

Q2

Interim Report

April – June 2014

- Sales amounted to SEK 312.3 million (313.3)
- EBIT was SEK 14.0 million (13.8)
- EBIT margin was 4.5% (4.4)
- Net profit after tax for the period was SEK 9.6 million (9.3)
- Earnings per share were SEK 0.05 (0.05)

January – June 2014

- Sales amounted to SEK 621.4 million (632.5)
- EBIT was SEK 29.8 million (29.5)
- EBIT margin was 4.8% (4.7)
- Net profit after tax for the period was SEK 21.1 million (20.4)
- Earnings per share were SEK 0.12 (0.11)

Key events

- Finnish National Board of Education awarded Cybercom renewed business for development work in the second half
- Ericsson awarded Cybercom extended business in several agile teams on location in Kista
- FMV signed 4-year contract with Cybercom worth approximately SEK 60 million
- Doro appointed Cybercom as its service partner for development and testing
- Svenska Spel bought Cybercom's Compliance Portal for information security
- New management appointed at Cybercom Sweden NorthEast
- UN Secretary-General Ban Ki-moon visited Cybercom to discuss migration issues with Prime Minister Fredrik Reinfeldt and Migration Minister Tobias Billström
- Cybercom's headquarters and Stockholm operations moved to new activity-based premises with a central address at Sveavägen 20

For additional information, please contact:

Niklas Flyborg, President and CEO

+46 70 594 96 78

Camilla Öberg, CFO

+46 73 398 50 01

Kristina Cato, Head of Communications and IR

+46 70 864 47 02

Cybercom is an IT consulting company that assists leading companies and organisations to benefit from the opportunities of the connected world. The company's areas of expertise span the entire ecosystem of communications services. Cybercom's domestic market is the Nordic region, and in addition the company offers global delivery capacity for local and international business. Cybercom was founded in 1995 and has been quoted on the NASDAQ OMX Stockholm exchange since 1999.

Comments from the CEO

Our position in Connectivity remains convincing, and we are creating more profound relationships with key clients as well as new business and new client relationships. We are growing our business in the public sector - the Swedish National Police Board and Jönköping County Council are good examples in the quarter. We are increasing the number of agile teams that work closely with Ericsson in Kista. Verisure and Doro are giving us extended business for both testing and development. We are also increasing our work with Kongsberg. We are growing with Cable and Wireless Communication in the Caribbean, and with TomTom in Poland.

In the second quarter of the year our EBIT amounted to SEK 14.0 million (13.8), resulting in an improved margin of 4.5% (4.4). Our sales was SEK 312.3 million (313.3). This is a decrease of 0.3% compared to the same period last year, but we continue to get closer to positive growth. June was the strongest month this year for our Polish and Finnish operations in terms of earnings. Net financial items are progressing well, and we have increased net profit after tax for the period to SEK 9.6 million (9.3). Our cash flow is stable, as is our equity/assets ratio. We have recruited 165 talented new employees during the first six months and the number of employees at June 30 was 1,272 (1,244).

This quarter, however, was particularly challenging in terms of the number of working days. In addition, project losses in our Danish operations and continued low capacity utilisation within some teams in the Stockholm operations had a negative impact in the quarter and affected our rate of improvement. In the Stockholm operations, we have implemented a number of measures and appointed new management team.

Looking at the market in the Nordic countries, I note that the underlying situation for Connectivity is good and growing. This was underlined during this year's Almedalen Week, for example, where eHealth and the digitisation of healthcare and society characterised much of the debate. We are currently seeing fierce competition in the market, but in a few years there will be a shortage of IT specialists and engineers. The market will be good and the competition will be about expertise. It is important to build for the future and, above all, to capture the interest of the upcoming generation and to create an attractive labour market for international expertise. These were issues that I discussed with UN Secretary-General Ban Ki-moon when he chose to visit Cybercom in May. Diversity and sustainable development are high on our agenda.

In the short term, the turmoil at the macroeconomic level continued to impact our market and, above all, we are seeing long decision times for investment in the industrial segment. The Finnish market has been clearly marked by this. Our operations in Finland have nevertheless delivered both growth and profit gains in the quarter, thanks to excellent delivery and good client development in the public sector. We have now won extended business from the Finnish National Board of Education for the second half of the year.

