

## Nolato AB (publ) three-month interim report 2010

# Strong growth and healthy earnings

## ■ First quarter of 2010 in brief

- Sales rose by 23% to SEK 746 million (606)
- Operating income (EBITA) was up to SEK 63 million (16)
- Net income was SEK 45 million (4)
- Earnings per share increased to SEK 1.71 (0.15)
- Cash flow after investments was SEK 0 million (56)

## ■ Group highlights

SEK millions unless otherwise specified	Q1 2010	Q1 2009	Rolling 12 months	Full year 2009
Net sales	746	606	2,742	2,602
Operating income (EBITDA) <sup>1)</sup>	100	56	387	343
Operating income (EBITA) <sup>2)</sup>	63	16	213	166
EBITA margin, %	8.4	2.6	7.8	6.4
Income after financial items	57	6	199	148
Net income	45	4	164	123
Earnings per share before and after dilution, SEK*	1.71	0.15	6.24	4.68
Adjusted earnings per share, SEK* <sup>3)</sup>	1.79	0.23	6.46	4.90
Cash flow after investments, excl. acquisitions and disposals	0	56	83	139
Net investments affecting cash flow, excl. acquisitions and disposals	24	17	125	118
Return on capital employed, %	16.1	14.7	—	12.1
Return on shareholders' equity, %	14.9	14.2	—	11.5
Equity/assets ratio, %	54	54	—	51
Net debt	44	28	—	40

\* The company does not have any financial instrument programmes which involve any dilution in the number of shares.

1) Operating income (EBITDA): Earnings before interest, taxes, depreciation and amortisation.

2) Operating income (EBITA): Earnings before interest, taxes and amortisation of intangible assets arising from acquisitions.

3) Adjusted earnings per share: Net income, excluding amortisation of intangible assets arising from acquisitions, divided by the average number of shares.

This document is a translation from Swedish. In the event of any difference between this version and the Swedish original, the Swedish original shall govern.

## First quarter 2010

- Sales rose by 23% to SEK 746 million (606)
- Continued growth within all business areas
- Operating income (EBITA) rose to SEK 63 million (16)

### ■ Sales

The Group's sales during the first quarter totalled SEK 746 million (606), representing an increase of 23% compared with the corresponding period during the previous year. Currency exchange rate differences had an adverse impact on sales of around 7%.

Nolato Medical's sales rose by 4% to SEK 186 million (178), Nolato Telecom's sales rose by 42% to SEK 320 million (226) and Nolato Industrial's sales rose by 17% to SEK 241 million (206).

### ■ Income

The Group's operating income (EBITA) was SEK 63 million (16).

Nolato Medical's operating income (EBITA) was SEK 23 million (24), Nolato Telecom's was SEK 32 million (0) and Nolato Industrial's was SEK 17 million (-1).

Overall, the Group's EBITA margin rose to 8.4% (2.6).

Currency effects have had an impact on income of around SEK -4 million (-5) during the first quarter. These currency effects consist of transaction effects charged to the income statement at SEK -2 million and negative currency conversion effects of SEK -2 million compared with the corresponding period during the previous year.

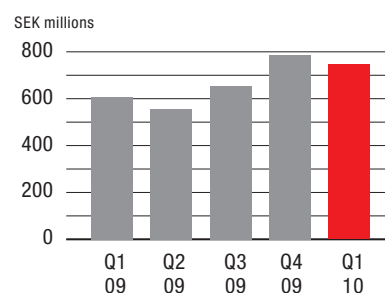
Operating income (EBIT) was SEK 61 million (14).

Income after net financial items was SEK 57 million (6). Net financial items included SEK -1 million (-6) in currency exchange rate difference effects during the first quarter, most of which related to unrealised translation differences for loans in foreign currencies for operations outside Sweden.

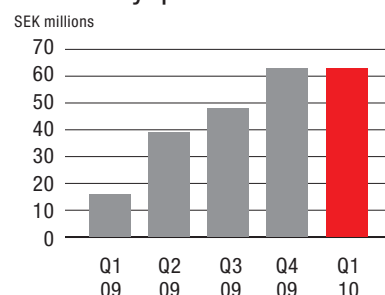
Net income was SEK 45 million (4). Earnings per share before and after dilution stood at SEK 1.71 (0.15). Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions were SEK 1.79 (0.23). The effective tax rate was 21% (33).

