



## Interim report January - March 2012

### Revenue growth and improved profitability

**Enea has achieved growth and improved profitability over the last few quarters. Operations were streamlined as of the divestment of the Nordic consultancy business in December 2011, allowing Enea to start 2012 as a focused software company.**

- Net sales increased to SEK 117.3 (113.6) million, which is equivalent to growth of 3.3 (-1.0) percent during the first quarter.
- Other income amounted to SEK 61.8 million which refers to capital gain from the divestment of the Nordic consultancy business.
- The operating profit for the first quarter increased to SEK 15.6 (13.9) million which is equivalent to an operating margin of 13.3 (12.2) percent. Including capital gain, the operating profit increased to SEK 77.4 million.
- Earnings per share amounted to SEK 0.66 (0.65) per share. Including capital gain earnings per share amounted to SEK 4.31.
- Cash flow from operations amounted to SEK 6.1 million (5.4) million. The total cash flow amounted to SEK -6.9 (-2.3) million and to SEK 110.8 million including capital gain.
- The Annual General Meeting elected to transfer SEK 8.00 (5.00) per share via a redemption program. This is equivalent to a transfer amounting to SEK 136.9 (86.7) million. The payment date will be 16 May 2012.

*All comparative figures refer to the remaining business.*

	Jan-Mar, 2012 incl. capital gain	Jan-Mar, 2012 excl. capital gain	Jan-Mar 2011	Full year 2011	Full year 2010
Net sales, SEK million	117.3	117.3	113.6	446.7	446.6
Other income	61.8				
Growth, %	57.7	3.3	-1.0	0.0	-6.6
Growth currency adjusted, %	56.3	1.8	1.6		
Operating profit, SEK million	77.4	15.6	13.9	2.2	37.3
Operating margin, %	43.2	13.3	12.2	0.5	8.4
Net profit before tax, SEK million	78.0	16.2	16.0	6.0	37.0
Net profit after tax, SEK million	72.9	11.1	11.3	-1.0	23.4
Earnings per share, SEK	4.31	0.66	0.65	-0.06	1.35
Cash flow (from operations), SEK million	6.1	6.1	5.4	77.2	76.1

2012  
– FOCUS ON  
PROFITABLE GROWTH

*"Our ambition during the next five years is to create a global software company with considerably higher net sales, high profitability, good cash flow and a large proportion of recurring revenue."*

Anders Lidbeck,  
President and CEO

## A word from the CEO

The first quarter was good for Enea. We saw growth of 3.3 percent compared with the same quarter last year. Our operating margin also increased from 12.2 percent to 13.3 percent.

The massive increase in the number of wireless devices that communicate leads to increases in data traffic which places demand on investments in infrastructure. Our largest customer, Ericsson, is predicting that there will be 50 billion connected devices in 2020. Cisco Systems Inc. believes that the growing number of connected devices will lead to data traffic increasing eighteen fold over the next four years. We work with the best suppliers of telecom infrastructure. They have already incorporated Enea's operating systems in most of the infrastructure handling 3G and 4G. This is a fantastic position held by few companies.

### Focus on the global software business

In December 2011, we divested our Nordic consultancy business to Alten Group and its Swedish subsidiary Xdin. At the start of 2012, we were thus a global software company with a new organization and focused strategy. We have retained and continued to invest in our global service organization, with delivery capacity in the USA, Romania and China. This is developing well, and as a result we will be able handle both major global consultancy assignments and restricted local ones.

We continued to improve our product offering during the quarter. Enea Linux was launched on 27 March at Design West in the USA. Linux, combined with real-time operating systems, is currently the widespread standard when constructing telecom infrastructure equipment, and it has become a prerequisite in order to retain our leading position among major telecom companies all over the world. Enea's Linux solution is a combination of software and services offered as a customized solution. It includes telecom-specific

innovations such as LWRT, which adds certain real-time characteristics to Linux, and PAX, which is a graphical platform for enhancing hardware performance. The launch was met with a very positive response from customers, partners and the media.

### Dividends

Our cash flow in 2011 was good, and it was further reinforced by the final payment for the sale of the Nordic consultancy business. The Annual General Meeting elected to adopt the proposal of the Board concerning a transfer to shareholders of SEK 136.9 million, which is equivalent to SEK 8.00 per share.

### The market

Long-term market growth is good, with increasing investments in networks. In the short term, we note that operators are being slightly cautious with their investments and also experiencing a certain amount of price pressure which affects their order placement to our customers. On the other hand, we are receiving reports that the expansion of 4G networks is progressing more quickly than was originally estimated. In the USA, for example, the four largest mobile operators have now announced that they will have 4G networks operational by late 2013.

Enea's sales vary depending on the success of our customers; this is due to the royalties we receive based on customers' sales. Therefore, growth will vary from quarter to quarter. Enea's long-term development, on the other hand, appears to be positive. Our ambition during the next five years is to create a global software company with considerably higher net sales, high profitability, good cash flow and a large proportion of recurring revenue.

Anders Lidbeck  
President and CEO

# Net Sales and Earnings

## Segment Information

In order to further focus Enea's operations on software and product related services, the Swedish consultancy business was divested in December 2012. Due to this divestment, as of January 1, Enea has been accounting for its remaining business as one segment.

