the transfer of Prevas Engineering are reported as an item affecting comparability.

Summary balance sheets, SEK million	2004	2003	2002	2001	2000
Intangible assets	14.5	10.6	13.4	10.6	35.8
Tangible assets	15.6	26.2	29.9	33.4	33.3
Financial assets	4.5	0.3	0.3	0.0	0.0
Current receivables	44.0	34.9	41.9	50.7	62.0
Liquid assets incl. short-term investments	7.3	5.0	5.9	4.1	18.9
Total assets	85.9	77.1	91.4	98.8	150.1
Equity	51.6	37.7	53.0	58.8	90.2
Provisions	5.0	4.5	8.6	10.9	11.1
Interest-bearing liabilities	0.0	0.0	0.0	0.0	12.0
Non interest-bearing liabilities	29.3	34.8	29.8	29.1	36.8
Total equity, provisions and liabilities	85.9	77.1	91.4	98.8	150.1

Profit and loss per quarter

Profit/loss accounts per quarter, SEK million	2004	2004	2004	2004	2003	2003	2003	2003
	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
Operating income	48.2	35.5	48.0	46.1	46.5	36.7	44.2	49.2
Raw materials and consumables	-0.4	-0.4	-0.6	-0.7	-0.6	-0.3	-0.6	-0.2
Other external expenses	-10.1	-6.3	-7.7	-4.7	-6.4	-8.7	-7.6	-7.8
Staff costs	-32.5	-26.5	-33.1	-34.6	-32.7	-40.9	-42.7	-39.0
Depreciation tangible assets	-0.7	-1.0	-1.0	-1.0	-1.3	-1.2	-1.2	-1.2
Depreciation/write-down intangible assets	-0.8	-0.5	-0.5	-0.5	-0.5	-2.0	-0.6	-0.6
Share in profit/loss of associated companies	-0.3	0.1	-	-	-	-	-	-
Operating profit/loss	3.4	0.9	5.1	4.6	5.0	-16.4	-8.5	0.4
Net financial income/expense	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Profit/loss after financial items	3.4	0.9	5.1	4.6	5.0	-16.4	-8.4	0.5
Operating margin, %	7.7	2.2	10.6	9.9	10.7	-44.8	-19.3	0.8
Profit margin, %	7.7	2.2	10.7	10.0	10.8	-44.7	-19.1	0.9

Key financial ratios

Key financial ratios	2004	2003	2002	2001	2000
MARGINS					
Gross margin, %	11.4	-6.2	-2.8	1.3	11.7
Operating margin, %	7.9	-11.1	-6.3	-12.4	7.0
Profit margin, %	8.0	-11.0	-6.0	-12.4	6.7
RETURN					
Return on operating capital, %	36.5	-48.8	-23.0	-42.2	15.0
Return on capital employed, %	28.9	-37.3	-16.8	-33.9	15.4
Return on equity, %	25.5	-33.7	-19.9	-37.0	6.3
CAPITAL STRUCTURE					
Operating capital, SEK million	44.2	33.2	47.1	54.7	83.3
Capital employed, SEK million	56.6	42.2	61.7	69.6	102.2
Equity, SEK million	51.6	37.7	53.0	58.8	90.2
Equity/assets ratio, %	60.0	49.0	58.0	59.5	60.1
Percentage of risk-bearing capital, %	65.5	54.3	67.5	70.0	67.0
CASH FLOW AND LIQUIDITY					
Cash flow before investments, SEK million	3.6	1.2	5.8	6.0	24.9
Liquid assets, SEK million	7.3	5.0	5.9	4.1	18.9
EMPLOYEES					
No. of employees at year-end	186	190	237	251	285
Average number of employees	169	204	216	276	249
Turnover per employee, SEK thousand *	1,053	866	856	848	954
PER SHARE DATA					
Average number of shares, thousand	7,958	7,783	7,626	7,574	7,574
Number of shares at year-end	7,983	7,783	7,783	7,574	7,574
Number of shares at year-end including full subscription of issued options	8,483	8,475	8,475	8,266	7,766
Earnings per share after tax, SEK	1.41	-1.97	-1.19	-3.64	0.72
Earnings per share after tax, SEK including options	1.33	-1.97	-1.19	-3.64	0.72
Equity per share	6.46	4.85	6.81	7.76	11.91
Equity per share including options	6.96	5.46	7.31	11.18	11.91

* Influence of external purchase.

Gross margin

Profit/loss before depreciation as a percentage of operating income.

Operating margin

Operating profit/loss (ex. result from associated companies) as a percentage of operating income.

Profit margin

Profit/loss after financial items (ex. result from associated companies) as a percentage of operating income.

Return on operating capital

Operating profit/loss as a percentage of average operating capital.

Return on capital employed

Profit/loss before financial items plus financial income as a percentage of average capital employed.

Return on equity

Profit/loss after financial items minus tax paid and deferred tax on the year's appropriations as a percentage of average equity.

Operating capital

Total capital employed minus liquid assets and non interest-bearing liabilities including deferred tax liability on untaxed reserves.

Capital employed

Total capital employed minus non interest-bearing liabilities.

Equity

Equity including 72 per cent of untaxed reserves.

Equity/assets ratio

Equity calculated as above as a percentage of total capital employed.

Percentage of risk-bearing capital

Equity calculated as above plus deferred tax liability as a percentage of total capital employed.

Cash flow before investments

Profit/loss before depreciation minus increase in working capital.

Liquid assets

Liquid assets and short-term investments.

Average number of employees

Hours paid by the company in relation to normal annual working hours.

Turnover per employee

Operating income divided by the average number of yearly employees.

Average number of shares

Average number of shares during the year adjusted for bonus issue and split.

Earnings per share after full tax

Profit/loss after financial items minus full tax, divided by the average number of shares.

Equity per share

Equity calculated as above divided by the number of shares at the year-end.

Directors' report

The Board of Directors and the Chief Executive Officer of Prevas AB (publ), corporate identity number 556252-1384 with registered office in Västerås, hereby submit the annual accounts and the consolidated accounts for the operations of the parent company and the Group for the financial year 2004.

Operations and group structure

The parent company Prevas AB is a project-oriented, hi-tech IT consultancy. The company carries on operations in two areas: consultancy services, and products and customer support. In the consultancy services operating area, the company's consultants develop software in the customer's products and IT solutions to streamline the customer's industrial processes. The products and customer support area offers products and systems solutions in traceability, testing and quality control as well as a wide range of support services for the products and systems delivered by the company.

Operations are carried on in Gothenburg, Karlstad, Linköping, Malmö, Stockholm, Uppsala and Västerås. The wholly-owned Danish subsidiary Prevas Bioinformatics A/S was inactive during the year.

Property management operations are also carried on through a subsidiary. Operations consist of letting a property in Västerås. Prevas carries on no operations in the property.

Significant events during the financial year

- Prevas regains its position as one of the IT sector's most profitable companies. The measures implemented in connection with the Group's restructuring programme in 2003 rapidly had the desired effect, while the market for product development and traceability products showed good growth.