The return on capital employed was 16.1% for the last twelve months (12.1 for the 2009 calendar year). The return on operating capital was 18.0% for the last twelve months (13.9 for the 2009 calendar year).

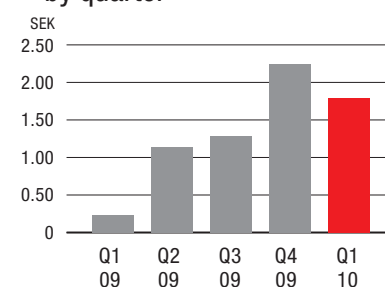
### ■ Sales by quarter



### ■ EBITA by quarter



### ■ Adjusted earnings per share by quarter



### ■ Sales, operating income (EBITA) and EBITA margin by business area

SEK millions	Sales Q1/2010	Sales Q1/2009	Op. income (EBITA) Q1/2010	Op. income (EBITA) Q1/2009	EBITA margin Q1/2010	EBITA margin Q1/2009
Nolato Medical	186	178	23	24	12.4%	13.5%
Nolato Telecom	320	226	32	0	10.0%	0.0%
Nolato Industrial	241	206	17	-1	7.1%	-0.5%
Intra-Group adj., Parent Co	-1	-4	-9	-7	—	—
Group total	746	606	63	16	8.4%	2.6%

Operating income (EBITA): Earnings before interest, taxes and amortisation of intangible assets arising from acquisitions.

## ■ Nolato Medical

Sales and income Q1 (SEK millions)	2010	2009
Sales	186	178
Operating income (EBITA)	23	24
EBITA margin (%)	12.4	13.5
Operating income (EBIT)	22	23

Nolato Medical saw sales rise to SEK 186 million (178), corresponding to growth of 4%. Excluding currency conversion effects, sales rose by 7%. Changes in volumes were in line with market growth. Sales accounted for 25% (29) of the Group's net sales. Operating income (EBITA) was SEK 23 million (24). The EBITA margin was 12.4% (13.5). This margin was affected by continued investments in project- and technical resources.

As previously announced, capacity is being increased in Hörby by 3,700 m<sup>2</sup> in order to create the optimum production structure. Project planning is currently underway, and the enlargement of the factory is expected to be complete at the end of 2010. The premises are rented from Hörby Industrifastigheter, which is also responsible for the enlargement work. The unit in Hörby is part of Nolato MediTech AB, which was formed at the end of 2009 by merging four units with a total of around 275 employees.

## ■ Nolato Telecom

Sales and income Q1 (SEK millions)	2010	2009
Sales	320	226
Operating income (EBITA)	32	0
EBITA margin (%)	10.0	0.0
Operating income (EBIT)	32	0

Nolato Telecom's sales rose by 42% to SEK 320 million (226). Excluding currency conversion effects, sales rose by 55%. Volumes were high as a result of customers building up stocks ahead of forthcoming product launches. This has meant that normal seasonal variations, involving a weaker first quarter, did not apply. Sales accounted for 43% (37) of the Group's net sales. Operating income (EBITA) was SEK 32 million (0). The EBITA margin was 10.0% (0.0). An almost entirely new product mix and high levels of capacity utilisation have had a positive impact on the margin.

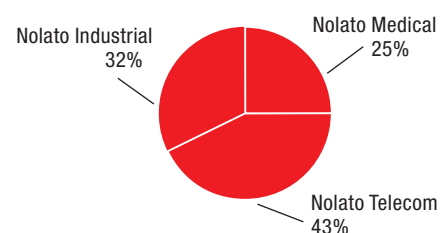
The production unit in Chennai, India, is now operational and developing well.