Although our rate of change has been somewhat slower than anticipated in the first half of the year, we see good opportunities to re-accelerate in the second half. We have respect for the prevailing challenges and economic conditions. At the same time, we note that we continue to improve the foundations of our business. Step by step we are achieving sustainable changes to reach our long-term financial targets and to create increased value for our shareholders.



Stockholm, July 15, 2014

Niklas Flyborg
President and CEO

Sales and operating profit

	Q2	Q2	Jan - Jun	Jan - Jun		
Cybercom Group, SEK million	2014	2013	2014	2013	2013	RTM
Sales	312.3	313.3	621.4	632.5	1,195.1	1,184.1
Operating profit/loss, EBIT	14.0	13.8	29.8	29.5	60.2	60.5
EBIT margin, %	4.5	4.4	4.8	4.7	5.0	5.1
Number of employees at period's end	1,272	1,244	1,272	1,244	1,267	1,272
	Q2	Q2	Jan - Jun	Jan - Jun		
Segment Sweden, SEK million	2014	2013	2014	2013	2013	RTM
Sales	222.0	232.1	444.6	473.7	885.5	856.4
Operating profit/loss, EBIT	8.0	10.9	19.3	24.3	45.8	40.8
EBIT margin, %	3.6	4.7	4.3	5.1	5.2	4.8
Number of employees at period's end	776	776	776	776	776	776
	Q2	Q2	Jan - Jun	Jan - Jun		
Segment Finland, SEK million	2014	2013	2014	2013	2013	RTM
Sales	61.5	54.3	121.3	105.0	208.1	224.4
Operating profit/loss, EBIT	3.5	2.5	7.4	4.0	7.7	11.1
EBIT margin, %	5.7	4.6	6.1	3.8	3.7	5.0
Number of employees at period's end	260	245	260	245	244	260
	Q2	Q2	Jan - Jun	Jan - Jun		
Segment International, SEK million	2014	2013	2014	2013	2013	RTM
Sales	38.6	36.7	74.4	75.2	142.3	141.5
Operating profit/loss, EBIT	1.6	2.0	3.7	5.1	10.7	9.2
EBIT margin, %	4.2	5.4	4.9	6.8	7.5	6.5
Number of employees at period's end	217	205	217	205	229	217

Changes to segmentation

The Sweden segment refers to the operations in Sweden, which in 2012 also included the Indian operations. The Finland segment refers to the operations in Finland and to the operations in Romania, which were discontinued in 2013. The International segment refers to the operations in Denmark, India, Poland and Singapore/Dubai. Operations in India were previously integrated with the Swedish operations, but now also deliver to other parts of Cybercom and are reported in the International segment.



Sales and operating profit, continued

April – June

Sales amounted to SEK 312.3 million (313.3). EBIT amounted to SEK 14.0 million (13.8). This corresponded to an operating margin of 4.5% (4.4). Currency effects positively impacted sales by SEK 4.2 million and operating profit by SEK 0.1 million.

Sales decreased by 0.3% compared to the same period last year, versus negative growth of 3.2% for the first quarter. The Swedish operations continue their positive trend of increasingly making up for previous large volume losses related to changes among major clients in the telecom sector, and demonstrated negative growth this quarter of 4.3%, compared to -7.8% for the first quarter of the year. Growth is occurring with existing key clients and in selected new client segments. Finland exhibited good growth this quarter of 13.3%, mainly in the public sector, despite some negative impact related to the Finnish economy and its impact on Finnish industrial companies. The International segment also showed growth this quarter, of 5.2%, related to the Polish and Danish operations.

Profits and margins are slightly better than last year. However, margins are being squeezed by price pressures, and lower efficiency in some teams in the Stockholm operations and in the Finnish unit within Connected Engineering, which is being adversely affected by the Finnish economy. Thanks to strong demand, primarily in the public sector, the proportion of sub-consultants has increased, which also impacts the margin. Losses associated with two client projects in Denmark also negatively affected profits for the quarter.

