



## **Interim Report January - June 2010**

Västerås, 16 July, 2010

## JANUARY - JUNE 2010

- Sales SEK 264.9 (279.8) million
- Operating profit EBIT SEK 8.4 (-2.0) million
- Operating margin EBIT 3.2 (-0.7) %
- Net income SEK 5.2 (-2.2) million
- Earnings per share SEK 0.50 (-0.22)
- Cash equivalents SEK 7.8 (21.1) million

## APRIL - JUNE 2010

- Sales SEK 132.3 (127.7) million
- Operating profit EBIT SEK 1.6 (-9.1) million
- Operating margin EBIT 1.2 (-7.2) %
- Net income SEK 0.7 (-7.1) million
- Earnings per share SEK 0.06 (-0.70)

## A Word from the CEO

We are noticing a continued positive trend with our industrial customers, who are choosing to rely on Prevas to an increasing extent. For project-related activities, there is also a clear trend of more projects starting up for which Prevas has been given total responsibility or greater partial responsibility.

The Industrial Systems business area continues to deliver expertise in the area of industrial IT, which is a sign of strength and it achieved an operating margin of 16 percent for the period. Activities in Sweden for the Product Development business area have reversed the prior downward trend and are now profitable. However, at the same time in Denmark, activities in the Product Development area are on the decline. During the last quarter, developments in the Danish business have impacted the group's profitability and several measures were implemented during the quarter as a result.

For 2010 overall, what we previously communicated still holds true, i.e. this will be a year of squeezed margins. We have an action plan for returning to a situation of improved margins, which we are following without any deviations. For example, we are involved in more international activities and our activities in the Nordic region are more clearly niched. There is also a growth initiative underway for our prioritized areas. Within the Industrial Systems business area, we have established new business activities in Dubai, United Arab Emirates, as well in Gävle, Sweden. Within the Product Development area, we now have business activities in Bangalore, India, as well as Gothenburg, Sweden.

Mats Lundberg, CEO Prevas AB



# Sales

## JANUARY – JUNE

Sales amounted to SEK 264.9 (279.8) million, corresponding to a decline of 5.3 percent. Sales per employee increased and were SEK 623 (566) thousand. The total number of working days was 122 (121).

## APRIL– JUNE

Sales were SEK 132.3 (127.7) million, which is an increase of 3.6 percent. Sales per employee were SEK 316 (266) thousand. The total number of working days was 60 (59).

# Income

## JANUARY – JUNE

Operating profit EBIT was SEK 8.4 (-2.0) million, with a corresponding operating margin of 3.2 (-0.7) percent. Profit before depreciation EBITDA was SEK 14.5 (4.3) million, with a corresponding profit margin before depreciation of 5.5 (1.5) percent.

Profit/loss before tax was SEK 5.2 (-2.2) million, with a corresponding profit margin of 2.7 (-0.9) percent.

The increase in profits for the period is mainly the result an overall improvement in capacity utilization. Unfortunately, however, there are still profitability problems with business activities in Denmark. Measures were taken to address this, but they did not impact profits.

## APRIL– JUNE

Operating profit EBIT was SEK 1.6 (-9.1) million, with a corresponding operating margin of 1.2 (-7.2) percent. Profit before depreciation EBITDA was SEK 4.6 (-6.0) million, with a corresponding profit margin before depreciation of 3.5 (-4.7) percent.

Profit/loss before tax was SEK 0.7 (-7.1) million, with a corresponding profit margin of 0.8 (-7.4) percent.

# Cash Flow and Cash Equivalents

Cash flow from continuing operations was SEK 7.6 (26.5) million for the period. At the end of the period, cash equivalents totaled SEK 7.8 (21.1) million, excluding bank overdraft facility.

# Financial Position

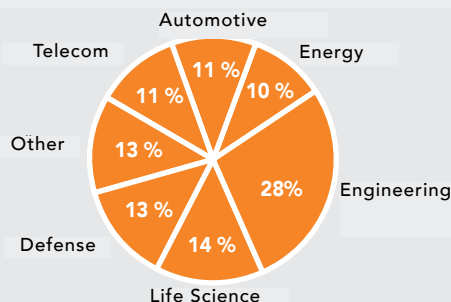
Equity was SEK 154.4 (167.1) million at the end of the period, with a corresponding equity ratio of 52 (55) percent. Equity per share was SEK 15.28 (16.54).