## Net Sales

Enea's net sales increased in the first quarter to SEK 117.3 (113.6) million which is equivalent to a growth of 3.3 (-1.0) percent. Including capital gains from the divestment of the Nordic consultancy business, net sales increased to SEK 179.2 million. Revenues adjusted for currency effects, increased 1.8 percent excluding capital gains.

The sale of licenses – both the sale of perpetual licenses (indefinite use) and rented licenses (time-limited use) – increased compared with the same quarter in the previous year. Royalty income, which is dependent on customers' sales volumes, fell over the quarter. Income from support and maintenance increased slightly compared with the same quarter last year. Sales of services increased significantly, while other income was reduced.

Broken down by customer segment, net sales figures shows that telecom infrastructure accounted for 69 percent, wireless devices for 6 percent, aero/defense for 10 percent and other segments for 15 percent. Compared with the first quarter previous year, net sales in the telecom infrastructure segment have risen while in the wireless devices they have declined. Net sales in the telecom sector in total have been stable compared with previous year. The aero/defense segment fell marginally while the proportions of net sales from other segments increased slightly compared with the first quarter previous year.

## Earnings

The Group's operating profit amounted to SEK 15.6 (13.9) million over the first quarter which corresponds to an operating margin of 13.3 (12.2) percent. Including capital gains for the divestment of the Swedish consultancy business, operating profit amounted to SEK 77.4 million. Currency effects on the Group's results are marginal.

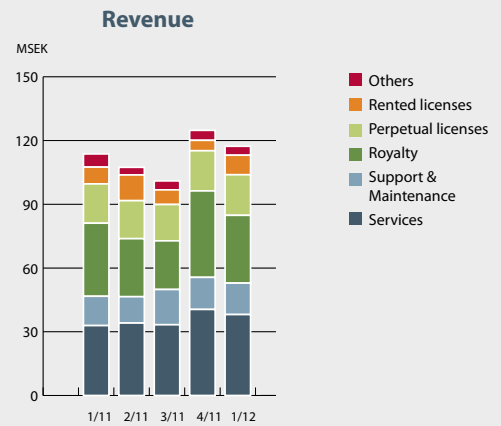
The gross margin (excluding capital gains) increased to 67.9 (66.8) percent. Expenses for product development, administration, and sales and marketing are in line with the same period in the previous year.

Net financial income for the first quarter totaled SEK 0.6 (2.1) million. Profit after tax increased to SEK 72.9 (15.1) million, which is equivalent to SEK 11.1 million excluding capital gains.

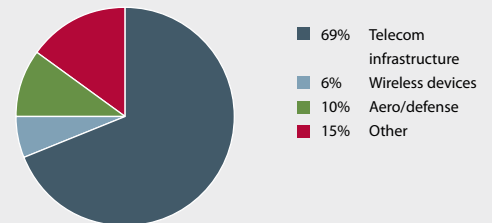
Earnings per share amounted to 0.66 (0.65) SEK. Including capital gains the earnings per share amounted to 4.31 SEK. Without adjustment for holdings of own shares, earnings per share amounted to SEK 0.63. Return on equity for the quarter decreased to -0.2 (10.1) percent.

## Outlook for 2012

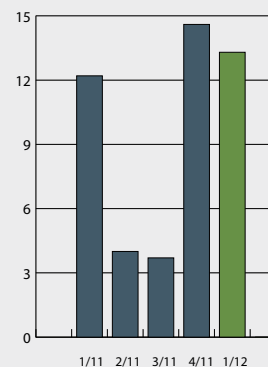
Enea has opted not to submit a forecast for 2012.



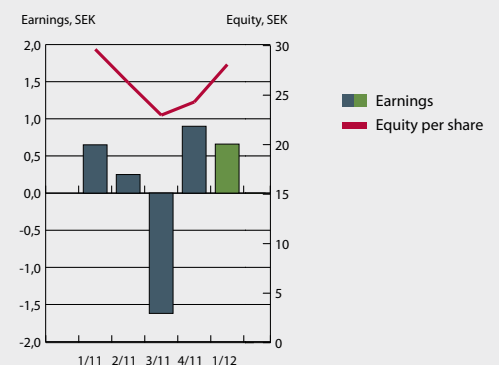
## Revenue per customer segment (Jan-Mar)



## Operating profit (excluding write-offs)



## Earnings and Equity per share



## Revenue per region

Enea has a total of ten offices in Europe, North America and Asia.

### Europe

The company's European operations include customers such as Ericsson, NSN, Axis and Rohde & Schwarz. Sales operations are run via offices in Sweden, Germany, France and Romania.

Net sales from Europe have fallen slightly over the first quarter, while profitability has improved. Sales to key customers continued to go well. Romania, which mainly sells services, reported growth.

During the quarter, a major agreement was entered into with a global company which manufactures network equipment for 3G and 4G. This contract extends over three years, and its primary product is Enea's operating system OSE.

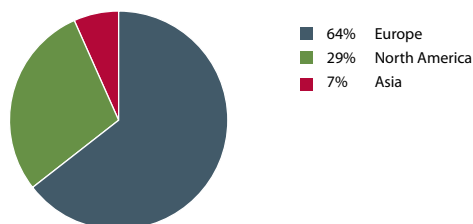
### North America

The North American business includes major customers such as Motorola, Fujitsu, Boeing, Honeywell and Hospira. Two offices in the USA handle sales and consultancy assignments.

