

Sigma AB (publ)

Interim report January – March 2008

Sigma's order bookings stable

- Sales in the period amounted to SEK 366 M (366).
- Organic growth, adjusted for units divested amounted to 3.1% of sales.
- Operating profit amounted to SEK 23.7 M (34.1).
- A reduction of 51 persons was made in Sigma Kudos's international operations, the entire cost of which, SEK 4.8 M, was recognized in the quarter.
- Operating margin was 6.5% (9.3), excluding the aforementioned nonrecurring expense, the margin was 7.8%.
- Sigma's investments, amounting to SEK 20 M, which were charged against 2007 earnings, are expected to show positive earnings later in the year.
- Cash flow from current operations amounted to SEK 37.7 M (34.7)
- Profit after financial items amounted to SEK 22.4 M (34.3) and after taxes to SEK 16.2 M (25.0). Earnings per share amounted to SEK 0.19 (0.29).
- Unchanged outlook for 2008 with an operating profit exceeding the 2006 level of SEK 97 M.

CEO, Sune Nilsson's comments on business development during the period

Order bookings for the Group are favorable and recruiting is ongoing, which also applies regarding the investments carried out in 2007. Increasingly, we are having discussions with our customers' company managements regarding enhancing the efficiency of their IT operations, which provides us scope to develop our establishments in the Ukraine, Hungary, China and India.

A number of framework agreements were extended during the period, in some cases at higher hourly rates and in one case Sigma was upgraded to global supplier. The overwhelming portion of the organic growth is from Sigma's large framework agreement customers. A number of major orders were also secured, many of them are undertakings in line with Sigma's strategy. Some of these assignments involve many of Sigma's subsidiaries in other countries in which the customers and Sigma are established

The investments made in preceding years are now showing in increased operating profit. The establishments have grown and the change is seen in earnings. The investments are described more in detail below.

The internal efficiency efforts initiated in the preceding year are now beginning to show results. The debiting rate is higher than a year earlier and we are using Group-wide systems and functions better. The effect of this will be apparent successively during the year.

At the beginning of the period, one of the Information Logistics Business Area's major Nordic customers stopped a number of projects that affect mainly Finland and Germany. Taking into account the customer's future expectations, we have reduced our delivery capacity by about 50 persons and completely discontinued the business area's operations in Germany. The discontinuation costs arising in conjunction with this are charged against earnings in the quarter. Development in the Information Logistics Business Area is positive going forward and we expect increased earnings within the operations after the reductions made.

Trends by business area (EBIT)

Period (last year)	Sales, SEK M		Earnings **, Operating Margin, SEK M		%		Employees at closing date	
IT & Management	298.1	(298.7)	27.3	(29.1)	9.2	(9.8)	802	(787)
Information logistics	73.6	(71.7)	1.7	(8.0)	2.3	(11.2)	476	(477)
Other activities	10.5	(9.2)	-5.3	(-3.1)			13	(11)
Eliminations	-15.9	(-14.0)						
SUM	366.3	(365.6)	23.7	(34.1)	6.5	(9.3)	1,292	1,275

There were two fewer workdays during the period compared with a year earlier. This affected sales and earnings by about SEK 10 M for the period.

Sigma's investments

In the preceding year, Sigma carried out a number of investments through acquisitions and start of new operations to promote long-term competitiveness and growth. These were charged against earnings for full-year 2007 in the amount of SEK 20 M, which was higher than planned and which combined with certain nonrecurring expenses were the reason for the profit warning at the end of the year. Most of the investments are now showing positive operating profits and they are expected to show positive earnings later in the year.

The following outcome is reported for the first quarter. Sales growth is favorable in these companies and we see continuous improved earnings.

SEK M	Quarter 1 2008			Full year 2007		
Earnings before and after investments	Sales, SEK M	Earnings, SEK M	Operating Margin, %	Sales, SEK M	Earnings, SEK M	Operating Margin, %
Accounts as reported	366.3	23.7	6.5	1,375.5	75.2	5.5
Accounts in investments	36.4	-2.3	neg	111.0	-20.2	Neg
Accounts excl investments	329.9	26.0	7.9	1,264.5	95.4	7.5

Comments on business trends

Business Area IT & Management

The IT & Management Business Area's market remains good. It is yielding favorable and stable order bookings, with positive hourly rate development. Sigma continue to recruit, focus is on the metropolitan regions.

The Business Area reports improved profitability through a more effective work method, which is developing the entire time.