# Employees

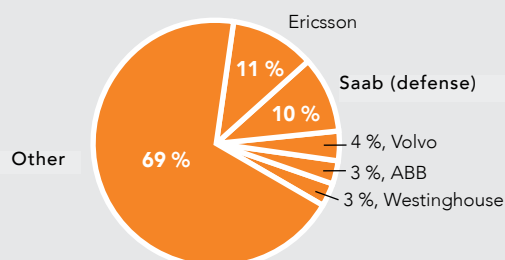
During the period, the average number of employees was 425 (494), of which 299 (370) worked within the area of Product Development and 108 (107) worked in the area of Industrial Systems. In addition, there were 18 (18) employees in senior management and administrative positions.

The total number of employees at the end of the period was 449 (492), of which 12% were women.

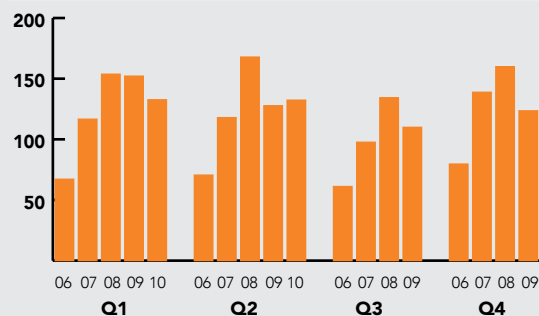
SALES PER SECTOR Q2 2010, THE GROUP



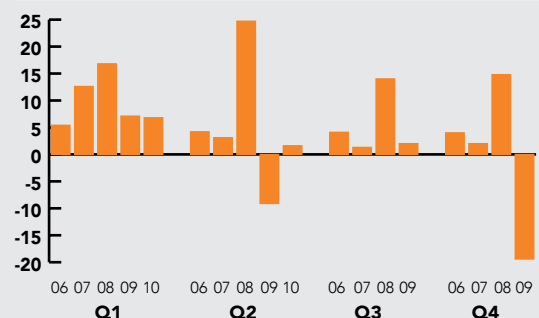
FIVE LARGEST CUSTOMERS Q2 2010, THE GROUP



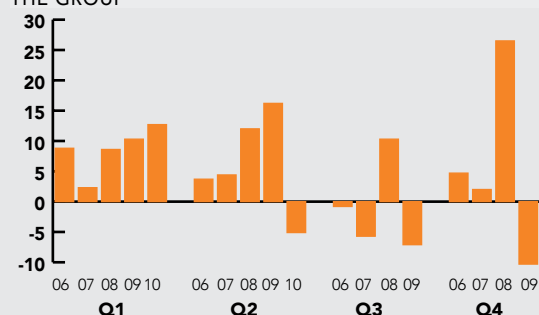
SALES PER QUARTER (MSEK), THE GROUP



EBIT PER QUARTER (MSEK), THE GROUP



CASH FLOW FROM OPERATING ACTIVITIES (MSEK), THE GROUP



## Investments

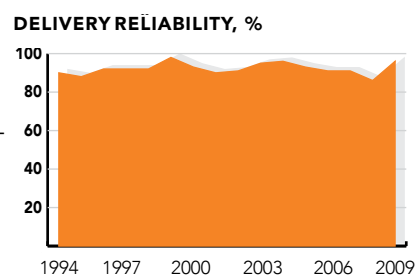
The company made investments in fixed assets worth SEK 2.2 (5.3) million during the period. Of the total amount, SEK 2.2 (3.2) million was for machinery and equipment, while SEK 0.02 (2.0) million was for product development and intangible assets. Besides these items, goodwill increased SEK 4.0 million related to the additional consideration on prior acquisitions.