## ■ Nolato Industrial

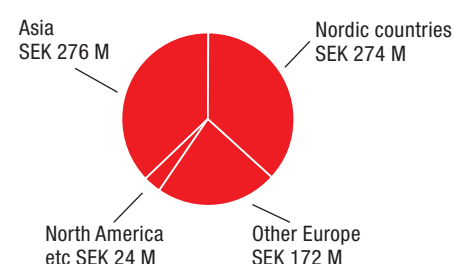
Sales and income Q1 (SEK millions)	2010	2009
Sales	241	206
Operating income (EBITA)	17	-1
EBITA margin (%)	7.1	-0.5
Operating income (EBIT)	16	-2

Nolato Industrial's sales rose by 17% to SEK 241 million (206). Demand has risen from most customer segments, albeit from very low levels in the corresponding period during the previous year. At the same time, growing market shares and new products have led to a rise in sales. Sales accounted for 32% (34) of the Group's net sales. Operating income (EBITA) was SEK 17 million (-1). The EBITA margin was 7.1% (-0.5). Improved capacity utilisation and cost savings have had a positive impact on the margin.

## ■ Business areas' share of sales Q1 2010



## ■ Sales by geographic markets Q1 2010



## ■ Cash flow

Cash flow before investments totalled SEK 24 million (73). Changes in working capital was SEK –52 million (+49). New project start-ups within Nolato Telecom have resulted in higher stock levels than normal and large project teams, leading to temporarily high levels of working capital. Cash flow after investments was SEK 0 million (56). Net investments affecting cash flow totalled SEK 24 million (17).

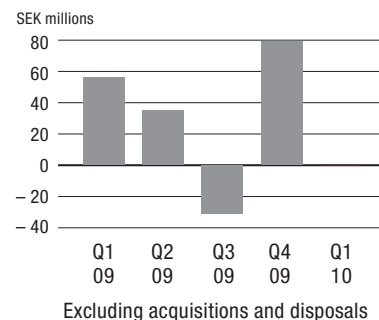
## ■ Financial position

Interest-bearing assets totalled SEK 124 million (189), and interest-bearing liabilities and provisions totalled SEK 168 million (217). Net debt thus totalled SEK 44 million (28). Shareholders' equity stood at SEK 1,129 million (1,075). The equity/assets ratio was 54% (54). Adjusted to take the proposed dividend of SEK 79 million into account, the equity/assets ratio was 52% (52).

## ■ Personnel

The average number of employees during the period was 7,448 (3,370). The significant increase is due mainly to high demand for staff in connection with mobile phone project start-ups in China.

## ■ Cash flow after investments per quarter



## ■ Consolidated performance analysis

SEK millions	Q1 2010	Q1 2009	Full year 2009
Net sales	746	606	2,602
Gross income excl. depreciation/amortisation	155	113	501
<i>As a percentage of net sales</i>	20.8	18.6	19.3
Costs	-55	-57	-158
<i>As a percentage of net sales</i>	7.4	9.4	6.1
Operating income (EBITDA)	100	56	343
<i>As a percentage of net sales</i>	13.4	9.2	13.2
Depreciation and amortisation	-37	-40	-177
Operating income (EBITA)	63	16	166
<i>As a percentage of net sales</i>	8.4	2.6	6.4
Amortisation of intang. assets arising from acquisitions	-2	-2	-8
Operating income (EBIT)	61	14	158
Financial items	-4	-8	-10
Income after financial items	57	6	148
Tax	-12	-2	-25
<i>As a percentage of income after financial items</i>	21.1	33.3	16.9
Net income	45	4	123

## ■ Financial position

SEK millions	31/03/2010	31/03/2009	31/12/2009
Interest-bearing liabilities, credit institutions	76	127	120
Interest-bearing pension liabilities	92	90	92
<b>Total borrowings</b>	<b>168</b>	<b>217</b>	<b>212</b>
Cash and bank	-124	-189	-172
<b>Net debt</b>	<b>44</b>	<b>28</b>	<b>40</b>
Working capital	202	82	133
<i>As a percentage of sales (avg.) (%)</i>	5.2	4.9	4.5
Capital employed	1,297	1,291	1,298
<i>Return on capital employed (avg.) (%)</i>	16.1	14.7	12.1
Shareholders' equity	1,129	1,075	1,086
<i>Return on shareholders' equity (avg.) (%)</i>	14.9	14.2	11.5

## ■ Significant risks and uncertainty factors

The business risks and risk management of the Group and the Parent Company, along with the management of financial risks, are described in the 2009 Annual Report on pages 32–33, and in Note 4 on pages 50–51.

