



Interim Report **January-June**

Västerås, July 17, 2012

SINCE THE DAWN OF TIME,  
INNOVATIVE IDEAS  
ARE MAKING THE WORLD BETTER.  
IN A GLOBAL SOCIETY, THE RATE  
OF INNOVATION HAS TO BE FASTER THAN EVER TO DELIVER  
INCREASING PROSPERITY.  
WITH EXPERTISE IN  
EMBEDDED SYSTEMS AND INDUSTRIAL IT,  
PREVAS CONTRIBUTES WITH INNOVATIVE SOLUTIONS  
THAT CREATE GROWTH.

## JANUARY – JUNE

- Sales SEK 336.7 million (311.6)
- Operating profit, EBIT SEK 13.1 million (27.9)
- Operating margin, EBIT 3.9% (9.0)
- Net income SEK 8.9 million (20.2)
- Earnings per share SEK 0.84 (1.89)
- Cash and cash equivalents SEK 14.3 million (17.2)

## APRIL– JUNE

- Sales SEK 163.4 million (156.2)
- Operating profit, EBIT SEK 1.0 million (12.5)
- Operating margin, EBIT 0.6% (8.0)
- Net income SEK 0.1 million (9.0)
- Earnings per share SEK 0.00 (0.84)

## A word from the CEO

As in the comparable period in 2011, Prevas continued to experience a rise in sales, partly through organic growth and business acquisitions and partly through an increase in orders. Orders increased by 27 percent in the second quarter compared to the same period last year. Despite this increase, we are presenting lower profits. The lower profits for the period can be explained by the global economic uncertainty, which has resulted in our international industrial customers exercising caution, a temporarily lower consultant capacity at the start of the second quarter and the start of new investments that will give positive results in the second half of the year.

During the second quarter we created a new business area, Management Consulting, which had a successful start. In conjunction with the start of the new business area, Prevas signed a LOI (Letter-of-Intent) for the acquisition of Rhemispheres AB, an advisory IT consulting business with a focus on the energy sector. Rhemispheres fits well under Prevas' guiding vision: Innovation for Growth. By strengthening its advisory services, Prevas can raise the level of assistance it provides its customers in creating innovative growth.

Another exciting acquisition during the period was ZetiQ Development, a technology company in Karlskoga. The company offers top expertise within sensor applications, and its profile complements Prevas' business very well.

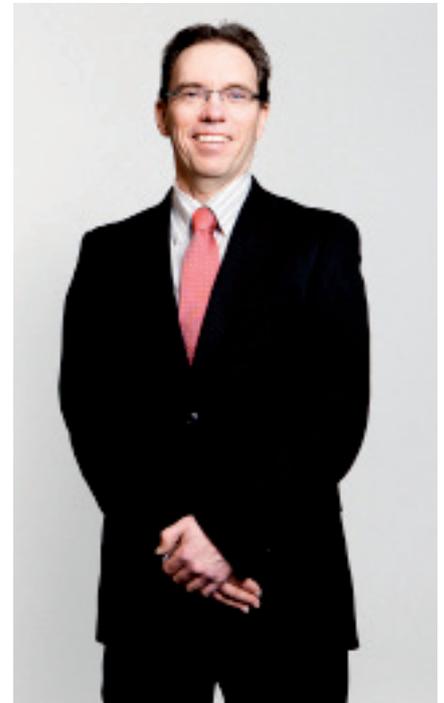
Prevas is also continuing to invest heavily in its "Centers of Excellence". We started another Center of Excellence during the second quarter within traceability, a growing area in which industrial companies manufacturing, for example, explosives, food and pharmaceutical products must meet an increasing number of regulatory requirements. Prevas offers specialist project teams with specific expertise and tested technological platforms.

Within our Product Development business area, we continue to be the Nordic leader in embedded systems. Prevas' ability to develop innovative solutions and new patents in cooperation with our customers solidifies the competitiveness of many current and future contractors in an increasingly competitive global market. One sign of this is our accelerated development of the latest technology for Miris, which we also hope will be Prevas' 5th consecutive nomination for the esteemed Swedish Embedded Awards. Swedish Embedded Award will announce the nominations in mid-August.

The Industrial Systems business area is still suffering somewhat from the caution on the market with regard to investments in industrial IT and automation. However, the business area has a strong position and Prevas has a good reputation among industrial companies that need help with, for example, traceability, energy savings and measurements.

Despite the weaker profit during the period and lower capacity during the spring, we believe the trend will turn upward and our aggressive investments and broader business offering will result in strong profits during the second half of the year. The strong number of new orders also supports continued expansion.

