

# Studsvik

Interim Report  
January–September 2010



- Net sales for the third quarter increased by 7 per cent to SEK 295.3 million (275.0).
- Operating profit for the third quarter decreased by SEK 1.3 million to SEK –9.1 million (–7.8).
- Continued positive trend in the segments Sweden, Germany and Global Services, but continued losses in the USA and the UK.
- Cash flow from operating activities after investments was SEK 14.2 million (10.9).

	July– September 2010	July– September 2009	January– September 2010	January– September 2009	Full year 2009
Net sales. SEK million	295.3	275.0	969.2	867.8	1,216.3
Operating profit, SEK million	–9.1	–7.8	–0.3	–68.1	–30.0
Profit after tax, SEK million	–17.1	–9.7	–21.2	–63.0	–35.2
Cash flow after investments, SEK million	14.2	10.9	60.0	–86.4	–68.9
Profit per share after tax, SEK	–2.09	–1.19	–2.59	–7.67	–4.28
Equity per share, SEK	61.11	63.13	61.11	63.13	65.82
Equity-assets ratio, %	36.9	37.9	36.9	37.9	37.2



## Net sales

Net sales for the third quarter amounted to SEK 295.3 million (275.0) and for the period January–September, to SEK 969.2 million (867.8). In local currencies this corresponds to an increase of 8.9 per cent in the third quarter and 15.8 per cent for the period January–September. Net sales increased in local currencies in all segments except the United Kingdom, which reported a marginal decrease in net sales.

## Profit

The operating loss for the third quarter decreased by SEK 1.3 million to SEK –9.1 million (–7.8) and for the period January–September to SEK –0.3 million (–68.1). Structural and project costs in the UK and the US of SEK –33.0 million were recognized as an expense in the Group's income statement for January–September in the previous year. The exceptional shortage of transportation capacity that arose in the USA in the second quarter continued throughout the third quarter, which severely restricted incoming deliveries of material to the Erwin facility. In Germany the positive trend continued and operating profit improved as an effect of good capacity utilization. In Sweden the underlying operative result improved, which was, however, offset by value changes in forward exchange contracts. The United Kingdom reported losses that were by and large on the same level as the previous year. Global Services' stable growth in sales and earnings continued.

The Group's operating profit in the third quarter was impacted by foreign exchange effects of SEK –0.8 million (–1.1) and in the period January–September of SEK –0.3 million (–9.9).

Net financial income for the third quarter amounted to SEK –6.6 million (–5.5) and for the period January–September to SEK –15.5 million (–17.8).

After taxes of SEK –1.4 million (3.6) for the third quarter and SEK –5.4 million (22.9) for January–September the net loss was SEK –17.1 million (–9.7) for the third quarter and SEK –21.2 million (–63.0) for January–September. Taxes for January–September include deferred tax assets for the USA and the UK of SEK 5.8 million in 2010 and SEK 30.3 million in 2009.

## Sweden

Net sales increased in the third quarter to SEK 38.8 million (34.5) in were in January–September SEK 128.7 million (115.8). Operating profit in the third quarter was SEK 1.3 million (3.5) and in January–September SEK 10.3 million (9.1). The figure includes fair value changes in forward exchange contracts of SEK –2.2 million (0) in the third quarter and of SEK –1.3 million (–1.7) in the period January–September. The operating margin for the period January–September, excluding these effects, was 9.1 (9.4) per cent.

The incineration facility also operated at high capacity utilization levels in the third quarter. The order book is sound.

The metal recycling facility was used mainly for large components. The order for treatment of steam generators for the Canadian company Bruce Power attracted major media attention in the third quarter. After the balance sheet date the Canadian radiation protection authority held a public hearing ahead of its shipment authorization decision. Shipment to Sweden of the first 16 steam generators is expected to take place in spring 2011. This is a delay in relation to the original plan. The order book for metallic material is good, so the delay will not affect the capacity utilization situation.

## United Kingdom

Net sales in the third quarter were SEK 15.1 million (18.4) and in January–September SEK 58.3 million (65.8). The operating loss for the third quarter was SEK –8.0 million (–7.3) and for January–September SEK –19.5 million (–40.8). Last year structural and project costs of SEK –22.8 million were recognized as an expense for January–September.

The Metal Recycling Facility (MRF) had a weak inflow of orders and low capacity utilization in the third quarter too. After negotiations conducted by Studsvik with the Nuclear Decommissioning Authority (NDA) over a long period, the NDA allocated separate funds to finance the treatment of metallic material. The NDA decision, which will have an impact from the fourth quarter, creates the conditions for establishing a flow of material that will provide a basic level of capacity utilization in the MRF. Large parts of the UK nuclear power market are dependent on government funding. In the current fiscal situation appropriations and budgets have been reduced. Capacity utilization in the consulting business has decreased as a direct consequence of this. Organization and staffing have been adapted to the changed market situation.