Software sales decreased over the first quarter, while sales of services increased significantly. Profitability was down compared with the same quarter in the previous year as a consequence of lower software sales.

The biggest licensing deal for the quarter was related to Enea Element and was entered into with a manufacturer of telecom

### Revenue per geography (Jan-Mar)



equipment. For the service business, one of Enea's biggest ongoing service contracts was renewed until December 2012.

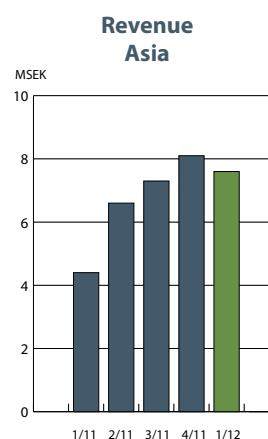
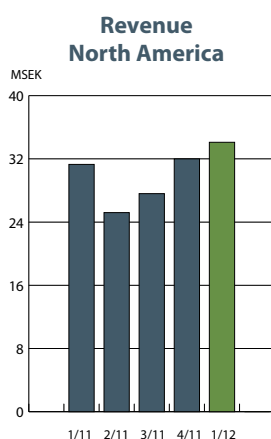
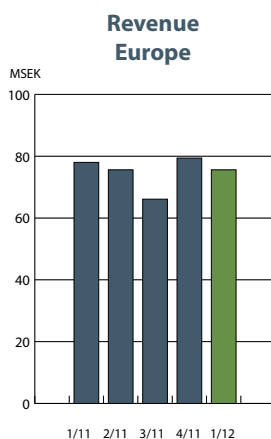
A new sales director, Marcus Hjortsberg, who has extensive experience of sales and marketing at Enea, was appointed for the North American business.

### Asia

Asian operations include major customers such as Fujitsu and Yamaha, along with a number of major service assignments for Ericsson and NSN. The company has its own offices in China and Japan.

Sales in China and Japan increased over the first quarter. In total, both sales and profitability have increased in Asia.

The biggest deal of the quarter in Asia was entered into with one of the region's key customers, who invested in Enea's multicore version of the OSE operating system.



All figures refer to the remaining business.

Revenue per region	Jan-Mar 2012	Jan-Mar 2011	Full year 2011	Full year 2010
Europe	75.5	78.0	304.3	297.4
North America	34.1	31.3	116.1	124.4
Asia	7.6	4.4	26.3	24.9

## Revenue per product

Enea's products and services are divided into five major groups: operating systems (including OSE, Linux and OSEck), middleware (including Element and Polyhedra) and tools (including Optima). All sales of services are reported in the Services group.

### Operating systems

An operating system the software that provides the link between the computer hardware and the software applications running on the computer. Enea's operating systems are used in embedded systems which form components of equipment, for example in tele-coms.

Operating systems account for the largest share of Enea's sales, with 51 percent of income. Over the first quarter, sales increased slightly compared with the same period in the previous year.

A beta version of Enea Linux was launched during the quarter. It is estimated that a full-scale version will be available in the fall of 2012. Read more about Enea Linux on page 13.

### Middleware

Middleware runs in the background and makes sure – among other things – that the system is uninterruptible, predictable and scalable. Sales of middleware have been falling over longer period and also decreased in the first quarter. Middleware represented 7 percent of Enea's total sales over the quarter. However, new cloud-based solutions and Enea's Linux initiative mean that Enea Element has the potential to once more become a more sought-after part of Enea's solutions.

### Tools

Development tools are used to develop software running on Enea's operating systems. Sales were slightly reduced over the first quarter compared with the same period in the previous year.

### Services

Total service sales have increased over the first quarter, accounting for 33 percent of Enea's total sales.

### Other

The group Other increased marginally over the first quarter, representing 6 percent of total sales.

## Enea's offering

**Enea OSE, Enea Linux, Enea OSEck** – operating systems

**Enea Element** – middleware software

**Enea Optima** – development tools for developing software running on Enea's operating systems

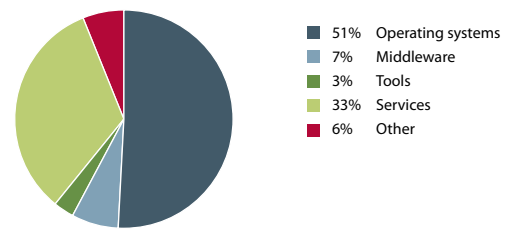
**Enea Polyhedra** – in-memory database

**Enea Linx** – software for managing communication between different processor cores

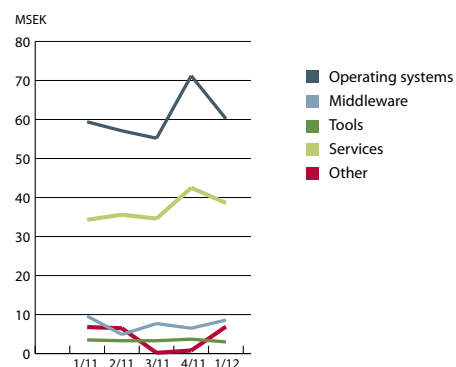
**Enea Netbricks** – communication protocol for tele-coms

**Services** such as project undertakings, pre-studies, application development, test and training

### Revenue per product (Jan-Mar)



### Revenue per product



All figures refer to the remaining business.