The calendar effect influenced this quarter negatively, with one fewer working day than in the same quarter last year. The second quarter was also relatively short, with three days fewer than in the first quarter, which greatly impacts the profitability trend.

January – June

Sales amounted to SEK 621.4 million (632.5). EBIT amounted to SEK 29.8 million (29.5). This corresponds to an operating margin of 4.8% (4.7). Currency effects positively impacted sales by SEK 7.2 million and operating profit by SEK 0.1 million.

The Swedish operations showed negative growth for the entire first half, but with decreasing deviation. The decrease in sales is primarily related to earlier changes at ST Ericsson and at certain large industrial clients. This is being offset step by step by the advancement of our focus clients in the telecom sector, manufacturing and the public sector. Finland exhibited strong growth for the entire first half, of 15.5%, based on stable trends in the public sector. In the International segment, the Polish and Danish operations are growing from high demand in the local markets. The Connectivity Management operations in Poland required efficiency measures towards the end of the second quarter. The changes at ST Ericsson, for which some deliveries took place from India, are also influencing the International segment, resulting in reduced sales. This is to some extent offset by new business in telecoms.

Profitability is gradually strengthening in most areas. However, price pressure and temporarily low efficiency in some teams negatively impacted profits, particularly in the second quarter.

Other income/expense items, January – June

Net financial items amounted to SEK -2.9 million (-3.7). This includes interest costs of SEK -1.7 million (-2.8) for bank loans. Pre-tax profit improved to SEK 26.9 million (25.8), which means an improvement in the net margin to 4.3% (4.1). Net profit for the period improved to SEK 21.1 million (20.4). Earnings per share amounted to SEK 0.12 (0.11).

During the period the group's effective tax rate was 21.7% (21.0). The tax expense has been calculated using the current tax rates for the parent company and each subsidiary.

Market and business

Cybercom is an innovative IT consulting company with almost 20 years of experience in IT and communications technology. Our consultants help businesses and organisations to benefit from the opportunities of the connected world, to enhance their competitiveness or to achieve efficiency gains. With more connected devices (mobile phones, displays, machines and people) in the world, there is constantly increasing demand for secure technical solutions. Society, different services and business are becoming digital, and the expectations of what technology can achieve are therefore growing. The market is becoming global and is growing rapidly.

Cybercom's expertise spans the entire ecosystem around communication – Connectivity. Our business is structured into Connected Engineering and Digital Solutions, which account for the largest share of sales, and Connectivity Management and Secure Connectivity. Our consulting services include strategy and advice, testing and quality



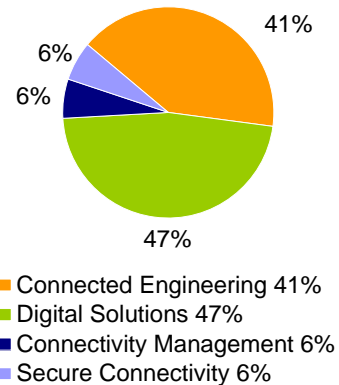
assurance, security solutions, system development, systems integration, system management and operation. The company's delivery is both local and global.

Cybercom's principal market is the Nordic countries, with established operations in Sweden, Finland and Denmark. Poland, India, Dubai and Singapore are international centres of expertise that partly support the Nordic business and partly represent their own specialised business.

The market for IT services companies in the second quarter was similar to that in the first quarter, with a high level of activity but also intense competition and long decision times. In Sweden, there was a good market in the public sector, and telecoms and industrials now appear more willing to invest as many business discussions have been initiated ahead of the autumn. However, there was also more significant competition from the many different players that have established themselves in the market. The Swedish consulting industry is increasingly competing with brokers and with the major international offshore companies.

In Finland, the market was characterised by the continued macroeconomic turbulence, and the industrial segment was very restrained in terms of capital spending and consulting purchases.

The market for the international Connectivity Management business has remained active, with increased demand. Demand was also high in the Polish market.

