

# Continued sales and profit growth

Interim report January-June 2011

## Q2 report

- The operating income was SEK 609 million (516) and organic growth was 22%
- The operating loss was SEK 12 million (-25) giving an operating margin of -2.0% (-4.8)
- Results were negatively affected by reserves of a one-off nature of SEK 31 million (-8)
- The loss after tax was SEK 10 million (-19)
- Earnings per share after dilution was SEK -0.58 (-1.07)

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*We have seen greater demand for our services compared with 2010, which has meant increased sales and improved results for the first half of the year. Saab Automobile's financial problems have meant that results were negatively affected by SEK 31 million, mainly for reserves of outstanding accounts receivable. The sound market situation means that we now have a major need to recruit on all markets. The outlook for 2011 is positive and we expect to see continued profit improvements.*

## January - June

- The operating income was SEK 1,205 million (1,037) and organic growth was 21%
- The operating profit was SEK 30 million (-29) giving an operating margin of 2.5% (-2.8)
- Results were negatively affected by reserves of a one-off nature of SEK 31 million (-8)
- The profit after tax was SEK 18 million (-24)
- Earnings per share after dilution was SEK 0.97 (-1.33)
- The equity/assets ratio was 33% (31)

*Kjell Nilsson, President & CEO*



*Semcon is a global company active in the areas of engineering services and product information. The Group has more than 2,800 employees with extensive experience from many different industries. We develop technologies, products, plants and information solutions along the entire development chain and also provide many services including quality control, training and methodology development. Semcon boosts customers' sales and competitive strength by providing them with innovative solutions, design and solid engineering solutions. The Group has sales of SEK 2.1 billion and activities at more than 40 sites in Sweden, Germany, the UK, Brazil, Hungary, India, China, Spain, Norway and Russia*

## Income and result

### Q2

Operating income rose by SEK 93 million compared to last year and amounted to SEK 609 million (516). Sales in local currencies rose by 22%. The sales growth is a result of the better state of the market and has led to a higher utilization rate in all business areas. The number of employees has meanwhile risen by 251, compared with Q2 2010. In relation to the first quarter Q2 had four fewer working days, which affects income and results.

The operating profit improved by SEK 13 million and amounted to SEK -12 million (-25), giving an operating margin of -2.0% (-4.8). Although there is still a high degree of uncertainty surrounding Saab Automobile's solvency a reserve has been made of SEK 31 million, mainly for outstanding accounts receivable. Because of this reserve there is no outstanding exposure towards Saab Automobile. The same quarter last year was hit by one-off costs of SEK 8 million. The operating profit, excluding these items, was SEK 19 million (-17) with an operating margin of 3.1% (-3.2).

Net financial items amounted to SEK -3 million (-2) giving a loss before tax of SEK 15 million (-27). Tax revenues for the quarter amounted to SEK 4 million (8). The loss after tax was SEK 10 million (-19) and the earnings per share after dilution was SEK -0.58 (-1.07).

### January-June

The operating income rose during the period by SEK 168 million compared to last year and amounted to SEK 1,205 million (1,037). Sales in local currencies rose by 21%. The sales growth is mainly the result of the better market situation compared to the same period last year.

The operating profit improved by SEK 59 million and amounted to SEK 30 million (-29) giving an operating margin of 2.5% (-2.8). Results were hit by one-off costs of SEK 31 million (-8). The operating profit, excluding these items, was SEK 61 million (-21) with an operating margin of 5.0% (-2.0).

The business areas show the following operating margins, excluding one-off costs: Automotive R&D 1.3% (-8.0), Design & Development 8.7% (2.8) and Informatic 10.3% (6.5).

Net financial items amounted to SEK -6 million (-4) giving a profit before tax of SEK 24 million (-33). Tax costs for the year stood at SEK 7 million (9). The profit after tax was SEK 18 million (-24) and the earnings per share after dilution was SEK 0.97 (-1.33).

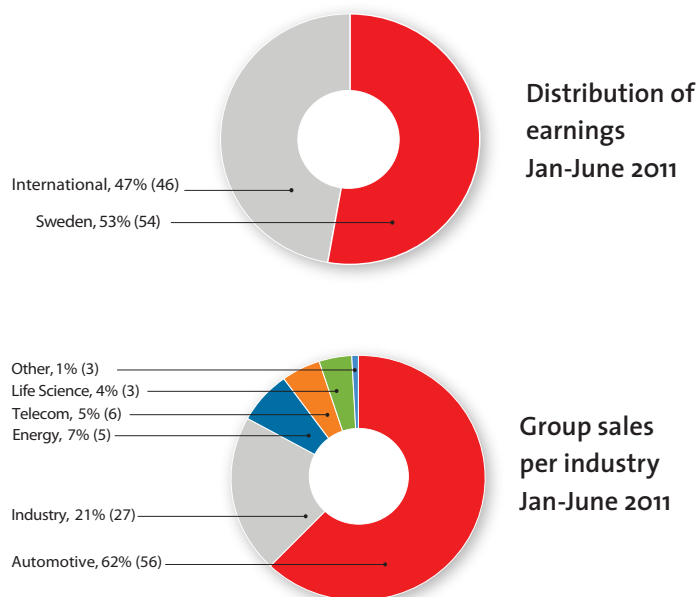
## Financial position

The operating cash flow from current activities was SEK 8 million (-67). The Group's cash and bank balances amounted to SEK 33 million (33) with additional non-utilized credit of SEK 140 million as at 30 June. A new credit agreement was signed at the beginning of Q3. The new credit agreement consists of an overdraft facility of SEK 150 million (100) and a revolving credit facility of EUR 32.8 million (32.8), which runs until July 2012. There is an option available for the company, before the due date, to extend the revolving credit to a three-year loan.