## Germany

Net sales decreased in the third quarter to SEK 120.3 million (126.8) and were in January–September SEK 354.2 million (337.0). Operating profit in the third quarter increased to SEK 11.6 million (9.6) and was in January–September SEK 29.3 million (20.2). The operating margin for January–September was 8.3 (7.6) per cent.

The German market is characterized by a high level of activity and capacity utilization was high in all the segment's operational areas. Annual maintenance work at German nuclear power reactors was in progress during the quarter, resulting in substantial capacity utilization. In August the level of maintenance work was somewhat lower than the previous year, which explains the marginally lower net sales figure for the third quarter. In September the level of maintenance work increased again. At present the segment is experiencing some shortage of resources as an effect of the high level of market activity.

Activity remained high in decommissioning projects in Germany and Belgium and qualified technical consulting services continued to grow. The order situation in the segment is good.

On September 6, the German government announced its nuclear power policy, under which amended legislation will extend the operational period of German reactors by an average of 12 years. This will open a new market in the form of modernization work and measures to extend reactor lifetimes.

## USA

Net sales increased in the third quarter to SEK 47.2 million (42.2) and were in January–September SEK 183.1 million (149.6). Operating profit in the third quarter decreased to SEK –15.9 million (–12.8) and was in January–September SEK –25.7 million (–54.3). Last year structural and project costs of SEK –10.2 million were recognized as an expense for January–September.

The exceptional situation with a shortage of transport containers, which arose in the second quarter, continued into the third quarter too. The transport containers are mainly used for material with a high radioactive content, called class B/C waste. Only small volumes of class B/C waste were received in Erwin during the quarter. The shortfall could partly be compensated for by material of a lower radioactive content. At the end of September three out of a total of four transport containers were again in operation, consequently the transport situation is becoming normal.

Metallic and organic waste is treated at the facility in Memphis. Market activity continues to be low given the general economic background. Customers are waiting to send waste for treatment and thus cutting costs in the short term. Visibility in the market is low and forward planning is short, which imposes high demands on production logistics.

The segment has a small consulting business, in which operations are primarily based on Studsvik's patented THOR technology. The customer base is in the USA but also includes some countries outside the US, such as France, where the technology has met with interest. The operations are in process of being built up.



## Global Services

Net sales increased in the third quarter to SEK 61.3 million (51.2) and were in January–September SEK 207.1 million (177.1). The operating profit for the third quarter increased to SEK 6.6 million (5.8) and was for January–September SEK 22.9 million (21.3). The figure includes effects of fair value measurement of forward exchange contracts of SEK 1.7 million (–0.6) in the third quarter and of SEK 0.3 million (3.7) to date this year. The operating margin for the period January–September, excluding these effects, was 10.9 (9.9) per cent.

The positive trend for materials testing and consulting services is continuing, with increased net sales, improved earnings and a sound order book. The performance of software operations was at the same level as the previous year. The business in the segment is favored both by plans to build new nuclear power and by the renovation and modernization of existing nuclear power plants.

## Investments

The Group's investment in the third quarter amounted to SEK 4.9 million (23.8) and for the period January–September, to SEK 14.1 million (74.6).

## Cash flow

Cash flow from operating activities before working capital changes in the third quarter was SEK –5.0 million (–6.0) and SEK 23.0 million (2.9) for January–September.

Working capital decreased in the third quarter by SEK 21.8 million (41.0) and in the period January–September by SEK 57.1 million (0.2).

Cash flow from operating activities after investments was SEK 14.2 million (10.9) in the third quarter and SEK 60.0 million (–86.4) for the period January–September.

## Financial position and liquidity

Cash and cash equivalents, including current investments, amounted to SEK 74.7 million (53.0).

Equity amounted to SEK 502.5 million (519.1) and the equity-assets ratio was 36.9 (37.9) per cent.

Interest-bearing liabilities amounted to SEK 288.7 million (357.1). The Group's total borrowing is conducted entirely in foreign currencies through investments and business acquisitions in the USA, Germany and the UK. Foreign exchange effects on translation of interest-bearing liabilities to Swedish kronor amounted to SEK –33.1 million (–34.2) in the third quarter.

Net interest-bearing debt decreased and was SEK 214.2 million (304.1).

## Personnel

The average number of employees was 1,211 (1,163). Germany reports the most vigorous growth and had an average of 707 (668) employees. Global Services also reports a strong increase, mainly in the consulting business, and had an average of 152 (136) employees. The average number of employees in the United Kingdom has been reduced to 62 (77) in view of the earnings trend.