- During the year, Prevas was the only systems integrator in the Nordic region to be designated as a preferred partner (Gold Level Member) for Microsoft's embedded systems. The designation provides unique opportunities for establishing customer contacts.
- Prevas' focus on the global pharmaceutical sector had a breakthrough during the year, in the form of an order for the Snitcher Medical product from the world-leading Danish pharmaceutical company ALK-Abelló.
- Prevas' competence in implementing fixed-price projects was further developed during the year. Fixed-price projects contributed very positively to the operating profit. Major fixed-price projects were delivered to GETRAG All Wheel Drive, Sydsvenskan Tryck and Viasat.
- Following five quarters of stable profitability, the focus shifted to profitable growth, which entailed the recruitment of new employees, particularly in Stockholm, Västerås and Linköping.
- Major orders for consultancy services were signed with Amersham Biosciences, Dafgård, GETRAG All Wheel Drive, ICA, Saab, Scania and Sydsvenskan Tryck during the year. Orders for products and customer support were signed with ALK-Abelló, AstraZeneca, Duni, Elos, Ericsson and Pfizer.
- During 2004, Prevas had framework and/or cooperation agreements with Amersham Biosciences, Atlas Copco, Ericsson, Flextronics, FMV, Nokia, Saab, Sandvik and Scania.

Acquisitions and disposals

Part of Prevas' strategy is to strengthen the company through its own products and minority interests in interesting start-up technology companies. If such investments develop favourably, Prevas may even be interested in increasing its holding. As part of this strategy, the following investments were made:

Precon AB

In February, 18 per cent of the shares

in Precon AB were acquired. Precon AB is a start-up company with specialist competence in product development. In connection with the acquisition, a franchising agreement was signed, which enables Precon to market itself using Prevas' brand, expertise and resources. The acquisition has already strengthened the Prevas Group's presence in the Stockholm market.

FlexPack Robotics AB

In June, 46 per cent of the shares in FlexPack Robotics AB were acquired, a start-up company supplying flexible packaging solutions for the European pharmaceutical and food industries. The collaboration with FlexPack Robotics also provides European sales channels for Prevas' products and expertise in the pharmaceutical and food industries.

Emcat GCM

In order to strengthen Prevas' offering and increase the customer base in traceability products for the food industry, Emcat GCM (Goods Certificate Manager) software was acquired in July.

CellManager

The acquisition of CellManager software from ABB strengthens Prevas' offering in consultancy services focused on industrial systems.

Prevas Fastighets i Göteborg AB

In Q1, the shares were sold in one of the Group's two property management companies, Prevas Fastighets i Göteborg AB. The sale resulted in a positive cash flow of approximately SEK 9 million and a net profit of approximately SEK 2 million.

Invoicing rate and turnover

The invoicing rate for the full year rose to 65 (62) per cent.

The invoicing rate, which is one of Prevas' performance indicators, is measured as the number of hours invoiced divided by the total hours used in the company.

All employees in consulting operations, including management and administration, are included in the measurement.

Turnover per employee was SEK 1,053 thousand (866).

Assignment distribution

During the year, 43 (41) per cent of consultancy assignments were charged on a fixed-price basis and 57 (59) per cent on a time basis.

Employees

The adjusted number of employees was 166 (169) at the year-end, down 2 per cent.

During the year, 27 new employees joined the company. Staff turnover was 7 per cent during the year. The proportion of female employees was 20 (18) per cent at the year-end.

Net sales and results

Net sales fell by 2 per cent during the year to SEK 173.0 million (175.8). The number of working days was 253 (249). The operating profit was SEK 13.9 million (-19.6) and the operating margin was 7.9 (-11.1) per cent.

Depreciation totalled SEK 6.1 million (8.6), of which SEK 1.8 million (3.7) related to goodwill amortization. Net financial income/expense amounted to SEK 0.1 million (0.2). Profit after financial items was SEK 14.0 million (-19.4), representing a profit margin of 8 (-11) per cent.

Net profit was SEK 11.2 million (-15.3). Earnings per share after tax were SEK 1.41 (-1.97).

Financial position

Equity totalled SEK 51.6 million (37.7) at the year-end, representing an equity/assets ratio of 60 (49) per cent. The return on equity was 25.5 (-33.7) per cent. Liquid assets totalled SEK 7.3 million (5.0) at the year-end, representing a positive cash flow of SEK 2.3 million.

The Group's investment properties are free of charges.

Investments

The Group's net investments during the year totalled SEK 12.7 million (2.2), of which SEK 1.8 million related to tangible assets, SEK 4.8 million to product development and SEK 6.1 million to minority interests.

Research and development

Prevas' focus on its own products for tra-

ceability in the pharmaceutical, food and electronics sectors increased during the year. Investments in R&D during the year totalled SEK 4.8 million (0.9).

Changeover to IFRS

As from 1 January 2005, Prevas is required to apply the accounting regulations in force, in accordance with International Financial Reporting Standards (IFRS), in its consolidated financial statements.

In accordance with the transitional regulations, a comparative year is required, which means that 2004 must be reported in accordance with IFRS in the financial reporting in 2005.

The IFRS that are applicable to the Prevas Group are, with a few exceptions, consistent with the previously applied recommendations of the Swedish Financial Accounting Standards Council. The effect on profit and equity essentially arises as a result of changes in the accounting principles for goodwill and investment properties. When IFRS are applied, equity totals approximately SEK 41 million as at 1 January 2004, an increase of approximately SEK 3 million, and approximately SEK 56 million as at 31 December 2004, an increase of approximately SEK 5 million. Net profit for 2004 increases by approximately SEK 2 million to SEK 13 million.

In accordance with IFRS, the profit margin for 2004 is approximately 9 (8) per cent and the equity/assets ratio is approximately 58 (60) per cent as at 31 December 2004.

A more detailed account of the impact on goodwill and investment properties is given below.

Goodwill - IFRS 3

IFRS 3 Business Combinations does not allow goodwill amortization according to plan. Instead the value of goodwill must be reviewed for possible write-down annually, or more often if there is an indication that the reported value is less than the net realizable value. In accordance with the transitional regulations in IFRS 1, First time adoption of IFRS, Prevas has chosen not to apply IFRS 3 to previous acquisitions. The write-down review carried out results in a reversal of goodwill amortization of approximately SEK 2

million written off in 2004, resulting in an increase in both net profit and equity of equivalent amounts.

Investment properties - IAS 40

IAS 40 allows accounting at net realizable value or acquisition value. Prevas has chosen accounting at net realizable value, which results in an increase in the value of the properties of approximately SEK 4 million as at 1 January 2004 and 31 December 2004. Equity as at 1 January 2004 and 31 December 2004 increases, after deferred tax, by approximately SEK 3 million. Pre-tax profit for 2004 increases marginally.

Currency exposure

A very small part of the Group's invoicing is in foreign currency and the Group's currency exposure is therefore negligible. Foreign currency was not hedged during 2004.

Environmental policy

Prevas should contribute to lasting sustainable development and resource management by actively practising environmental consideration in all its operations. Prevas' successful environmental programme is confirmed by its high rankings in the Environmental Index to which the company's environmental impact is reported annually.

Work of the Board of Directors

During the financial year 2004, eight minuted board meetings were held. The Board works in accordance with rules of procedure, which regulate the Board's duties, including the number of ordinary board meetings and the obligatory matters to be dealt with at these meetings. Special terms of reference regulate the division of duties between the Board and the Chief Executive Officer.

The Board has also laid down terms of reference for financial reporting. The company's auditors shall report annually on the audit carried out and give an opinion on the internal control.

Furthermore, there is a remuneration committee with the task of approving and supervising the company's incentive schemes. The committee comprises Torbjörn Ek, Bernt Ericson and Göran

Lundin, and is charged by the Board with reviewing and approving the salary and remuneration of the CEO and remuneration packages for the other senior executives.

