

# Year-end report

January – December, 2011

Press release, February 15, 2012

## Record-high quarterly sales and operating profit

### Highlights of the fourth quarter of 2011:

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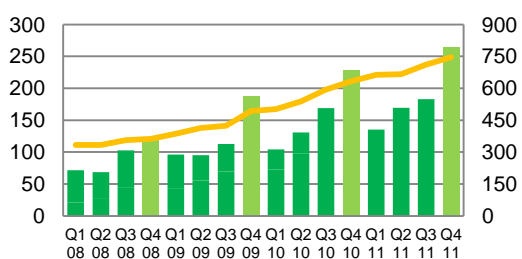
- Net sales rose to SEK 263.5 m (229.1), an increase of 15 percent.
- Operating profit (EBIT) rose to SEK 30.0 m (26.4), an increase of 13.6 percent. The operating margin was 11.4 percent (11.5).
- Profit for the period amounted to SEK 19.2 m (34.1).
- Earnings per share after paid tax amounted to SEK 1.67 (1.65) while earnings per share after full tax amounted to SEK 0.99 (1.78).
- Cash flow from current activities totalled SEK 65.9 m (103.3).
- Order bookings amounted to SEK 194.6 m (164.9), an increase of 18.0 percent. For the Care product range, order bookings increased by 25.3 percent.
- Increased presence in North America, the UK and Ireland.

### Highlights of the 2011 full year:

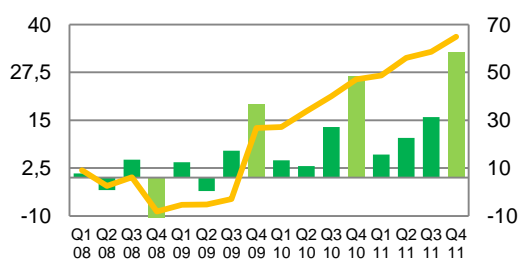
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- Net sales rose to SEK 745.4 m (632.8) – an increase of 17.8 percent.
- Operating profit (EBIT) rose to SEK 62.0 m (47.0), an increase of 31.9 percent. The operating margin improved to 8.3 percent (7.4).
- Profit for the year amounted to SEK 57.9 m (57.1).
- Earnings per share after paid tax amounted to SEK 3.62 (2.04) while earnings per share after full tax amounted to SEK 3.02 (2.99).
- Cash flow from current activities totalled SEK 104.9 m (80.4).
- The Board of Directors proposes a dividend of SEK 1.00 per share.
  
- Close to a million mobile phones sold in 2011.
- The global distribution network was further extended with 12 new retailers/operators, strengthening Doro's presence mainly in North America, the UK and Ireland.
- Doro's protection of intellectual property was confirmed through three court rulings.
- In order to strengthen Doro's position in mHealth and Android-based applications Prylos SAS and Birdy Technology SAS were acquired. The acquisitions have had a marginal effect on Doro's sales and earnings in 2011.

Sales per quarter and rolling 12 months, SEKm



EBIT per quarter and rolling 12 months, SEKm



Doro Group	2011	2010	2011	2010
SEKm	Oct-Dec	Oct-Dec	Full year	Full year
Income/net sales	263.5	229.1	745.4	632.8
Operating profit/loss after depreciation and write-downs, EBIT	30.0	26.4	62.0	47.0
Operating margin, EBIT %	11.4	11.5	8.3	7.4
Profit/loss after financial items	33.1	33.0	72.9	46.4
<b>Profit/loss for the period</b>	<b>19.2</b>	<b>34.1</b>	<b>57.9</b>	<b>57.1</b>
Average number of shares, thousands	19,349	19,108	19,188	19,108
Average number of shares after dilution*, thousands	19,349	19,108	19,188	19,108
Earnings per share before tax, SEK	1.71	1.73	3.80	2.43
Earnings per share before tax, after dilution*, SEK	1.71	1.73	3.80	2.43
Earnings per share after tax, SEK	0.99	1.78	3.02	2.99
Earnings per share after tax, after dilution*, SEK	0.99	1.78	3.02	2.99

\*The effect of dilution is considered only when the effect on earnings per share is negative.