The core businesses in the form of system development and project management are developing well, particularly with major framework agreement customers. These customers are also requesting different functional undertakings regarding these services, for example, various forms of resources pools.

The business systems operations are growing organically with profitability and have been established in a new location in Sweden.

Management operations are growing and are increasingly in demand. The concept based on specific customer benefit within operational development linked to IT is one of the success factors. We call it Manage & Control Services.

Business Area Information Logistics

The operations in Sweden, which account for most of the Business Area's sales, combined with the operations in the Ukraine, show an unchanged favorable earnings trend. The investment in China is developing better than planned and is now assessed as transitioning toward successively yielding positive earnings.

Other companies in the business area report a marginally weaker development in addition to the nonrecurring costs charged against earnings in the quarter for personnel reductions. As of the second quarter, the actions taken are expected to result in the operations in Finland showing profitability.

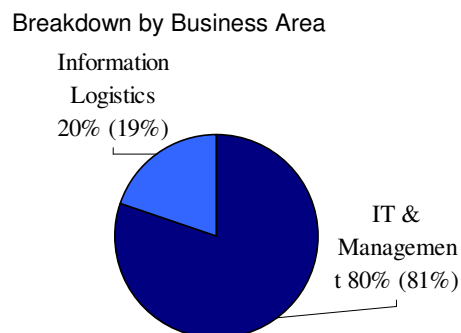
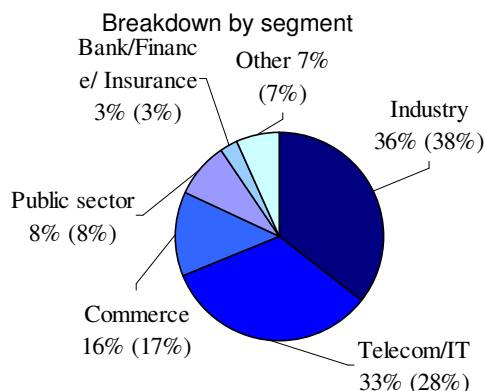
The operations in France, which are relatively small with 14 employees, have new management as of year-end. A program to reverse the negative earnings and significantly expand the customer base is under way. An evaluation of the actions taken will be carried out later this year.

Breakdown of sales

Sweden accounts for some 89% (88), Denmark for 4% (4), Finland for 3% (4), Hungary, the Ukraine and France account for about 1% each (1% in the Ukraine), while less than 1% (-) derives from Germany, China and the UK.

Approximately 2% (4) of Sigma's sales are invoiced in countries other than the country in which the particular company is active. Fixed price assignments represent some 8% (4). The proportion of assignments continues to rise consistently which is in line with Sigma's strategy. The single largest customer for the Group accounts for about 10% (10) of group sales.

Sales to frame agreement customers continued to account for the largest share of group invoicing. The 13 largest customers account for some SEK 235 M (220), corresponding to 64% (60) of Group invoicing.



Sales and earnings, January to March

Invoicing was at the same level as a year earlier, despite units divested and fewer workdays. Adjusted for these, organic growth in sales was 5.9%. The two fewer workdays than in 2007 resulted in about SEK 10 M less in sales and earnings in the first quarter of 2008.

Operating profit amounted to SEK 23.7 M (34.1), with operating margin of 6.5% (9.3).

The first quarter was charged with costs for personnel reductions in the Information Logistics Business Area amounting to SEK 4.8 M. Earnings also include rebate from Swedish pension system Alecta with SEK 1.4 M. For the full year this amount is estimated to SEK 6 M.

The reported tax expense was SEK 6.2 M (expense: 9.3) and consists largely of payable tax. Sigma had only SEK 4 M in loss carry forwards at year-end. These are expected to fully be offset during 2008.

Liquid funds and financial position

Cash flow from operations was positive during the period at SEK 37.7 M (34.7). Many customers withheld payments in December 2007, which were paid in the beginning of 2008 instead. The trend was similar in preceding years.

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Available cash and cash equivalents amounted to SEK 63.6 M (36.6) at the end of the period, and SEK 15.5 M at year-end. At the end of the period, Sigma reports net debt of SEK 78.8 M (57.8) and SEK 113.3 M at year-end. No investments were made during the period in companies, but payment of incurred supplemental payments was made in the amount of SEK 5.5 M in the first quarter. During April, an additional SEK 0.3 M will be paid, which is the last for 2008. A corresponding amount will be paid in the same period in 2009.