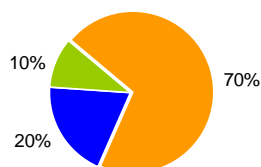


Clients

Cybercom works with the vision to become our clients' most trusted business partner in the connected world. Our biggest clients include Ericsson, the Finnish National Board of Education, Millicom, MTV Media, Outotec, the Swedish National Police Board, Sony Mobile, TeliaSonera, the Swedish Transport Administration and Volvo. The ten largest clients accounted for 40% (44) of total sales. The single largest client accounted for 14% (10) of sales. Cybercom is striving to broaden its client base, with the goal of the ten largest clients accounting for 35% of sales, and with no individual client accounting for more than 15% of sales.

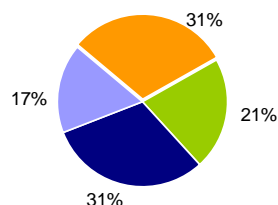
A number of new contracts were won in the second quarter, and in particular there were many extensions and expansions of ongoing assignments. For example, Cybercom has increased the number of agile teams working with Ericsson in Kista, Stockholm. Cybercom has won extended business with the Finnish National Board of Education for the second half. The Swedish Defence Materiel Administration (FMV) signed an agreement with Cybercom for development and implementation of a logistics system over four years, with an estimated value of approximately SEK 60 million. Doro appointed Cybercom as its service provider for assignments in testing and development of its products. AB Svenska Spel chose Cybercom and our Compliance Portal service for its information security in a three-year agreement. New contracts have also been won with Bravida and Atlas Copco's production unit in Karlskrona, Dynapac Compaction Equipment AB, has chosen Cybercom to help develop smart construction equipment. The relationship with Cable & Wireless Communications has developed well during the quarter, and the amount of business has grown. Cybercom also won a new client in Connectivity Management, Digicel Group.

Q2 sales by segment



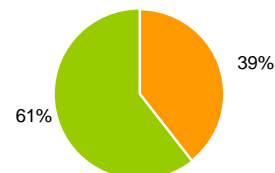
- Sverige 70% (73)
- Finland 20% (17)
- International 10% (10)

Q2 sales by sector



- Telekom 31% (37)
- Industri 21% (22)
- Offentlig sektor 31% (24)
- Övrigt 17% (17)

Q2 sales by assignment type



- Helhetsåtaganden och projekt 39% (38)
- Konsulttjänster 61% (62)

Cybercom's sales are distributed primarily in telecom 31% (37), the public sector 31% (24) and industry 21% (22). Cybercom's goal is, to have a balanced client portfolio with 30% of sales from telecom, 30% from the public sector and 30% from manufacturing industry. Cybercom has a broad platform of framework agreements. Sales from assignments with framework-agreement amounted to 61% (62). Turnkey assignments made up 39% (38) of sales.

Employees

The number of employees in the group grew in the second quarter by 4.8% compared with the end of the first quarter, and was 1,272 (1,244) at the end of the period, of which 17% (17) women. 86% (85) of Cybercom's employees are active in the Nordic region and 63% (64) in Sweden. Growth in the first half of the year has mainly taken place in Finland, while the Swedish operations demonstrated growth in the second quarter. The average number of employees (full-time equivalents) in the group during January – June was 1,211 (1,186).

In general, staff turnover in the industry has increased in recent years, and this also affects Cybercom. Intensified recruitment efforts have continued during the spring and there was a good inflow of applications and new employees.

Investments

Net investments in intangible assets and property, plant and equipment during the quarter amounted to SEK 4.3 million (2.4).

Liquidity and financial position

Cash flow from operating activities during the quarter amounted to SEK 12.4 million (12.6). Cash flow before changes in working capital was SEK 14.0 million (2.1). Changes in working capital during the quarter were SEK -1.6 million (10.5). Group cash and cash equivalents amounted to SEK 24.0 million (23.2) on June 30, 2014. Interest-bearing liabilities amounted to SEK 91.0 million (120.7). Net debt (interest-bearing liabilities less cash and cash equivalents) amounted to SEK 67.0 million (97.5), which gave debt to equity of 8% (12). The unutilised overdraft facility amounts to SEK 100 million.

Equity on June 30, 2014 was SEK 883.5 million (832.8), which corresponds to a 71.0% (66.1) equity/assets ratio. Equity per share amounted to SEK 4.90 (4.62).