## CEO Jérôme Arnaud: An active 2011 ends with a quarter of continued growth

"Doro's growth has returned to double digits; 15 percent, in the fourth quarter. Growth is mainly being driven by the US and the Nordic region, but also by EMEA, where our new models have been successful. In total, Doro's sales of mobile phones grew by almost 40 percent.

All regions grew, delivering a positive EBIT margin and we can report improved EBIT for the 12th consecutive quarter. The positive trend can also be traced in our continued strong order bookings, which rose by 18 percent over the quarter.

In the fourth quarter we extended our global presence. Areas in which we made particular progress include the US, where our American partner signed a distribution agreement with pharmacy chain Walgreens. It now sells Doro phones in more than 800 stores across Florida. In the UK and Ireland, we signed an agreement with O2, which is part of Telefonica, one of the world's largest operators. In total during the year, we signed 12 new agreements with leading operators and retailers on four continents. As a result, we increased our sales significantly, reinforcing our leading position. Our market share in Western Europe is now twice that of our closest competitor, and worldwide we sold nearly a million mobile phones in 2011.

Over the year, we launched seven new mobile phones, some of which were based on 3G technology, 60 software programs and nine fixed-line phones.

At the Mobile World Congress in Barcelona in February, we will showcase Doro Experience – an Android-based solution with applications that, together with our new smartphone, the Doro PhoneEasy® 740, can connect users with friends and relatives. Prylos, which we acquired during summer, has been instrumental in this development. This innovation enlarges our accessible market among seniors.

Three court rulings in Doro's favor regarding the protection of our intellectual property rights confirm that Doro has established a certain entry barrier for competitors.

In 2011, we raised the pace of our product investment. Looking ahead into 2012, we will further increase such investments to feed our growth, to make our offering evolve together with more tech savvy seniors, and to aid our expansion into the mHealth sector. Our strong financial position gives us favorable conditions to develop this strategy through organic development and/or acquisitions."

EMEA returns to growth

800 new stores in the US

Agreement with Telefonica, one of the world's largest operators

Leading position reinforced

New solutions to be launched at Mobile World Congress in Barcelona

Protection of intellectual rights confirmed

Continued investments to serve seniors more accustomed to technology

## The Group, Fourth quarter 2011

Recovery in EMEA and significant growth in Nordic countries and the US and Canada

Significant growth in spite of phasing out of certain Home products

Currency adjusted growth amounts to 16 percent

Improved gross margin and EBIT

### Net sales and operating profit

Doro's net sales for the fourth quarter amounted to SEK 263.5 m (229.1), an increase of 15 percent compared with the strong fourth quarter of 2010. Growth for the quarter was primarily driven by the US, but also by the Nordic and EMEA regions, which are still being impacted negatively by the phasing out of certain Home products. However, these regions are also benefiting from successful launches of new phones with cameras and 3G technology.

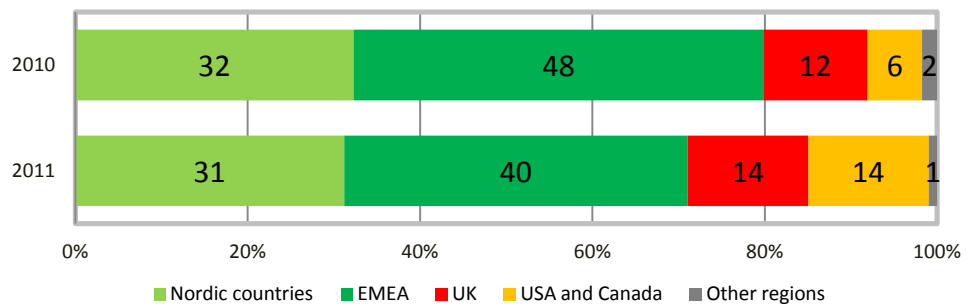
Despite the phasing out of Home products, accumulated growth was almost 18 percent.