Revenue per product	Jan-Mar 2012	Jan-Mar 2011	Full year 2011	Full year 2010
Operating systems	60.2	59.4	242.9	230.9
Middleware	8.6	9.6	28.7	34.5
Tools	3.0	3.5	13.8	14.5
Services	38.6	34.3	147.0	144.5
Other	6.9	6.8	14.3	22.2

# Cash Flow and Investments

## Cash Flow and Financial Position

Cash flow from the operations amounted to 6.1 (5.4) million for the first quarter. Total cash flow amounted to SEK -6.9 (-2.3) million excluding capital gains and to SEK 110.8 million including capital gains. The preliminary purchase price for the divested business amounted to around SEK 140 million. At the time of final settlement, which is based on the audited accounts for 2011, the purchase price was corrected to SEK 148.5 million. The payment was made in its entirety in the first quarter. SEK 28 million of the purchase price is held up to 24 months as security for any warranty commitments and are reported as other financial assets.

Cash and cash equivalents and short-term investments amounted to SEK 236.5 (172.2) million at the end of the quarter. In addition, the Group has an unused credit facility of SEK 100 million. Enea has a continued strong financial position, with an equity ratio of 82.4 (75.4) percent.

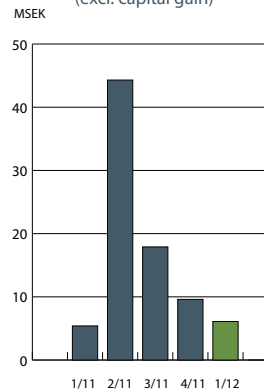
## Investments

The Group's investments in the quarter amounted to 3.6 (7.7) million. Capitalized product development expenses were SEK 2.1 (5.6) million over the quarter, while depreciation amounted to SEK 3.0 (3.6) million.

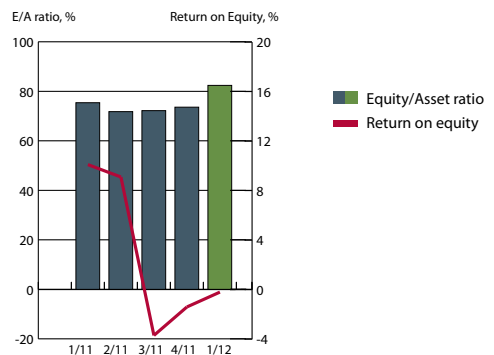
# Repurchasing of Shares

209,000 of the company's own shares were repurchased during the first quarter. At the end of the first quarter, Enea holds 757,734 of its own shares, equivalent to 4.3 percent of the total number of shares.

**Cash flow from operations<sup>1</sup>**  
(excl. capital gain)



**Equity/Asset ratio and Return on Equity<sup>1</sup>**



<sup>1</sup> The figures for 2011 include the divested business.

# Trends in wireless broadband

## IP-based Communication

More and more communication is wireless. Cisco estimates that data traffic will increase eighteen fold in the next four years. More base stations – as many as 8.5 times more base stations from 2011 to 2015, according to industry assessors. Moreover, base stations have to handle large amounts of traffic more effectively. To be able to handle more traffic, better hardware is needed; every processor has to include more than one processor core, which is what is called 'multicore'.

## Latest Hardware a Must

For manufacturers of telecom equipment, demands for performance have increased to such an extent that they have to use the latest hardware if their products are to be successful. This places demands on operating systems and other software which can be transferred between different hardware environments.

## Best Solution for Every Case

The performance requirements mean that telecom manufacturers have even more stringent demands when it comes to making sure that the technology they choose works efficiently. The best solutions in the respective fields are used together.

## For Enea, this means:

- more base stations sold means opportunities for more sales of operating systems, with associated royalty income.
- an increase in demand for multicore solutions, where Enea is a market leader.

## For Enea, this means:

- greater demand for commercial operating systems which do not have to run on specific hardware.
- greater emphasis on good relations with hardware manufacturers so that product versions adapted to suit the latest hardware are always available.

## For Enea, this means:

- support is required for a number of operating systems. Enea must offer solutions in which commercial real-time operating systems work side by side with open source solutions such as Linux.

## Parent Company

The parent company's net sales for the quarter amounted to SEK 12.7 (13.8) million and the profit before tax was 0.2 (3.5) million. Net financial items in the parent company amounted to SEK 0.1 (3.5) million, and cash and cash equivalents at the end of the quarter amounted to SEK 219.9 (123.1) million. The parent company's investments totaled SEK 0.2 (0.5) million. 11 (15) people were employed at the parent company at the end of the quarter. The parent company does not operate any business and its risks are primarily attributable to the activities of the subsidiaries.

## Other

### Annual General Meeting 2012

Enea's Annual General Meeting took place at Kista Science Tower in Kista, Sweden on April 11.