Outlook

Cybercom does not publish forecasts.

Risk assessment

Cybercom is, like other companies, exposed to various kinds of risk in its operations. Among the most notable are risks related to the general financial climate and economy, client contracts and clients' ability to pay, staff recruitment and retention, and various financial risks such as currency risks, credit risks and refinancing risks. Risk management is an integral part of Cybercom's management and the financial risks are described in greater detail in the 2013 annual report, note 26. The risks described for the group can also have an indirect effect on the parent company.



Interim Report, Second Quarter 2014

In the short and medium terms, the overall global uncertainty and the uncertainty this in turn creates for the business climate are among the more significant risks.

Forthcoming reporting dates

Interim Report, January – September 2014
Year-end Report, January – December 2014

October 24, 2014
February 13, 2015

Cybercom's annual reports, year-end reports and interim reports are published in Swedish and English. In the event of differences between the English translation and the Swedish original, the Swedish text shall prevail.

Forward-looking statements

This report contains statements concerning, among other things, Cybercom's financial position and performance as well as statements on market conditions that may be forward-looking. Cybercom believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions. However, forward-looking statements involve inherent risks and uncertainties and actual results or outcomes may differ materially from those expressed. Forward-looking statements relate only to the date they were made and, other than as required by applicable law, Cybercom undertakes no obligation to update any of them in light of new information or future events.

Note: Cybercom Group AB (publ) is required to make the information in this interim report public in compliance with the Swedish Securities Market Act. The information was submitted for publication on July 15, 2014 at 07.30. This report has not been reviewed by the company's auditor.

Assurance

The board of directors and CEO assure that the interim report provides a fair view of the company's and group's business, position, and earnings and describes significant risks and uncertainties faced by the company and group companies.

Stockholm, July 15, 2014

Hampus Ericsson
Chairman

Ulrika Dellby

Robin Hammarstedt

Nicolas Hassbjer

Jan-Erik Karlsson

Katarina Kämpe

Henrik Lundin

Dag Sundman

Niklas Flyborg
President and CEO

Condensed income statement

Cybercom Group, SEK million	Note	Q2 2014	Q2 2013	Jan-Jun 2014	Jan-Jun 2013	2013	RTM
Sales		312.3	313.3	621.4	632.5	1,195.1	1,184.1
Operating expenses							
Other external expenses		-79.3	-83.0	-153.9	-168.2	-314.8	-300.5
Employee benefits expenses		-212.6	-209.8	-425.0	-421.0	-793.9	-798.0
Depreciation and amortisation		-6.4	-6.7	-12.7	-13.8	-26.2	-25.1
Operating profit/loss, EBIT		14.0	13.8	29.8	29.5	60.2	60.5
Finance income		0.3	0.1	0.7	1.2	1.9	1.4
Finance costs		-1.9	-2.5	-3.6	-4.9	-8.8	-7.5
Profit/loss before tax		12.4	11.4	26.9	25.8	53.3	54.4
Current tax	4	-2.7	-2.6	-3.8	-3.5	-13.2	-13.5
Deferred tax	4	-0.1	0.5	-2.0	-1.9	1.4	1.3
Period's profit/loss		9.6	9.3	21.1	20.4	41.5	42.2

Earnings per share

Cybercom Group, SEK		Q2 2014	Q2 2013	Jan-Jun 2014	Jan-Jun 2013	2013	RTM
Total operation							
Earnings per share, basic and diluted		0.05	0.05	0.12	0.11	0.23	0.23
Average number of shares, basic and diluted		180,439,495	180,439,495	180,439,495	180,439,495	180,439,495	180,439,495

Statement of comprehensive income

Cybercom Group, SEK million		Q2 2014	Q2 2013	Jan-Jun 2014	Jan-Jun 2013	2013	RTM
Period's profit/loss		9.6	9.3	21.1	20.4	41.5	42.2
Other comprehensive income							
Items that can or has been reclassified to profit or loss							
Translation differences in translating data in foreign operations		5.8	6.3	6.4	1.6	5.4	10.2
Translation differences included in profit and loss		-	-	-	-	-1.6	-1.6
Other comprehensive income		5.8	6.3	6.4	1.6	3.8	8.6
Total comprehensive income		15.4	15.6	27.5	22.0	45.3	50.8