Using the same exchange rates as for the previous year, growth amounted to 16 percent for the fourth quarter.

EBIT amounted to SEK 30.0 m (26.4), an increase of 13.6 percent. The EBITmargin amounted to 11.4 percent (11.5) despite increased investments in new markets, products and applications. The improved EBIT is mainly attributable to the increased sales volume, as well as to the higher gross margin compared with last year. The gross margin may vary depending on the geographical distribution of sales and on the product mix. The improvement in the quarter is however also attributable to factors as more efficient purchasing procedures and new unique products.

### Geographic regions

Sales per region, year-to-date, %



Nordic region continues to grow

#### Nordic region

Sales in our largest region, the Nordic region, rose by 21.6 percent compared with the fourth quarter of 2010 to SEK 88.8 m, which was primarily a result of the updated product range. EBIT margin is somewhat lower due to group cost allocations and cost for marketing activities.

Accumulated, sales rose by 13.8 percent. The Nordic region still reports the highest EBIT margin.

Growth with improved EBIT margin in EMEA

#### EMEA (Europe, the Middle East and Africa)

In the EMEA region, sales rose by 13.8 percent compared with the year-earlier quarter to SEK 110.8 m. The EBIT margin also improved considerably. The improvements are attributable to an updated range and a strong trend primarily in Germany.

The increased sales for the quarter offset the phasing out of Home products that took place over the year.

Accumulated, the decrease in sales could therefore be limited to 1.3 percent. The EBIT margin for the full-year was also better.

UK – strong  
accumulated growth

#### *United Kingdom*

In the UK, sales for the fourth quarter rose by 3.6 percent to SEK 34.8 m with a somewhat lower EBIT margin for the quarter as well as for accumulated as a consequence of continued investment to develop the UK market.

Accumulated, sales growth remained strong, rising 37.1 percent.

US and Canada – continued  
growth with significantly  
improved margin

#### *US and Canada*

Compared with the corresponding quarter in 2010, operations in the US and Canada reported an increase in sales of 20.2 percent to SEK 26.8 m, driven primarily by the US. Due to the increased volumes, the EBIT margin improved significantly for the quarter as well as accumulated, reaching a level close to that in the Nordic region.

Accumulated, sales rose by 160 percent, driven mainly by Canada.

#### *Other regions*

For the quarter, other regions account for only SEK 2.3 m (2.8) with a positive EBIT margin.

The operating margin for the different regions may vary from quarter to quarter since the allocation of overhead costs is based on sales.

Profits for the period bur-  
dened by reduced deferred  
tax assets

#### **Profit/loss for the period**

Profit for the fourth quarter amounted to SEK 19.2 m (34.1).

Net financial items for the period were SEK 3.5 m lower than in the year-earlier period. This is primarily due to the fact that Doro's forward rate agreements have, in accordance with IFRS, been assessed under financial items, affecting net financial items positively by SEK 2.8 m (6.7).

The tax expense, which rose by SEK 15.0 m to SEK 13.9 m (income 1.1) is attributable to deferred tax assets being offset against profit for the year. The deferred tax assets were thus reduced by SEK 13.1 m, affecting profit but not cash flow. In addition, the tax expense in France increased as a consequence of improved earnings.

Continued good cash flow

#### **Cash flow, investments and financial position**

Cash flow from current activities in the quarter totaled SEK 65.9 m (103.3). The lower level, compared with the corresponding quarter in 2010, when the delayed VAT receivable of SEK 23.8 m was recovered, is otherwise primarily attributable to the larger volumes.

For the full-year, cash flow from current activities amounted to SEK 104.9 m (80.4), giving a cash conversion rate of 169 percent.