## Parent company

Parent company operations comprise the co-ordination of tasks for the Group and assets mainly consist of shares in subsidiaries. The parent company's net sales in the third quarter were SEK 2.6 million (2.9) and for the period January–September SEK 7.9 million (8.4). The operating loss for the third quarter amounted to SEK –4.7 million (–6.6). The operating loss for the period January–September amounted to SEK –17.6 million (–23.6). Profit after financial items in the third quarter was SEK 14.1 million (–5.0) and for the period January–September SEK 5.0 million (7.2). Dividends from subsidiaries of SEK 18.4 (0) million are included in earnings for the third quarter and of SEK 21.4 (32.0) million for January–September.

The parent company's investments amounted to SEK 0 million (0). Cash and cash equivalents amounted to SEK 31.8 million (22.1) and interest-bearing liabilities to SEK 143.7 million (205.4).

## Risks and uncertainties

Studsvik operates in an international, competitive market and is thereby exposed to both business and financial risks and uncertainties.

The business uncertainties include the fact that Studsvik and Studsvik's customers handle radioactive material and waste, which requires legal or regulatory licensing. Licensing is required for production facilities, but also for individual activities such as transport and transfer of material. This means that the operations of Studsvik and Studsvik's customers are exposed to delays in these licensing processes, which may result in shifts in delivery and production plans.

In all countries storage and final disposal of nuclear waste are subject to a strict regulatory framework, which for example stipulates criteria that the waste must meet in physical and chemical terms when it is sent for final disposal. Changes in this regulatory framework could mean that the business competitiveness of some of Studsvik's services would be changed.

Issues concerning nuclear technology may be subject to various expressions of opinion and debate. In such a context it cannot be ruled out that opinion may emerge on matters that directly or indirectly alter Studsvik's scope of business action.

Financial risks and uncertainties mainly include fluctuations in exchange rates and interest rates, and the company's ability to uphold key ratios (covenants) that regulate borrowing. The financial risks also include counterparty risk, i.e. that the Group can be exposed to losses due to counterparty insolvency.

An overall analysis of the Group's risks and how they are dealt with is given on page 16 of the Annual Report for 2009 and in Note 2 of the annual accounts, "Financial risk management".

Apart from these risks, no further significant risks are estimated to have arisen.

## Outlook

Modernization and increasing output of nuclear power plants is taking place in several of the countries where Studsvik operates. New nuclear power capacity is being planned and built in an increasing number of countries. Decommissioning of nuclear facilities is continuing and is expected to continue by and large at an unchanged rate. Demand for services of the type Studsvik offers, including waste treatment, materials testing and consulting services, is strong, which is reflected in a good order book in the segments Sweden, Germany and Global Services.

Current contract volumes for the Erwin facility provide potential for profitability in the USA operations. However, the market continues to be affected to some extent by the weak economy. The UK market is also influenced by the weak economy, which is reflected in a thin order book. With the new metal recycling facility Studsvik holds a strong market position in the United Kingdom. The recycling facility is in a development phase, focused on successively securing a stable inflow of material to the facility to build long-term profitability of operations.

## Accounting policies

Studsvik AB applies International Financial Reporting Standards as adopted by the European Union. Material accounting policies and valuation principles are in accordance with those of the annual accounts for the financial year ended December 31, 2009. This interim report was prepared in accordance with IAS 34 and the Annual Accounts Act. The interim report for the parent company was prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2.3 Accounting for legal entities.

Stockholm, October 25, 2010

On behalf of the Board of Directors

Magnus Groth  
President

### Review report

We have performed a review of the interim report for Studsvik AB (publ) for the period January 1 to September 30, 2010. The Board of Directors and the President are responsible for the preparation and presentation of this interim financial report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review. We conducted our review in accordance with the Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially more limited in scope than an audit that is conducted in accordance with Standards on Auditing in Sweden (RS) and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion that is expressed on the basis of a review does not give the same level of assurance as a conclusion based on an audit.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim report does not, in all material respects, accord with IAS 34 and the Annual Accounts Act and, for the parent company, with the Annual Accounts Act.

Stockholm, October 25, 2010

PricewaterhouseCoopers AB

Magnus Brändström  
Authorized public accountant  
Auditor in charge

### Time schedule for financial information

Year-end Report January–December 2010	February 10, 2011
Interim Report January–March 2011	April 28, 2011
Interim Report January–June 2011	July 20, 2011
Interim Report January–September	October 27, 2011

### For further information please contact

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The interim report will be presented at a conference call to be held in English on October 25, at 15:00 CET. Further information for those interested in participating is available at [www.studsvik.se](http://www.studsvik.se).