Condensed statement of changes in equity

Cybercom Group, SEK million	Share capital	Other capital contributions	Translation reserve	Retained earnings	Total equity
Opening balance January 1, 2013	45.1	964.8	-5.9	-193.2	810.8
Period's comprehensive income	-	-	1.6	20.4	22.0
Closing balance June 30, 2013	45.1	964.8	-4.3	-172.8	832.8
Opening balance January 1, 2014	45.1	964.7	-2.1	-151.7	856.0
Period's comprehensive income	-	-	6.4	21.1	27.5
Closing balance June 30, 2014	45.1	964.7	4.3	-130.6	883.5

Condensed balance sheet

Cybercom Group, SEK million	Note	30/06/2014	30/06/2013	31/12/2013
<u>Assets</u>				
Goodwill		791.5	786.7	788.8
Customer value		24.8	32.5	28.7
Other intangible assets		14.0	18.4	16.6
Property, plant, and equipment		28.5	24.5	26.6
Financial assets		0.1	0.2	0.1
Deferred tax assets		16.8	21.8	19.5
<i>Total non-current assets</i>		<i>875.7</i>	<i>884.1</i>	<i>880.3</i>
Current assets excl. cash and cash equivalents		345.4	352.4	324.7
Cash and cash equivalents		24.0	23.2	23.7
<i>Total current assets</i>		<i>369.4</i>	<i>375.6</i>	<i>348.4</i>
Total assets		1,245.1	1,259.7	1,228.7
<u>Equity and liabilities</u>				
Equity		883.5	832.8	856.0
Non-current liabilities, interest-bearing		49.1	88.4	70.4
Non-current liabilities, non-interest-bearing		8.6	15.3	9.3
<i>Total non-current liabilities</i>		<i>57.7</i>	<i>103.7</i>	<i>79.7</i>
Current liabilities, interest-bearing		41.9	32.3	41.3
Current liabilities, non-interest-bearing		262.0	290.9	251.7
<i>Total current liabilities</i>		<i>303.9</i>	<i>323.2</i>	<i>293.0</i>
Total equity and liabilities		1,245.1	1,259.7	1,228.7
Pledged assets and contingent liabilities	2	See note	See note	See note

The carrying amount is believed to represent a realistic estimate of fair value of all financial assets and financial liabilities.

Condensed statements of cash flow

Cybercom Group, SEK million	Note	Q2 2014	Q2 2013	Jan - Jun 2014	Jan - Jun 2013	2013	RTM
Cash flow before changes in working capital		14.0	2.1	29.8	6.0	33.6	57.4
Changes in working capital		-1.6	10.5	-3.3	59.9	49.6	-13.6
Cash flow from operating activities		12.4	12.6	26.5	65.9	83.2	43.8
Investments in tangible and intangible fixed assets		-4.3	-2.4	-7.0	-5.9	-14.3	-15.4
Acquisition in subsidiaries/net assets	3	-0.6	-0.7	-0.6	-0.7	-0.7	-0.7
Other items		-	-	-	-	0.1	0.1
Cash flow from investing activities		-4.9	-3.1	-7.6	-6.6	-14.9	-15.9
New share issue		-	-	-	-	-0.1	-0.1
Change in factoring and overdraft facilities		-	-19.8	-	-43.4	-43.4	0.0
Change in other financial liabilities		-9.9	-11.7	-20.3	-12.5	-21.7	-29.5
Cash flow from financing activities		-9.9	-31.5	-20.3	-55.9	-65.2	-29.6
Period's cash flow		-2.4	-22.0	-1.4	3.4	3.1	-1.7
Cash and cash equivalents at period's start		24.8	44.7	23.7	20.3	20.3	23.2
Exchange differences in cash and cash equivalents		1.6	0.5	1.7	-0.5	0.3	2.4
Cash and cash equivalents at period's end		24.0	23.2	24.0	23.2	23.7	24.0