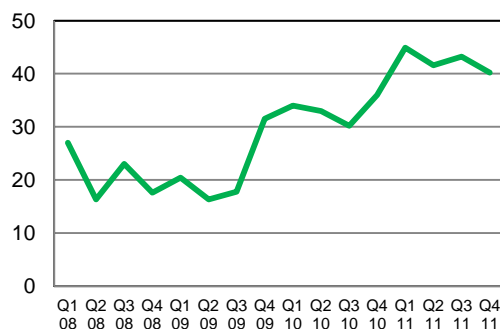
Continued investments  
in growth

Consolidated net cash flow, which over the year amounted to SEK 56.5 m, has been impacted by dividends totaling SEK 9.6 m, company acquisitions for SEK 19.6 m and investments of SEK 21.2 m. Investments are attributable to capitalized investments that are primarily attributable to product development since investments in IT have decreased.

## Continued financial strength

The equity/assets ratio was 39.5 percent (36.0) at the close of the period.

Equity/asset ratio, %



At the end of the period, Doro had interest bearing liabilities of SEK 2.4 m (0) with a net cash balance of SEK 146 m (89.5). The company also has unutilized overdraft facilities of SEK 32.0 m.

### Personnel

At the end of the year, the headcount was 77 (60). Of these, 33 (29) are based in Sweden, 26 (16) in France, 8 (5) in the UK, 3 (4) in Norway and 7 (6) in Hong Kong. Most headcount increase is a consequence of our acquisitions.

### Parent Company

The Parent Company's net sales for the year's fourth quarter amounted to SEK 255.6 m (223.7). The profit before tax amounted to SEK 23.7 m (31.2).

### Events after the close of the period

After having been awarded a Mobile d'Or in December, Doro's easy-to-use mobile phone, the Doro PhoneEasy® 615 has in January received the Janus de la Santé Award. On January 17, the Landgericht Hamburg court in Germany upheld the previous preliminary ruling of September 7, 2011. In that ruling, Doro's competitor, Emporia Deutschland, was forbidden, subject to a considerable fine, from holding, selling, using, importing or exporting a clamshell mobile phone model with a certain appearance and marketed under the Telme brand.

### Outlook

Doro's sales growth is expected to continue. Investments in new product development will increase in 2012. No profit forecast is given at this point of time.

## Doro's share up with 18.7 percent between September 30 and December 31

### Doro share

Doro's shares are quoted on the Nasdaq OMX Nordic Exchange Stockholm, Small Cap – Telecom/IT list.

As per December 31, 2011, Doro's market capitalization was SEK 528.2 m, which can be compared with SEK 596.2 m on December 31, 2010. During the period September 30 to December 31, 2011, the share price rose from SEK 23.00 to SEK 27.30.

As per December 31, 2011, there were 6,114 shareholders (5,900).

**Major shareholdings as at December 30, 2011**

Holder	No. of shares	Shares and votes, %
Nordea Investment Funds	2,013,708	10.4
Försäkringsbolaget Avanza Pension	1,494,357	7.7
Originat AB	1,100,000	5.7
Handelsbanken fonder	738,750	3.8
Clearstream Bankning S.A., W8IMY	517,794	2.7
Kastensson Holding AB	506,000	2.6
ABN AMRO Bank NV, W8IMY	464,433	2.4
Catella Fondfövaltning	427,000	2.2
Lärerstandens Brandförsikring GE	417,706	2.2
Euroclear Bank S.A/N.V. W8IMY	396,149	2.0

Source: Euroclear Sweden AB and Doro AB.

**Related-party transactions**

No transactions took place between Doro and related parties that had a material impact on the Company's financial position and results.

**Risks**

Risks and instability factors are mainly related to supplier disruption, product adaptation and certification, customer relations, exchange rate fluctuations and loan financing. Apart from these risks and the instability factors described on page 24 and 53–55 of the 2010 Annual Report, no other risks of any significance have been identified during the most recent period.