Mats Lundberg, President and CEO Prevas AB



**AS THE MARKET LEADER IN EMBEDDED SYSTEMS, PREVAS CONTRIBUTES BY PROVIDING INNOVATIONS THAT CREATE GROWTH. IN ORDER TO SUCCESSFULLY LAUNCH NEW SMART PRODUCTS, IT IS NECESSARY TO HAVE A STRONG FOCUS ON PRODUCT QUALITY, COSTS AND TIME-TO-MARKET.**

Prevas' Product Development business area is reporting weaker profits than in the corresponding period last year. April had few working days as well as lower capacity utilization, which put pressure on the profit for the second quarter. However, there was a clear rebound in May and June. Sales and orders increased in the second quarter compared to the same period last year.

The market continues to be slightly weaker than in the same period last year. At the end of the period we signed a number of large, strategically important development contracts in the area of Life Science, among others. As a result, we are optimistic about their outcome in 2012. The trend to install more and more embedded systems in industrial and commercial products continues to be strong. Because we are the Nordic leader for embedded systems, Prevas has a positive outlook for the future.

## RESULTS

Product Development Business Area	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	2010 Q4	2010 Q3	2010 Q2	2010 Q1
Income, SEK thousands	115,398	121,918	127,300	88,319	112,084	109,004	103,514	72,437	91,686	93,955
EBIT, SEK thousands	756	9,133	8,342	4,133	7,072	10,048	2,632	-4,517	-4,725	340
Operating margin, %	0.7%	7.5%	6.6%	4.7%	6.3%	9.2%	2.5%	-6.2%	-5.2%	0.4%
Average number of employees	345	336	319	307	302	283	288	290	299	302

## IMPORTANT EVENTS DURING THE PERIOD

### Growth within embedded systems, acquired specialist company in Karlskoga

On April 4, Prevas acquired Zeti Development AB, a technology company in Karlskoga (Sweden). The company has 15 employees in Karlskoga and specialist expertise in sensor applications. Their profile complements Prevas' business very well.

An acquisition agreement was signed and will come into effect as of April 4, 2012. The fixed consideration totaled SEK 10.5 million in addition to the value of the equity. The acquisition will be paid in cash. Additional remuneration, based on the company's performance up to the end of March 2015, may also be added to the purchase price. However, the maximum total consideration, including the additional remuneration, may only reach SEK 16.0 million in excess of the value of the equity.

Based on preliminary estimates, the value of the acquired assets and liabilities is made up of goodwill, SEK 11.8 million; other intangible fixed assets, SEK 4.4 million; property, plant and equipment, SEK 0.2 million; current receivables and cash, SEK 9.4 million; current liabilities, SEK 3.7 million; and deferred tax, SEK 1.5 million. Goodwill represents the value to be derived from synergies and employees.

The acquired company will become part of the Prevas Group and is expected to attain an operating margin of approximately 18 percent and sales of SEK 12 million for the remainder of 2012. Estimated annual sales are SEK 20 million. The unit will be fully included in Prevas' consolidated financial statements. During the quarter the unit had sales of SEK 3.4 million and a profit margin of 12.5 percent.

No transaction costs impacted income during the period.

### Acquired remaining 49 percent of shares in Prevas Technology West

In 2009, Prevas AB founded a subsidiary in Gothenburg, Prevas Technology West AB, with shared ownership. As of March 2012, Prevas has acquired all shares of Prevas Technology West AB. The company offers cutting-edge expertise in system development for organizations with intensive product and system development activities located in western Sweden. We offer reinforcement of specialist expertise on location with the customer in the areas of technical IT and embedded systems when such is lacking in the customer's project.

### New office in Jönköping

Prevas continues to expand and recently opened a new office in Jönköping (Sweden). The new Prevas office in Jönköping is part of the operations that belong to Linköping and offers services in both embedded systems and industrial IT. Establishing in Jönköping enables us to strengthen our relationship with existing customers in the region and at the same time gives us better opportunities to solicit new customers.

### Accelerated technological development for Miris

Miris produces and markets a unique instrument for the analysis of liquids, such as cow, buffalo and breast milk. In the middle of a period of heavy growth, one of the instruments' main components was taken out of production. In order to guarantee continued production at Miris and meet the increase in demand, Prevas developed a compatible substitute component in a very short span of time using the latest technology. The result was an instrument that is cheaper to produce and adapted to Miris' need for increased stability, better performance and a longer life cycle.

**AS THE MARKET LEADER IN INDUSTRIAL, PREVAS CONTRIBUTES BY PROVIDING INNOVATIONS THAT CREATE GROWTH. OUR JOB IS TO INCREASE EFFICIENCY IN OUR CUSTOMERS' MANUFACTURING PROCESSES. WE WORK IN CLOSE COLLABORATION WITH OUR CUSTOMERS TO DEFINE EACH STEP OF THE WAY TOWARDS COST-EFFECTIVE AND HIGHLY-PRODUCTIVE PRODUCTION FACILITIES.**

Prevas' Industrial Systems business area continues to grow. Sales and orders increased in the second quarter compared to the same period last year. Profitability during the second quarter was weaker than in the same quarter last year. This is because some larger customers pushed back the date for some orders and projects. An upswing in orders was noted at the end of the quarter.