Investments in hardware, licenses, office supplies and equipment, amounted to SEK 9 million (8). Shareholders' equity amounted to SEK 390 million (359) and the equity/assets ratio was 33% (31). The Group's net debt was SEK 313 million (332) and the debt/equity ratio was 0.8 times (0.9).

## Events during the year

- Semcon signed an agreement with Stricent AB regarding taking over the company's consultancy business. The agreement means that Semcon's activities in developing pharmaceuticals and med-tech products, has been strengthened by 8 people.
- Semcon Germany has opened an office in Sindelfingen and thus strengthened its presence near its customer Daimler Cars.
- Semcon has signed an agreement with a German automotive manufacturer for developing cooling circuits within powertrain for a new global automotive platform. The project is expected to last three years with a total order value of EUR 6 million (SEK 55 m).



## Automotive R&D

The business area reported strong sales growth compared with the same period in 2010. All markets have seen growth and in total the business area's sales in local currencies rose by 32%.

The uncertainty concerning Saab Automobile negatively affected sales in Sweden in May and June. Results were hit by a very low utilization rate in Trollhättan and with reserves of SEK 17 million.

Beside the developments at Saab Automobile, the positive trend seen at automotive customers since the middle of last year is continuing, which has meant increased sales and improved results for the entire business area.

The German business is continuing to grow and is rapidly approaching a workforce of 900. Following relatively weak earnings during the first six months of the year the business area is positive that the earnings trend of the second half of the year will improve. A three-year agreement has been signed with a German automotive manufacturer in the powertrain sector for developing cooling circuits for a new global automotive platform. The agreement has an order value of around EUR 6 million (SEK 55 m).

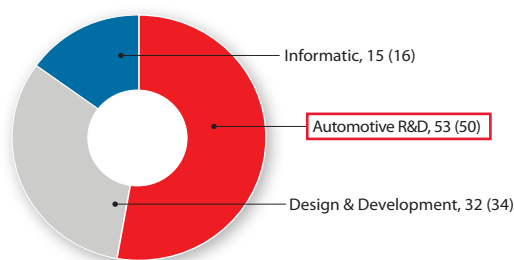
The UK reported healthy sales growth and in Q2 decided to expand the business with expertise in the energy area.

The business in Brazil is expanding with almost 200 employees at the office in Resende and São Paulo. The customer base has expanded somewhat, not only in the automotive industry, but also in the energy industry.

The business in India has now more than 100 employees. The business was negatively affected in the first half of the year with several projects being delayed.

Overall, it appears that the business area will continue to increase sales in existing markets. This means that there is an urgent need to recruit new employees, particularly in the environmental sector and hybrid technology, services in electronics, simulation and concept development.

Share of Semcon's total sales, %



Key figures Automotive R&D	April-June	April-June	Jan-June	Jan-June	Jan-June
	2011	2010	2011	2010	2010
Operating income, SEK m	322.7	256.7	639.9	520.0	1 091.0
Operating profit/loss, SEK m	-16.9	-29.2	-8.5	-44.0	-41.8
Operating margin, %	-5.2	-11.4	-1.3	-8.5	-3.8
Operating profit/loss excl. one-off items	0.0	-26.9	8.4	-41.7	-35.0
Operating margin excl. one-off items, %	0.0	-10.5	1.3	-8.0	-3.2
Number of employees at period's end	1,625	1,463	1,625	1,463	1,565

### About Automotive R&D

The business area's 1,600 or so employees provide services to customers in the global automotive industry. Its offer includes focusing in concepts, design, calculation, construction, prototyping, testing, simulations and production. Semcon is a complete supplier and the services supplied by the business area complement automotive manufacturers' own resources. Implementation and delivery are adapted according to customers' requirements, from participating in customers' teams to in-house development projects. Business activities are in Sweden, Germany, Brazil, the UK, India, Spain, Russia and China. Customers include some of the world's largest car manufacturers such as Audi, BMW, Daimler, Opel, Porsche, Saab Automobile, Scania, Volvo Trucks, Volvo Cars and VW.

## Design & Development

A favourable business climate has meant big demand for the business area's services, which has meant a sales increase of 9% and improved earnings.

Semcon's focus on increasing the amount of business in energy and life science led to two strategic investments during Q1. In the energy sector, 16 engineers with many years experience in plant development and working on larger projects have been employed at Göteborg and Stockholm. Semcon took over Stricent's consultancy business within life science with effect from 1 March.

It was also decided to open an office in Olso, Norway, during Q2.