**Accounting principles**

This Interim Report has been prepared on behalf of the Group according to IAS 34, Interim Financial Reporting, and for the Parent Company in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting of legal entities. The accounting principles and calculation methods applied are consistent with those that were applied when drawing up the previous year's accounts.

AGM on March 21

**Annual General Meeting**

The AGM will be held on March 21, 15:00 at the Scandic Anglais hotel, Humlegårdsgatan 23, 102 44 Stockholm, Sweden. The notice to attend the AGM will be available on [www.doro.com](http://www.doro.com), where it will also be possible for shareholders to register their intention to attend.

**Nomination Committee**

The Nomination Committee consists of Tedde Jeansson who is elected Chairman of the Nomination Committee, Arne Bernroth and Bo Kastensson (Chairman of Doro AB).

Next report May 11

**Financial calendar 2012**

The Board has set the following dates for the publication of Doro's Interim Reports:  
January-March 2012: May 11, 2012  
January-June 2012: August 21, 2012  
January – September 2012: November 8, 2012

**Interim Reports**

The Interim Reports are available at [www.doro.com](http://www.doro.com) under Corporate and Press Website.

**For further information, please contact:**

President & CEO, Jérôme Arnaud, +46 (0)46 280 50 05

Vice President & CFO, Annette Borén, +46 (0)70 630 00 09

Webcast at 9:00

**Doro's interim report to be presented via webcast and telephone conference**

Analysts, investors and the media are welcome to attend a presentation via [www.doro.com](http://www.doro.com) or by telephone from 09:00 a.m. CET on February 15, 2012. Doro's President and CEO Jérôme Arnaud and CFO Annette Borén will participate.

Approximately 1 hour before the start of the presentation, the presentation materials will be made available on the Company's website.

Please call about five minutes before the advertised starting time to access the telephone conference.

Call-in details:

UK: +44 (0)20 3043 2436,

SE: +46 (0)8 505 598 53,

US: +1 866 458 40 87

France: +33 (0) 172 72 0115

Lund, Sweden, February 15, 2012

*Board of Trustees*

Doro AB (publ) | Company registration number 556161-9429

Doro AB (publ)

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The Board of Directors and CEO confirm that this Interim Report provides a fair overview of the Company's and Group's business, position and results and describes the significant risks and uncertainties faced by the Company and its subsidiaries.

*This report has not been reviewed by the company's auditors*

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**About Doro**

Doro, the leader in the telecom care market, is a Swedish public company. With over 37 years of experience in the telecom industry, the company focuses on developing, marketing and selling products, software, TeleCare and mHealth solutions specially adapted to the growing worldwide population of seniors. Doro's range of easy-to-use mobile phones is unmatched and its unique know-how has been recognized through several international design awards. The company's products are sold in more than 30 countries on five continents. In FY 2010 revenue totalled SEK 633 m. Doro's shares are quoted on the Nasdaq OMX Stockholm exchange, Nordic list, Small companies. Read more about Doro at [www.doro.com](http://www.doro.com) or at [facebook.com/DoroSverige](https://www.facebook.com/DoroSverige).



# Financial Reports

INCOME STATEMENT (SEK m)	2011	2010	2011	2010
	Doro Group Oct-Dec	Oct-Dec	Full year	Full year
Income/net sales	263.5	229.1	745.4	632.8
Operating cost	-228.9	-200.6	-669.8	-569.7
Operating profit/loss before depreciation and write-downs, EBITDA	34.6	28.5	75.6	63.1
Depreciation according to plan	-4.6	-2.1	-13.6	-16.1
Operating profit/loss after depreciation and write-downs, EBIT	30.0	26.4	62.0	47.0
Net financial items	3.1	6.6	10.9	-0.6
Profit/loss after financial items	33.1	33.0	72.9	46.4
Taxes	-13.9	1.1	-15.0	10.7
<b>Profit/loss for the period</b>	<b>19.2</b>	<b>34.1</b>	<b>57.9</b>	<b>57.1</b>
Average number of shares, thousands	19,349	19,108	19,188	19,108
Average number of shares after dilution*, thousands	19,349	19,108	19,188	19,108
Earnings per share before tax, SEK	1.71	1.73	3.80	2.43
Earnings per share before tax, after dilution*, SEK	1.71	1.73	3.80	2.43
Earnings per share after tax, SEK	0.99	1.78	3.02	2.99
Earnings per share after tax, after dilution*, SEK	0.99	1.78	3.02	2.99