The Annual General Meeting appoints a nomination committee. For the 2005 Annual General Meeting, this comprises Jan Karlsson (Länsförsäkringar Bergslagen, external), Claes Dinkelspiel and Göran Lundin.

The Prevas Group's risk management

Financial risks

The Prevas Group's financial risks are low. The financial transactions that occur are solely to support operating activities and no transactions occur for speculative purposes.

The financial instruments available consist essentially of an unutilized bank overdraft facility, liquid assets, accounts receivable and accounts payable.

Liquidity and cash flow risks

Liquidity and cash flow risks refer to the risk of a higher cost and limited financing opportunities, when loans are renewed, and the risk that payment commitments cannot be met, as a result of insufficient liquidity.

The Prevas Group has no interest-bearing liabilities. The Group has been granted a bank overdraft facility of SEK 10 million, which can be utilized to cover temporary capital requirements. The international credit rating agency D&B has given the Prevas Group an AA rating, which means that Prevas has a good credit rating.

Interest-rate risk

Since no investments occur, the Group's interest-rate risk comprises changes in the deposit rate and the lending rate on the Group's current account. However, Prevas is indirectly affected by the fact that interest rate changes may affect customers' willingness to invest.

Credit risk

Credit risk comprises the Group's outstanding accounts receivable and non-invoiced work in progress. Since our customers largely consist of major companies with good solvency, bad debt

losses have historically been negligible. In order to reduce the risk of bad debt losses, all new customers are credit checked and, when applicable, existing customers are re-checked, where there is an indication of a change in solvency.

Currency risk

Invoicing in foreign currency accounts for less than 1 per cent of the Group's invoicing. On each individual occasion, foreign currency exposure was so small that hedging was not considered necessary.

Purchases in foreign currency occur to a very small extent.

Economic activity

Prevas' market offering comprises consultancy services and products.

Consultancy services are supplied to companies developing products with a large IT component or needing to streamline or automate their operations. The demand for software in products, so-called embedded systems, is strongly cyclical. However, this sensitivity to economic activity is, to some extent, offset by the fact that the demand for industrial systems, i.e. IT solutions to streamline and automate production, is relatively non-cyclical.

Prevas' products manage customers' requirements for traceability in pharmaceuticals, food and electronics production. Demand has shown some sensitivity to economic activity.

Project risks

Prevas delivers a large proportion of its projects at a fixed price. The risks associated with fixed-price projects are managed by means of Prevas' ISO certified project model, which regulates in detail the management and control of projects. Prevas' successful management of fixed-price projects can be seen in well-documented indicators for high delivery reliability, in low guarantee-related costs and in good earnings on fixed-price projects.

Recruitment and competent manpower

The economic situation affects Prevas' opportunities for recruiting new employees and securing a supply of competent manpower. Prevas' employees together with our customers are our most impor-

tant asset. At present, the labour market situation provides good opportunities for recruiting new, competent employees. In a boom, shortages may arise. Such shortages have a negative impact on Prevas' ability to recruit new employees. Prevas is committed to creating a corporate culture, in order to keep staff turnover at a low level and to be able to attract the best employees in its operating areas.

Future prospects

We consider that the improvement in economic activity will continue and strengthen further, compared with 2004. Despite moderating factors, such as a weak dollar, Prevas' customers are expected to increase their investments.

Demand in the labour market rose during 2004 and is expected to continue rising during 2005. We consider that this will not affect our ability to recruit competent manpower. A three-year wage agreement applies up to the end of 2006, which means that pay rises will be moderate.

Prices for consultancy services rose during 2004, at first in specialist areas and then more widely. The trend strengthened during the second half of 2004 and is expected to continue during 2005.

Group's non-restricted equity

The Group's non-restricted equity totalled SEK 6.4 million at the accounting year-end. No transfer to restricted reserves is proposed.

Appropriation of profits

The following profits are at the disposal of the Annual General Meeting:

Profit brought forward	29 SEK
Profit for the year	8,876,813 SEK
Total	8,876,842 SEK

The Board of Directors and the Chief Executive Officer propose that the profits be appropriated as follows:

Dividend (0,50 SEK per share)	3,991,300 SEK
Carried forward	4,885,542 SEK
Total	8,876,842 SEK

Profit and loss account

Operating income, SEK thousand	Note	Group		Parent Company	
		2004	2003	2004	2003
Net sales	1	173,009	175,774	170,825	172,452
Activated work on own behalf		4,797	912	4,797	912
Other operating income		129	–	–	–
Operating expenses					
Raw materials and consumables		–2,058	–1,735	–2,058	–1,735
Other external expenses	21	–28,893	–30,638	–28,789	–31,314
Staff costs	2	–126,723	–155,299	–126,723	–153,221
Depreciation intangible assets	6,7,8	–2,392	–2,192	–807	–238
Depreciation tangible assets	9,10	–3,726	–4,919	–3,021	–3,744
Goodwill write-down		–	–1,500	–	–
Total operating expenses		–163,792	–196,283	–161,398	–190,252
Shares in profit/loss of associated companies		–195	–	–	–
Operating profit/loss		13,948	–19,597	14,224	–16,888
Profit/loss from financial investments					
Profit from participations in group companies	3			–1,956	–5,869
Interest income and similar profit/loss items	4	124	343	101	255
Interest expenses		–28	–104	–28	–34
Total financial items		96	239	–1,883	–5,648
Profit/loss after financial items		14,044	–19,358	12,341	–22,536
Appropriations	17			886	3,676
Profit/loss before tax		14,044	–19,358	13,227	–18,860
Tax on profit for the year	5	–2,835	4,063	–4,350	3,529
Net profit/loss for the year		11,209	–15,295	8,877	–15,331
Operating margin, %		7.9	–11.1	8.1	–9.7
Profit/loss margin, %		8.0	–11.0	7.0	–13.0
Earnings per share after tax, SEK		1.41	–1.97		
Earnings per share including options, SEK		1.33	–1.97		
Equity per share, SEK		6.46	4.85		
Equity per share including options, SEK		6.96	5.46		

Balance sheet

Assets, SEK thousand	Note	Group		Parent Company	
		2004	2003	2004	2003
<i>Fixed assets</i>					
INTANGIBLE ASSETS					
Goodwill	6	7,904	9,727	950	1,188
Patents, licences and rights of use	7	1,375	–	1,375	–
Capitalized expenses for development work	8	5,266	912	5,266	912
Total		14,545	10,639	7,591	2,100
TANGIBLE ASSETS					
Equipment	9	3,804	5,631	3,797	5,599
Buildings and land	10	11,722	20,600	–	–
Total		15,526	26,231	3,797	5,599
FINANCIAL ASSETS					
Participations in group companies	11	–	–	36,766	45,132
Participations in associated companies	12	4,551	–	4,750	–
Other long-term receivables	13	–	321	–	2,929
Total		4,551	321	41,516	48,061
Total fixed assets		34,622	37,191	52,904	55,760
<i>Current assets</i>					
CURRENT RECEIVABLES					
Trade debtors		29,868	22,341	29,659	21,992
Receivables from group companies		–	–	6,097	4,404
Other receivables		84	494	76	44
Prepaid expenses and accrued income	14	14,000	12,038	14,000	12,037
Total current receivables		43,952	34,873	49,832	38,477
Cash and bank balances	15	7,312	4,991	7,286	4,775
Total		7,312	4,991	7,286	4,775
Total current assets		51,264	39,864	57,118	43,252
TOTAL ASSETS		85,886	77,055	110,022	99,012