No significant events have occurred during the period that would significantly affect or change these descriptions of the Group's and the Parent Company's risks or the management thereof.

## ■ Ownership and legal structure

Nolato AB (publ), Swedish corporate identity number 556080-4592, is the Parent Company of the Nolato Group. Nolato's B shares are listed on the OMX Nordic Exchange in the Stockholm Small Cap segment, where they are included in the information technology sector.

Nolato had 7,103 shareholders as at 31 March 2010. The largest shareholders were the Paulsson family with 12% of the share capital, the Jorlén family with 11%, and the Boström family with 9%. The ten largest shareholders include financial institutions which own an additional 28% of the share capital, with Lannebo Fonder, Svolder and Skandia Fonder being the largest. The ten largest shareholders hold 60% of the share capital and 79% of the votes.

## ■ The Parent Company

Sales totalled SEK 5 million (10). The drop in sales is a result of lower costs levied on subsidiaries. Income after financial items was SEK 13 million (–1). The increase in income is due to higher income from shares in Group companies, mainly as a result of recovered debts from Group companies.

## ■ Accounting and valuation principles

Nolato's consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU.

The consolidated accounts have been prepared in accordance with the same principles as those applied to the Annual Report, which are described in the 2009 Annual Report on pages 45–49.

The consolidated interim report has been prepared in accordance with IAS 34 (Interim Financial Reporting). The applicable provisions of the Swedish Annual Accounts Act and the Swedish Securities Market Act have also been applied.

The Parent Company interim report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, in line with the provisions of RFR 2.2, Accounting for Legal Entities.

The new or revised IFRS standards or IFRIC interpretations that entered into force on 1 January 2010 have not had any material effect on the Group's income statements or balance sheets.

## ■ Financial information schedule

- Six-month interim report 2010: 21 July 2010
- Nine-month interim report 2010: 26 October 2010

## ■ Contact:

- Hans Porat, President and CEO, phone +46431 442294.
- Per-Ola Holmström, CFO, phone +46431 442293.

*The information contained in this interim report is the information which Nolato must make public in accordance with the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. This information was made public on 28 April 2010 at 2:00 pm.*

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

*Torekov, 28 April 2010  
Nolato AB (publ)  
Hans Porat, President and CEO*

## ■ Consolidated income statement (summary)

SEK millions	Q1 2010	Q1 2009	Rolling 12 months	Full year 2009
Net sales	746	606	2,742	2,602
Cost of goods sold	-627	-532	-2,368	-2,273
<b>Gross profit</b>	<b>119</b>	<b>74</b>	<b>374</b>	<b>329</b>
Other operating income	0	0	41	41
Selling expenses	-18	-20	-69	-71
Administrative expenses	-38	-34	-136	-132
Other operating expenses	-2	-6	-5	-9
	-58	-60	-169	-171
<b>Operating income</b>	<b>61</b>	<b>14</b>	<b>205</b>	<b>158</b>
Financial items	-4	-8	-6	-10
<b>Income after financial items</b>	<b>57</b>	<b>6</b>	<b>199</b>	<b>148</b>
Tax	-12	-2	-35	-25
<b>Net income</b>	<b>45</b>	<b>4</b>	<b>164</b>	<b>123</b>
All earnings are attributable to the Parent Co.'s shareholders				
Depreciation/amortisation	39	42	182	185
Earnings per share before and after dilution (SEK)	1.71	0.15	6.24	4.68
Number of shares at the end of the period	26,307,408	26,307,408	26,307,408	26,307,408
Average number of shares	26,307,408	26,307,408	26,307,408	26,307,408