\*The effect of dilution is considered only when the effect on earnings per share is negative.

STATEMENT OF COMPREHENSIVE INCOME (SEK m)	2011	2010	2011	2010
Doro Group	Oct-Dec	Oct-Dec	Full Year	Full Year
Profit/loss for the period	19.2	34.1	57.9	57.1
Translation differences and others	-1.3	-2.1	-0.4	-3.4
<b>Total result</b>	<b>17.9</b>	<b>32.0</b>	<b>57.5</b>	<b>53.7</b>

(Related to Parent Company's shareholders)

STATEMENT OF FINANCIAL POSITION (SEK m)	2011	2010
Doro Group	Dec 31	Dec 31
Intangible assets	59.3	25.5
Tangible assets	8.9	4.5
Financial assets	0.5	0.3
Deferred tax asset	17.4	30.5
Inventories	60.2	55.0
Current receivables	154.1	131.8
Cash and Bank balances	148.4	89.5
<b>Total assets</b>	<b>448.8</b>	<b>337.1</b>
Shareholders' equity	177.3	121.3
Interest-bearing liabilities	2.4	0.0
Non interest-bearing liabilities	269.1	215.8
<b>Total shareholders' equity and liabilities</b>	<b>448.8</b>	<b>337.1</b>

STATEMENT OF CASH FLOWS (SEK m)		2011	2010	2011	2010
Doro Group		Oct-Dec	Oct-Dec	Full year	Full year
Operating profit/loss after depreciation and write-downs, EBIT		30.0	26.4	62.0	47.0
Depreciation according to plan		4.6	2.1	13.6	16.1
Net Financial items		0.3	0.3	0.8	-0.4
Taxes		-0.7	-1.4	-3.5	-7.4
Changes in working capital		31.7	75.9	32.0	25.1
Cash flow from current activities		65.9	103.3	104.9	80.4
Acquisitions		0.0	0.0	-19.6	0.0
Investments		-10.2	-6.7	-21.2	-20.6
Cash flow from investment activities		-10.2	-6.7	-40.8	-20.6
Loans raised		-0.3	-11.3	2.6	-8.8
Dividend		0.0	0.0	-9.6	0.0
Premium for warrant program		0.0	0.0	1.8	0.0
Cash flow from financial activities		-0.3	-11.3	-5.2	-8.8
Translation differences and others		0.0	-0.5	0.0	-1.9
<b>Change in liquid funds</b>		<b>55.4</b>	<b>84.8</b>	<b>58.9</b>	<b>49.1</b>
<b>Net cash</b>		<b>146.0</b>	<b>89.5</b>	<b>146.0</b>	<b>89.5</b>

STATEMENT OF CHANGES IN EQUITY (SEK m)		2011	2010
Doro Group		Full year	Full year
<b>Opening balance</b>		<b>121.3</b>	<b>67.6</b>
Total result for the period		57.5	53.7
New issue of shares		6.3	0.0
Dividend		-9.6	0.0
Other allocated capital, warrant program		1.8	0.0
<b>Closing balance</b>		<b>177.3</b>	<b>121.3</b>