Balance sheet

Equity, provisions and liabilities, SEK thousand	Note	Group		Parent Company	
		2004	2003	2004	2003
<i>Equity</i>	16				
RESTRICTED EQUITY					
Share capital (7,982,600 shares, par value SEK 2.50 each)		19,956	19,456	19,956	19,456
Share premium reserve		9,939	23,470	9,339	20,770
Other restricted reserve		15,209	13,673	3,507	3,507
Total		45,104	56,599	32,802	43,733
NON-RESTRICTED EQUITY					
Free reserves		-4,762	-3,562	-	1,800
Net profit/loss for the year		11,209	-15,295	8,877	-15,331
Total		6,447	-18,857	8,877	-13,531
Total equity		51,551	37,743	41,679	30,202
Untaxed reserves	17			12,709	13,595
PROVISIONS					
Provisions for taxation	18	4,743	4,060	-	-
Other provisions		312	440	312	440
Total		5,055	4,500	312	440
CURRENT LIABILITIES					
Trade creditors		5,882	4,867	5,854	4,838
Liabilities to group companies				26,291	20,597
Other liabilities		6,517	6,639	6,517	6,606
Accrued expenses and deferred income	19	16,881	23,306	16,660	22,734
Total current liabilities		29,280	34,812	55,322	54,775
TOTAL EQUITY AND LIABILITIES		85,886	77,055	110,022	99,012
Pledged assets	20	68,926	79,610	46,993	56,777
Contingent liabilities	20	804	3,834	804	3,834

Change in equity

Change in equity, SEK thousand		Group		Parent Company	
		2004	2003	2004	2003
Opening balance		37,743	53,038	30,202	43,734
New share issue		2,600		2,600	
Group contribution received					2,500
Tax effect on paid group contribution					-700
Net profit/loss for the year		11,209	-15,295	8,877	-15,331
Closing equity		51,551	37,743	41,679	30,202

In Note 15 on page 35, the reconciliation between the opening and closing balance for the different sub-components of equity is shown.

Cash flow statement

Ordinary activities, SEK thousand	Group		Parent Company	
	2004	2003	2004	2003
Operating profit/loss	13,948	-19,597	14,224	-16,888
Depreciation and write-down	6,118	8,612	3,828	3,982
Provisions etc.	-127	-81	-128	-81
Result from participations in associated companies	195	-		
Net financial income/expense	96	239	73	221
Tax repaid/paid	-568	721	-568	359
Cash flow from ordinary activities before changes in working capital	19,662	-10,106	17,429	-12,407
CHANGE IN WORKING CAPITAL				
Change in current receivables	-9,466	6,294	-11,356	3,675
Change in current liabilities	-6,616	5,061	-305	8,580
Cash flow from ordinary liabilities	3,580	1,249	5,768	-152
INVESTMENT ACTIVITIES				
Acquisitions and disposals of subsidiaries	8,885 *	-	-	-
Net investment in assets	-10,144 **	-2,170	-9,837	-2,546
Cash flow from investment activities	-1,259	-2,170	-9,837	-2,546
FINANCING ACTIVITIES				
Dividends from subsidiaries	-	-	6,580	-
Group contributions received			-	2,500
Cash flow from financing activities	0	0	6,580	2,500
Net cash flow for the year	2,321	-921	2,511	-198
Liquid assets on 1 January 2004	4,991	5,912	4,775	4,973
Liquid assets on 31 december 2004	7,312	4,991	7,286	4,775
Change	2,321	-921	2,511	-198

* During the year, one of the Group's property companies was sold. The change in working capital relating to the company sale has been taken into account in calculating cash flow. The items are, however, of minor value.

** Total investment SEK 12,744 thousand
 Financed with own shares SEK -2,600 thousand
 Impact on cash flow SEK 10,144 thousand

Accounting policies

The Prevas Group complies with the Swedish Financial Accounting Standards Council's recommendations, the Emerging Issues Task Force's statements and the Annual Accounts Act. As from 1 January 2004, the Swedish Financial Accounting Standards Council's recommendation RR29 Remuneration to employees has been applied. The introduction of the new recommendation has not had any effect on earnings and balance sheets.

The company carries on operations in the form of a limited liability company and the registered office is in Västerås. The head office address is: Klockartorpsgatan 14, SE-723 44 Västerås, Sweden.

Consolidated accounts

The consolidated accounts comprise Prevas AB (publ) and subsidiaries. A subsidiary is defined as a legal entity in which Prevas AB directly or indirectly holds more than 50 per cent of the voting rights or otherwise has a controlling influence on the company.

The consolidated accounts have been prepared in accordance with the Swedish Financial Accounting Standards Council's recommendation RR 1:00 using the acquisition method of accounting. This means that the assets and liabilities of subsidiaries acquired are shown at their market value as per an acquisition analysis.

If the acquisition value of shares in a subsidiary exceeds the estimated market value of the company's net assets as per the acquisition analysis, the difference amounts to group goodwill, which is amortized over its estimated economic life. Only earnings arising after the acquisition date are included in consolidated equity.

The results of companies acquired during the year are included in the consolidated accounts as from the acquisition date. The results of subsidiaries sold are included in the consolidated accounts up to the disposal date.

The financial statements of the foreign subsidiary are translated to Swedish kronor using the current method. This means that assets and liabilities are translated at the year-end rate, while all income statement items are translated at the average rate for the period. Translation differences arising are taken direct to consolidated equity.

Associated companies

Investments in associated companies, in which the parent company directly or indirectly holds between 20 and 50 per cent of the voting rights or otherwise has a significant influence at the year-end, are reported in accordance with the equity method. This method means that the Group's share of the associated company's profit/loss before tax

is reported as part of the Group's operating profit and the Group's share of the associated company's tax is included in the Group's tax.

Investments in associated companies are shown at a value equivalent to the Group's share of the associated company's equity plus remaining goodwill from the acquisition.

Receivables and liabilities in foreign currency

Transactions in foreign currency are reported at the rate applicable on the transaction date. Monetary receivables and liabilities in foreign currency are valued at the year-end rate, which means that unrealized exchange gains and losses are included in the results. Exchange rate differences on operating receivables and operating liabilities are included in the operating profit/loss.

Transactions with associated companies

During the financial year 2004, the associated company Precon AB purchased infrastructure and administration services from Prevas AB to a value of SEK 277 thousand. The franchising agreement drawn up between Prevas AB and Precon AB means that Precon AB acts as a subconsultant to Prevas AB and the value of these subconsultancy services amounted to SEK 5,271 thousand during the year.

During the financial year 2004, the associated company FlexPack Robotics AB purchased services from Prevas AB to a value of SEK 250 thousand. All transactions with associated companies are priced on commercial terms. No dividend was received from the associated companies during the financial year.

The directors of Prevas AB and their close family members control 30.1 per cent of the voting rights in the company. The members of the senior management group control 9.7 per cent of the voting rights. Salaries and other remuneration, costs and commitments relating to pension and similar benefits, and the agreement on severance pay for the Board, the CEO and the senior management group are described in Note 2.

Länsförsäkringar Bergslagen controls 23.1 per cent of the voting rights in Prevas AB. The Prevas Group is insured by Länsförsäkringar Bergslagen and paid insurance premiums of SEK 446 thousand during the year, which is in accordance with commercial terms.

Purchases and sales between companies in the Prevas Group accounted for less than 1 per cent.