During the period, the market as a whole was fairly strong. However, there is some caution with regard to investment decisions, but the day-to-day improvement measures are continuing as normal. We are also pleased to note that an increasing number of customers are contacting us with questions about MES, Manufacturing Execution Systems, which is one of Prevas' specialty areas. The MES solutions are the dominant production guide that also link the factory floor with the business systems. In this area there are considerable productivity gains to be made for our customers. Another key area for Prevas is EMI, Enterprise Manufacturing Intelligence, which handles production information. Our customers are showing more interest in this since it helps them make faster decisions based on correct, real-time information. The importance of this increases as the business cycles in the global market consistently become shorter.

## RESULTS

Industrial Systems Business Area	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	2010 Q4	2010 Q3	2010 Q2	2010 Q1
Net sales, SEK thousands	47,959	51,398	45,967	42,015	44,070	46,410	44,787	33,964	40,624	38,629
EBIT, SEK thousands	969	2,993	3,574	3,088	5,474	5,353	4,329	3,747	6,297	6,490
Operating margin, %	2.0%	5.8%	7.8%	7.3%	12.4%	11.5%	9.7%	11.0%	15.5%	16.8%
Average number of employees	155	160	137	134	135	133	115	106	108	112

## IMPORTANT EVENTS DURING THE PERIOD

### Centers of Excellence for traceability

For many years Prevas has developed, supplied and supported traceability systems on a national and international level for the world's leading companies. Traceability is one of the most important keys to effective and faultless production. As a means of helping our customers, Prevas is increasing its investments in this field and opening a Center of Excellence for traceability.

Our mission is to help our customers become more competitive and profitable. In order to do this, we first need to understand the customer's problems and challenges, but we also need to be knowledgeable about government and industry requirements as well as appropriate tools and methods for implementing changes. A Center of Excellence makes it possible for us to gather our knowledge in order to help our customers in the best possible way.

### New office in Jönköping

Prevas continues to expand and recently opened a new office in Jönköping (Sweden). The new Prevas office in Jönköping is part of the operations that belong to Linköping and offers services in both embedded systems and industrial IT. Establishing in Jönköping enables us to strengthen our relationship with existing customers in the region and at the same time gives us better opportunities to solicit new customers.

### Order from Arla

Arla Foods' factory in Vimmerby, Sweden, was opened in 2005 and currently produces milk powder from 350,000 metric tons of milk annually. The facility is expected to expand in the future, and Arla Foods needs to invest in new, modern production-oriented IT systems in order to cope with the planned growth. Prevas will help Arla with this project. A new and modern control system will be developed and delivery is expected to be completed in December 2013. The value of the order is approximately SEK 14 million.

The project includes software, system migration, quality assurance, installation, rollout, testing, training and support. As Arla's supplier, Prevas will guarantee the existence of locally-based expertise during the course of the project and the years following rollout, including the possibility to supply support and service to maximize available production time.

### Office in Dubai is closed

Prevas has been present in the United Arab Emirates since 2010 with an office in Dubai. In the second quarter of 2012, the decision was made to restructure the business model for this market and Prevas's presence in Dubai will be via a local agent, Precast. Future projects in this area will be staffed via a combination of resources from Precast and Prevas specialists in the Nordic region.

**INCREASED COMPETITION MEANS THAT COMPANIES MUST BECOME MORE EFFICIENT AND FASTER. WE HELP COMPANIES FACING A SIGNIFICANT JOURNEY. TOGETHER WITH THE CUSTOMER, PREVAS' ADVISORS CAN IMPROVE THE FLEXIBILITY AND EFFICIENCY OF THE CUSTOMER'S ORGANIZATION AND THEREBY CREATE GROWTH AND IMPROVE PROFITABILITY.**

During the second quarter, Prevas started a new business area, Management Consulting. The area has to date 6 employees and in the beginning of the second half of the year will deliver services to customers in the Stockholm area. The establishment of the business area at Prevas' existing office in Mälardalen and the west coast is underway.

The new management service streamlines purchasing and the use of IT systems for the industry. We help companies facing a significant journey, such as when new decisions must be made about major investments or when mapping new technology and new methods. Together with the customer's management group, Prevas' advisors can ensure that the flexibility, effectiveness and profitability of the IT systems are optimized from the start.