OTHER KEY FIGURES		2011	2010
Doro Group		Dec 31	Dec 31
Gross margin, %		41.3	39.3
Equity/assets ratio, %		39.5	36.0
Number of shares at the end of the period, thousands		19,349	19,108
Number of shares at the end of the period after dilution*, thousands		19,349	19,108
Equity per share, SEK		9.16	6.35
Equity per share, after dilution*, SEK		9.16	6.35
Earnings per share after taxes paid, SEK		3.62	2.04
Earnings per share after taxes paid, after dilution*, SEK		3.62	2.04
Return on average share holders' equity, %		38.8	60.4
Return on average capital employed, %		116.1	80.1
Share price at period's end, SEK		27.30	31.20
Market value, SEK m		528.2	596.2

\*The effect of dilution is considered only when the effect on earnings per share is negative.

<b>SALES PER REGION (SEK m)</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>Doro Group</b>	<b>Oct-Dec</b>	<b>Oct-Dec</b>	<b>Full year</b>	<b>Full year</b>
Nordic	88.8	73.0	232.6	204.4
Europe, Middle East and Africa	110.8	97.4	297.2	301.2
United Kingdom	34.8	33.6	104.3	76.1
USA and Canada	26.8	22.3	104.0	40.0
Other regions	2.3	2.8	7.3	11.1
<b>Total</b>	<b>263.5</b>	<b>229.1</b>	<b>745.4</b>	<b>632.8</b>

<b>OPERATING PROFIT AFTER DEPRECIATION, EBIT, PER GEOGRAPHICAL REGION (SEK m)</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>Doro Group</b>	<b>Oct-Dec</b>	<b>Oct-Dec</b>	<b>Full year</b>	<b>Full year</b>
Nordic	12.9	16.3	34.9	41.5
<i>Operating margin, %</i>	14.5	22.3	15.0	20.3
Europe, Middle East and Africa	12.4	6.2	22.0	17.0
<i>Operating margin, %</i>	11.2	6.4	7.4	5.6
United Kingdom	0.7	3.8	-0.8	0.0
<i>Operating margin, %</i>	2.0	11.3	-0.8	0.0
USA and Canada	3.8	0.3	7.9	-10.3
<i>Operating margin, %</i>	14.2	1.3	7.6	-25.8
Other regions	0.2	-0.2	-2.0	-1.2
<i>Operating margin, %</i>	8.7	-7.1	-27.4	-10.8
<b>Operating profit/loss after depreciation</b>	<b>30.0</b>	<b>26.4</b>	<b>62.0</b>	<b>47.0</b>
<b><i>Operating margin, %</i></b>	<b>11.4</b>	<b>11.5</b>	<b>8.3</b>	<b>7.4</b>

<b>SALES PER COUNTRY (SEK m)</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>Oct-Dec</b>	<b>Oct-Dec</b>	<b>Full year</b>	<b>Full year</b>
France	57.8	59.5	166.1	188.1
Sweden	54.3	42.9	136.1	114.2
United Kingdom	28.2	30.0	90.2	67.5
Germany	26.2	23.2	66.4	72.7
USA	22.7	11.9	58.6	29.6
Canada	4.0	9.3	45.1	9.3
Norway	15.9	9.1	43.4	40.3
Denmark	7.2	6.4	24.3	22.2
Other countries	41.0	32.7	107.6	82.6
<b>Total</b>	<b>257.3</b>	<b>225.0</b>	<b>737.8</b>	<b>626.5</b>
Other revenue	6.2	4.1	7.6	6.3
<b>Total revenue</b>	<b>263.5</b>	<b>229.1</b>	<b>745.4</b>	<b>632.8</b>