## Key Indicators per Quarter

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

## Strong Business Financial Indicators: on-time delivery of projects

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



## Important Events During the Period

### International expansion in Dubai and Bangalore

During the first half of 2010, Prevas opened new offices in Dubai, United Arab Emirates and in Bangalore, India. These foreign offices are a first step into new growth markets, which will also strengthen Prevas' ability to compete in Scandinavia. The goal is to achieve sales of SEK 50 million in the Middle East and have more than 50 employees located in India within the next 3 years.

### New businesses in Gothenburg, Borlänge and Gävle

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

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

In September, Prevas will start up new business activities in Gävle. Competence orientation at the new office will be the same as it is in the rest of Prevas, with a focus on embedded systems and industrial IT solutions. Initially, the office will consist of about ten employees, with the aim of doubling this within one year.

### Examples of exciting project commitments

Zenikor Medical Systems is one of Sweden's leading medical device companies for cardiology remote diagnostics. In order to further develop its main product, Zenikor-EKG, Zenikor enlisted the help of Prevas. Prevas

was given full responsibility for developing a completely new hand-held unit for the Zenicor-EKG product. With Zenicor-EKG, patients can take their own EKG readings quickly and easily by simply putting both thumbs on the unit. The care provider receives the measurement via a GPRS link, and can access it via his/her web interface. MSE Weibull is an electronics company that develops and manufactures simulators for the purpose of training and education in civilian and military markets. Prevas is assisting MSE Weibull with the development of a printed circuit board and software for a small, electricity-saving OLED monitor. The monitor is used in many of MSE's advanced simulators.

SSAB is one of the world-leading suppliers of high-strength steel. Prevas has been assigned the task of optimizing/streamlining their manufacturing process. The Prevas product, FOCS (Furnace Optimization Control System) will replace the existing furnace control system. This is the leading furnace control system on the market. Besides improved quality and productivity, the system immediately reduces energy consumption by 5 to 20 percent.

#### **General agreements**

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

## **Market Trends and Events within the Business Areas**

#### **Clear recovery in the market for industrial IT - Industrial Systems business area**

The Industrial Systems business area has noticed a distinct recovery in the market during the second quarter of the year. Although major projects are still on hold, the desire to invest is significantly larger now than it has been recently. Some of the projects that were set aside during the financial crisis are once again underway and plans are being taken off the shelf. Investments to increase productivity are high priority. Many of the ideas that were discussed during the crisis are now taking shape in the form of manufacturing-related IT investments. Prevas' precise positioning and expertise in Manufacturing Execution Systems (MES) fits perfectly with this scenario.

The operating margin for the Industrial Systems business area remains at a very satisfactory level. Capacity utilization is now very high and new recruiting is at the top of the list of priorities. Order intake during the first half of 2010 is approximately 20 percent higher than it was for the first half of 2009. Well-organized projects, an increasing share of support agreements and delivery of product licenses should lead to even more good developments in 2010. Growth while maintaining profitability has been prioritized for the Industrial Systems business area.

Our assessment is quite positive in terms of the market outlook for investments in manufacturing-related IT solutions, industrial IT. Customers want to already have efficient internal IT processes in place when a recovery gets underway. Manufacturing Execution Systems (MES) and Enterprise Manufacturing Intelligence (EMI) are the areas that will exhibit the best growth. The driving factors for investments are the customer's own productivity in combination with the demands for traceability and quality assurance. In certain sectors, requirements from authorities must also be considered, particularly when it comes to reporting and monitoring of environmental pollution. Energy savings is another area where there is increased interest from customers.

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

#### **Nordic leader for embedded systems**

During the last six months, we have noticed significantly increasing demand. Customers' biggest needs are in resource reinforcement and specialist consulting. But more and more requests are also being received for outsourcing the product development of complete products or subsystems.

At the end of the first quarter, Prevas was selected as system integrator in the Telia M2M partner program. Machine-to-machine, or M2M, is when apparatus and machines communicate with each other without needing to involve a human to initiate communication. Prevas has developed advanced technical solutions within product development and industrial IT for 25 years. As a full-range supplier, Prevas' offer within M2M includes e.g. hardware, software, mechanics, project management and platforms that enable quick product development.