## ■ Consolidated comprehensive income

SEK millions	Q1 2010	Q1 2009	Rolling 12 months	Full year 2009
<b>Net income</b>	<b>45</b>	<b>4</b>	<b>164</b>	<b>123</b>
<b>Other comprehensive income</b>				
Translation differences for the period	-2	13	-40	-25
Cash flow hedges	0	0	3	3
Tax attributable to cash flow hedges	0	0	-1	-1
<b>Other comprehensive income, net of tax</b>	<b>-2</b>	<b>13</b>	<b>-38</b>	<b>-23</b>
<b>Total comp. income for the period attributable to the Parent Co.'s shareholders</b>	<b>43</b>	<b>17</b>	<b>126</b>	<b>100</b>

## ■ Consolidated balance sheet (summary)

SEK millions	31/03/2010	31/03/2009	31/12/2009
<b>Assets</b>			
<b>Fixed assets</b>			
Intangible fixed assets	372	376	373
Tangible fixed assets	676	738	702
Other securities held as fixed assets	2	2	2
Other long-term receivables	1	—	1
Deferred tax assets	30	19	25
<b>Total fixed assets</b>	<b>1,081</b>	<b>1,135</b>	<b>1,103</b>
<b>Current assets</b>			
Inventories	261	201	215
Accounts receivable	561	414	573
Other current assets	76	65	50
Cash and bank	124	189	172
<b>Total current assets</b>	<b>1,022</b>	<b>869</b>	<b>1,010</b>
<b>Total assets</b>	<b>2,103</b>	<b>2,004</b>	<b>2,113</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' equity</b>	<b>1,129</b>	<b>1,075</b>	<b>1,086</b>
Long-term liabilities and provisions <sup>1)</sup>	195	200	202
Short-term liabilities and provisions <sup>1)</sup>	779	729	825
<b>Total liabilities and provisions</b>	<b>974</b>	<b>929</b>	<b>1,027</b>
<b>Total shareholders' equity and liabilities</b>	<b>2,103</b>	<b>2,004</b>	<b>2,113</b>
<sup>1)</sup> Interest-bearing/non-interest-bearing liabilities and provisions:			
Interest-bearing liabilities and provisions	168	217	212
Non-interest-bearing liabilities and provisions	806	712	815
<b>Total liabilities and provisions</b>	<b>974</b>	<b>929</b>	<b>1,027</b>

## ■ Changes in consolidated shareholders' equity

SEK millions	Q1 2010	Q1 2009	Full year 2009
<b>Shareholders' equity at the beginning of the period</b>	<b>1,086</b>	<b>1,058</b>	<b>1,058</b>
Total comprehensive income for the period	43	17	100
Dividends	—	—	—72
<b>Shareholders' equity at end of period attrib. to Parent Co's shareholders</b>	<b>1,129</b>	<b>1,075</b>	<b>1,086</b>

During 2009, a dividend totalling SEK 72 million was paid to the Parent Company's shareholders, corresponding to SEK 2.75 per share.  
The proposed dividend to be decided on at the Annual General Meeting on 28 April 2010 is SEK 79 million, corresponding to SEK 3.00 per share.  
The Group does not have any incentive programmes resulting in a dilutive effect.

## Consolidated cash flow statement (summary)

SEK millions

	Q1 2010	Q1 2009	Rolling 12 months	Full year 2009
Cash flow from operating activities before changes in working capital	76	24	316	264
Changes in working capital	-52	49	-108	-7
<b>Cash flow from operations</b>	<b>24</b>	<b>73</b>	<b>208</b>	<b>257</b>
Cash flow from investment activities	-24	-17	-125	-118
<b>Cash flow before financing activities</b>	<b>0</b>	<b>56</b>	<b>83</b>	<b>139</b>
Cash flow from financing activities	-47	-42	-135	-130
<b>Cash flow for the period</b>	<b>-47</b>	<b>14</b>	<b>-52</b>	<b>9</b>
<b>Liquid funds at the beginning of the period</b>	<b>172</b>	<b>168</b>	<b>—</b>	<b>168</b>
Exchange rate difference in liquid funds	-1	7	—	-5
<b>Liquid funds at the end of the period</b>	<b>124</b>	<b>189</b>	<b>—</b>	<b>172</b>