**Group statement of comprehensive income**

Amounts in SEK million

	July– September 2010	July– September 2009	January– September 2010	January– September 2009	Full year 2009
Net sales	295.3	275.0	969.2	867.8	1,216.3
Cost of services sold	-246.7	-214.8	-768.6	-693.5	-949.4
<b>Gross profit</b>	<b>48.6</b>	<b>60.2</b>	<b>200.6</b>	<b>174.3</b>	<b>266.9</b>
Other operating income	0.9	-2.2	3.1	3.0	15.8
Selling and marketing expenses	-11.4	-11.3	-39.5	-40.1	-52.0
Administrative expenses	-42.1	-44.8	-135.8	-149.9	-201.1
Research and development costs	-6.7	-10.5	-31.3	-35.3	-46.1
Share in non-controlling interest	2.4	0.8	4.2	3.4	13.1
Other operating expenses	-0.8	0.0	-1.6	-23.5	-26.6
<b>Operating profit</b>	<b>-9.1</b>	<b>-7.8</b>	<b>-0.3</b>	<b>-68.1</b>	<b>-30.0</b>
Financial income	-3.3	7.9	0.7	8.1	4.8
Financial expenses	-3.3	-13.4	-16.2	-25.9	-24.5
<b>Profit after financial items</b>	<b>-15.7</b>	<b>-13.3</b>	<b>-15.8</b>	<b>-85.9</b>	<b>-49.7</b>
Income tax	-1.4	3.6	-5.4	22.9	14.5
<b>Profit for the period</b>	<b>-17.1</b>	<b>-9.7</b>	<b>-21.2</b>	<b>-63.0</b>	<b>-35.2</b>
<b>Other comprehensive income</b>					
Translation differences on foreign subsidiaries	-38.6	-31.5	-26.7	-28.7	-22.6
Cash flow hedges	26.5	10.0	12.6	11.1	-4.9
Income tax on items recognized in other comprehensive income	-7.0	-2.6	-3.3	-2.9	1.3
<b>Other comprehensive income for the period, net after tax</b>	<b>-19.1</b>	<b>-24.1</b>	<b>-17.4</b>	<b>-20.5</b>	<b>-26.2</b>
<b>Total comprehensive income for the period</b>	<b>-36.2</b>	<b>-33.8</b>	<b>-38.6</b>	<b>-83.5</b>	<b>-61.4</b>
<b>Income for the period attributable to</b>					
Parent company's shareholders	-17.1	-9.7	-21.2	-63.0	-35.2
Non-controlling interest	-	-	-	-	-
<b>Total comprehensive income attributable to</b>					
Parent company's shareholders	-36.2	-33.8	-38.6	-83.5	-61.4
Non-controlling interest	0.0	0.0	0.0	0.0	0.0
<b>Earnings per share calculated on income attributable to the parent company's shareholders during the period, SEK</b>					
Before dilution	-2.09	-1.19	-2.59	-7.67	-4.28
After dilution	-2.09	-1.19	-2.59	-7.67	-4.28

## Group statement of financial position

Amounts in SEK million

	September 2010	September 2009	December 2009
<b>Assets</b>			
Goodwill	313.7	335.0	342.3
Other intangible non-current assets	38.3	45.7	45.2
Property, plant and equipment	472.8	492.2	527.8
Financial non-current assets	165.1	132.0	147.8
<b>Total non-current assets</b>	<b>989.9</b>	<b>1 004.9</b>	<b>1,063.1</b>
Inventories	18.9	25.0	17.9
Trade receivables	157.5	217.6	228.3
Other current receivables	120.1	67.4	69.3
Liquid assets	74.7	53.0	74.7
<b>Total current assets</b>	<b>371.2</b>	<b>363.0</b>	<b>390.2</b>
<b>Total assets</b>	<b>1,361.1</b>	<b>1,367.9</b>	<b>1,453.3</b>
<b>Equity and liabilities</b>			
Equity attributable to parent company's shareholders	502.2	518.8	540.9
Non-controlling interest	0.3	0.3	0.3
Borrowings	209.3	311.2	284.5
Provisions	222.0	130.2	169.9
Other non-current liabilities	12.7	9.3	11.4
<b>Total non-current liabilities</b>	<b>444.0</b>	<b>450.7</b>	<b>465.8</b>
Trade payables	64.9	80.8	70.7
Borrowings	79.4	45.9	85.4
Other current liabilities	270.3	271.4	290.2
<b>Total current liabilities</b>	<b>414.6</b>	<b>398.1</b>	<b>446.3</b>
<b>Total equity and liabilities</b>	<b>1,361.1</b>	<b>1,367.9</b>	<b>1,453.3</b>
Pledged assets	130.1	202.0	171.7
Contingent liabilities	86.8	64.5	66.8