Revenue recognition

Consultancy services are carried out on both a time basis and a fixed-price basis. In both cases, revenue is recognized in accordance with the percentage of completion method.

For assignments charged on a time basis, this means that revenue is recognized in the period the work is carried out.

For fixed-price assignments, revenue is recognized at the rate the assignment is completed, provided that the revenue and cost of the assignment can be reliably quantified. The company continuously estimates the final assignment cost.

The percentage of completion at the end of each accounting period is equivalent to the assignment cost incurred in relation to the estimated final cost.

The assignment revenue for the period is estimated as the proportion of total revenue that the percentage of completion equates to.

In the case of assignments that do not cover their costs, full provision for the loss is made as soon as it is anticipated.

Revenue relating to the sale of products is recognized on delivery and acceptance by the customer.

Customer support agreements are taken up as revenue on a straight-line basis over the term of the agreement.

Taxes

Total tax comprises current tax and deferred tax.

Current tax is tax that is to be paid or received for the current year. It also includes adjustments of current tax relating to earlier periods.

Deferred tax is calculated in accordance with the balance sheet method, on the basis of temporary differences between reported and written-down values of assets and liabilities.

When calculating deferred tax, the tax rates that are agreed or announced are applied.

Deferred tax recoverable relating to loss carry-forward is reported, if it is probable that the allowance can be utilized in the immediate future.

Leasing

Financial leasing agreements mainly relate to company cars and home PCs. Since the scope is not significant, these agreements are reported as operational. For the same reason, supplementary disclosures with respect to the agreements have not been made.

Tangible assets

Tangible assets, comprising equipment, computers and properties held for investment purposes, are reported at historical acquisition value after deducting accumulated depreciation according to plan.

In the case of properties held for investment purposes, the historical cost comprises the purchase price including direct purchase

Redovisningsprinciper forts.

overhead costs together with additional expenditure relating to property upgrading

Intangible assets

Goodwill relating to subsidiaries and businesses acquired is amortized on a straight-line basis over the estimated economic life. Amortization periods in excess of five years are used for acquisitions of major strategic importance.

Expenditure relating to the development of Prevas' standard products, the Snitcher range, which in all probability will lead to future financial benefit, is capitalized as an intangible asset. Capitalized development expenditure is shown in the balance sheet at cost price less accumulated amortization and write-downs.

Products purchased are reported as an intangible asset at acquisition value less accumulated amortization and write-downs.

All purchases of software, licences and components for the maintenance and operation of the Group's networks are regarded as expendable equipment with a life of less than three years, and these investments are therefore written off at the time of acquisition.

Financial instruments

The Group's financial instruments consist essentially of liquid assets in the form of cash and bank balances in SEK, accounts receivable and accounts payable. All financial instruments are shown in the consolidated balance sheet at net realizable value.

Accounts receivable are shown in the balance sheet when an invoice has been sent.

Accounts payable are shown when an invoice has been received.

Depreciation

Depreciation according to plan is based on the acquisition value of the fixed asset and is calculated according to the estimated life of the asset. Depreciation is on a straight-line basis and is reported as a cost in the income statement. The following depreciation rates are applied:

- Equipment 20 %
- Computer hardware 20-33 %
- Investment properties 4 %
- Land No depreciation
- Goodwill 10 %
- Capitalized development expenditure 33 %
- Patents, licences and rights of use 33 %

Write-downs

When there are indications that an asset has fallen in value, an assessment is made of the asset's reported value. In cases where an asset's reported value exceeds its estimated replacement value, the asset is written down

to its replacement value. When calculating value in use, future cash flows are discounted at an interest rate before tax, which is intended to take into account the market's assessment of a risk-free interest rate and the risk associated with the specific asset.

Receivables

Receivables are shown at the amounts at which they are expected to be received on a case-by-case basis.

Provisions

Provisions are defined as liabilities that are of uncertain amount or timing. In the balance sheet, deferred tax expenses and guarantee-related costs are shown as provisions. Provision is made for estimated costs for actualized guarantees and for standardized costs based on historical cost for non-actualized guarantees.

Pensions

Prevas secures its employees' retirement pension and survivor's pension through the ITP plan, mainly through Alecta. According to a statement by the Swedish Financial Accounting Standards Council's Emerging Issues Task Force, URA 42, this is a fixed-benefit plan covering a number of employers. For the financial year 2004, the company has not had access to such information as to make it possible to report this plan as a fixed-benefit plan. Pension insurance contributions for the year paid to Alecta amount to approximately SEK 7 million.

Alecta's surplus can be allocated to the policy holders and/or the insured. At the end of 2004, Alecta's surplus, in the form of the collective consolidation level, amounted to 128 per cent. The collective consolidation level consists of the market value of Alecta's assets as a percentage of the insurance commitments calculated in accordance with Alecta's actuarial calculation assumptions, which do not comply with RR 29.

Classification

Receivables and liabilities, which are shown as "current" in the balance sheet, are expected to fall due within 12 months of the balance sheet date. Fixed assets and provisions essentially consist solely of amounts that are expected to be recovered or paid more than 12 months after the balance sheet date.

Accounting by segment

The Group's internal accounting system is designed to monitor the return on the Group's products and services, and segments are therefore the primary basis for classification. Since operations are solely carried on in Sweden, secondary segments are not reported.

Group contributions and shareholders' contributions

Shareholders' contributions are taken direct to equity by the recipient and are shown as an asset under shares and participations by the contributor, to the extent write-down is not required.

Group contributions are reported according to financial purport. This means that group contributions paid to minimize the Group's total tax are reported direct against retained profits, after deduction for their current tax effect.

Net financial income

Net financial income comprises interest income on the Group's bank balances, which is taken to income in the period to which it belongs.

Contingent liabilities

A contingent liability is reported in the line, when there is:

- A possible obligation, which arises from events that have occurred and whose occurrence is only confirmed by one or more uncertain future events that are not within the company's control, occurs or does not occur, or
- An obligation, which arises from events that have occurred, but which is not reported as a liability or a provision, due to the fact that it is not likely that an outflow of resources will be required to settle the obligation, or that the amount of the obligation cannot be calculated with sufficient accuracy.
- No reporting is required, when the probability of an outflow of resources is extremely small.

NOTE 2 Employees and personnel costs cont.	Group		Parent Company	
	2004	2003	2004	2003
Salaries, other remuneration and payroll overheads, SEK thousand				
Board and CEO	1,979	1,792	1,979	1,792
Other employees	80,055	100,049	80,055	98,029
Total	82,034	101,841	82,034	99,821

Senior executives and Board of Directors

A fee is paid to the Chairman of the Board and the Board of Directors, in accordance with a resolution adopted at the Annual General Meeting. Of the remuneration to the Chairman of the Board, SEK 100 thousand comprises a board fee and the remaining SEK 620 thousand remuneration to the Chairman of the Board for work carried out, as the latter in principle works full-time for the Prevas Group. A separate fee is not paid for committee work. Employee representatives do not receive a board fee.

Remuneration to the Chief Executive Officer and other senior executives comprises a basic salary, flexible remuneration, other benefits, pension and financial instruments. Salary and incentive schemes for the CEO and senior executives are determined by a remuneration committee appointed by the Board of Directors. "Other senior executives" are defined as the 11 people, who together with the Chief Executive Officer form the company's senior management. For the composition of the company's senior management, see page 39.

The distribution between basic salary and flexible remuneration should be in proportion to the executive's responsibility and powers. For the Chief Executive Officer, the flexible part for 2004 was based on Prevas AB's operating profit.