## Earnings per share

SEK millions

	Q1 2010	Q1 2009	Rolling 12 months	Full year 2009
<b>Net income</b>	<b>45</b>	<b>4</b>	<b>164</b>	<b>123</b>
Adjusted earnings:				
Amortisation of intangible assets arising from acquisitions	2	2	8	8
Tax on amortisation	0	0	-2	-2
<b>Adjusted earnings</b>	<b>47</b>	<b>6</b>	<b>170</b>	<b>129</b>
Average number of shares*	26,307,408	26,307,408	26,307,408	26,307,408
Earnings per share before and after dilution (SEK)*	1.71	0.15	6.24	4.68
Adjusted earnings per share (SEK)*	1.79	0.23	6.46	4.90

\*The Company does not have any ongoing financial instrument programmes which involve any dilution in the number of shares.

## Five-year overview

	2009	2008	2007	2006	2005
Net sales (SEK millions)	2,602	2,824	2,421	2,702	2,256
Operating income (EBITA) (SEK millions)	166	240	197	79	221
EBITA margin (%)	6.4	8.5	8.1	2.9	9.8
Operating income (EBIT) (SEK millions)	158	232	190	78	221
Income after financial items (SEK millions)	148	216	171	69	208
Net income (SEK millions)	123	178	150	48	181
Return on capital employed (%)	12.1	18.4	16.3	7.4	21.0
Return on shareholders' equity (%)	11.5	18.4	18.0	5.9	24.2
Equity/assets ratio (%)	51	50	46	46	50
Earnings per share (SEK)	4.68	6.77	5.70	1.82	6.88
Adjusted earnings per share (SEK)	4.90	6.99	5.32	6.08	6.31



## Quarterly data

		Q1	Q2	Q3	Q4	Full year
Net sales (SEK millions)	<b>2010</b>	<b>746</b>				
	2009	606	557	653	786	2,602
	2008	690	694	693	747	2,824
Operating income (EBITDA) (SEK millions)	<b>2010</b>	<b>100</b>				
	2009	56	77	84	126	343
	2008	100	103	101	95	399
Operating income (EBITA) (SEK millions)	<b>2010</b>	<b>63</b>				
	2009	16	39	48	63	166
	2008	59	61	64	56	240
EBITA margin (%)	<b>2010</b>	<b>8.4</b>				
	2009	2.6	7.0	7.4	8.0	6.4
	2008	8.6	8.8	9.2	7.5	8.5
Operating income (EBIT) (SEK millions)	<b>2010</b>	<b>61</b>				
	2009	14	37	46	61	158
	2008	57	59	62	54	232
Income after financial items (SEK millions)	<b>2010</b>	<b>57</b>				
	2009	6	42	42	58	148
	2008	53	59	57	47	216
Net income (SEK millions)	<b>2010</b>	<b>45</b>				
	2009	4	29	33	57	123
	2008	41	46	45	46	178
Cash flow after inv., excl. acq. and disp. (SEK millions)	<b>2010</b>	<b>0</b>				
	2009	56	35	– 31	79	139
	2008	47	19	78	152	296
Earnings per share before and after dilution (SEK)	<b>2010</b>	<b>1.71</b>				
	2009	0.15	1.10	1.26	2.17	4.68
	2008	1.56	1.75	1.71	1.75	6.77
Adjusted earnings per share (SEK)	<b>2010</b>	<b>1.79</b>				
	2009	0.23	1.14	1.29	2.24	4.90
	2008	1.63	1.79	1.75	1.82	6.99
Return on total capital (%)	<b>2010</b>	<b>10.2</b>				
	2009	9.4	8.8	7.1	7.5	7.5
	2008	11.0	12.0	12.1	11.8	11.8
Return on capital employed (%)	<b>2010</b>	<b>16.1</b>				
	2009	14.7	13.7	11.3	12.1	12.1
	2008	16.7	18.5	18.7	18.4	18.4
Return on operating capital (%)	<b>2010</b>	<b>18.0</b>				
	2009	16.5	14.4	12.7	13.9	13.9
	2008	17.5	18.9	19.8	19.7	19.7
Return on shareholders' equity (%)	<b>2010</b>	<b>14.9</b>				
	2009	14.2	13.0	11.2	11.5	11.5
	2008	20.4	22.4	22.0	18.4	18.4