## Changes in equity

Amounts in SEK million

	Share capital	Other contributed capital	Reserves	Retained earnings	Equity attributable to the parent company's shareholders	Non-controlling interest	Total equity
<b>Opening balance at January 1, 2009</b>	<b>8.2</b>	<b>225.3</b>	<b>49.0</b>	<b>328.0</b>	<b>610.5</b>	<b>0.3</b>	<b>610.8</b>
Total comprehensive income for the period			-26.2	-35.2	-61.4		-61.4
Dividend to shareholders				-8.2	-8.2		-8.2
<b>Closing balance at December 31, 2009</b>	<b>8.2</b>	<b>225.3</b>	<b>22.8</b>	<b>284.6</b>	<b>540.9</b>	<b>0.3</b>	<b>541.2</b>
<b>Opening balance at January 1, 2010</b>	<b>8.2</b>	<b>225.3</b>	<b>22.8</b>	<b>284.6</b>	<b>540.9</b>	<b>0.3</b>	<b>541.2</b>
Total comprehensive income for the period			-17.4	-21.3	-38.7		-38.7
<b>Closing balance at September 30, 2010</b>	<b>8.2</b>	<b>225.3</b>	<b>5.4</b>	<b>263.3</b>	<b>502.2</b>	<b>0.3</b>	<b>502.5</b>

**Statement of cash flow**

Amounts in SEK million

	July– September 2010	July– September 2009	January– September 2010	January– September 2009	Full year 2009
<b>Operating activities</b>					
Operating profit	–9.1	–7.8	–0.3	–68.1	–30.0
Depreciation	17.0	16.7	52.4	57.0	75.2
Adjustment for non-cash items	–5.0	1.0	–2.8	34.9	18.0
	<b>2.9</b>	<b>9.9</b>	<b>49.3</b>	<b>23.8</b>	<b>63.2</b>
Financial items, net	–4.4	–6.5	–12.2	–17.8	–21.4
Income tax paid	–3.5	–9.4	–14.1	–3.1	–3.1
<b>Cash flow from operating activities before changes in working capital</b>	<b>–5.0</b>	<b>–6.0</b>	<b>23.0</b>	<b>2.9</b>	<b>38.7</b>
Changes in working capital	21.8	41.0	57.1	0.2	–17.3
<b>Cash flow from operating activities</b>	<b>16.8</b>	<b>35.0</b>	<b>80.1</b>	<b>3.1</b>	<b>21.4</b>
<b>Investing activities</b>					
Investments	–4.9	–23.8	–14.1	–74.6	–78.8
Other changes from investing activities	2.3	–0.3	–6.0	–14.9	–11.5
<b>Cash flow from investing activities</b>	<b>–2.6</b>	<b>–24.1</b>	<b>–20.1</b>	<b>–89.5</b>	<b>–90.3</b>
<b>Cash flow from operating activities after investments and other changes from investing activities</b>	<b>14.2</b>	<b>10.9</b>	<b>60.0</b>	<b>–86.4</b>	<b>–68.9</b>
<b>Financing activities</b>					
Change in borrowings	–9.1	0.0	–56.8	2.4	6.4
Dividend to shareholders	–	–	–	–8.2	–8.2
<b>Cash flow from investing activities</b>	<b>–9.1</b>	<b>0.0</b>	<b>–56.8</b>	<b>–5.8</b>	<b>–1.8</b>
Changes in liquid assets	5.1	10.9	3.2	–92.2	–70.7
Liquid assets at the beginning of the year	69.1	43.2	74.7	147.7	147.7
Translation difference in liquid assets	0.5	–1.1	–3.2	–2.5	–2.3
<b>Liquid assets at the end of the period</b>	<b>74.7</b>	<b>53.0</b>	<b>74.7</b>	<b>53.0</b>	<b>74.7</b>



## Financial ratios for the Group

Amounts in SEK million

	January– September 2010	January– September 2009	Full year 2009
<b>Operating profit</b>			
Operating profit before depreciation	52.1	–11.1	45.3
<b>Margins</b>			
Operating margin before depreciation, %	5.4	neg	3.7
Operating margin, %	neg	neg	neg
Profit margin, %	neg	neg	neg
<b>Profitability</b>			
Return on operating capital, %	neg	neg	neg
Return on capital employed, %	0.1	neg	neg
Return on equity, %	neg	neg	neg
<b>Capital structure</b>			
Operating capital	716.6	823.2	836.5
Capital employed	791.3	876.2	911.2
Equity	502.5	519.1	541.2
Interest-bearing net debt	214.2	304.1	295.3
Net debt-equity ratio	0.4	0.6	0.5
Interest cover ratio	0.0	neg	neg
Equity-assets ratio, %	36.9	37.9	37.2
<b>Cash flow</b>			
Self financing ratio	2.88	neg	0.3
Investments	14.1	71.1	78.8
<b>Employees</b>			
Average number of employees	1,211	1,163	1,132
Net sales per employee	1.1	1.0	1.1

## Data per share

	July– September 2010	July– September 2009	January– September 2010	January– September 2009	Full year 2009
Number of shares at the end of the period	8,218,611	8,218,611	8,218,611	8,218,611	8,218,611
Average number of shares	8,218,611	8,218,611	8,218,611	8,218,611	8,218,611
Earnings per share before dilution, SEK	–2.09	–1.19	–2.59	–7.67	–4.28
Earnings per share after dilution, SEK	–2.09	–1.19	–2.59	–7.67	–4.28
Equity per share, SEK	61.11	63.13	61.11	63.13	65.82