Communication between different products, both in the home and in industry, is a strong future trend. Prevas is a leader in the Nordic Region in embedded systems, and most of the products that Prevas helps develop have a significant content of communication solutions. All in all, this gives us an excellent position in a growing future market.

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

## The Parent Company

### JANUARY – JUNE

Sales were SEK 221.3 (233.5) million and profit/loss after financial items was SEK 5.9 (-7.1) million.

## Risks and Uncertainties

The market situation improved during the first half of 2010. Nevertheless, it is still too early to tell if the recovery will continue. A stagnation in the rate of recovery would negatively impact Prevas in terms of the receipt of new orders and its capacity utilization.

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

However, measures implemented by the company during the past 12 months have helped improve both the operational and financial risk situations.

Prevas did not have any bad debt losses during the period.

## Accounting Principles

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

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

The revisions result in changes to how transaction costs are reported in conjunction with acquisitions as well as the revaluation of additional consideration reported in net profit/loss for the year. These changes only have an effect going forward. As of 2010, there are holdings without controlling influence. The revised IAS 27 has an effect on what certain things are called, but no effect on the amounts reported in this report.

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



The Board of Directors and CEO assert that these interim financial statements provide a true and fair view of the Parent Company's and 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, 16 July 2010  
Prevas AB (publ)

Göran Lundin  
Chairman of the Board

Mats Lundberg  
CEO Prevas AB

Claes Dinkelspiel  
Board Member

Bernt Ericson  
Board Member

Ulrika Grönberg  
Board Member

Erik Hallberg  
Board Member

Christina Liffner  
Board Member

Stieg Westin  
Vice Chairman

Jan-Olof Carlsson  
Employee Representative

Bo Karlsson  
Employee Representative

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

Published on 2010-07-16, 8:30 CET. This is information that Prevas AB (publ) must make available to the public in accordance with the Swedish Securities Market Act (2007:528) and/or the Financial Instruments Trading Act.

# Consolidated Financial Statements

<b>SUMMARY INCOME STATEMENTS (SEK thousands)</b>	<b>2010 Q1-2</b>	<b>2009 Q1-2</b>	<b>2010 Q2</b>	<b>2009 Q2</b>	<b>2009 Full Year</b>
<b>Net sales</b>	<b>264 894</b>	<b>279 774</b>	<b>132 310</b>	<b>127 675</b>	<b>513 235</b>
Capitalized work	–	1 654	–	180	1 654
Other external costs	–67 929	–64 102	–35 850	–27 144	–118 276
Personnel costs	–182 451	–212 999	–91 858	–106 706	–402 838
<b>Profit/loss before depreciation</b>	<b>14 514</b>	<b>4 327</b>	<b>4 602</b>	<b>–5 995</b>	<b>–6 225</b>
Amortization of intangible assets	–3 184	–3164	–1 585	–1 592	–7 185
Depreciation of property, plant and equipment	–2 928	–3 186	–1 445	–1 560	–5 925
<b>EBIT</b>	<b>8 402</b>	<b>–2 023</b>	<b>1 572</b>	<b>–9 147</b>	<b>–19 335</b> <sup>1)</sup>
Net financial items	–1 174	–569	–524	–276	–641
<b>Profit/loss before tax</b>	<b>7 228</b>	<b>–2 592</b>	<b>1 048</b>	<b>–9 423</b>	<b>–19 976</b>
Taxes	–2 042	423	–359	2 345	4 626
<b>Net profit (loss) for the period</b>	<b>5 186</b>	<b>–2 169</b>	<b>689</b>	<b>–7 078</b>	<b>–15 350</b>
<b>Net profit (loss) for the period attributable to Parent Company's shareholders</b>	<b>5 090</b>	<b>–2 169</b>	<b>642</b>	<b>–7 078</b>	<b>–15 350</b>
<b>Net profit (loss) for the period attributable to holdings without a controlling interest</b>	<b>96</b>	<b>–</b>	<b>47</b>	<b>–</b>	<b>–</b>