<b>INCOME STATEMENT (SEK m)</b>	<b>2011</b>	2010	<b>2011</b>	2010
<b>Parent Company</b>	<b>Oct-Dec</b>	Oct-Dec	<b>Full year</b>	Full year
Income/net sales	<b>255.6</b>	223.7	<b>733.7</b>	627.4
Operating cost	<b>-228.4</b>	-195.1	<b>-667.9</b>	-568.2
Operating profit/loss before depreciation and write-downs, EBITDA	<b>27.2</b>	28.6	<b>65.8</b>	59.2
Depreciation according to plan	<b>-6.6</b>	-3.9	<b>-20.3</b>	-23.1
Operating profit/loss after depreciation and write-downs, EBIT	<b>20.6</b>	24.7	<b>45.5</b>	36.1
Net financial items	<b>3.1</b>	6.5	<b>10.6</b>	-0.9
Profit/loss after financial items	<b>23.7</b>	31.2	<b>56.1</b>	35.2
Taxes	<b>-12.6</b>	1.1	<b>-12.6</b>	12.9
<b>Profit/loss for the period</b>	<b>11.1</b>	32.3	<b>43.5</b>	48.1

<b>SUMMARY OF BALANCE SHEET (SEK m)</b>	<b>2011</b>	2010
<b>Parent Company</b>	<b>Dec 31</b>	Dec 31
Intangible assets	<b>44.4</b>	34.8
Tangible assets	<b>7.3</b>	3.3
Financial assets	<b>37.7</b>	50.2
Inventories	<b>60.2</b>	55.6
Current receivables	<b>151.9</b>	127.9
Cash and Bank balances	<b>144.7</b>	88.1
<b>Total assets</b>	<b>446.2</b>	359.9
Shareholders' equity	<b>157.2</b>	115.2
Interest-bearing liabilities	<b>10.9</b>	15.0
Non interest-bearing liabilities	<b>278.1</b>	229.7
<b>Total shareholders' equity and liabilities</b>	<b>446.2</b>	359.9

## Financial Definitions

**Gross Margin:** Net sales – merchandise costs.

**Gross Margin %:** Gross Margin in percentage of Net sales.

**Average number of shares:** Number of shares at the end of each period divided with number of periods.

**Average number of shares after dilution:** Average number of shares adjusted with the dilution effect from warrants is calculated as the difference between the assumed number of shares issued at the exercise price and the assumed number of shares issued at average market price for the period.

**Earnings per share before tax:** Profit/loss after financial items divided by the average number of shares for the period.

**Earnings per share before tax, after dilution:** Profit/loss after financial items divided by the average number of shares for the period after dilution.

**Earnings per share after tax:** Profit/loss after financial items minus tax divided by average number of shares for the period.

**Earnings per share after tax, after dilution:** Profit/loss after financial items minus tax divided by the average number of shares for the period after dilution.

**Number of shares at the end of the period:** Actual number of shares at the end of the period.

**Number of shares at the end of the period, after dilution:** The number of shares at the end of the period adjusted with the dilution effect from warrants is calculated as the difference between assumed number of shares issued at the exercise price and the assumed number of shares issued at the closing market price at the end of the period.

**Equity per share:** Shareholders' equity at the end of the period divided by the number of shares at the end of the period.

**Equity per share, after dilution:** Shareholders' equity at the end of the period divided by the number of shares at the end of the period, after dilution.

**Earnings per share after taxes paid:** Profit/loss after taxes paid divided by average number of shares for the period.

**Earnings per share after taxes paid, after dilution:** Profit/loss after taxes paid divided by the average number of shares for the period after dilution.

**Net Debt/Net Cash:** Cash and bank balances reduced with interest bearing liabilities.

**CCR – Cash conversion rate:** Cash flow from current operations/EBIT.

**Equity/assets ratio, %:** Shareholders' equity as a percentage of the balance sheet total.

**Return on average shareholders' equity, %:** Profit/Loss rolling twelve months after financial items and tax divided by average shareholders' equity.

**Capital employed:** Total assets reduced with non-interest bearing debt and cash and bank balances.

**Return on average capital employed, %:** Operating profit/loss rolling twelve months, divided by the quarterly average capital employed excluding cash and bank balances.

**Share price at period's end:** Closing market price at the end of the period.

**Market value, SEK m:** Share price at period's end times the number of shares at the end of the period.