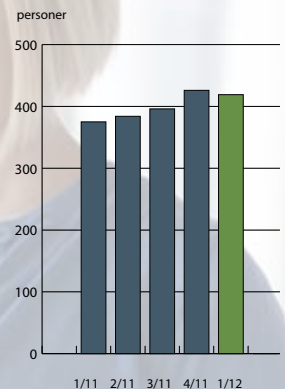
The Annual General Meeting made the following decisions:

- Redemption program equivalent to SEK 8.00 per share.
- Åsa Landén Ericsson, Mats Lindoff, Anders Skarin, Kjell Duveblad were re-elected and Torbjörn Nilsson and Robert Andersson were elected as new members of the Board. Anders Skarin was elected Chairman of the Board. Anders Lidbeck declined re-election.
- The Annual General Meeting accepted the Board's proposal concerning authorization for the Board to make decisions on acquisitions and transfer of own shares. The number of shares acquired must be such that the holding of own shares does not at any time exceed 10 percent of all shares in the company.
- The Annual General Meeting accepted the Board's proposal concerning authorization for the Board to make decisions on the new issue of shares for acquisition of shares or business for the period up to the 2013 Annual General Meeting, with a view to allowing the company to issue shares for acquisition of shares or business. The number of shares issued must correspond to no more than 10 percent of the number of outstanding shares.
- The Annual General Meeting approved the Board's proposal for a share purchase plan for 132 employees. The maximum number of shares in Enea covered by the program amounts to around 667,000 shares, which is equivalent to around 3.9 percent of the number of outstanding shares and votes.

### Accounting Policies

This interim report has been compiled in accordance with IAS 34, Interim Financial Reporting, which is compliant with Swedish law through application of the Swedish Financial Reporting Board's RFR 1.3, Supplementary accounting rules for groups and RFR 2.3, Accounting for Legal Entities, relating to the parent company. The

### Employees



## Employees

The number of people employed by the Group at the end of the quarter was 419 (617) people, compared with 652 people as at December 31, 2011 of whom 426 worked for the comparable, remaining business. Enea will be recruiting staff during the second quarter, mainly for the development department.

same accounting principles, definitions and calculation methods have been applied as in the latest annual report for both the Group and the parent company, unless stated otherwise below.

IASB has published a number of minor improvements and improvements to standards that apply for the financial year beginning 1 January 2012. The changes implemented have not had any impact on the Group's financial statements and results.

### Essential Risks and Uncertainty Factors

There is still much dependency on Ericsson, ST-Ericsson and NSN. These two customers accounted for more than half of the Group's income in the past year. There have been no significant changes during the quarter regarding major risks and uncertainties. Please refer to the annual report on pages 24-25 for a description of major risks and uncertainties.

Kista, April 26, 2012  
Board of Directors

*This interim report was not examined by the Company's auditors.*

## Income statements

SEK million

<i>Remaining business</i>	Jan-Mar 2012	Jan-Mar 2011	Latest 12 months	Full year 2011	Full year 2010
Net sales	117.3	113.6	450.4	446.7	446.6
Cost of sold products and services	-37.6	-37.7	-179.4	-179.5	-141.3
Gross profit	79.7	75.9	271.0	267.2	305.3
Sales and marketing costs	-25.1	-24.4	-105.1	-104.4	-104.2
R&D costs	-22.0	-21.0	-94.2	-93.2	-98.5
General and administration costs	-17.0	-16.6	-67.8	-67.4	-65.3
Operating profit*	15.6	13.9	3.9	2.2	37.3
Net financial income/expense	0.6	2.1	2.3	3.8	-0.3
Profit before tax	16.2	16.0	6.2	6.0	37.0
Tax	-5.1	-4.7	-7.4	-7.0	-13.6
Profit after tax , remaining business	11.1	11.3	-1.2	-1.0	23.4
Profit, divested business	61.8	3.8	52.6	-5.4	22.6
In total	72.9	15.1	51.4	-6.4	46.0
Other comprehensive income					
Change in hedging reserve, after tax	0.1			1.3	
Translation differences	-4.9	-4.3	0.1	0.7	-19.8
Total comprehensive profit for the period, net after tax	68.1	10.8	51.5	-4.4	26.2
Profit for the period attributable to the stockholders of the Parent Company	72.9	15.1	51.4	-6.4	46.0
Comprehens. profit for the period attri. to the stockhold. of the Parent Company	68.1	10.8	51.5	-4.4	26.2
* Incl depr. of tangible assets (SEK)	1.3	1.1	4.9	4.7	5.1
* Incl depr. of intangible assets (SEK)	3.2	4.4	76.2	77.4	13.4

## Key figures related to the income statements

<i>Remaining business</i>	Jan-Mar 2012	Jan-Mar 2011	Full year 2011	Full year 2010
Earnings per share (SEK)	0.66	0.65	-0.06	1.35
Earnings per share after full dilution (SEK)	0.66	0.65	-0.06	1.35
Equity per share (SEK)	24.61	29.63	24.09	29.51
Number of shares before dilution (million)	16.9	17.3	17.3	17.4
Number of shares after dilution (million)	16.9	17.3	17.3	17.4
Revenue growth (%)	3.3	-1.0	0.0	-6.6
Gross margin excl write-downs (%)	67.9	66.8	59.8	68.4
Operating costs in % of revenues				
- Sales and marketing costs	21.4	21.5	23.4	23.3
- R&D costs	18.8	18.5	20.9	22.1
- General and administration costs	14.5	14.6	15.1	14.6
Operating margin (%)	13.3	12.2	0.5	8.4