Other information

Cybercom Group, SEK million	Q2 2014	Q2 2013	Jan - Jun 2014	Jan - Jun 2013	2013	RTM
Share information						
Earnings per share, SEK	0,05	0,05	0,12	0,11	0,23	0,23
Number of shares at period's end, basic and diluted	180 439 495	180 439 495	180 439 495	180 439 495	180 439 495	180 439 495
Average number of shares, basic and diluted	180 439 495	180 439 495	180 439 495	180 439 495	180 439 495	180 439 495
Financial position						
Equity	883,5	832,8	883,5	832,8	856,0	883,5
Equity/assets ratio, %	71,0	66,1	71,0	66,1	69,7	71,0
Equity/share, SEK	4,90	4,62	4,90	4,62	4,74	4,90
Net investments in tangible and intangible fixed assets	4,3	2,4	7,0	5,9	14,3	15,4
Cash and cash equivalents	24,0	23,2	24,0	23,2	23,7	24,0
Net debt	67,0	97,5	67,0	97,5	88,0	67,0
Employees						
Number of employees at period's end	1 272	1 244	1 272	1 244	1 267	1 272
Of which women at period's end, %	17	17	17	17	16	17
Average number of FTEs	1 207	1 164	1 211	1 186	1 180	1 192
Revenue per FTE, SEKk	259	269	513	533	1 013	993
Key figures						
Operating margin (EBITDA), %	6,5	6,5	6,8	6,8	7,2	7,2
Operating margin (EBIT), %	4,5	4,4	4,8	4,7	5,0	5,1
Net margin (profit/loss before tax), %	4,0	3,6	4,3	4,1	4,5	4,6

Operating segments

An operating segment is a part of the group that engages in activities that may generate revenue and incur expenses and for which separate financial information is available. Operating segment results are regularly reviewed by the company's CEO to assess performance and allocate resources to the segment.

Q2 2014	Group functions and eliminations				Cybercom Group
SEK million	Sweden	Finland	International		
Sales to external customers	220.6	61.0	31.3	-0.6	312.3
Sales to other segments	1.4	0.5	7.3	-9.2	-
Operating profit/loss, EBITDA	10.2	6.0	2.2	1.9	20.3
Depreciation and amortisation	-2.2	-2.5	-0.6	-1.1	-6.4
Operating profit/loss, EBIT	8.0	3.5	1.6	0.8	14.0
Financial items					-1.6
Profit/loss before tax					12.4
Number of employees	776	260	217	19	1,272

Group functions include parent company EBIT of SEK 1.3 million.

Q2 2013	Group functions and eliminations				Cybercom Group
SEK million	Sweden	Finland	International		
Sales to external customers	229.7	53.7	30.0	-0.1	313.3
Sales to other segments	2.4	0.6	6.7	-9.7	-
Operating profit/loss, EBITDA	13.4	5.2	2.3	-0.4	20.5
Depreciation and amortisation	-2.5	-2.7	-0.3	-1.2	-6.7
Operating profit/loss, EBIT	10.9	2.5	2.0	-1.6	13.8
Financial items					-2.4
Profit/loss before tax					11.4
Number of employees	776	245	205	18	1,244

Group functions include parent company EBIT of SEK -1.6 million.

Jan - Jun 2014	Group functions and eliminations				Cybercom Group
SEK million	Sweden	Finland	International		
Sales to external customers	441.7	120.3	60.1	-0.7	621.4
Sales to other segments	2.9	1.0	14.3	-18.2	-
Operating profit/loss, EBITDA	23.7	12.3	4.9	1.6	42.5
Depreciation and amortisation	-4.4	-4.9	-1.3	-2.1	-12.7
Operating profit/loss, EBIT	19.3	7.4	3.7	-0.6	29.8
Financial items					-2.9
Profit/loss before tax					26.9
Number of employees	776	260	217	19	1,272

Group functions include parent company EBIT of SEK 0.6 million.