The new Management Consulting business area complements Prevas' two existing business areas very nicely. To work proactively and be given the opportunity to find solutions at the business development level improves the efficiency of the cooperation between us and our clients. The initiative also ensures that Prevas can take on larger assignments and be a key participant in the development of new strategies and methods at the companies. Management Consulting will target both Prevas' existing customers and new customers.

### RESULTS

	2012	
Management Consulting Business	Q2	Start of business area May 2012
Net sales, SEK thousands	16	
EBIT, SEK thousands	-772	
Operating margin, %	-	
Average number of employees	2	

### IMPORTANT EVENTS DURING THE PERIOD

#### Start of new business area, Management Consulting

On May 23, Prevas announced the start of its new Management Consulting business area. The new business area offers to help management teams at larger companies with change projects, process development, configuration of IT systems and requirements.

#### Signed Letter-of-Intent for business acquisition within Management Consulting

Prevas has signed a Letter-of-Intent (LOI) to acquire Rhemispheres. The company offers advisory IT consulting services to companies and organizations active in the energy sector, which strengthens Prevas' Management Consulting business area. EON, Fortum and TetraPak are some of the company's customers. Rhemispheres has offices in Stockholm, Gothenburg and Malmö, and has 20 employees.

In order to take part and find solutions for energy issues of the future, Rhemispheres has associated itself with specialist advisors who represent a mixture of different competencies. Advisors are organized into clear teams of experts who provide innovative services. Rhemispheres fits into Prevas' structure very well and reinforces our presence with energy companies.

# Financial information

## SALES

### January - June

Sales totaled SEK 336.7 million (311.6), which is an increase of more than 8 percent. Of the total growth in sales, 23 percent was organic. Sales per employee totaled SEK 643 thousand (683). The total number of working days was 123 (123).

### April - June

Sales were SEK 163.4 million (156.2), which is an increase of 5 percent. This increase in its entirety is attributable to acquired units. Sales per employee totaled SEK 308 thousand (334). The total number of working days was 59 (60).

## RESULTS

### January - June

Operating profit, EBIT, was SEK 13.1 million (27.9), with a corresponding operating margin of 3.9 percent (9.0). Profit before depreciation/amortization, EBITDA, was SEK 17.4 million (33.3), with a corresponding profit margin before depreciation/amortization of 5.2 percent (10.7).

Net income was SEK 8.9 million (9.0).

The decline in profit is the result of slightly poorer capacity utilization during the period and a sharp increase in the number of employees.

### April - June

Operating profit, EBIT, was SEK 1.0 million (12.5), with a corresponding operating margin of 0.6 percent (8.0). Profit before depreciation/amortization, EBITDA, was SEK 3.3 million (15.3), with a corresponding profit margin before depreciation/amortization of 2.0 percent (9.8).

Net income was SEK 0.1 million (20.2).

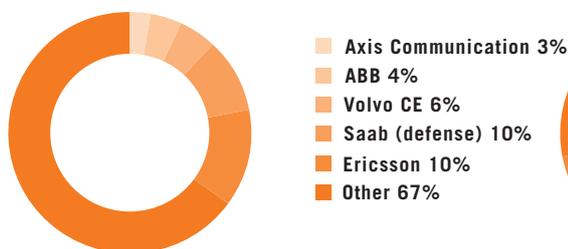
The decline in profit is the result of slightly poorer capacity utilization during the quarter, the large number of holidays in April, possible "squeeze days" (working day between a holiday and a weekend) and an increase in the number of employees. We also incurred costs in the Industrial Systems business area for the transfer of our operations in the United Arab Emirates to a local agent. This cost, including some restructuring costs, totaled SEK 0.9 million. We also incurred a start-up cost of SEK 0.8 million during the period for our new Management Consulting business area and we were forced to report bad debt losses of SEK 0.7 million during the period in our Product Development business area.

## CASH FLOW AND CASH AND CASH EQUIVALENTS

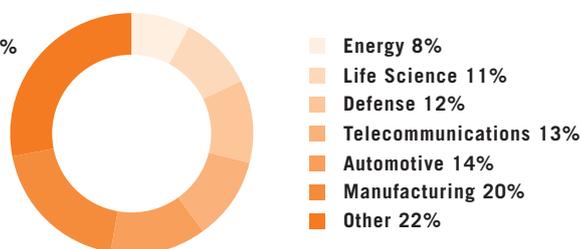
Cash flow from operating activities was SEK 4.2 million (32.5) for the period. At the end of the period, cash and cash equivalents totaled SEK 14.3 million (17.2), a utilized bank overdraft facility of SEK 29 million.