For other senior executives, flexible remuneration is a maximum of 20-40 per cent of the basic salary. For 2004, it was based 40 per cent on Prevas AB's operating profit, 30 per cent on the result in the executive's area of responsibility and 30 per cent on individual targets.

For the CEO, the period of notice is six months at the CEO's request and 12 months at the company's request. Other senior executives in the parent company and the Group have market employment conditions and there are no agreements relating to severance pay or salary for a period of more than 12 months. The Chief Executive Officer and other senior executives are entitled to pension benefits in accordance with market conditions equivalent to the ITP plan. The retirement age for the CEO and other senior executives is 65.

SEK thousand	Basic salary/ fee to Board	Flexible remuneration	Other benefits	Pension costs	Sum
Chairman of the Board	720			118	838
Non-executive directors	250				250
Chief Executive Officer	1 009		54	298	1 361
Other senior executives	5 734	154	208	1 576	7 672
Sum	7 713	154	262	1 992	10 121

Share option scheme

At the Annual General Meeting on 20 March 2002, a share option scheme was approved with a total of 375,000 staff options targeted at all Prevas' employees. The allocation is part of the respective employee's total remuneration and is free of charge. Each staff option entitles the holder to acquire one new Class B share in Prevas. The issue price is SEK 15 per share, based on the average price paid in the period 6–19 March 2002.

The option holder has the right to utilize 25 per cent of allocated staff options as from 15 May 2003 and then 25 per cent is accrued after each further 12-month period. The right to utilize allocated staff options applies up to 30 April 2009. If the option holder terminates his employment with Prevas, the right to utilize staff options is lost 30 days after employment ceases. If Prevas gives the employee notice, the right is lost 90 days after employment ceases.

The aim of the scheme is to create broad involvement in the company's earnings trend and thus facilitate both the retention of competent employees and the recruitment of new employees.

At the beginning of 2004, a total of 241,950 options were outstanding, of which the option holders had the right to utilize 25 per cent. During 2004, 39,000 options were returned in connection with the termination of the option holders' employment and 13,500 new options were allocated. At the end of 2004, outstanding options totalled 216,450, of which the option holders have the right to utilize 50 per cent. No subscription took place during 2004.

In order to cover the cost of social security contributions in connection with employees' utilization of staff options, a further 125,000 options were issued on the same terms. The options are held by a subsidiary of Prevas AB and have not been shown at any value in the balance sheet.

For information on senior executives' holdings, see page 39.

Absence due to illness	Group		Parent Company	
	2004	2003-07-01- 2003-12-31	2004	2003-07-01- 2003-12-31
Total absence due to illness as a proportion of regular working hours, %	1.6	2.2	1.6	2.2
Proportion of total absence due to illness relating to consecutive absence of 60 days or more, %	29.4	37.0	29.4	37.0
– Absence due to sickness, men, %	1.6	1.6	1.6	1.6
– Absence due to sickness, women, %	1.6	5.8	1.6	5.8
– Employees under 30 years of age, %	1.4	8.1	1.4	8.1
– Employees 30-49 years of age, %	1.7	1.7	1.7	1.7
– Employees over 50 years of age, %	0.6	1.4	0.6	1.4

NOTE 3 Profit from participations in group companies, SEK thousand	Parent Company	
	2004	2003
Write-down of receivables on subsidiaries	–170	–1,710
Dividend from shares in subsidiaries	6,580	–
Write-down of shares in subsidiaries	–8,366	–4,159
Total	–1,956	–5,869

NOTE 4 Interest income and similar profit/loss items, SEK thousand	Group		Parent Company	
	2004	2003	2004	2003
Interest, group companies	–	50	–	50
Interest, other	124	293	101	205
Total	124	343	101	255

NOTE 5 Taxes, SEK thousand	Group		Parent Company	
	2004	2003	2004	2003
Tax on profit for the year	-1 928	-4	-1 521	-
Tax relating to group contribution received			-	700
Deferred tax	-904	4 067	-2 829	2 829
Group's share of associated companies' tax	-3	-		
Total	-2 835	4 063	-4 350	3 529

The company reports no deferred taxes recoverable as at 31 December 2004. The Group has loss carry-forwards totalling SEK 2,932 thousand as at 31 December 2004 relating to the Danish subsidiary, which are assumed not to be utilizable.

Reconciliation of effective tax

Profit/loss before tax	14,044	-19,358	13,227	-18,860
Tax as per tax rate for parent company	-3,932	5,420	-3,704	5,281
Amortisation of goodwill	-502	-967		
Write-down of shares in subsidiaries			-2,342	-1,165
Write-down of receivables in subsidiaries			-48	-479
Other non-deductible expenses	-99	-110	-99	-110
Non-taxable income	2	11	1,843	2
Profit on sale of subsidiary's property	1,941	-		
Increase in deficit deduction without corresponding activation of deferred tax	-245	-311		
Effect of different tax rate in Denmark	-	20		
Net tax	-2,835	4,063	-4,350	3,529

Specification of deferred tax liabilities and tax claims

Deferred tax liabilities:				
Tax allocation reserves	3,697	3,907		
Tangible assets	1,046	2,982		
Deficit deductions	-	-2,829		
Total	4,743	4,060		
Deferred tax claims:				
Deficit deductions	-	221	-	2,829
Total	-	221	-	2,829

NOTE 6 Goodwill, SEK thousand	Group		Parent Company	
	2004	2003	2004	2003
Opening acquisition value	53,463	53,463	2,380	2,380
Sales/disposals for the year	-2,739	-	-	-
Closing acquisition value	50,724	53,463	2,380	2,380
Opening amortisation	-43,736	-40,043	-1,192	-954
Disposals/write-downs	2,739	-1,500	-	-
Amortisation for the year	-1,823	-2,192	-238	-238
Accumulated amortisation	-42,820	-43,736	-1,430	-1,192
Book value	7,904	9,727	950	1,188

NOTE 7 Patents, licences and rights of use, SEK thousand	Group		Parent Company	
	2004	2003	2004	2003
Opening acquisition value	-	-	-	-
Acquisitions for the year	1,500	-	1,500	-
Closing acquisition value	1,500	-	1,500	-
Opening amortisation	-	-	-	-
Amortisation for the year	-125	-	-125	-
Accumulated amortisation	-125	-	-125	-
Book value	1,375	-	1,375	-

NOTE 8 Capitalized development expenditure, SEK thousand	Group		Parent Company	
	2004	2003	2004	2003
Opening acquisition value	912	-	912	-
Purchases/investments	4 797	912	4 797	912
Closing acquisition value	5 709	912	5 709	912
Amortisation for the year	-443	-	-443	-
Book value	5 266	912	5 266	912

Capitalized development expenditure is written off from the completion of the product version or, if earlier, when the product has been put into operation.