## Net sales per geographical segment

Amounts in SEK million

	July– September 2010	July– September 2009	January– September 2010	January– September 2009	Full year 2009
Sweden	30.5	39.9	170.8	147.4	219.9
Europe, excluding Sweden	194.4	191.2	535.5	513.1	716.3
North America	63.2	37.9	239.6	181.5	250.2
Asia	7.2	2.6	23.3	21.0	29.9
Other markets	-	3.4	-	4.8	0.0
<b>Total</b>	<b>295.3</b>	<b>275.0</b>	<b>969.2</b>	<b>867.8</b>	<b>1,216.3</b>

## Quarterly review

Amounts in SEK million

	2010			2009			2008				
	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	345.8	328.1	295.3	277.0	315.8	275.0	348.5	320.0	370.6	274.2	321.1
Operating expenses	–322.6	–313.7	–304.4	–298.2	–354.9	–282.8	–310.4	–327.0	–338.5	–278.6	–329.1
<b>Operating profit</b>	<b>23.2</b>	<b>–14.4</b>	<b>–9.1</b>	<b>–21.2</b>	<b>–39.1</b>	<b>–7.8</b>	<b>38.1</b>	<b>–7.0</b>	<b>32.1</b>	<b>–4.4</b>	<b>–8.0</b>
Financial items, net	–5.7	–3.2	–6.6	–5.4	–6.9	–5.5	–1.9	–3.5	–4.8	–3.1	–0.6
<b>Profit after financial items</b>	<b>17.5</b>	<b>–17.6</b>	<b>–15.7</b>	<b>–26.6</b>	<b>–46.0</b>	<b>–13.3</b>	<b>36.2</b>	<b>–10.5</b>	<b>27.3</b>	<b>–7.5</b>	<b>–8.6</b>

**Financial data per segment**

Amounts in SEK million

<b>July–September 2010</b>	<b>Sweden</b>	<b>United Kingdom</b>	<b>Germany</b>	<b>USA</b>	<b>Global Services</b>	<b>Other</b>	<b>Eliminations</b>	<b>Group</b>
External sales revenue	38.8	15.1	120.3	47.2	61.2	12.7	-	295.3
Revenue from segment	0.0	-	0.0	-	0.1	2.1	-2.2	0.0
Operating profit	1.3	-8.0	11.6	-15.9	6.6	-4.7	-	-9.1
Assets	125.8	181.3	271.2	552.3	151.0	374.5	-295.0	1,361.1
Liabilities	100.5	167.6	199.7	366.5	96.7	222.6	-295.0	858.6
Investments	3.3	0.3	0.3	0.3	0.3	0.4	-	4.9
Depreciation/amortization	2.8	1.7	0.9	8.8	1.5	1.3	-	17.0
Average number of employees	91	66	718	107	152	91	-	1,225

<b>July–September 2009</b>	<b>Sweden</b>	<b>United Kingdom</b>	<b>Germany</b>	<b>USA</b>	<b>Global Services</b>	<b>Other</b>	<b>Eliminations</b>	<b>Group</b>
External sales revenue	29.5	18.4	126.5	41.6	51.2	7.8	-	275.0
Revenue from segment	5.0	-	0.3	0.6	-	2.4	-8.3	0.0
Operating profit	3.5	-7.3	9.6	-12.8	5.8	-6.6	-	-7.8
Assets	133.5	155.8	286.4	588.4	148.1	393.9	-338.2	1,367.9
Liabilities	73.4	151.3	211.3	363.6	97.3	290.1	-338.2	848.8
Investments	1.9	8.5	2.3	0.8	4.9	1.9	-	20.3
Depreciation/amortization	2.7	0.2	1.8	8.6	1.9	1.5	-	16.7
Average number of employees	90	75	627	109	137	95	-	1,133

<b>January–September 2010</b>	<b>Sweden</b>	<b>United Kingdom</b>	<b>Germany</b>	<b>USA</b>	<b>Global Services</b>	<b>Other</b>	<b>Eliminations</b>	<b>Group</b>
External sales revenue	127.7	58.3	353.3	183.1	206.9	39.9	-	969.2
Revenue from segment	1.0	-	0.9	-	0.2	6.1	-8.2	0.0
Operating profit	10.3	-19.5	29.3	-25.7	22.9	-17.6	-	-0.3
Assets	125.8	181.3	271.2	552.3	151.0	374.5	-295.0	1,361.1
Liabilities	100.5	167.6	199.7	366.5	96.7	222.6	-295.0	858.6
Investments	5.7	1.0	0.9	3.0	2.4	1.1	-	14.1
Depreciation/amortization	8.2	4.7	3.9	27.2	4.4	4.0	-	52.4
Average number of employees	92	62	707	107	152	91	-	1,211