The Product development division had a high utilization rate at all of its sites over the period and has reported major improved earnings.

Medical Life Science (MLS) is continuing its positive trend in terms of sales and results.

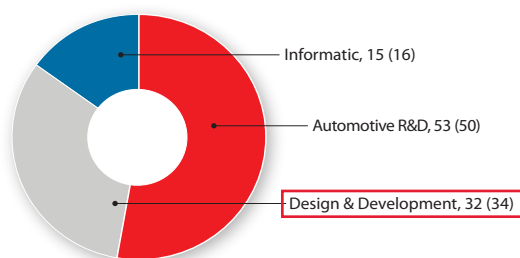
During the period the Product Lifecycle Management division (PLM) reported healthy sales growth and improved results.

Sales and earnings continued to improve for Embedded Intelligent Solutions (EIS), Semcon's business in embedded systems.

Semcon Project Management's business position has improved, but is still reporting unsatisfactory results.

The healthy market position for Design & Development means a continued large demand for recruiting for all divisions.

Share of Semcon's total sales, %



Key figures Design & Development	April-June	April-June	Jan-June	Jan-June	Jan-Dec
	2011	2010	2011	2010	2010
Operating income, SEK m	194.2	171.0	382.2	350.9	670.2
Operating profit/loss, SEK m	11.6	-1.8	32.6	4.1	15.3
Operating margin, %	6.0	-1.1	8.5	1.2	2.3
Operating profit/loss excl. one-off items, SEK m	12.4	4.0	33.4	9.9	23.4
Operating margin excl. one-off items, %	6.4	2.3	8.7	2.8	3.5
Number of employees at period's end	793	760	793	760	753

### About Design & Development

The business area has around 800 employees working with industrial and product development, production development and plant design. The business area provides expertise and experience to achieve quicker, improved product development. Services include requirement and concept studies, design, construction, embedded systems, testing, prototyping, validation, project management and production development. The business area carries out projects around the world from offices in Sweden, Norway and Germany. The business mainly focuses on the industrial, energy, telecoms and Life Science sectors. Customers include ABB, Alstom, Astra-Zeneca, Bombardier, Fortum, General Electric, Husqvarna, Pfizer, Saab AB, Siemens, Vattenfall and companies in the telecoms industry.

## Informativ

The business area is reporting stable growth and improved earnings, excluding one-off costs. The business area's reported sales growth was 13% measured in local currencies.

Saab Automobile AB's problems negatively affected sales in Sweden in Q2 and results were hit by very low utilization levels in Trollhättan plus reserves of SEK 13 million. With the exception of activities in Trollhättan the Swedish business reported both healthy sales growth and improved earnings.

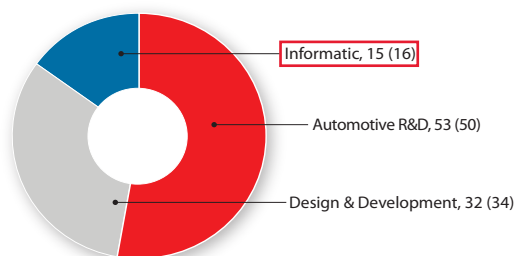
The business progressed well in the UK, partly through extended responsibility and more deals with Jaguar Land Rover. The Hungarian business is continuing its positive expansion, partly through local customers and partly through growth of the back-office activities run to support the UK and Sweden.

The business area has chosen to develop the office in Hungary as a skill centre, where expertise is centred so that other parts of the business area can benefit from in deliveries to local customers.

The business area's business in China is also continuing its positive growth trend and has almost doubled sales compared with the first half of 2010.

Demand for the business area's services is high, which means continued opportunities to expand on all markets where the business area is currently present.

Share of Semcon's total sales, %



Key figures Informativ	April-June 2011	April-June 2010	Jan-June 2011	Jan-June 2010	Jan-Dec 2010
Operating income, SEK m	91.8	88.2	182.9	165.7	329.7
Operating profit/loss, SEK m	-6.5	6.3	5.8	10.7	29.5
Operating margin, %	-7.1	7.1	3.2	6.5	8.9
Operating profit/loss excl. one-off items, SEK m	6.5	6.3	18.8	10.7	29.5
Operating margin excl. one-off items, %	7.1	7.1	10.3	6.5	8.9
Number of employees at period's end	419	363	419	363	385

### About Informativ

*Informativ's 400 plus employees provide complete information solutions in interactive marketing and aftermarket information. The business area supports customers' products throughout the product lifecycle, from sales and marketing to installation, maintenance, training and repairs. Informativ has offices in Sweden, the UK, Hungary and China. Customers are mainly in the automotive, telecoms, energy, med-tech, marine/offshore and manufacturing sectors. Customers include ABB, AB Volvo, Atlet, Bombardier, Gambro, Jaguar Land Rover, Rolls-Royce Marine, Siemens and Volvo Cars.*

## Staff and organization

The headcount on 30 June was 2,837 (2,586), of whom 1,489 (1,427) in Sweden and 1,348 (1,159) abroad. The number of employees in active service was 2,719 (2,438). Compared with year-end 2010 (31 Dec) the number of employees has risen by 134, of whom 57 in Sweden and 77 abroad. In the respective business areas the number of employees is as follows: Automotive R&D 1,625 (1,463), Design & Development 793 (760) and Informatic 419 (363).