Basic earnings per share, SEK	0.50	–0.22	0.06	–0.70	–1.52
Diluted earnings per share, SEK	0.50	–0.22	0.06	–0.70	–1.52

<b>STATEMENT OF COMPREHENSIVE INCOME in summary, kSEK</b>	<b>2010 Q1-2</b>	<b>2009 Q1-2</b>	<b>2010 Q2</b>	<b>2009 Q2</b>	<b>2009 Full Year</b>
<b>Net profit (loss) for the period</b>	<b>5 186</b>	<b>–2 169</b>	<b>689</b>	<b>–7 078</b>	<b>–15 350</b>
Other comprehensive income:					
Translation differences for the period	–3 328	971	–999	–894	–440
<b>Total comprehensive income for the period</b>	<b>1 858</b>	<b>–1 198</b>	<b>–310</b>	<b>–7 972</b>	<b>–15 790</b>
<b>Comprehensive income for the period attributable to Parent Company's owner</b>	<b>1 762</b>	<b>–1 198</b>	<b>–357</b>	<b>–7 972</b>	<b>–15 790</b>
<b>Comprehensive income for the period attributable to holdings without a controlling influence</b>	<b>96</b>	<b>–</b>	<b>47</b>	<b>–</b>	<b>–</b>

<b>BUSINESS UNIT PERFORMANCE</b>	<b>2010 Q1-2</b>	<b>2009 Q1-2</b>	<b>2010 Q2</b>	<b>2009 Q2</b>	<b>2009 Full Year</b>
<b>Net sales, kSEK</b>					
Product Development	185 641	199 629	91 686	87 748	369 977
Industrial Systems	79 253	80 145	40 624	39 927	143 258
<b>Total</b>	<b>264 894</b>	<b>279 774</b>	<b>132 310</b>	<b>127 675</b>	<b>513 235</b>
<b>EBIT, kSEK</b>					
Product Development	–4 385	–15 501	–4 725	–15 901	–38 580 <sup>2)</sup>
Industrial Systems	12 787	13 478	6 297	6 754	19 245 <sup>3)</sup>
<b>Total</b>	<b>8 402</b>	<b>–2 023</b>	<b>1 572</b>	<b>–9 147</b>	<b>–19 335</b>
<b>Operating margin, %</b>					
Product Development	–2.4 %	–7.8 %	–5.2 %	–18.1 %	–10.4 %
Industrial Systems	16.1 %	16.8 %	15.5 %	16.9 %	13.4 %
<b>Total</b>	<b>3.2 %</b>	<b>–0.7 %</b>	<b>1.2 %</b>	<b>–7.2 %</b>	<b>–3.8 %</b>

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

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

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

## Consolidated Financial Statements (cont.)

<b>SUMMARY BALANCE SHEET (SEK thousands)</b>	<b>2010 30 June</b>	<b>2009 30 June</b>	<b>2009 31 Dec</b>
Goodwill	112 030	111 067	110 117
Other intangible assets	16 719	23 819	19 804
Property, plant and equipment	13 746	15 167	14 519
Long-term receivables	–	–	–
Deferred tax assets	3 738	641	5 023
Current receivables	140 262	132 537	128 452
Cash and cash equivalents	7 843	21 102	11 765
<b>Total assets</b>	<b>294 338</b>	<b>304 333</b>	<b>289 680</b>
Equity attributable to Parent Company's owner	154 254	167 084	152 492
Equity attributable to holdings without a controlling influence	145	–	–
Long-term provisions	927	1 525	813
Deferred tax liability	9 253	11 385	8 743
Long-term interest-bearing liabilities	26 736	22 231	31 800
Current interest-bearing liabilities	4 108	3 873	3 987
Other current liabilities	98 915	98 235	91 845
<b>Total liabilities and equity</b>	<b>294 338</b>	<b>304 333</b>	<b>289 680</b>