## Balance Sheets

	<i>SEK Million</i>			
<i>The figures for 2010-2011 include the divested business.</i>	31 Mar 2012	31 Mar 2011	31 Dec 2011	31 Dec 2010
<b>ASSETS</b>				
Intangible assets	123.3	188.0	127.1	188.2
- of which goodwill	82.2	124.0	85.0	125.5
- of which capitalized development costs	40.1	54.9	40.9	52.4
- of which other intangible assets	1.0	9.1	1.2	10.3
Tangible assets	14.8	9.8	14.9	8.9
Deferred tax assets	8.8	14.7	10.0	16.4
Other assets	1.5	1.3	1.5	1.4
Other financial assets	28.0			
Current receivables	163.0	178.1	147.0	144.2
Cash and cash equivalents	236.5	172.2	127.3	176.5
Assets held for sales	0.0	131.3	137.3	125.1
<b>Total assets</b>	<b>575.9</b>	<b>695.4</b>	<b>565.1</b>	<b>660.7</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>				
Shareholders' equity	474.7	524.1	415.9	512.6
Deferred tax liability	3.6	2.3	3.6	2.6
Long-term liabilities, interest bearing	0.0	0.3	0.0	0.3
Long-term liabilities, non-interest bearing	0.0	9.8	0.0	9.8
Short-term liabilities, interest bearing	0.1	3.6	0.0	3.6
Short-term liabilities, non-interest bearing	97.5	93.2	90.0	69.0
Liabilities held for sales	0.0	62.1	55.6	62.8
<b>Total shareholders' equity and liabilities</b>	<b>575.9</b>	<b>695.4</b>	<b>565.1</b>	<b>660.7</b>

## Changes in Shareholder's Equity

	<i>SEK Million</i>			
<i>The figures for 2010-2011 include the divested business.</i>	31 Mar 2012	31 Mar 2011	31 Dec 2011	31 Dec 2010
At beginning of period	415.9	512.6	512.6	516.0
Total comprehensive profit for the period	68.1	10.8	-4.4	26.2
Dividend	0.0	0.0	-86.7	-26.0
New share issue	0.0	0.0	0.0	0.0
Stock option program	0.0	0.7	1.2	2.0
Repurchasing of own shares	-9.3	0.0	-6.8	-7.7
Sales of repurchased shares	0.0	0.0	0.0	2.1
<b>At end of period</b>	<b>474.7</b>	<b>524.1</b>	<b>415.9</b>	<b>512.6</b>

## Cash Flow Statement

	SEK Million			
	Jan-Mar 2012	Jan-Mar 2011	Full year 2011	Full year 2010
<i>The figures for 2010-2011 include the divested business.</i>				
Cash flow from operating activities before change in working capital	14.5	17.7	78.1	88.6
Cash flow from change in working capital	-8.4	-12.3	-0.9	-12.5
Cash flow from operating activities	6.1	5.4	77.2	76.1
Cash flow from investing activities	-3.6	-7.7	-33.0	-19.0
Cash flow from financing activities	-9.4	0.0	-93.4	-31.7
Cash flow for the period	-6.9	-2.3	-49.2	25.4
Cash and cash equivalents at beginning of period	127.3	176.5	176.5	153.9
Exchange rate differences	-1.6	-2.0	0.0	-2.8
Cash and cash equivalents at end of period	118.8	172.2	127.3	176.5
<b>Including capital gain from the divested business:</b>				
of which cash flow from operating activities	0.0			
of which cash flow from investing activities	117.7			
of which cash flow from financing activities	0.0			
Cash and cash equivalents	236.5			

## Key Figures related to the balance sheet and cash flow

	Jan-Mar 2012	Jan-Mar 2011	Full year 2011	Full year 2010
<i>The figures for 2010-2011 include the divested business.</i>				
Cash and cash equivalents (SEK million)	236.5	172.2	127.3	176.5
Equity/assets ratio (%)	82.4	75.4	73.6	77.6
Return on equity (%) rolling 12 months	-0.2	10.1	2.5	8.9
Return on capital employed (%) rolling 12 months	1.5	15.1	4.5	13.9
Return on assets (%)	1.1	11.2	3.6	10.6
Equity per share (SEK)	28.09	30.30	24.31	29.55
Cash flow from operating activities per share (SEK)	0.36	0.31	4.47	4.38
Number of employees at end of period	419	617	652	620.0

## Parent Company's Income Statement

SEK Million	Jan-Mar 2012	Jan-Mar 2011	Full year 2010
Net Sales	12.7	13.8	55.8
Operating costs	-12.6	-13.8	-55.8
Operating profit/loss	0.1	0.0	0.0
Net financial income/expense	0.1	3.5	11.8
Profit after financial expense	0.2	3.5	11.8
Appropriations	0.0	0.0	-3.9
Profit before tax	0.2	3.5	7.9
Tax	-0.1	-0.9	-2.1
Profit after tax	0.1	2.6	5.8

## Parent Company's Balance Sheet

SEK Million	31 Mar 2012	31 Mar 2011	31 Dec 2011
<b>ASSETS</b>			
Fixed assets	178.6	238.9	324.9
Current assets	337.1	365.0	197.5
Total assets	515.7	603.9	522.4
<b>SHAREHOLDERS' EQUITY AND LIABILIT.</b>			
Shareholders' equity	476.3	575.2	485.5
Untaxed reserves	4.0	0.0	4.0
Current liabilities	35.4	28.7	32.9
Total shareholders' equity and liabilities	515.7	603.9	522.4

## Quarterly data

The figures for 2010-2011 include the divested business.