## Quarterly data business areas

Net sales (SEK millions)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2010	186				
	2009	178	177	159	178	692
	2008	147	158	156	171	632
Nolato Telecom	2010	320				
	2009	226	183	309	372	1,090
	2008	284	277	318	364	1,243
Nolato Industrial	2010	241				
	2009	206	197	185	236	824
	2008	260	259	219	212	950
Group adjustments, Parent Company	2010	-1				
	2009	-4	0	0	0	-4
	2008	-1	0	0	0	-1
Group total	2010	746				
	2009	606	557	653	786	2,602
	2008	690	694	693	747	2,824
Operating income (EBITA) (SEK millions)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2010	23				
	EBITA margin (%)	12.4				
	2009	24	23	20	22	89
	EBITA margin (%)	13.5	13.0	12.6	12.4	12.9
	2008	21	21	20	27	89
	EBITA margin (%)	14.3	13.3	12.8	15.8	14.1
Nolato Telecom	2010	32				
	EBITA margin (%)	10.0				
	2009	0	32	24	30	86
	EBITA margin (%)	0.0	17.5	7.8	8.1	7.9
	2008	25	22	35	32	114
	EBITA margin (%)	8.8	7.9	11.0	8.8	9.2
Nolato Industrial	2010	17				
	EBITA margin (%)	7.1				
	2009	-1	-7	9	18	19
	EBITA margin (%)	-0.5	-3.6	4.9	7.6	2.3
	2008	19	21	15	0	55
	EBITA margin (%)	7.3	8.1	6.8	0.0	5.8
Group adjustments, Parent Company	2010	-9				
	2009	-7	-9	-5	-7	-28
	2008	-6	-3	-6	-3	-18
Group total	2010	63				
	EBITA margin (%)	8.4				
	2009	16	39	48	63	166
	EBITA margin (%)	2.6	7.0	7.4	8.0	6.4
	2008	59	61	64	56	240
	EBITA margin (%)	8.6	8.8	9.2	7.5	8.5
Depreciation/amortisation (SEK millions)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2010	12				
	2009	11	11	11	12	45
	2008	10	10	10	11	41
Nolato Telecom	2010	16				
	2009	18	16	15	40	89
	2008	19	20	16	17	72
Nolato Industrial	2010	11				
	2009	13	13	12	13	51
	2008	14	14	13	13	54
Group total	2010	39				
	2009	42	40	38	65	185
	2008	43	44	39	41	167

## ■ Group financial highlights

	Q1 2010	Q1 2009	Rolling 12 months	Full year 2009
Net sales (SEK millions)	746	606	2,742	2,602
Sales growth (%)	23	-12	0	-8
Percentage of sales outside Sweden (%)	73	70	74	73
Operating income (EBITDA) (SEK millions)	100	56	387	343
Operating income (EBITA) (SEK millions)	63	16	213	166
EBITA margin (%)	8.4	2.6	7.8	6.4
Income after financial items (SEK millions)	57	6	199	148
Profit margin (%)	7.6	1.0	7.3	5.7
Net income (SEK millions)	45	4	164	123
Return on total capital (%)	10.2	9.4	—	7.5
Return on capital employed (%)	16.1	14.7	—	12.1
Return on operating capital (%)	18.0	16.5	—	13.9
Return on shareholders' equity (%)	14.9	14.2	—	11.5
Equity/assets ratio (%)	54	54	—	51
Debt/equity ratio (%)	15	20	—	20
Interest coverage ratio (times)	28	3	22	14
Net investments affecting cash flow, excl. acq. and disposals (SEK millions)	24	17	125	118
Cash flow after investments, excl. acq. and disposals (SEK millions)	0	56	83	139
Net debt (SEK millions)	44	28	—	40
Earnings per share before and after dilution (SEK)	1.71	0.15	6.24	4.68
Adjusted earnings per share (SEK)	1.79	0.23	6.46	4.90
Cash flow per share (SEK)	0.00	2.13	3.15	5.28
Shareholders' equity per share (SEK)	43	41	—	41
Average number of employees	7,448	3,370	—	4,308

## Definitions

### Adjusted earnings per share

Net income, excluding amortisation of intangible assets arising from acquisitions, divided by the average number of shares.