<b>January–September 2009</b>	<b>Sweden</b>	<b>United Kingdom</b>	<b>Germany</b>	<b>USA</b>	<b>Global Services</b>	<b>Other</b>	<b>Eliminations</b>	<b>Group</b>
External sales revenue	99.2	65.8	335.7	148.4	175.4	43.3	-	867.8
Revenue from segment	16.6	-	1.3	1.2	1.7	7.0	-27.8	0.0
Operating profit	9.1	-40.8	20.2	-54.3	21.3	-23.6	-	-68.1
Assets	133.5	155.8	286.4	588.4	148.1	393.9	-338.2	1,367.9
Liabilities	73.4	151.3	211.3	363.6	97.3	290.1	-338.2	848.8
Investments	3.5	52.0	3.3	2.4	7.6	2.3	-	71.1
Depreciation/amortization	8.0	2.1	6.3	30.7	5.7	4.2	-	57.0
Average number of employees	88	77	668	100	136	94	-	1,163

<b>Full year 2009</b>	<b>Sweden</b>	<b>United Kingdom</b>	<b>Germany</b>	<b>USA</b>	<b>Global Services</b>	<b>Other</b>	<b>Eliminations</b>	<b>Group</b>
External sales revenue	152.8	86.1	448.3	213.1	262.7	53.3	-	1,216.3
Revenue from segment	18.5	-	2.2	0.2	1.6	10.3	-32.8	0.0
Operating profit	27.7	-50.2	27.8	-50.0	45.7	-31.0	-	-30.0
Assets	154.8	199.4	273.6	604.1	200.4	422.2	-401.2	1,453.3
Liabilities	88.6	167.9	193.0	371.0	162.0	330.8	-401.2	912.1
Investments	7.7	56.4	4.1	-0.2	8.3	2.5	-	78.8
Depreciation/amortization	10.4	3.2	8.3	40.8	7.0	5.5	-	75.2
Average number of employees	90	66	644	101	138	93	-	1,132

**Parent company income statement**

Amounts in SEK million

	July– September 2010	July– September 2009	January– September 2010	January– September 2009	Full year 2009
Net sales	2.6	2.9	7.9	8.4	11.2
Cost of services sold	–0.7	–1.4	–2.2	–5.3	–6.3
<b>Gross profit</b>	<b>1.9</b>	<b>1.5</b>	<b>5.7</b>	<b>3.1</b>	<b>4.9</b>
Other operating costs	–6.6	–8.1	–23.3	–26.7	–35.9
<b>Operating profit</b>	<b>–4.7</b>	<b>–6.6</b>	<b>–17.6</b>	<b>–23.6</b>	<b>–31.0</b>
Dividends from subsidiaries	18.4	-	21.4	32.0	32.0
Financial net	0.4	1.6	1.2	–1.2	–0.6
<b>Profit before tax</b>	<b>14.1</b>	<b>–5.0</b>	<b>5.0</b>	<b>7.2</b>	<b>0.4</b>
Appropriations	-	-	-	-	2.5
Income tax	1.1	–0.2	4.6	4.8	7.8
<b>Profit for the period</b>	<b>15.2</b>	<b>–5.2</b>	<b>9.6</b>	<b>12.0</b>	<b>10.7</b>