Jan - Jun 2013	Group functions and eliminations				Cybercom Group
SEK million	Sweden	Finland	International		
Sales to external customers	468.8	104.0	59.9	-0.2	632.5
Sales to other segments	4.9	1.0	15.3	-21.2	-
Operating profit/loss, EBITDA	29.6	9.5	5.8	-1.6	43.3
Depreciation and amortisation	-5.3	-5.5	-0.7	-2.3	-13.8
Operating profit/loss, EBIT	24.3	4.0	5.1	-3.9	29.5
Financial items					-3.7
Profit/loss before tax					25.8
Number of employees	776	245	205	18	1,244

Group functions include parent company EBIT of SEK -5.3 million.

Note 1 – Accounting policies

The interim report for the group has been prepared in accordance with IAS 34 Interim Reporting and applicable provisions of the Annual Accounts Act. The interim report for the parent company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act, Interim Reporting. The accounting policies and measurement methods are unchanged from those applied in the most recent annual report.

Note 2 – Pledged assets and contingent liabilities

The shares in Cybercom Sweden AB have been pledged as collateral for the obligations within existing loan agreements. The group value of the pledged assets on June 30, 2014 amounted to SEK 836.2 million (783.5). In addition, floating charges in Cybercom Sweden AB of SEK 200.0 million (200.0) have been pledged as collateral for the loan agreement. For further information please refer to the annual report for 2013.

Note 3 – Purchase of net assets

Under the purchase agreement between Teleca and Cybercom for the acquisition of auSystems, Teleca will receive 50% of the tax effect Cybercom benefits from for tax depreciation on the goodwill from transfer of assets included in the acquisition. In the second quarter of 2014, SEK 0.6 million was paid and the remaining consideration amounts to SEK 0.5 million.

Note 4 – Tax

The difference between tax recognised in the income statement and tax based on the parent company's current tax rate 22% (22).

Cybercom Group, SEK million	Jan - Jun 2014	Jan - Jun 2013	Jan - Dec 2013
Profit/loss before tax in income statement	26.9	25.8	53.3
Tax as per applicable tax rate for parent company	-5.9	-5.7	-11.7
Tax attributable to prior years	0.1	0.0	-0.3
Effect of changed tax rate	-	-	0.4
Tax at source on foreign dividends	-	-	-0.3
Tax effect of non-deductible costs	-0.2	-0.2	-0.8
Tax effect of tax-exempt revenue	-	0.4	0.6
Tax on standard interest, tax allocation reserves	0.0	0.0	0.0
Effect of foreign tax rates	0.1	0.1	0.3
Tax on period's profit/loss as per income statement	-5.9	-5.4	-11.8
Effective tax rate	21.7%	21.0%	22.2%



Parent company

The operations of the parent company comprise primarily the management of group-wide functions, such as finance, sales, PR and marketing communications, HR, administration and internal systems. At the end of the period 10 (11) people were employed by the parent company. The average number of employees (full-time equivalents) during the period was 10 (10). Previous year's profit/loss from financial items includes dividends from subsidiaries of SEK 17.1 million. During 2014 no dividends has not yet been received. Through intra-group restructuring in conjunction with mergers in Q3 2013 the book value of shares in subsidiaries has increased by SEK 200 million with a corresponding liability to group companies.

Condensed income statement - parent company

SEK million	Jan - Jun 2014	Jan - Jun 2013	Jan - Dec 2013
Operating revenue	21.2	19.6	36.0
Operating costs	-23.8	-24.6	-47.9
Operating profit/loss	-2.6	-5.0	-11.9
Financial items	0.1	16.8	18.8
Profit/loss after financial items	-2.5	11.8	6.9
Appropriations	-	-	-27.4
Tax on period's profit/loss	-0.2	1.1	7.0
Period's profit/loss	-2.7	12.9	-13.5

Condensed balance sheet - parent company

SEK million	30/06/2014	30/06/2013	31/12/2013
<u>Assets</u>			
Non-current assets	927.9	932.3	933.2
Current assets	34.6	45.3	45.2
Total assets	962.5	977.6	978.5
<u>Equity and liabilities</u>			
Equity	712.6	738.7	715.3
Untaxed reserves	5.0	11.2	5.0
Non-current liabilities	190.6	200.7	200.6
Current liabilities	54.3	27.0	57.6
Total equity and liabilities	962.5	977.6	978.5
Pledged assets and contingent liabilities	650.0	650.0	650.0