## Ownership structure

As of 30 June, the JCE Group owned 30.5 % (30.5) of Semcon's shares, Skandia Liv 12.2 % (12.4), Swedbank Robur fonder 8.2 % (8.2) and Avanza Pension 3.9 % (1.9). Foreign ownership was 13.6 % (10.3) and the number of shareholders was 4,257 (4,290). The number of ordinary shares at the end of the period was 18,112,534 (18,112,534), all with a quotient value of SEK 1 and equal voting rights. On 30 June, Semcon owned 287,883 (289,546) shares in the company. These shares will be used in conjunction with matching savings shares to cover social costs in accordance with the share savings scheme. Semcon is listed on the NASDAQ OMX Stockholm under the SEMC ticker.

## Acquisition and divestments of companies

During the period, Semcon took over Stricent's consultancy business consisting of 8 people with effect from 1 March.

## Risks and instability factors

The Group and parent company's significant risks and instability factors include business risks in the form of high exposure towards a single industry or customer. An economic downturn or disruptions to financial markets can have a negative effect on the Group's services. In general terms acquisitions and divestments incur increased risks. This also includes financial risks mainly concerning interest rate and currency risks Semcon's Annual Report 2010, pages 40-41 and 58-59, include a detailed description of the Group and parent company's risk exposure and risk management.

## Accounting principles

Semcon follows the IFRS standards and principles as adopted by the EU (IFRIC). This report has been produced in accordance with IAS 34. In accordance with the statements given in the Annual Report for 2010, note 2, concerning new accounting principles for 2011, a number of new standards and IFRIC statements have been included from 1 January 2011. None of these have had an affect on the Group's accounts in Q1. In all, the same accounting principles have been applied in this report as in the latest annual report.

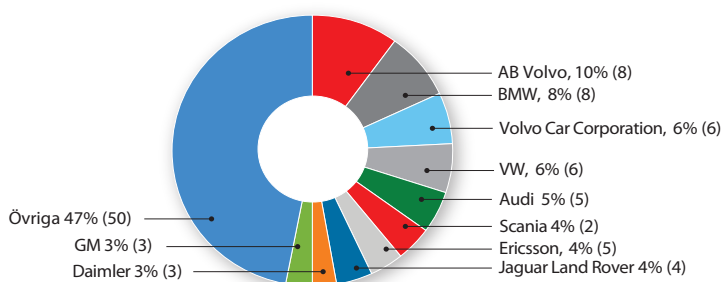
## Events after period's end

- Semcon is expanding in the energy sector and establishing new offices in Norway and the UK.

## Outlook

We have seen a clear improvement in the market situation since the second half of 2010. The good market situation means that we have a major need to recruit on all markets. Our outlook for 2011 is positive and we expect to continue seeing profit improvements.

## Semcon's 10 largest customers



The Board and CEO certify that the interim report provides an accurate picture of the parent company's and Group's activities, positions and earnings, and describes the significant risks and uncertainties facing the parent company and Group companies.

Göteborg 15 July 2011

SEMCON AB (PUBL)  
Org.nr. 556539-9549

Hans-Erik Andersson  
Chairman

Marianne Brismar  
Board member

Gunvor Engström  
Board member

Kjell Nilsson  
President & CEO

Håkan Larsson  
Board member

Joakim Olsson  
Board member

Stefan Novakovic  
Staff representative

Roland Kristiansson  
Staff representative

Christer Eriksson  
Staff representative

#### Reporting

Quarterly report Jan-Sept 2011: 27 October  
Financial Statement 2011: 9 February 2012  
Quarterly report Jan-March 2011: 26 April 2012  
Annual General Meeting: 26 April 2012  
Quarterly report Jan-June 2012: 13 July 2012  
Quarterly report Jan-Sept 2012: 25 October 2012  
Financial statement 2012: 7 February 2013

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*This report has not been subject to review by the company's auditors. Semcon discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. This information was submitted for publication at 11:30 a.m on 15 July 2011.*

# Consolidated Financial, summary

## Income statements

SEK m	Note	April-June		Jan-June		Jan-Dec
		2011	2010	2011	2010	2010
Operating income		608.7	515.9	1 205.0	1 036.6	2 090.9
Purchase of goods and services		-112.6	-81.0	-211.8	-160.5	-338.5
Other external operating expenses	1	-90.5	-61.4	-152.4	-120.2	-249.3
Staff costs	1	-410.6	-390.7	-797.5	-770.3	-1 470.2
<b>Operating profit/loss before depreciation</b>		<b>-5.0</b>	<b>-17.2</b>	<b>43.3</b>	<b>-14.4</b>	<b>32.9</b>
Depreciation and impairment of tangible fixed assets		-5.0	-5.6	-9.7	-11.2	-22.4
Depreciation of intangible assets		-1.8	-1.9	-3.7	-3.6	-7.5
<b>Operating profit/loss</b>		<b>-11.8</b>	<b>-24.7</b>	<b>29.9</b>	<b>-29.2</b>	<b>3.0</b>
Net financial items		-2.7	-2.0	-5.5	-4.1	-9.1
<b>Profit/loss before tax</b>		<b>-14.5</b>	<b>-26.7</b>	<b>24.4</b>	<b>-33.3</b>	<b>-6.1</b>
Tax		4.1	7.5	-6.8	9.3	0.8
<b>Profit/loss after tax*</b>		<b>-10.4</b>	<b>-19.2</b>	<b>17.6</b>	<b>-24.0</b>	<b>-5.3</b>
EPS per share, SEK		-0.58	-1.07	0.99	-1.33	-0.29
EPS per share after dilution, SEK		-0.58	-1.07	0.97	-1.33	-0.29