**Parent company balance sheet**

Amounts in SEK million

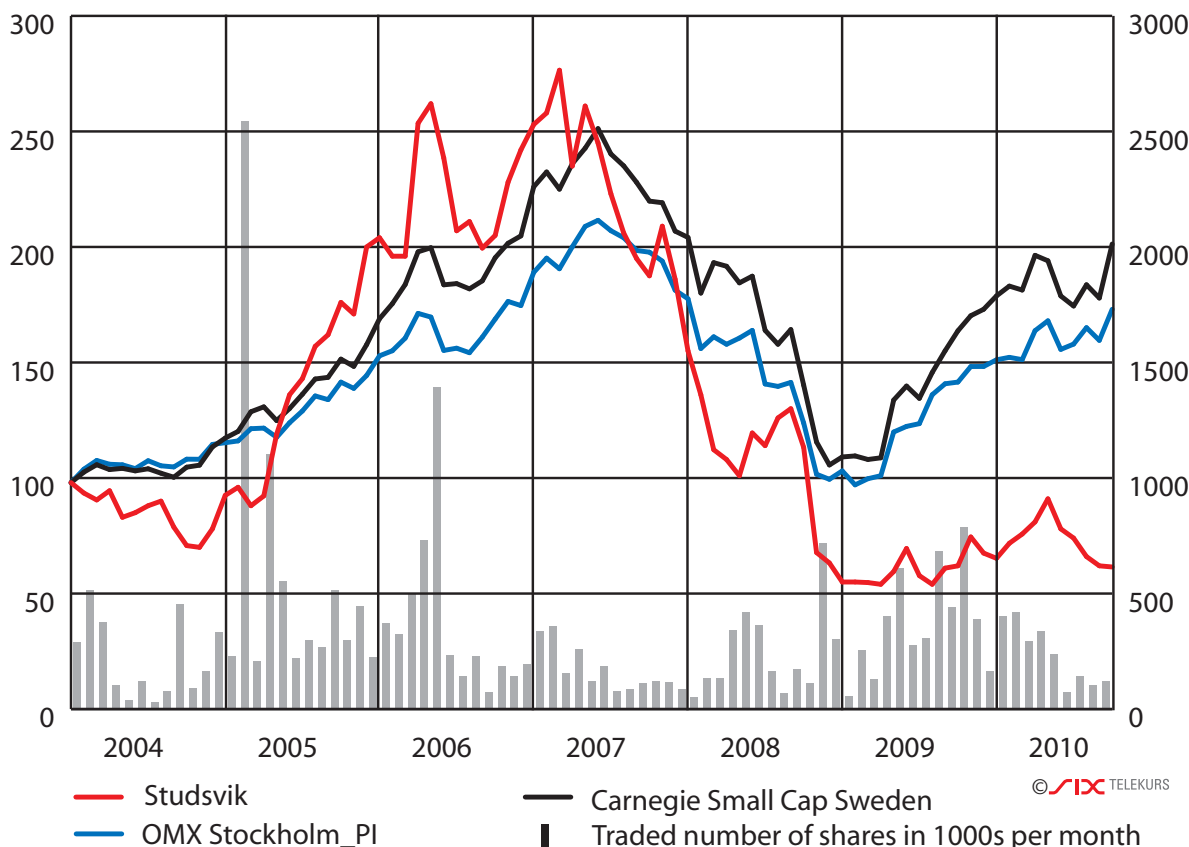
	September 2010	September 2009	December 2009
<b>Assets</b>			
Property plant and equipment	0.2	0.5	0.4
Financial non-current assets	1,095.6	1,081.5	1,095.2
<b>Total non-current assets</b>	<b>1,095.8</b>	<b>1,082.0</b>	<b>1,095.6</b>
Current assets	19.5	24.8	48.9
Liquid assets	31.8	22.1	49.3
<b>Total current assets</b>	<b>51.3</b>	<b>46.9</b>	<b>98.2</b>
<b>Total assets</b>	<b>1,147.1</b>	<b>1,128.9</b>	<b>1,193.8</b>
<b>Equity and liabilities</b>			
Equity	866.4	828.6	856.8
Untaxed reserves	-	2.5	-
Provisions	2.1	2.0	-
Non-current liabilities	141.6	212.5	182.5
Current liabilities	137.0	83.3	154.5
<b>Total liabilities</b>	<b>278.6</b>	<b>295.8</b>	<b>337.0</b>
<b>Total equity and liabilities</b>	<b>1,147.1</b>	<b>1,128.9</b>	<b>1,193.8</b>

### Major shareholders, September 30, 2010

	Number of shares	Share, %
The Karinen Family	1,769,552	21.5
Briban Invest AB	1,283,492	15.6
Allianz Global Investors	714,561	8.7
Erste Bank Österreichische Sparkassen	410,929	5.0
State Street Bank, Boston	348,098	4.2
Credit Agricole Suisse SA	263,618	3.2
Invus Investment AB	199,800	2.4
Citibank NA, London	154,868	1.9
Blue Whale Ltd	136,730	1.7
Nordea, Placeringsfond Småbolag Norden	131,246	1.6
<b>Total ten largest shareholders – holdings</b>	<b>5,412,894</b>	<b>65.8</b>
Other shareholders	2,805,717	34.2
<b>Total</b>	<b>8,218,611</b>	<b>100.0</b>

### The Studsvik share

During the third quarter, the share price varied between a high of SEK 77 on July 20, and a low of SEK 59.75 on September 28. The opening price was SEK 65.25 at the beginning of the year and the closing price on September 30 was SEK 61.50. During the third quarter, 0.37 million shares were traded and during the period January–September 2.12 million shares were traded.



### Facts about Studsvik

Studsvik offers a range of advanced technical services to the international nuclear power industry in such areas as waste treatment, decommissioning, engineering & services, and operating efficiency. The company has 60 years experience of nuclear technology and radiological services. Studsvik is a leading supplier on a rapidly expanding market. The business is conducted through five segments: Sweden, United Kingdom, Germany, USA and Global Services. Studsvik has 1,200 employees in 8 countries and the company's shares are listed on the NASDAQ OMX Stockholm.

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# Studsvik

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