Notes

NOTE 9 Equipment, SEK thousand	Group		Parent Company	
	2004	2003	2004	2003
Opening acquisition value	18,198	19,256	15,792	16,207
Acquisitions for the year	1,390	1,372	1,390	1,372
Acquisitions for the year attributable to company acquisitions	–	–	–	487
Sale/disposal for the year	–5,135	–2,430	–3,354	–2,274
Closing acquisition value	14,453	18,198	13,828	15,792
Opening accumulated depreciation	–12,567	–11,072	–10,193	–8,498
Accumulated depreciation attributable to company acquisitions	–	–	–	–219
Adjustment for sale/disposal	4,964	2,315	3,83	2,268
Depreciation for the year	–3,046	–3,810	–3,021	–3,744
Accumulated depreciation	–10,649	–12,567	–10,031	–10,193
Book value	3,804	5,631	3,797	5,599

NOTE 10 Buildings and land, SEK thousand	Group		Parent Company	
	2004	2003	2004	2003
Opening acquisition value	28,573	28,573	–	–
Sales for the year	–12,918	–	–	–
Acquisitions for the year	407	–	–	–
Closing acquisition value	16,062	28,573	–	–
Opening depreciation	–7,973	–6,865	–	–
Adjustment of sales	4,313	–	–	–
Depreciation for the year	–680	–1,108	–	–
Accumulated depreciation	–4,340	–7,973	–	–
Book value	11,722	20,600	–	–
of which land	877	877	–	–

The tax assessment value of properties amounts to SEK 12,026 thousand, of which land is SEK 2,729 thousand. The market value of the properties, in accordance with an external valuation, amounts to approximately SEK 16 million, of which land is approximately SEK 4 million.

NOTE 11 Participations in group companies, SEK thousand	Parent Company	
	2004	2003
Opening balance	45,132	49,291
Write-down of shares in subsidiaries	–8,366	–4,159
Acquisition of/subsorption for new shares	–	–
Book values at year-end	36,766	45,132

An infusion of capital totalling SEK 1,225 thousand was made in 2002 to Prevas Bioinformatics A/S, after which the holding was written off by a corresponding amount.

	Main office	Corporate identity no.	Percentage of share	No. of shares	Book value
Prevas Bioinformatics A/S	Köpenhamn	261 80 287	100 %	5,000	0
Trinova Software Systems AB	Gothenburg	556376-3910	100 %	8,000	7,868
Prevas Engineering AB	Västerås	556380-1132	100 %	5,000	1,000
Prevas Inhold AB	Västerås	556350-5758	100 %	5,000	20,665
Prevas Fastighets i Västerås AB	Västerås	556238-7331	100 %	1,000	3,460
Pharmaline AB	Västerås	556266-3210	100 %	3,000	620
International Consultancy and Engineering Sweden AB	Västerås	556594-2967	100 %	1,000	3,153
Total					36,766

NOTE 12 Participations in associated companies, SEK thousand		Main office	Corporate identity no.	Percentage of share	Book value of holding, Group	Book value of holding, parent company
		Stockholm	556655-3326	18 %	3,828	4,100
		Västerås	556649-3044	46 %	723	650
Total					4,551	4,750

NOTE 13 Long-term receivables, SEK thousand	Group		Parent Company	
	2004	2003	2004	2003
Deferred tax claims	–	221	–	2 829
Other securities held as fixed assets	–	100	–	100
Total	–	321	–	2 929

NOTE 14 Prepaid expenses and accrued income, SEK thousand	Group		Parent Company	
	2004	2003	2004	2003
Fixed-price projects in progress, value of work completed	5,669	15,049	5,669	15,049
Less invoicing	-1,839	-10,331	-1,839	-10,331
Accrued income from work on a time basis	8,057	5,160	8,057	5,160
Other items	2,113	2,160	2,113	2,159
Total	14,000	12,038	14,000	12,037

NOTE 15 Cash and bank balances, SEK thousand	Group		Parent Company	
	2004	2003	2004	2003
Unused credits which are not included in liquid assets	10,000	20,000	10,000	20,000
Total	10,000	20,000	10,000	20,000

NOTE 16 Equity, SEK thousand				
Group	Group		Parent Company	
	Share capital	Restricted reserves	Non-restricted reserves	
Opening equity, 1 January 2004	19,456	37,143	-18,857	
Allocation of previous year's profit/loss		-13,530	13,530	
New share issue	500	2,100		
Transfer between restricted and non-restricted reserves		-565	565	
Net profit/loss for the year				11,209
Closing equity, 31 December 2004	19,956	25,148	6,447	
Parent company	Share capital	Share premium reserve	Statutory reserve	Non-restricted reserves
Opening equity, 1 January 2004	19,456	20,770	3,507	-13,531
Reducing share premium reserve		-13,531		13,531
New share issue	500	2,100		
Net profit/loss for the year				8,877
Closing equity, 31 December 2004	19,956	9,339	3,507	8,877

Outstanding options:

375 000 Employee share options, issue price SEK 15, subscription period 15 May 2003 to 30 April 2009.
 125 000 Other options, issue price SEK 15, subscription period 15 May 2003 to 30 April 2009.

Translation differences in equity are less than SEK 1 thousand.

The Group's restricted reserves include a share of equity in associated companies of SEK 73 thousand (-).

The proposed but not approved dividend in 2005 amounts to SEK 3,991 thousand (SEK 0.50 per share).

NOTE 17 Appropriations and untaxed reserves, SEK thousand	Parent Company	
	2004	2003
Appropriations		
Cancellation of tax allocation reserve	886	3,060
Difference between book depreciation and depreciation to plan	-	616
Total	886	3,676
Untaxed reserves		
Tax allocation reserve tax year 1999	-	2,696
Tax allocation reserve tax year 2000	2,531	2,531
Tax allocation reserve tax year 2001	8,368	8,368
Tax allocation reserve tax year 2005	1,810	-
Total	12,709	13,595

NOTE 18 Provisions, SEK thousand	Group		Parent Company	
	2004	2003	2004	2003
Provision for taxes				
Opening balance	4,060	8,127		
Change in tax allocation reserves	-210	-910		
Change in tangible assets	-1,936	-328		
Change in loss carry-forward	2,829	-2,829		
Closing balance	4,743	4,060		
Provision for guarantee commitments				
Opening balance	440	521	440	521
Utilized	-128	-81	-128	-81
Closing balance	312	440	312	440

NOTE 19	Accrued expenses and deferred income, SEK thousand	Group		Parent Company	
		2004	2003	2004	2003
	Fixed price projects in progress, customer invoiced	5,184	25,857	5,184	25,857
	Less value of work completed	-3,445	-20,404	-3,445	-20,404
	Accrued salaries and holiday pay liabilities	3,409	8,186	3,409	7,915
	Accrued social security charges	2,106	2,489	2,106	2,489
	Other items	9,627	7,178	9,406	6,877
	Total	16,881	23,306	16,660	22,734

NOTE 20	Pledged assets and contingent liabilities, SEK thousand	Group		Parent Company	
		2004	2003	2004	2003
	Pledged assets for liabilities to credit institutions				
	Floating charges	26,500	26,500	15,000	15,000
	Blocked bank accounts	-	735	-	735
	Property mortgages	10,000	10,000	-	-
	Shares in subsidiaries	32,426	42,375	31,993	41,042
	Total	68,926	79,610	46,993	56,777
	Contingent liabilities				
	Guarantees for advance payment guarantees	804	3,834	804	3,834
	Total	804	3,834	804	3,834

NOTE 21	Remuneration to auditors, SEK thousand	Group		Parent Company	
		2004	2003	2004	2003
	KPMG, audit	228	241	205	205
	KPMG, other assignments	186	151	186	151
	Total	414	392	391	356

Stockholm, 7 February 2005

Göran Lundin
Chairman

Claes Dinkelspiel
Director

Anders Englund
Director, CEO

Bernt Ericson
Director

Lisbeth Gustafsson
Director

Erik Hallberg
Director

Stieg Westin
Director

Jonas Lindstedt
Staff representative

Matts Hultén
Staff representative

Our Audit Report was submitted on 16 February 2005

Bo Ribers
Authorised Public Accountant
KPMG

Per-Oluf Hansen
Authorised Public Accountant
KPMG

Audit report

To the General Meeting of the shareholders of Prevas AB (Publ)
Corporate identity number 556252-1384