\* Of which parent company shareholders

Number of days in period

59      59      122      121      251

Note 1 One-off items (See note 1, page 13)

## Statement of comprehensive income

SEK m	April-June		Jan-June		Jan-Dec
	2011	2010	2011	2010	2010
Profit/loss after tax	-10.4	-19.2	17.6	-24.0	-5.3
<b>Comprehensive income</b>					
Translation differences for the period	6.7	-7.2	3.2	-31.4	-50.2
Hedging of net investments	-7.2	11.7	-4.9	39.2	57.5
Tax referring to effects of hedging	1.9	-3.1	1.3	-10.3	-15.1
<b>Other comprehensive income</b>	<b>1.4</b>	<b>-1.4</b>	<b>-0.4</b>	<b>-2.5</b>	<b>-7.8</b>
<b>Total comprehensive income for the period**</b>	<b>-9.0</b>	<b>-17.8</b>	<b>17.2</b>	<b>-26.5</b>	<b>-13.1</b>
** Of which parent company shareholders	-9.0	-17.8	17.2	-26.5	-13.1



## Quarterly information by business area

	2009				2010				2011	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Operating income (SEK m)</b>										
Automotive R&D	390.9	336.5	273.3	276.2	263.3	256.7	263.7	307.3	317.2	322.7
Design & Development	188.9	187.3	131.9	180.0	179.9	171.0	133.7	185.6	188.0	194.2
Informatic	82.8	78.5	72.5	82.3	77.5	88.2	74.1	89.9	91.1	91.8
<b>Total</b>	<b>662.6</b>	<b>602.3</b>	<b>477.7</b>	<b>538.5</b>	<b>520.7</b>	<b>515.9</b>	<b>471.5</b>	<b>582.8</b>	<b>596.3</b>	<b>608.7</b>
<b>Operating profit/loss (SEK m) *</b>										
Automotive R&D	-36.3	-29.5	-16.5	-16.7	-14.8	-26.9	-7.8	14.5	8.4	0.0
Design & Development	0.1	0.9	-11.4	14.8	5.9	4.0	2.1	11.4	21.0	12.4
Informatic	4.0	4.6	3.6	12.0	4.4	6.3	5.8	13.0	12.3	6.5
<b>Total excl. one-off items</b>	<b>-32.2</b>	<b>-24.0</b>	<b>-24.3</b>	<b>10.1</b>	<b>-4.5</b>	<b>-16.6</b>	<b>0.1</b>	<b>38.9</b>	<b>41.7</b>	<b>18.9</b>
Write down of goodwill and of shares in associated companies	-	-	-	-78.2	-	-	-	-	-	-
One-off items **	-9.6	-39.3	-20.8	-22.9	-	-8.1	-2.8	-4.0	-	-30.7
<b>Total incl. one-off items</b>	<b>-41.8</b>	<b>-63.3</b>	<b>-45.1</b>	<b>-91.0</b>	<b>-4.5</b>	<b>-24.7</b>	<b>-2.7</b>	<b>34.9</b>	<b>41.7</b>	<b>-11.8</b>
<b>Operating margin (%)</b>										
Automotive R&D	-9.3	-8.8	-6.0	-6.1	-5.6	-10.5	-3.0	4.7	2.6	0.0
Design & Development	0.1	0.5	-8.6	8.2	3.3	2.3	1.6	6.1	11.2	6.4
Informatic	4.8	5.8	5.0	14.6	5.7	7.1	7.8	14.5	13.5	7.1
<b>Total excl. one-off items</b>	<b>-4.9</b>	<b>-4.0</b>	<b>-5.1</b>	<b>1.9</b>	<b>-0.9</b>	<b>-3.2</b>	<b>0.0</b>	<b>6.7</b>	<b>7.0</b>	<b>3.1</b>
<b>Total incl. one-off items</b>	<b>-6.3</b>	<b>-10.5</b>	<b>-9.4</b>	<b>-16.9</b>	<b>-0.9</b>	<b>-4.8</b>	<b>-0.6</b>	<b>6.0</b>	<b>7.0</b>	<b>-1.9</b>
<b>Number of employees</b>										
Automotive R&D	1,911	1,670	1,600	1,497	1,467	1,463	1,516	1,565	1,609	1,625
Design & Development	859	838	791	784	803	760	736	753	783	793
Informatic	396	363	350	350	356	363	371	385	397	419
<b>Total</b>	<b>3,166</b>	<b>2,871</b>	<b>2,741</b>	<b>2,631</b>	<b>2,626</b>	<b>2,586</b>	<b>2,623</b>	<b>2,703</b>	<b>2,789</b>	<b>2,837</b>
No. of working days	62	59	66	63	62	59	66	64	63	59