<b>CHANGES IN EQUITY, in summary, SEK thousands</b>	<b>2010 30 June</b>	<b>2009 30 June</b>	<b>2009 31 Dec</b>
Opening balance	152 492	181 248	181 248
Total comprehensive income for the period attributable to the Parent Company's owner	1 762	–1 198	–15 790
Total comprehensive income for the period attributable to holdings without a controlling influence	96	–	–
Employee stock option program	–	2 150	2 150
Holdings without a controlling influence	49	–	–
Dividends	–	–15 116	–15 116
<b>Closing balance</b>	<b>154 399</b>	<b>167 084</b>	<b>152 492</b>
<b>Equity attributable to Parent Company's owner</b>	<b>154 254</b>	<b>167 084</b>	<b>152 492</b>
<b>Equity attributable to holdings without a controlling influence</b>	<b>145</b>	<b>–</b>	<b>–</b>



## Consolidated Financial Statements (cont.)

<b>CASH FLOW ANALYSIS (SEK thousands)</b>	<b>2010 Q1-2</b>	<b>2009 Q1-2</b>	<b>2010 Q2</b>	<b>2009 Q2</b>	<b>2009 Full Year</b>
<b>Operating activities</b>					
Profit/loss before tax	7 228	-2 592	1 048	-9 423	-19 976
Adjustment for items not included in cash flow	7 186	5 867	4 397	2 699	13 526
Income tax paid	-1 201	-6 938	-646	-1 074	-5 097
<b>Cash flow from operating activities before changes in working capital</b>	<b>13 213</b>	<b>-3 663</b>	<b>4 799</b>	<b>-7 798</b>	<b>-11 547</b>
<b>Cash flow from changes in working capital</b>					
Change in operating receivables	-11 810	23 831	-10 844	27 178	27 916
Change in operating liabilities	6 229	6 332	974	-3 158	-7 419
<b>Cash flow from operating activities</b>	<b>7 632</b>	<b>26 500</b>	<b>-5 071</b>	<b>16 222</b>	<b>8 950</b>
<b>Investing activities</b>					
Acquisition of business and shares excl. cash equivalents	-4 022	-4 592	-4 022	-4 592	-4 592
Investments in intangible assets	-20	-2 021	-	-503	-2 113
Investments in property, plant and equipment	-2 155	-3 245	-1 319	-1 126	-5 335
<b>Cash flow from investing activities</b>	<b>-6 197</b>	<b>-9 858</b>	<b>-5 341</b>	<b>-6 221</b>	<b>-12 040</b>
<b>Financing activities</b>					
Change in interest-bearing liabilities	-5 048	366	5 665	-336	9 974
Employee stock option program	-	2 150	-	935	2 150
Dividends paid	-	-15 116	-	-15 116	-15 116
<b>Cash flow from financing activities</b>	<b>-5 048</b>	<b>-12 600</b>	<b>5 665</b>	<b>-14 517</b>	<b>-2 992</b>
<b>Cash flow for the period</b>	<b>-3 613</b>	<b>4 042</b>	<b>-4 747</b>	<b>-4 516</b>	<b>-6 082</b>
Cash equivalents at the beginning of the year	11 765	16 745	12 687	25 757	16 745
Translation difference on cash equivalents	-309	315	-97	-139	1 102
Cash equivalents at the end of the period	7 843	21 102	7 843	21 102	11 765
<b>Cash flow for the period</b>	<b>-3 613</b>	<b>4 042</b>	<b>-4 747</b>	<b>-4 516</b>	<b>-6 082</b>

<b>KEY FIGURES</b>	<b>2010 Q1-2</b>	<b>2009 Q1-2</b>	<b>2010 Q2</b>	<b>2009 Q2</b>	<b>2009 Full Year</b>
Profit margin before depreciation/EBITDA	5.5 %	1.5 %	3.5 %	-4.7 %	-1.2 %
Operating margin/EBIT	3.2 %	-0.7 %	1.2 %	-7.2 %	-3.8 %
Profit margin	2.7 %	-0.9 %	0.8 %	-7.4 %	-3.9 %
<i>Number of outstanding shares at the end of the reporting period</i>					
before dilution	10 102	10 102	10 102	10 102	10 102
after dilution	10 102	10 102	10 102	10 102	10 102
<i>Average number of outstanding shares</i>					
before dilution	10 102	10 042	10 102	10 082	10 072
after dilution	10 102	10 042	10 102	10 082	10 072
Basic earnings per share, SEK	0.50	-0.22	0.06	-0.70	-1.52
Diluted earnings per share, SEK	0.50	-0.22	0.06	-0.70	-1.52
Equity per share before dilution	15.28	16.54			15.09
Equity per share after dilution	15.28	16.54			15.09
Equity ratio	52 %	55 %			53 %
Return on capital employed, %	4.7 %	-1.2 %			-9.1 %
Return on equity, %	3.4 %	-0.7 %			-9.3 %
Average number of employees	425	494	419	480	472
Number of working days	122	121	60	59	250
Sales per employee, kSEK	623	566	316	266	1 087