SEK Million	2012 q1	2011 q4	2011 q3	2011 q2	2011 q1	2010 q4	2010 q3	2010 q2	2010 q1
<b>INCOME STATEMENT<sup>1</sup></b>									
Net sales	117.3	200.8	155.5	180.7	184.5	181.1	166.1	192.6	186.3
Cost of sold prod. and services	-37.6	-95.0	-138.2	-94.0	-91.4	-87.9	-76.4	-92.7	-93.2
Gross profit	79.7	105.8	17.3	86.7	93.1	93.2	89.7	99.9	93.1
Sales and marketing costs	-25.1	-37.2	-31.4	-36.2	-35.0	-32.1	-32.3	-38.8	-40.6
R&D costs	-22.0	-25.4	-22.0	-24.8	-21.0	-25.8	-23.5	-25.5	-23.7
General and administration costs	-17.0	-15.4	-17.2	-18.3	-16.5	-18.2	-13.7	-17.3	-17.0
Operating profit	15.6	27.8	-53.3	7.4	20.6	17.1	20.2	18.3	11.8
Net financial income/expense	0.6	-0.3	2.1	1.3	0.7	0.0	0.2	0.4	0.1
Profit before tax	16.2	27.5	-51.2	8.7	21.3	17.1	20.4	18.7	11.9
Tax	-5.1	-5.6	2.6	-3.5	-6.2	-5.3	-9.5	-4.1	-3.2
Profit after tax	11.1	21.9	-48.6	5.2	15.1	11.8	10.9	14.6	8.7
Other comprehensive income	-4.9	-1.1	5.1	0.9	-4.3	-0.9	-14.8	-0.7	-3.4
Total comprehensive income after tax	6.2	20.8	-43.5	6.1	10.8	10.9	-3.9	13.9	5.3
<b>BALANCE SHEET</b>									
Intangible assets	123.3	127.1	159.2	219.3	216.6	216.7	224.0	230.3	233.3
Other assets	25.1	26.4	33.1	28.8	29.7	30.9	32.5	44.4	44.7
Other financial assets	28.0								
Current receivables	163.0	147.0	231.5	248.5	276.9	236.6	199.9	232.7	279.6
Cash and cash equivalents	236.5	127.3	121.6	122.6	172.2	176.5	202.5	182.8	147.8
Assets held for sales		137.3							
Total assets	575.9	565.1	545.4	619.2	695.4	660.7	658.9	690.2	705.4
Shareholders' equity	474.7	415.9	393.8	444.3	524.1	512.6	500.7	503.8	516.0
Long-term liab., interest bearing	0.0	0.0	0.0	0.0	0.3	0.3	3.7	3.8	3.9
Long-term liab., non-interest bearing	3.6	3.6	0.0	2.0	12.1	12.4	16.3	17.2	25.7
Short-term liab., interest bearing	0.1	0.0	0.0	3.6	3.6	3.6	0.0	0.0	0.0
Short-term liab., non-interest bearing	97.5	90.0	151.6	169.3	155.3	131.8	138.2	165.4	159.8
Liabilities held for sales		55.6							
Total shareholders' equity and liabilities	575.9	565.1	545.4	619.2	695.4	660.7	658.9	690.2	705.4
<b>CASH FLOW<sup>1</sup></b>									
Cash flow from operating activities.	6.1	9.6	17.9	44.3	5.4	-21.8	26.1	66.5	4.1
Cash flow from investing activities	-3.6	-3.8	-14.0	-7.5	-7.7	-4.7	-3.7	-6.3	-4.3
Cash flow from financing activities	-9.4	-0.5	-6.2	-86.7	0.0	0.0	1.7	-26.9	-5.3
Cash flow for the period	-6.9	5.3	-2.3	-49.9	-2.3	-26.5	24.1	33.3	-5.5

<sup>1</sup> Excluding capital gain

## 5 Year in Summary

All figures include the divested business.