\* Operating profit/loss per business area excluding one-off items

\*\* One off items (See note 1, page 13)

## Balance sheet

SEK m	30 June		31 Dec
	2011	2010	2010
<b>Assets</b>			
Intangible assets, goodwill	440.2	448.3	437.2
Other intangible assets	23.9	27.5	24.7
Tangible fixed assets	39.2	51.4	43.0
Financial assets	19.0	17.2	18.2
Deferred tax recoverable	72.0	85.0	69.9
Accounts receivable	316.0	275.4	323.8
Accrued non-invoice income	186.7	155.5	133.9
Current assets	59.2	61.4	37.4
Cash and bank assets	32.6	32.5	42.5
<b>Total assets</b>	<b>1,188.8</b>	<b>1,154.2</b>	<b>1,130.6</b>
<b>Shareholders equity and liabilities</b>			
Shareholders equity and liabilities	390.0	359.3	372.6
Pensions obligations	49.6	55.2	48.4
Deferred tax recoverable	5.1	-	-
Interest-bearing long-term liabilities	274.4	266.0	270.1
Interest-bearing current liabilities	21.5	43.8	29.2
Accounts payable	72.5	63.8	69.9
Non interest bearing current liabilities	375.7	366.1	340.4
<b>Total shareholders equity and liabilities</b>	<b>1,188.8</b>	<b>1,154.2</b>	<b>1,130.6</b>

## Change in shareholders equity

SEK m	30 June		31 Dec
	2011	2010	2010
Shareholders equity at start of period	372.6	385.4	385.4
Total comprehensive income	17.2	-26.5	-13.1
Share savings program	0.2	0.4	0.3
<b>Shareholders equity at period's end</b>	<b>390.0</b>	<b>359.3</b>	<b>372.6</b>

## Cash flow statement

SEK m	April-June		Jan-June		Jan-Dec
	2011	2010	2011	2010	2010
Cash flow from current activities before change in working capital	-12.4	-24.6	32.3	-40.8	-5.8
Change in working capital	24.3	-18.5	-24.8	-25.8	-49.3
<b>Cash flow from current liabilities</b>	<b>11.9</b>	<b>-43.1</b>	<b>7.5</b>	<b>-66.6</b>	<b>-55.1</b>
Net Investments	-3.0	-2.9	-8.6	-7.6	-14.5
Sales of fixed assets	0.1	-	0.2	2.6	3.5
<b>Cash flow from investment activities</b>	<b>-2.9</b>	<b>-2.9</b>	<b>-8.4</b>	<b>-5.0</b>	<b>-11.0</b>
Change in interest-bearing liabilities	-6.0	48.7	-8.4	38.1	47.2
<b>Cash flow from financing activities</b>	<b>-6.0</b>	<b>48.7</b>	<b>-8.4</b>	<b>38.1</b>	<b>47.2</b>
<b>Cash flow for the period</b>	<b>3.0</b>	<b>2.7</b>	<b>-9.3</b>	<b>-33.5</b>	<b>-18.9</b>
Cash and bank at the start of the period	29.1	29.6	42.5	67.7	67.7
Translation difference	0.5	0.2	-0.6	-1.7	-6.3
<b>Cash and bank at the end of the period</b>	<b>32.6</b>	<b>32.5</b>	<b>32.6</b>	<b>32.5</b>	<b>42.5</b>

**Key figures excluding one-off items \***

	April-June		Jan-Dec
	2011	2010	2010
Operating margin (%)	5.0	-2.0	0.9
Profit margin (%)	4.6	-2.4	0.4
Return on average shareholders equity (%) **	16.6	-8.1	1.7
Return on average capital employed (%) **	13.7	-5.0	2.7

**Key figures including one off items \***

	April-June		Jan-Dec
	2011	2010	2010
Growth in sales (%)	16.2	-18.0	-8.3
Organic growth in sales (%)	21.2	-14.9	-4.5
Operating margin before depreciation/amortization (%)	3.6	-1.4	1.6
Operating margin (%)	2.5	-2.8	0.1
Profit margin (%)	2.0	-3.2	-0.3
Return on average shareholders equity (%) **	9.7	-35.5	-1.4
Return on average capital employed (%) **	8.7	-23.5	0.6
Equity/asset ratio (%)	32.8	31.1	33.0
Debt/equity ratio (times)	0.8	0.9	0.8
Interest cover ratio (times)	5.3	-6.2	0.4
Average number of employees	2,837	2,586	2,703
Investments in fixed assets (SEK m)	8.6	7.6	14.5