## FINANCIAL POSITION

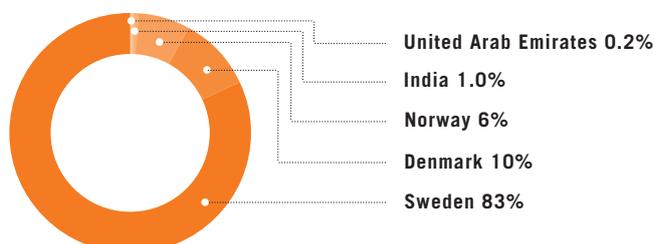
### FIVE LARGEST CUSTOMERS Q1-2 2012



### INDUSTRY BREAKDOWN Q1-2 2012



### TOTAL 577 EMPLOYEES 06-30-2012



Equity was SEK 172.7 million (171.8) at the end of the period, with a corresponding equity ratio of 46 percent (54). Equity per share was SEK 16.80 (17.00).

## EMPLOYEES

During the period, the average number of employees was 524 (456), of which 345 (302) worked in the Product Development business area, 155 (135) worked in the Industrial Systems business area, 2 (0) worked in the Management Consulting business area and 22 (19) held senior management and administrative positions.

The total number of employees at the end of the period was 577 (502), of which 11 percent were women.

## INVESTMENTS

The Group made investments in fixed assets worth SEK 5.7 million (3.8) during the period, of which SEK 4.4 million (2.3) was for machinery and equipment and SEK 1.3 million (1.5) was for product development and intangible assets. There have also been investments via company acquisition. Acquired assets and liabilities consisted preliminarily of goodwill and intangible assets totaling SEK 16.2 million.

## STRONG BUSINESS FINANCIAL INDICATORS – ON-TIME DELIVERY OF PROJECTS

As a part of the Company's certified quality assurance system, we constantly measure customer satisfaction, delivery reliability and warranty work. Since it was founded in 1985, Prevas' high quality has resulted in a very high number of satisfied and returning customers as well as unique quality indicators for delivery reliability and warranty. About 90 percent of our projects are delivered on time – a figure that is significantly higher than the industry average. That, in combination with a customer satisfaction level of 8.4 (on a scale of 1 to 10), makes Prevas highly valued by its customers.

## KEY INDICATORS PER QUARTER

	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1	2010 Q4	2010 Q3	2010 Q2	2010 Q1
Net sales, SEK million	163.4	173.3	173.3	130.3	156.2	155.4	148.3	106.2	132.3	132.6
EBIT, SEK million	1.0	12.1	11.9	7.2	12.5	15.4	7.0	-0.8	1.6	6.8
Operating margin, %	0.6	7.0	6.9	5.5	8.0	9.9	4.7	-0.7	1.2	5.2
Number of working days	59	64	64	66	60	63	64	66	60	62
Number of employees at the end of the period	577	575	567	518	502	501	456	452	449	449
Average number of employees	531	517	494	461	467	435	426	409	419	432
Net sales/employee, SEK thousands	308	335	351	283	333	357	348	260	316	307
Equity ratio, %	46	49	55	58	54	52	54	56	52	54
Earnings per share, SEK	0.00	0.84	0.80	0.48	0.84	1.05	0.42	-0.09	0.06	0.45
Equity per share, SEK	16.80	16.82	18.04	17.57	17.00	15.86	15.36	14.98	15.28	15.31

## PARENT COMPANY SALES

### January - June

Sales were SEK 259.8 million (253.8) and profit (loss) after financial items was SEK 11.8 million (23.9).

### April - June

Sales were SEK 125.0 million (127.1) and profit (loss) after financial items was SEK 1.5 million (12.7).

## RISKS AND UNCERTAINTIES

The Prevas Group, including the Parent Company, relies on certain guiding principles when it comes to managing risks in various parts of its business. Successful risk management is a continuous process conducted within the framework for operations management. It is an integral part of the everyday follow-up of the business. Examples of business and market-related risks are: competition and price pressure, our customers' businesses development, bad debt losses, risks associated with the state of the market and fluctuations in exchange/interest rates. Another risk involves the competition for skilled employees. Prevas is the market leader for embedded systems and industrial IT and has established a new Management Consulting business area. Accordingly, it is important that the Company is able to attract and recruit the very best talent in the labor market.

## TRANSACTIONS WITH RELATED PARTIES

These types of transactions are reported in Note 25 of the annual report. They are primarily related to purchases and sales between companies belonging to the Group.

## ACCOUNTING PRINCIPLES

This Interim Report was prepared in accordance with IAS 34, Interim Financial Reporting. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Commission for application within the EU, as well as the Swedish Annual Accounts Act, where applicable.

The Parent Company's financial statements have been prepared in accordance with the Annual Accounts Act and recommendation RFR 2 Accounting for Legal Entities.

The Group and the Parent Company apply the same accounting principles and bases of calculation as described in Annual Report 2011.