Investments, including the consolidation effect of acquired companies

Total investments during the period totaled SEK 2.3 M (65.4). No acquisitions have been made this year. The table below shows investment during the period. Investments charged directly against earnings totaled SEK 2.8 M (2.2).

Investments SEK M period (previous year)	Investments in operations		Investments through acquisitions		Investments through consolidation		Total Investments	
Goodwill	(-)	(-)	(-)	(49,6)	(-)	(-)	(-)	(49,6)
Balanced development costs	0,3	(0,2)	(-)	(-)	(-)	(-)	0,3	(0,2)
Other intangible assets	0,3	(0,2)	(-)	(3,1)	(-)	(1,6)	0,3	(4,9)
Tangible assets	1,7	(2,2)	(-)	(-)	(-)	(8,5)	1,7	(10,7)
Total Investments	2,3	(2,6)	(-)	(52,7)	(-)	(10,1)	2,3	(65,4)

Personnel

The number of employees at the end of the period was 1,292 (1 275) and the average for the period was 1,330 (1,262). The corresponding figure at year-end was 1,323 and an average of 1,302. Personnel reductions in Information Logistics occurred at the end of the first quarter, whereby the average is higher at the end of the period.

The number of employees in low-cost countries such as Hungary, the Ukraine, India and China comprise 14% of the total number of employees.

Most of the employees are graduate engineers, economists, system analysts or similar and the average age is slightly more than 36. The gender distribution in the Group is 70% men and 30% women.

Risks and uncertainty factors in the preparation of this report

The Group's risk profile is described in the Annual Report for previous year. No general changes in the risk profile occurred.

Events after the end of the reporting period

There are no significant events after the end of the reporting period.

Transactions with associated parties

No transactions were conducted with closely associated parties during the year, other than minor consulting services, as in previous years.

Outlook for 2008

The order situation is favorable.

Uncertainty regarding economic development and the impact of the lower USD exchange rate on the export industry has not had any effects on order bookings so far. How this will develop later in the year is difficult to assess. Sigma's forecast is based on the current demand situation.

The investments completed will gradually generate results and the Board expects operating profit for 2008 to exceed the 2006 level of SEK 97 M.

Assurance of the Board of Directors and Chief Executive Officer

The Board of Directors of the Company and the Chief Executive Officer provide assurance that this report provides an accurate overview of the Parent Company's and Group's operations, financial position and earnings at March 31, 2008 and that it describes the significant risks and uncertainty factors that the company and Group faces.

Gothenburg April 23 2008

Sigma AB (publ) (Company reg. No: 556347-5440)

Board of Directors and Chief Executive Officer

Auditor's review report

I have performed a review of the interim report for Sigma AB (publ) at 31 March 2008 and the three-month period ending at that date. It is the responsibility of the President and the Board of Directors to prepare and present this interim financial information in accordance with IAS 34 and the Annual Accounts Act. My responsibility is to express an opinion on this interim financial information based on my review.

The focus and scope of the review

I have performed my review in accordance with the Standard on Review Engagements SÖG 2410 Review of Interim Financial Information performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting issues, performing an analytical review and carrying out other review measures. A review has a different focus and substantially limited scope compared with the focus and scope of an audit in accordance with Swedish Auditing Standards and good auditing practice in general. The review measures carried out in a review do not enable me to obtain a level of assurance that would make me aware of all the significant matters which could have been identified if an audit had been performed. The opinion expressed on the basis of a review does not therefore provide the same level of assurance as a conclusion expressed on the basis of an audit.

Conclusion

Based on my review, no circumstances have emerged that give me reason to assume that the interim report has not, in all material aspects, been prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Malmö April 23 2008

Hans Pihl

Authorized Public Accountant
Deloitte AB

The report can be ordered from the Company or downloaded from Sigma's website www.sigma.se. Sigma is listed on the Small Caps list of the OMX Nordic Exchange.

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This document is essentially a translation of the Swedish Interim Report. In the event of any differences between this translation and the original Swedish document, the Swedish document shall prevail.