**Key figures for shares \***

	April-June		Jan-Dec
	2011	2010	2010
EPS after tax (SEK)	0.99	-1.33	-0.29
EPS per share after dilution (SEK)	0.97	-1.33	-0.29
Shareholders equity before dilution (SEK)	21.88	20.16	20.57
Shareholders equity after dilution (SEK)	21.53	19.84	20.57
Share price / shareholders equity per share (times)	2.02	1.48	1.43
Cash flow from current activities	0.41	-2.92	-3.04
Share price at the end of the period (SEK)	43.6	29.30	29.40
Market price at the end of the period (SEK m)	790	531	533
Number of shares at the end of the period (000)	18,113	18,113	18,113
Number of own shares at the end of the period (000)	288	290	289
Average number of shares (000)	18,113	18,113	18,113
Average number of own shares (000)	288	293	291

\* Definitions for key figures is presented in annual report for 2010 at page 75

\*\* Rolling 12 months

## Largest holdings, 30 June 2011

Name	No. of shares	Votes, %
JCE Group	5,526,271	30.5
Skandia liv	2,202,540	12.2
Swedbank Robur fonder	1,484,802	8.2
Avanza Pension	701,873	3.9
FIM Bank	589,707	3.2
Andra AP fonden	541,759	3.0
Tanglin	289,142	1.6
SIX SIS AG	269,100	1.5
Nordnet Pensionsförsäkring	248,645	1.4
Mellon Omnibus	209,500	1.1
<b>Total</b>	<b>12,063,339</b>	<b>66.6</b>
Own shares	287,883	1.6
Other	5,761,312	31.8
<b>Total</b>	<b>18,112,534</b>	<b>100.0</b>

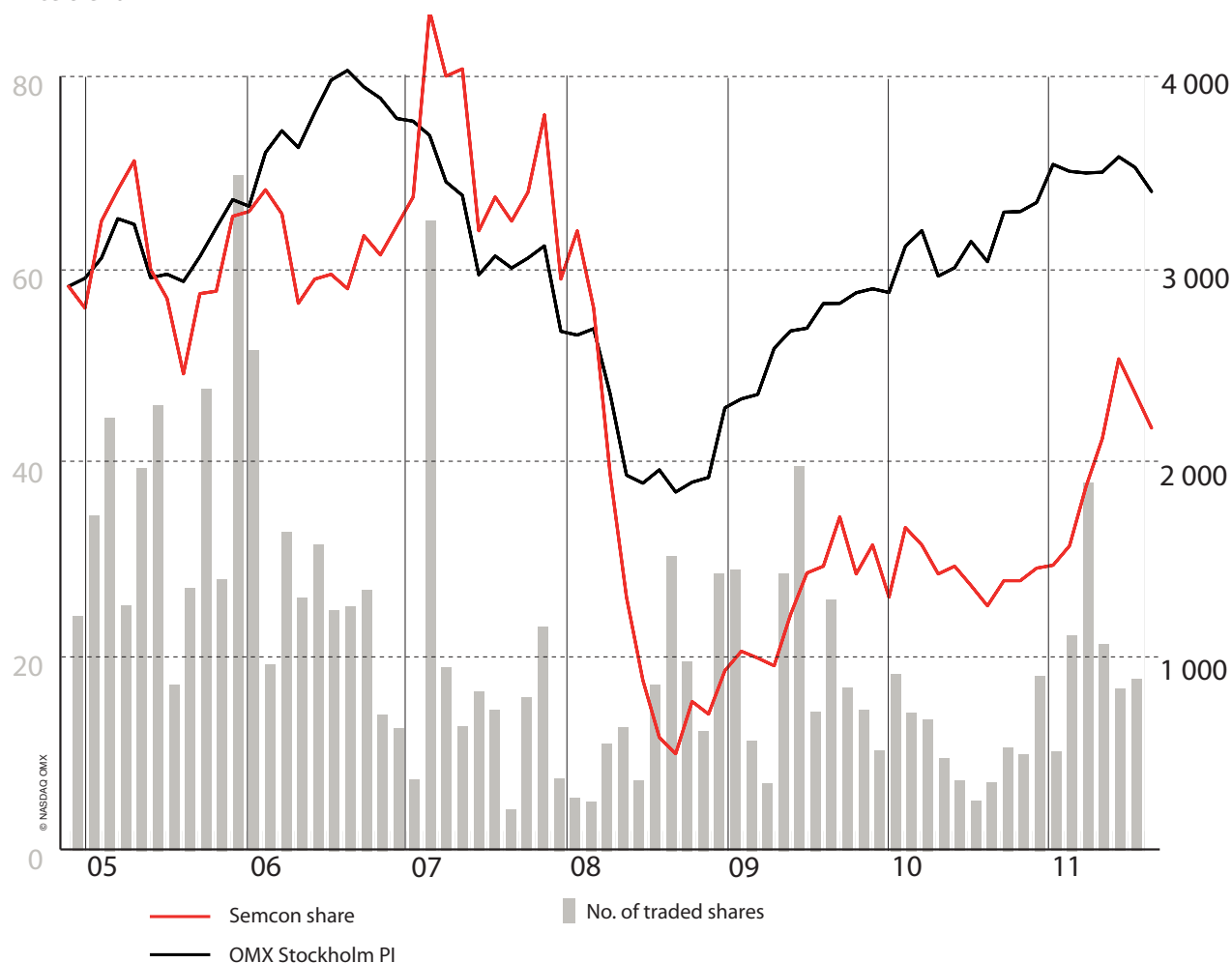
Source: Euroclear Sweden AB register of shareholders on 30 June 2011.