Stockholm, July 17, 2012  
Prevas AB (publ)

Mats Lundberg, President and CEO Prevas AB

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The Board of Directors and CEO assert that these interim financial statements provide a true and fair view of the Parent Company's and the Group's business, financial position and profits. Any significant risks or uncertainties faced by the Company or any of its subsidiaries have been disclosed.

Stockholm, July 17, 2012  
Prevas AB (publ)

Göran Lundin  
Chairman of the Board

Mats Lundberg  
President and CEO Prevas AB

Claes Dinkelspiel  
Board Member

Ulrika Grönberg  
Board Member

Christina Liffner  
Board Member

Karl-Gustav Ramström  
Board Member

Stieg Westin  
Vice Chairman

Jan-Olof Carlsson  
Employee Representative

Karin Holmström  
Employee Representative

## UPCOMING REPORTS

- Interim report Jan-Sept, October 26, 2012
- 2012 Year-End Report, February 8, 2013

## INFORMATION

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**This interim report has not been examined by the Company's auditors.**

**This is a translation of an original document in Swedish. In case of dispute, the original document should be taken as authoritative (Delårsrapport januari - juni 2012 at [www.prevas.se](http://www.prevas.se)). Or, contact the company direct.**

Published on 07-17-2012, 8:30AM CET. This is information that Prevas AB (publ) must make available to the public in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act.

# Consolidated Financial Statements

<b>SUMMARY INCOME STATEMENTS (SEK thousands)</b>	<b>2012 Q1-2</b>	<b>2011 Q1-2</b>	<b>2012 Q2</b>	<b>2011 Q2</b>	<b>2011 Full Year</b>
<b>Net sales</b>	<b>336,689</b>	<b>311,568</b>	<b>163,373</b>	<b>156,154</b>	<b>615,169</b>
Capitalized work	511	44	297	–	515
Other external costs	–89,021	–78,190	–43,295	–38,507	–166,334
Personnel costs	–230,788	–200,073	–117,072	–102,338	–392,078
<b>Profit (loss) before depreciation/amortization</b>	<b>17,391</b>	<b>33,349</b>	<b>3,303</b>	<b>15,309</b>	<b>57,272</b>
Amortization/impairment of intangible assets	–1,851	–3,150	–1,065	–1,596	–5,557
Depreciation of property, plant and equipment	–2,462	–2,252	–1,286	–1,167	–4,631
<b>EBIT</b>	<b>13,078</b>	<b>27,947</b>	<b>952</b>	<b>12,546</b>	<b>47,084</b>
Net financial items	–817	–524	–633	–258	–973
<b>Profit (loss) before tax</b>	<b>12,261</b>	<b>27,423</b>	<b>319</b>	<b>12,288</b>	<b>46,111</b>
Taxes	–3,364	–7,270	–187	–3,264	–12,344
<b>Net profit (loss) for the period</b>	<b>8,897</b>	<b>20,153</b>	<b>132</b>	<b>9,024</b>	<b>33,767</b>
<b>Net profit (loss) for the period attributable to Parent Company's shareholders</b>	<b>8,491</b>	<b>19,056</b>	<b>31</b>	<b>8,461</b>	<b>32,048</b>
<b>Net profit (loss) for the period attributable to holdings without a controlling influence</b>	<b>406</b>	<b>1,097</b>	<b>101</b>	<b>563</b>	<b>1,719</b>
Basic and diluted earnings per share, SEK	0.84	1.89	0.00	0.84	3.17

<b>STATEMENT OF COMPREHENSIVE INCOME in summary, SEK thousands</b>	<b>2012 Q1-2</b>	<b>2011 Q1-2</b>	<b>2012 Q2</b>	<b>2011 Q2</b>	<b>2011 Full Year</b>
<b>Net profit (loss) for the period</b>	<b>8,897</b>	<b>20,153</b>	<b>132</b>	<b>9,024</b>	<b>33,767</b>
Other comprehensive income:					
Translation differences for the period	–438	875	–165	1,306	19
<b>Total comprehensive income for the period</b>	<b>8,459</b>	<b>21,028</b>	<b>–33</b>	<b>10,330</b>	<b>33,786</b>
<b>Comprehensive income for the period attributable to the Parent Company's owner</b>	<b>8,053</b>	<b>19,931</b>	<b>–137</b>	<b>9,767</b>	<b>32,067</b>
<b>Comprehensive income for the period attributable to holdings without a controlling influence</b>	<b>406</b>	<b>1,097</b>	<b>101</b>	<b>563</b>	<b>1,719</b>