Forthcoming reporting dates

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|--|------------------|
| - Interim Report 6 months (Q2) 2008 | July 18, 2008 |
| - Interim Report 9 months (Q3) 2008 | October 28, 2008 |
| - Year end report, 12 months (Q4) 2007 | February 6, 2009 |

Quarterly trend, Group

SEK M	2005				2006				2007				2008				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2 ^{*)}	Q3	Q4	Q1	Q2	Q3	Q4	
Net sales	265	291	226	295	321	305	253	344	366	351	290	369	366				
Operating profit	22.0	22.3	16.5	25.2	32.4	17.7	14.5	32.7	34.1	15.2	10.3	15.5	23.7				
Margin	8.3	7.7	7.3	8.5	10.1	5.8	5.7	9.5	9.3	4.3	3.5	4.2	6.5				
No. of working days	61	62	66	64	64	60	65	63	64	60	65	62	62	62	66	62	
Employees/end period	879	906	914	893	1,013	1,068	1,107	1,086	1,275	1,303	1,354	1,323	1,292				

Operation profit means EBITA, i.e. .before impairment of goodwill.

Notes to the consolidated financial statements and parent company

Accounting principles

The interim report was prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act for the Group and Parent Company. The accounting principles and computation methods are similar to those used in the most recent annual report. The accounting principles applied are described in the 2007 Annual Report, Note 3 for the Group and Note A for the Parent Company.

Seasonal fluctuations

The company's earnings are affected by slightly less than SEK 5 M per working day, all other factors being equal. The occurrence of holidays during the year affects earnings between quarters. The Easter holiday may fall in either the first or the second quarter, which affects the distribution of earnings between these quarters. The latter part of the second quarter is also affected by the start of the summer vacation period, resulting in lower invoicing. The largest vacation effect appears in the third quarter, however. The occurrence of the Christmas vacation period in relation to different weekdays has an effect on the number of working days in the fourth quarter, as does the number of vacation days taken by employees who extend their holidays in conjunction with Christmas, depending on which weekdays the public holidays arise.

Condensed income statement Parent company, SEK M

	Jan-Mar 2008	Jan-Mar 2007	Jan-dec 2007
Revenues	8.6	7.4	30.7
Goods for resale/subcontractors	-1.6	-1.6	-5.5
Gross Profit	7.0	5.8	25.2
Personnel- and other expenses	-8.3	-8.1	-36.4
Depreciation/amortization and impairment of fixed assets	-0.0	-0.1	-0.2
Operating profit	-1.3	-2.3	-11.4
Earnings from shares in subsidiaries	-	-	-46.0
Interest income and similar items	1.2	1.4	6.1
Interest expense and similar items	-2.0	-1.6	-12.9
Profit/Loss after financial items	-2.1	-2.5	-64.2
Appropriations	-	-	-18.4
Taxes	-	-	11.8
Profit/Loss for the period	-2.1	-2.5	-70.8
Average number of shares	86,746,471	86,042,499	86,394,485
Earnings per share, before and after full dilution	-0.03	-0.03	-0.82

Condensed balance sheet Parent company, SEK M

	Mar 31, 2008	Mar 31, 2007	Dec 31, 2007
Assets			
Tangible fixed assets	0.5	0.6	0.5
Financial fixed assets	213.6	473.6	214.3
Current assets	307.6	129.7	432.3
Total assets	521.7	604.0	647.1
Shareholders equity, provisions and liabilities			
Shareholders equity	342.0	370.5	344.2
Untaxed reserves	30.1	11.7	30.1
Provisions	10.1	15.0	15.0
Other long term liabilities	-	1.7	0.8
Current liabilities	139.5	205.1	257.0
Total Shareholders equity, provisions and liabilities	521.7	604.0	647.1

Condensed consolidated income statement, SEK M

	Jan-Mar 2008	Jan-Mar 2007	Jan-dec 2007
Revenues	366.3	365.6	1,375.5
Other operating revenues	0.4	0.8	2.5
Goods for resale/subcontractors	-73.8	-82.9	-306.1
Gross Profit	292.9	283.5	1,071.9
Personnel- and other expenses	-265.5	-247.7	-990.7
Depreciation/amortization and impairment of fixed assets *)	-2.7	-2.8	-61.9
Share in the profits of associated companies	-1.0	1.1	5.4
Operating profit	23.7	34.1	24.7
<i>Operating margin, %</i>	<i>6.5</i>	<i>9.3</i>	<i>1.8</i>
Interest income and similar items	0.8	1.3	5.3
Interest expense and similar items	-2.1	-1.1	-10.9
Profit/Loss after financial items	22.4	34.3	19.1
<i>Profit margin, %</i>	<i>6.1</i>	<i>9.4</i>	<i>1.4</i>
Taxes	-6.2	-9.7	-20.9
Profit/Loss for the period	16.2	25.0	-1.8
Whereof minority share of earnings for the period	0.6	0.9	2.6
Average number of shares	86,746,471	86,042,499	86,394,485
Earnings per share, before and after full dilution	0.19	0.29	-0.02

*) Impairment of goodwill is included in the amount of SEK 50.5 M in the second quarter 2007.