## Ownership structure, 30 June 2011

	No. of shareholders	No. of shares	Pro-portion, %	Market value SEK 000
1-500	2,767	552,127	3.1	24,073
501-1 000	767	635,891	3.5	27,725
1 001-10 000	640	1,881,090	10.4	82,016
10 001-100 000	68	2,233,291	12.3	97,371
100 001 -	14	12,522,252	69.1	545,970
Own shares	1	287,883	1.6	12,552
<b>Total</b>	<b>4,257</b>	<b>18,112,534</b>	<b>100.0</b>	<b>789,707</b>

Source: Euroclear Sweden AB register of shareholders on 30 June 2011.

## Price trend



# Notes

## Note 1 One-off items

SEK m	April-June		Jan-June		Jan-Dec
	2011	2010	2011	2010	2010
Structural changes in Sweden *	-1.8	-8.1	-1.8	-8.1	-11.3
Structural changes abroad *	-	-	-	-	-3.6
Provision for doubtful receivables	-28.9	-	-28.9	-	-
<b>Total</b>	<b>-30.7</b>	<b>-8.1</b>	<b>-30.7</b>	<b>-8.1</b>	<b>-14.9</b>
<b>Specification of items in the income statement</b>					
Other external expenses	-28.9	-2.3	-28.9	-2.3	-2.3
Staff costs	-1.8	-5.8	-1.8	-5.8	-12.6
<b>Total</b>	<b>-30.7</b>	<b>-8.1</b>	<b>-30.7</b>	<b>-8.1</b>	<b>-14.9</b>
<b>Dividend per business area</b>					
Automotive R&D	-16.9	-2.3	-16.9	-2.3	-6.8
Design & Development	-0.8	-5.8	-0.8	-5.8	-8.1
Informatic	-13.0	-	-13.0	-	-
<b>Total</b>	<b>-30.7</b>	<b>-8.1</b>	<b>-30.7</b>	<b>-8.1</b>	<b>-14.9</b>

\* Staff cuts, reduction of working space and depreciation of inventories

## Parent company

# Financial, summary

### Income statements

SEK m	April-June		Jan-June		Jan-Dec
	2011	2010	2011	2010	2010
Operating income	5.4	5.9	10.5	12.0	22.2
Other external expenses	-5.6	-4.4	-10.1	-8.1	-19.1
Staff costs	-7.4	-6.3	-13.9	-14.2	-27.2
<b>Operating profit/loss before depreciation</b>	<b>-7.6</b>	<b>-4.8</b>	<b>-13.5</b>	<b>-10.3</b>	<b>-24.1</b>
Depreciation of tangible assets	-0.1	-0.1	-0.2	-0.2	-0.4
<b>Operating profit/loss after depreciation</b>	<b>-7.7</b>	<b>-4.9</b>	<b>-13.7</b>	<b>-10.5</b>	<b>-24.5</b>
Net financial items*	2.8	3.1	1.6	15.5	44.0
<b>Profit/loss after net financial items</b>	<b>-4.9</b>	<b>-1.8</b>	<b>-12.1</b>	<b>5.0</b>	<b>19.5</b>
Appropriations	-	-	-	-	0.2
<b>Profit/loss after tax</b>	<b>-4.9</b>	<b>-1.8</b>	<b>-12.1</b>	<b>5.0</b>	<b>19.7</b>
Tax	1.3	0.5	3.2	-1.3	-5.9
<b>Profit/loss after tax</b>	<b>-3.6</b>	<b>-1.3</b>	<b>-8.9</b>	<b>3.7</b>	<b>13.8</b>
* Of which translation differences	-1.6	8.3	-1.3	21.6	29.5

### Statement of comprehensive income

SEK m	April-June		Jan-June		Jan-Dec
	2011	2010	2011	2010	2010
Profit/loss for the period	-3.6	-1.3	-8.9	3.7	13.8
Other comprehensive income					
Group contribution	-	-	-	-	-35.0
Tax on group contribution	-	-	-	-	9.2
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-25.8</b>
<b>Total comprehensive income for the period</b>	<b>-3.6</b>	<b>-1.3</b>	<b>-8.9</b>	<b>3.7</b>	<b>-12.0</b>

### Balance sheets

SEK m	30 June		31 Dec
	2011	2010	2010
<b>Assets</b>			
Tangible fixed assets		1.1	1.4
Financial fixed assets		506.7	522.2
Current assets		183.3	156.8
<b>Total assets</b>		<b>691.1</b>	<b>680.4</b>
<b>Shareholder equity and liabilities</b>			
Shareholders equity		285.6	310.2
Untaxed reserves		0.2	0.4
Interest-bearing long-term liabilities		283.7	264.8
Interest-bearing current liabilities		20.2	41.4
Non interest-bearing current liabilities		101.4	63.6
<b>Total shareholders equity and liabilities</b>		<b>691.1</b>	<b>680.4</b>