<b>BUSINESS UNIT PERFORMANCE</b>	<b>2012 Q1-2</b>	<b>2011 Q1-2</b>	<b>2012 Q2</b>	<b>2011 Q2</b>	<b>2011 Full Year</b>
<b>Net sales, SEK thousands</b>					
Product Development	237,316	221,088	115,398	112,084	436,707
Industrial Systems	99,357	90,480	47,959	44,070	178,462
Management Consulting	16	–	16	–	–
<b>Total</b>	<b>336,689</b>	<b>311,568</b>	<b>163,373</b>	<b>156,154</b>	<b>615,169</b>
<b>EBIT, SEK thousands</b>					
Product Development	9,889	17,120	756	7,072	29,595
Industrial Systems	3,962	10,827	969	5,474	17,489
Management Consulting	–722	–	–772	–	–
<b>Total</b>	<b>13,078</b>	<b>27,947</b>	<b>952</b>	<b>12,546</b>	<b>47,084</b>
<b>Operating margin, %</b>					
Product Development	4.2%	7.7%	0.7%	6.3%	6.8%
Industrial Systems	4.0%	12.0%	2.0%	12.4%	9.8%
Management Consulting	0%	–	0%	–	–
<b>Total</b>	<b>3.9%</b>	<b>9.0%</b>	<b>0.6%</b>	<b>8.0%</b>	<b>7.7%</b>

## Consolidated Financial Statements (cont.)

<b>SUMMARY BALANCE SHEET (SEK thousands)</b>	<b>2012 June 30</b>	<b>2011 June 30</b>	<b>2011 Dec 31</b>
Goodwill	123,959	112,866	112,496
Other intangible assets	12,839	9,881	8,946
Property, plant and equipment	15,490	13,458	13,502
Deferred tax assets	1,736	1,968	2,840
Current receivables	206,114	165,704	180,396
Cash and cash equivalents	14,251	17,171	19,271
<b>Total assets</b>	<b>374,389</b>	<b>321,048</b>	<b>337,451</b>
Equity attributable to Parent Company's owner	169,745	170,010	182,246
Equity attributable to holdings without a controlling influence	2,946	1,758	2,598
Deferred tax liability	12,381	10,305	11,048
Long-term interest-bearing liabilities	55,037	18,223	17,003
Current interest-bearing liabilities	1,389	1,075	4,316
Provisions	6,366	4,488	1,385
Other current liabilities	126,525	115,189	118,855
<b>Total liabilities and equity</b>	<b>374,389</b>	<b>321,048</b>	<b>337,451</b>

<b>SUMMARY OF CHANGES IN EQUITY, SEK thousands</b>	<b>2012 June 30</b>	<b>2011 June 30</b>	<b>2011 Dec 31</b>
Opening balance	184,844	155,791	155,791
Total comprehensive income for the period attributable to the Parent Company's owner	8,053	19,931	32,067
Total comprehensive income for the period attributable to holdings without a controlling influence	406	1,097	1,719
Acquisition of holdings without controlling influence	-407	-	318
Dividends	-20,205	-5,051	-5,051
<b>Closing balance</b>	<b>172,691</b>	<b>171,768</b>	<b>184,844</b>
<b>Equity attributable to Parent Company's owner</b>	<b>169,745</b>	<b>170,010</b>	<b>182,246</b>
<b>Equity attributable to holdings without a controlling influence</b>	<b>2,946</b>	<b>1,758</b>	<b>2,598</b>

## Consolidated Financial Statements (cont.)

<b>CASH FLOW ANALYSIS (SEK thousands)</b>	<b>2012 Q1-2</b>	<b>2011 Q1-2</b>	<b>2012 Q2</b>	<b>2011 Q2</b>	<b>2011 Full Year</b>
<b>Operating activities</b>					
Profit (loss) before tax	12,261	27,423	319	12,288	46,111
Adjustment for items not included in cash flow	3,987	7,032	2,491	3,914	11,777
Income tax paid	-12,035	-1,977	-2,217	-491	-4,427
<b>Cash flow from operating activities before changes in working capital</b>	<b>4,213</b>	<b>32,478</b>	<b>593</b>	<b>15,711</b>	<b>53,461</b>
<b>Cash flow from changes in working capital</b>					
Change in operating receivables	-20,152	-23,160	2,981	-7,843	-33,705
Change in operating liabilities	7,968	20,396	-2,681	2,664	17,698
<b>Cash flow from operating activities</b>	<b>-7,971</b>	<b>29,714</b>	<b>893</b>	<b>10,532</b>	<b>37,454</b>
<b>Investing activities</b>					
Acquisition of business and shares excl. cash and cash equivalents	-12,953	-	-12,269	-	-1,514
Investments in intangible assets	-1,256	-1,519	-791	-1,267	-2,591
Investments in property, plant and equipment	-1,043	-2,316	-613	-1,561	-4,447
<b>Cash flow from investing activities</b>	<b>-15,252</b>	<b>-3,835</b>	<b>-13,673</b>	<b>-2,828</b>	<b>-8,552</b>
<b>Financing activities</b>					
Change in interest-bearing liabilities	37,983	-11,314	37,983	-26	-12,706
New issue	277	-	277	-	-
Dividend payment	-20,205	-5,051	-20,205	-5,051	-5,051
<b>Cash flow from financing activities</b>	<b>18,055</b>	<b>-16,365</b>	<b>18,055</b>	<b>-5,077</b>	<b>-17,757</b>
<b>Cash flow for the period</b>	<b>-5,168</b>	<b>9,514</b>	<b>5,275</b>	<b>2,627</b>	<b>11,145</b>
Cash and cash equivalents at the beginning of the year	19,271	7,488	8,994	14,294	7,488
Translation difference on cash and cash equivalents	148	169	-18	249	638
Cash and cash equivalents at the end of the period	14,251	17,171	14,251	17,171	19,271
<b>Cash flow for the period</b>	<b>-5,168</b>	<b>9,514</b>	<b>5,275</b>	<b>2,627</b>	<b>11,145</b>