SEK Millions	2011	2010	2009	2008	2007
<b>INCOME STATEMENT</b>					
Net sales	721.5	726.1	777.7	917.6	820.6
Operating expenses	-719.0	-658.7	-781.8	-844.5	-748.5
Operating income	2.5	67.4	-4.1	73.1	72.1
Net financial items	3.8	0.7	3.3	7.9	4.8
Earnings before tax	6.3	68.1	-0.8	81.0	76.9
Profit for the period	-6.4	46.0	4.2	88.3	71.2
<b>BALANCE SHEET</b>					
Intangible assets	127.1	216.7	237.2	273.5	175.1
Other assets	26.4	30.9	46.8	46.0	24.9
Trade and other current assets	147.0	236.6	258.7	325.4	268.3
Cash and cash equivalents	127.3	176.5	153.9	122.1	156.0
Assets held for sales	137.3				
Total assets	565.1	660.7	696.6	767.0	624.3
Shareholders' equity	415.9	512.6	516.0	548.4	434.6
Provisions, non-current liabilities and minority	3.6	12.7	31.9	31.5	8.9
Current liabilities	90.0	135.4	148.7	187.1	180.8
Liabilities held for sales	55.6				
Total equity and liabilities	565.1	660.7	696.6	767.0	624.3
<b>CASH FLOW</b>					
Cash flow from operating activities	77.2	76.1	70.3	81.8	66.4
Cash flow from investing activities	-33.0	-19.0	-13.2	-121.6	-42.7
Cash flow from financing activities	-93.4	-31.7	-21.8	-1.8	-12.8
Cash flow for the period	-49.2	25.4	35.3	-41.6	10.9
<b>KEY FIGURES</b>					
Change in net sales, %	-0.6	-6.6	-15.2	11.8	9.4
Operating margin, %	0.3	9.3	-0.5	8.0	8.8
Profit margin, %	0.0	9.4	-0.1	8.8	9.4
Return on capital employed, %	4.5	13.9	1.7	17.3	19.5
Return on equity, %	2.5	8.9	0.8	18.0	17.5
Return on total capital, %	3.6	10.6	1.3	12.2	13.4
Interest coverage ratio, times	7.3	19.5	0.9	20.7	30.1
Equity ratio, %	73.6	77.6	74.0	71.0	70.0
Liquidity, %	304.8	305.0	278.0	239.0	235.0
Average number of employees	613	621	666	688	547
Net sales per employee, SEK	1 107.0	1 169.0	1 168.0	1 334.0	1 500.0
Net asset value per share, SEK	30.16	29.55	29.53	30.43	23.71
Earnings per share, SEK	-0.37	2.65	0.24	4.90	3.88
Dividend per share	8.00	5.00	1.50	0.00	0.00

## Enea in China

Enea's business in China has grown immensely over the past few years. When the first office was opened in 2009, there were two employees at a small office in Beijing.

Now Enea has two offices in Beijing and Shanghai, with a workforce of 33 employees. The new office in Beijing was opened in December 2011. At that time, staff were given access to 500 sq m of modern office space, with inviting and effective office areas, meeting rooms and rest areas.

The business is organized into two units: one for software sales and one for major consultancy assignments. Software is mainly sold to our global customers' subsidiaries in China but also to local companies such as the telecom companies ZTE and Potevio. Enea's expert consultants mainly staff global projects with Enea's major customers such as Ericsson and NSN.

*Enea's employees outside of the new office in Beijing when it was opened in December 2011.*



## Product news - Enea Linux

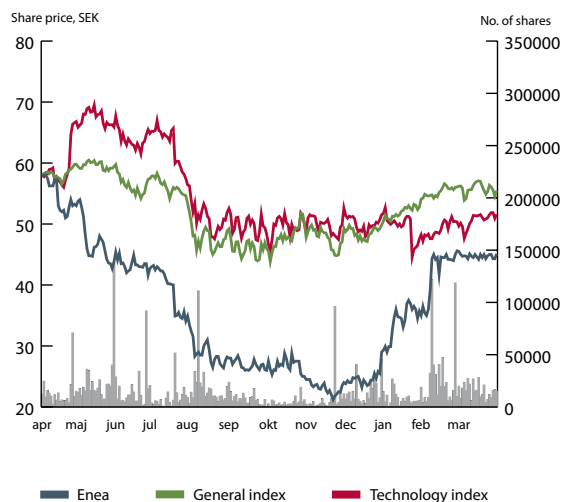
### Enea Linux offers both real-time operating systems and Linux in the next generation of telecom equipment

Enea Linux was launched at Design West in the USA. Enea Linux, together with complementary innovative technologies, has been developed to meet the needs of customers developing the next generation of telecom equipment.

Enea Linux is based on the Linux distribution from Yocto and is available together with customized services and support. Enea also launched a number of technical innovations which will allow real-time characteristics to be added to Linux, thereby improving performance and applicability when developing telecom equipment:

- Enea LWRT (Light Weight Runtime Threads) enables functions such as scheduling, signal handling, and resource handling. Applications will be able to run with improved determinism and with minimum overhead on the main system, addressing some of the challenges that developers of network and telecoms equipment have had with traditional Linux solutions.
- Enea Packet Acceleration foundation (PAX) is a modular, graphical platform designed to increase hardware performance. PAX has been developed for radio access nodes, which are the nodes that manage contact between wireless devices and the mobile network.





## The Share

Jan - Mar 2012

Share price development:	+56%
No. of trades shares:	1,109,839
Highest share price:	45.00 SEK
Lowest share price:	29.00 SEK
Market cap. (31 Mar)	796 MSEK
Total No. of shares (31 Mar):	17,659,091

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## Financial information

Interim Report Apr-Jun	20 July
Interim Report Jul-Sep	24 October
Annual Statement	7 February, 2013

All financial information is published at Enea's website [www.enea.com](http://www.enea.com).

Financial reports can also be ordered from Enea AB, P.O. Box 1033, SE-164 Kista, Sweden or by e-mail: [ir@enea.com](mailto:ir@enea.com)

*This report contains forward-looking statements that are based on the current expectations of the management of Enea. Although management believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove correct. Accordingly, results could differ materially from those implied in the forward-looking statements as a result of, among other factors, changes in economic, market and competitive conditions, changes in the regulatory environment and other government actions, fluctuations in exchange rates and other factors.*

*This document is essentially a translation of Swedish language original thereof. In the event of any discrepancies between this translation and the original Swedish document the latter shall be deemed correct.*