### Cash flow per share

Cash flow before financing activities, divided by average number of shares.

### Debt/equity ratio

Interest-bearing liabilities and provisions divided by shareholders' equity.

### EBITA margin

Operating income (EBITA) as a percentage of net sales.

### Earnings per share

Net income, divided by average number of shares.

### Equity/assets ratio

Shareholders' equity as a percentage of total capital in the balance sheet.

### Interest coverage ratio

Income after financial items plus financial expenses, divided by financial expenses.

### Net debt

Interest-bearing liabilities and provisions less interest-bearing assets.

### Operating income (EBITDA)

Earnings before interest, taxes and depreciation/amortisation.

### Operating income (EBITA)

Earnings before interest, taxes and amortisation of intangible assets arising from acquisitions.

### Operating income (EBIT)

Income before tax, financial income and expenses.

### Profit margin

Income after financial items as a percentage of net sales.

### Return on total capital

Income after financial items plus financial expenses as a percentage of average total capital in the balance sheet.

### Return on capital employed

Income after financial items plus financial expenses as a percentage of average capital employed. Capital employed consists of total capital less non-interest-bearing liabilities and provisions.

### Return on operating capital

Operating income as a percentage of average operating capital. Operating capital consists of total capital less non-interest-bearing liabilities and provisions, less interest-bearing assets.

### Return on shareholders' equity

Net income as a percentage of average shareholders' equity.

## ■ Parent Company income statement

SEK millions

	Q1 2010	Q1 2009	Rolling 12 months	Full year 2009
Net sales	5	10	16	21
Other operating income	0	1	-1	0
Selling expenses	-3	-3	-11	-11
Administrative expenses	-11	-9	-44	-42
Other operating expenses	0	0	-24	-24
<b>Operating income</b>	<b>-9</b>	<b>-1</b>	<b>-64</b>	<b>-56</b>
Result from shares in Group companies	20	4	95	79
Financial income	3	2	8	7
Financial expenses	-1	-6	1	-4
<b>Income after financial items</b>	<b>13</b>	<b>-1</b>	<b>40</b>	<b>26</b>
Appropriations	—	—	-21	-21
Tax	2	0	21	19
<b>Net income</b>	<b>15</b>	<b>-1</b>	<b>40</b>	<b>24</b>
Depreciation/amortisation	0	0	0	0

## ■ Parent Company balance sheet (summary)

SEK millions

	31/03/2010	31/03/2009	31/12/2009
<b>Assets</b>			
Financial fixed assets	943	825	949
Deferred tax assets	4	3	4
<b>Total fixed assets</b>	<b>947</b>	<b>828</b>	<b>953</b>
Other receivables	197	227	201
Cash and bank	12	24	74
<b>Total current assets</b>	<b>209</b>	<b>251</b>	<b>275</b>
<b>Total assets</b>	<b>1,156</b>	<b>1,079</b>	<b>1,228</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	774	712	759
Untaxed reserves	93	72	93
Other provisions	4	2	2
Long-term liabilities	17	40	18
Current liabilities	268	253	356
<b>Total shareholders' equity and liabilities</b>	<b>1,156</b>	<b>1,079</b>	<b>1,228</b>
Collateral pledged	—	—	—
Contingent liabilities	92	96	99

### Transactions with related parties:

Related party	Period	Services sold	Services purchased	Interest income	Interest expenses	Result from shares in Group companies	Rec. from related parties on the bal. sheet date	Liab. to related parties on the bal. sheet date
Subsidiary	Q1 2010	5	-3	2	—	20	401	197
Subsidiary	Q1 2009	10	-4	2	0	4	338	185

None of the company's Board members or senior executives currently has, or has previously had, any direct or indirect involvement in any business transaction with the company which is, or was, of an unusual character in terms of its conditions. Nor has the Group issued any loans, pledged any guarantees or entered into any surety arrangements for any of the company's Board members or senior executives.