<b>KEY FIGURES</b>	<b>2012 Q1-2</b>	<b>2011 Q1-2</b>	<b>2012 Q2</b>	<b>2011 Q2</b>	<b>2011 Full Year</b>
Profit margin before depreciation and amortization/EBITDA	5.2%	10.7%	2.0%	9.8%	9.3%
Operating margin/EBIT	3.9%	9.0%	0.6%	8.0%	7.7%
Profit margin	3.6%	8.8%	0.2%	7.9%	7.5%
<i>Number of outstanding shares at the end of the reporting period</i>					
basic and diluted	10,102	10,102	10,102	10,102	10,102
<i>Average number of outstanding shares</i>					
basic and diluted	10,102	10,102	10,102	10 102	10 102
Basic and diluted earnings per share, SEK	0.84	1.89	0.00	0.84	3.17
Equity per share, basic and diluted	16.80	17.00			18.04
Equity ratio	46%	54%			55%
Return on capital employed, %	6.0%	14.6%			24.0%
Return on equity, %	5.0%	12.3%			13.7%
Average number of employees	524	456	531	467	476
Number of working days	123	123	59	60	253
Sales per employee, SEK thousands	643	683	308	334	1,292

# Parent Company Financial Statements

<b>SUMMARY INCOME STATEMENTS (SEK thousands)</b>	<b>2012 Q1-2</b>	<b>2011 Q1-2</b>	<b>2012 Q2</b>	<b>2011 Q2</b>	<b>2011 Full Year</b>
<b>Net sales</b>	<b>259,838</b>	<b>253,848</b>	<b>124,961</b>	<b>127,140</b>	<b>494,750</b>
Capitalized work	331	44	175	–	273
Other external costs	–81,021	–75,390	–39,443	–37,164	–155,562
Personnel costs	–164,552	–152,350	–82,654	–78,246	–293,038
Amortization/impairment of intangible assets	–1,374	–5,140	–691	–2,587	–9,911
Depreciation of property, plant and equipment	–913	–1,023	–454	–509	–2,110
<b>EBIT</b>	<b>12,309</b>	<b>19,989</b>	<b>1,894</b>	<b>8,634</b>	<b>34,402</b>
Profit (loss) from participations in Group companies	–	4,202	–	4,202	–
Interest income and similar profit (loss) items	69	50	11	45	355
Interest expenses and similar profit (loss) items	–542	–349	–437	–158	–927
<b>Profit (loss) after financial items</b>	<b>11,836</b>	<b>23,892</b>	<b>1,468</b>	<b>12,723</b>	<b>33,830</b>
Taxes	–3,226	–5,281	–447	–2,288	–9,184
<b>Net profit (loss) for the period</b>	<b>8,610</b>	<b>18,611</b>	<b>1,021</b>	<b>10,435</b>	<b>24,646</b>

<b>SUMMARY BALANCE SHEETS (SEK thousands)</b>	<b>2012 June 30</b>	<b>2011 June 30</b>	<b>2011 Dec 31</b>
Intangible assets	4,484	8,725	2,988
Property, plant and equipment	2,892	3,343	4,973
Financial assets	52,251	39,108	35,595
Current receivables	169,303	137,952	149,576
Cash and cash equivalents	782	6,823	9,505
<b>Total assets</b>	<b>229,712</b>	<b>195,951</b>	<b>202,637</b>
Equity	84,485	90,078	96,113
Provisions	1,196	830	1,184
Long-term interest-bearing liabilities	46,433	11,550	10,450
Current interest-bearing liabilities	4,200	2,200	2,200
Other current liabilities	93,398	91,293	92,690
<b>Total liabilities and equity</b>	<b>229,712</b>	<b>195,951</b>	<b>202,637</b>
Pledged assets	65,000	65,000	65,000
Contingent liabilities	3,739	7,758	1,961



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