# Parent Company Financial Statements

	2010	2009	2010	2009	2009
<b>SUMMARY INCOME STATEMENTS (SEK thousands)</b>	<b>Q1-2</b>	<b>Q1-2</b>	<b>Q2</b>	<b>Q2</b>	<b>Full Year</b>
<b>Net sales</b>	<b>221 265</b>	<b>233 482</b>	<b>114 001</b>	<b>107 835</b>	<b>418 476</b>
Capitalized work	–	1 296	–	60	1 296
Other external costs	–61 153	–60 011	–33 272	–27 465	–105 730
Personnel costs	–146 293	–169 472	–73 650	–86 174	–322 064
Amortization of intangible assets	–5 399	–5 403	–2 696	–2 712	–11 680
Depreciation of property, plant and equipment	–1 632	–1 960	–784	–971	–3 417
<b>EBIT</b>	<b>6 788</b>	<b>–2 068</b>	<b>3 599</b>	<b>–9 427</b>	<b>–23 119</b>
Profit/loss from participations in Group companies	174	–4 591	174	–3 144	–988
Interest income and similar profit/loss items	233	492	77	26	772
Interest expenses and similar items	–1 268	–899	–509	–178	–1 320
<b>Profit (loss) after financial items</b>	<b>5 927</b>	<b>–7 066</b>	<b>3 341</b>	<b>–12 723</b>	<b>–24 655</b>
Appropriations	–	–	–	–	12 750
Taxes	–1 593	539	–871	2 407	2 528
<b>Net profit (loss) for the period</b>	<b>4 334</b>	<b>–6 527</b>	<b>2 470</b>	<b>–10 316</b>	<b>–9 377</b>

	2010	2009	2009
<b>SUMMARY BALANCE SHEETS (SEK thousands)</b>	<b>30 June</b>	<b>30 June</b>	<b>31 Dec</b>
Intangible assets	18 880	30 446	24 259
Property, plant and equipment	4 138	5 790	4 968
Financial assets	40 593	39 097	41 677
Current receivables	119 851	97 601	98 039
Cash and cash equivalents	1 379	10 636	5 843
<b>Total assets</b>	<b>184 841</b>	<b>183 570</b>	<b>174 786</b>
Equity	75 642	74 157	71 307
Untaxed reserves	–	12 750	–
Provisions	671	1 428	813
Long-term interest-bearing liabilities	19 801	15 950	25 146
Current interest-bearing liabilities	2 200	2 200	2 200
Other current liabilities	86 527	77 085	75 320
<b>Total liabilities and equity</b>	<b>184 841</b>	<b>183 570</b>	<b>174 786</b>

## UPCOMING REPORTS

- Interim Report January - September, 22 October 2010
- Year-end report 2010, 4 February 2011

## INFORMATION

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In 2010 Prevas will be celebrating its 25th anniversary, and the company is currently the Nordic leader for embedded systems and industrial IT. We are the main supplier and innovative development partner to leading companies in industries such as life science, telecommunications, vehicle, defense, energy and engineering. Prevas' foundation is based on developing intelligence in products and industrial systems for world-leading companies. Prevas' solutions are renowned for innovation, quality assurance and reliable delivery. Offices are located in Sweden, Denmark, Norway, The United Arab Emirates and India.

The company has approximately 500 employees.

Prevas has been listed on the NASDAQ OMX Nordic Exchange in Stockholm since 1998.

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