We have audited the annual accounts, the consolidated accounts, the accounting records and the administration of the Board of Directors and the Chief Executive Officer of Prevas AB (publ) for the financial year 2004. The Board of Directors and the CEO have responsibility for the accounts and the administration of the company, and for ensuring that the Annual Accounts Act is applied in preparing the annual accounts and the consolidated accounts. Our responsibility is to express an opinion on the annual accounts, the consolidated accounts and the administration based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual accounts and the consolidated accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and their application by the Board of Directors and the CEO, assessing the significant estimates made by the Board of Directors and the CEO when preparing the annual accounts and the consolidated accounts, as well as evaluating the overall presentation of information in the annual accounts and the consolidated accounts. As a basis for our opinion concerning discharge from liability, we examined significant decisions, actions taken and circumstances of the company in order to be able to determine the liability, if any, to the company of any board member or the CEO. We also examined whether any board member or the CEO has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association. We believe that our audit provides a reasonable basis for our opinion set out below.

The annual accounts and the consolidated accounts have been prepared in accordance with the Annual Accounts Act and, thereby, give a true and fair view of the company's and the Group's financial position and results of operations in accordance with generally accepted accounting principles in Sweden. The administration report is consistent with the other parts of the annual accounts and the consolidated accounts.

We recommend to the General Meeting of shareholders that the income statements and balance sheets of the parent company and the Group be adopted, that the profit of the parent company be dealt with in accordance with the proposal in the administration report and that the members of the Board of Directors and the CEO be discharged from liability for the financial year.

Stockholm, 16 February 2005

Bo Ribers
Authorised Public Accountant
KPMG

Per-Oluf Hansen
Authorised Public Accountant
KPMG

Board of Directors and auditors



Göran Lundin

Västerås, born 1944.
Chairman since 2000 and Director since 1985.
Other assignments: Chairman of Småföretagsinvest AB, Aldano AB, MPA Måleriproduktion AB et cetera. Director of IVA, Västmanlands FoU-råd, FlexPack Robotics AB, Halda AB et cetera.
Shareholdings (incl. family): 150,000 A shares and 2,582,340 B shares.



Claes Dinkelspiel

Stockholm, born 1941.
Chairman of E. Öhman J:or AB.
Director since 2000.
Other assignments: Chairman of Nordnet AB, Emric AB, MPS Holding AB et cetera. Director of Intellecta AB, Småföretagsinvest AB, Stiftelsen Silviahemmet et cetera.
Shareholdings: 8,500 B shares.



Anders Englund

Stockholm, Born 1960.
CEO Prevas AB. Director since 2003.
Other assignments: Director of Östsvenska IT-föreningen.
Shareholdings: 8,200 B shares and 10,000 employee share options.



Bernt Ericson

Stockholm, born 1945.
Honorary Doctor of Uppsala University. Former Vice President Ericsson. Director since 2000.
Other assignments: Chairman of Interactiva Institutet AB, IMIT and Stiftelsen Chester Carlsson fonder. Director of strange_ways AB and IVA.
Shareholdings: 1,600 B shares.



Lisbeth Gustafsson

Stockholm, born 1947.
Vice President of Sales Posten.
Director since 2000.
Other assignments: Director of CSN, IT-Företagen, Karolinska Universitetssjukhuset, WM-data, Svensk Handel, Scribona and Axel Johnson International.
Shareholdings: 800 B shares.



Erik Hallberg

Stockholm, born 1956.
Senior Vice President, Head of Market Area Baltic Countries, TeliaSonera AB.
Director since 1999.
Other assignments: Chairman of Confidence International AB, Eesti Telekom (Tallinn), Latvian Mobilais Telefons (Riga) and Lietuvos Telekomas (Vilnius). Director of Lattelekom (Riga), Omnitel (Vilnius) and Drutt AB.
Shareholdings: 4,000 B shares.



Stieg Westin

Skövde, born 1938.
Former Vice President of Volvo Lastvagnar AB.
Director since 1986.
Other assignments: Chairman of FlexPack Robotics AB and Programråd for IT-Verkstad Forskning.
Shareholdings (incl. company): 64,000 A shares and 49,000 B shares.



Jonas Lindstedt

Västerås, born 1972.
Staff representative since 2004.
Shareholdings: 3,000 B shares and 1,000 employee share options.



Matts Hultén

Göteborg, born 1957.
Staff representative since 2003.
Shareholdings: 4,000 B shares and 1,000 employee share options.

AUDITORS:

Bo Ribers

Stockholm, born 1942.
Authorised Public Accountant KPMG.
Accountant to Prevas since 1998.

Per-Oluf Hansen

Västerås, born 1947.
Authorised Public Accountant KPMG.
Accountant to Prevas since 1997.

Senior management



Senior management, back row left to right: Roland Ahlqvist, Peter Karlsson, Anders Redin, Lars Sjöström, Tom Hollowell, Per André, Måns Forsberg and Ingemar Persson. Front row left to right: Björn Andersson, Anders Englund, Katarina Hillman and Mats Lundberg.

Björn Andersson

Västerås, born 1957. Business Development.
Education: Master of Engineering.
Employed since 1985.
Shareholdings: 100,000 A shares, 208,000 B shares and 9,000 employee share options.

Anders Englund

Stockholm, born 1960.
CEO Prevas AB
Education: Master of Engineering.
Employed since 1998.
Shareholdings: 8,200 B shares and 10,000 employee share options.

Tom Hollowell

Karlstad, born 1961.
Director Products & Customer Support.
Education: Master of Engineering.
Employed since 2001.
Shareholdings: 5,000 employee share options.

Ingemar Persson

Uppsala, born 1963. Regional Director Uppsala.
Employed since 2004.
Shareholdings: 5,000 employee share options.

Per André

Västerås, born 1964. Regional Director Västerås.
Education: Master of Engineering.
Employed since 1994.
Shareholdings: 3,300 B shares and 5,500 employee share options.

Måns Forsberg

Malmö, born 1973. Regional Director Malmö.
Education: Master of Engineering.
Employed since 2001.
Shareholdings: 4,000 employee share options.

Peter Karlsson

Västerås, born 1965. Director of Personnel.
Education: Economics and marketing.
Employed since 2001.
Shareholdings: 2,500 B shares and 5,000 employee share options.

Anders Redin

Linköping, born 1957. Regional Director Linköping.
Education: Master of Economics.
Employed since 2003.
Shareholdings: 5,000 employee share options.

Roland Ahlqvist

Göteborg, born 1958. Regional Director Gothenburg.
Education: Master of Economics.
Employed since 2001.
Shareholdings: 400 A shares and 7,000 employee share options.

Katarina Hillman

Västerås, born 1963. CFO Prevas AB.
Education: Master of Economics.
Employed since 2003.
Shareholdings: 9,000 employee share options.

Mats Lundberg

Stockholm, born 1961.
CEO Precon AB.
Education: Master of Engineering.
Employed Precon AB since 2004.
Shareholdings: 75, 200 B shares.

Lars Sjöström

Västerås, born 1949. Quality Director Prevas AB.
Education: Master of Engineering.
Employed since 1985.
Shareholdings: 10,880 A shares, 2,400 B shares and 5,000 employee share options.

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