Condensed consolidated cash flow statement Group, SEK M

	Jan-Mar 2008	Jan-Mar 2007	Jan-dec 2007
Cash flow from operations	26.2	35.6	80.2
Changes in working capital	21.1	12.5	-22.2
Paid interest and tax	-9.6	-13.4	-36.1
Cash flow from current operations	37.7	34.7	21.9
Investment operations	0.3	-113.6	-102.6
Financial operations	-36.4	82.5	85.1
Change in liquid funds	1.7	3.6	4.4

Condensed consolidated balance sheet Group, SEK M

	Mar 31, 2008	Mar 31, 2007	Dec 31, 2007
Assets			
Tangible fixed assets	17.9	18.4	18.6
Goodwill	285.7	337.8	286.2
Other Intangible fixed assets	13.5	16.1	14.4
Financial fixed assets, non-interest bearing	28.5	34.1	29.3
Financial fixed assets, interest bearing	12.7	16.5	13.3
Current assets, interest bearing	0.6	3.0	6.9
Current assets, non-interest bearing	368.0	358.5	384.1
Liquid funds (cash and bank balances)	8.8	6.3	7.2
Total assets	735.7	790.7	760.0
Shareholders' equity and liabilities			
Shareholders' equity ***)	369.0	399.4	352.8
Long-term liabilities, interest-bearing	0.1	1.6	0.8
Long-term liabilities, non interest-bearing	18.5	39.9	23.9
Current liabilities, interest-bearing	100.7	82.3	132.8
Current liabilities, non interest-bearing	247.4	267.5	249.7
Total Shareholders' equity and liabilities	735.7	790.7	760.0

*) The minority share of shareholders' equity is shown in the table below covering changes in shareholders' equity.

Consolidated change in shareholders' equity Group, SEK M

	Attributable to shareholders in the parent company	Attributable to minority	Total
Shareholders equity, January 2007	368.3	2.3	370.6
Currency exchange differences	3.7	-	3.7
Change in minority share	-	0.0	0.0
Total changes in shareholders equity not reported in the incomes statement	3.7	0.0	3.7
Profit for the period	24.1	0.9	25.0
Shareholders equity, March 31 2007	396.1	3.2	399.3
Currency exchange differences	-1.8	-	-1.8
New share issue	7.8	-	7.8
Dividend to shareholders	-24.1	-	-24.1
Change in minority share	-	-1.7	-1.7
Total changes in shareholders equity not reported in the incomes statement	-18.1	-1.7	-19.8
Profit for the period	-28.5	1.7	-26.8
Shareholders equity, December 31, 2007	349.5	3.2	352.7
Currency exchange differences	0.5	-	0.5
Change in minority share	-	-0.5	-0.5
Total changes in shareholders equity not reported in the incomes statement	0.5	-0.5	-0.0
Profit for the period	15.7	0.6	16.3
Shareholders equity, March 31 2008	365.7	3.3	369.0

Key ratios Sigma Group

	Mar 31, 2008	Mar 31, 2007	Dec 31, 2007
Number of employees, end of period	1,292	1,275	1,323
Average number of employees	1,330	1,262	1,302
Net sales per employee, SEK 000s *)	275	291	1,063
Added value per employee	190	199	714
Return on capital employed, %	5.2	8.1	6.9
Return on shareholders' equity, %	5.1	6.7	0.2
Net cash/Net debt	-78.8	-57.8	-113.3
Net debt/equity ratio, %	-21.4	-14.5	-32.1
Acid test ratio, times, overdraft check classified as long	1.5	1.3	1.0
Equity/assets ratio, %	50.2	50.5	46.4
Gross margin, %	7.2	10.0	6.3
Operating margin, %	6.5	9.3	1.8
Profit margin, %	6.1	9.3	1.4
Number of shares, end of period	86,746,471	86,042,499	86,746,471
Average number of shares	86,746,471	86,042,499	86,394,485
Earnings per share after full tax, SEK	0.19	0.29	-0.02
Shareholders' equity per share, SEK	4.29	4.64	4.10