

# Interim report January-June 2007



## Retail Business Area's sales increased by 136 percent during first half of 2007

### Second quarter of 2007

- Net sales rose to MSEK 101.8 (78.5)
- Operating loss of MSEK 4.5 (profit: 0.0) reported, including nonrecurring costs amounted to MSEK 5.4
- The loss after taxes was MSEK 4.7 (profit: 0.3)
- Loss per share of SEK 0.05 (0.00) reported
- CashGuard Blue Emptying Box put into operation
- Streamlining of SQS and CashGuard subgroups
- Retail business area's sales increased by 177 percent during the quarter
- Lars Ingman employed as new CFO
- Pontus Ljungberg took office as service manager

### First half of 2007

- The Board of Directors decided to focus the Group's operations on the Retail business area. The CIT/ATM business area is to be sold or listed separately
- Distributor agreements concluded with LaSer Symag of France, Pharmatechnik of Germany and RBS of Sweden
- Agne Pettersson became Managing Director and Chief Executive Officer

### Events after the period end

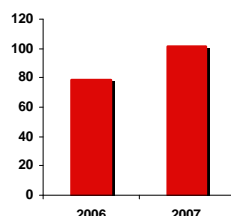
- Panaxia concludes five-year framework agreement
- CashGuard system number 10,000 was delivered
- Sales goals raised for Retail business area

### Group in brief

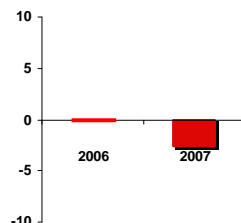
	Second quarter 2007	Second quarter 2006	First half of 2007	First half of 2006	Rolling 12 months	Full -year 2006
Net sales, MSEK	101.8	78.5	203.5	142.0	384.1	322.6
Operating profit/loss, MSEK	-4.5	0.0	-1.1	0.1	11.7	12.9
Operating margin, %	-4.4	0.0	-0.5	0.0	3.0	4.0
Profit/loss after financial items, MSEK	-5.7	0.3	-1.6	-0.2	8.9	10.3
Net profit/loss for the period, MSEK	-4.7	0.3	-1.8	-0.2	4.2	5.8
Cash flow from operating activities, MSEK	3.3	-13.8	3.8	-14.5	-5.7	-24.0
Earnings per share before and after dilution, SEK	-0.05	0.00	-0.02	0.00	0.04	0.06
Shareholders' equity per share, SEK	2.66	2.62	2.66	2.62	2.66	2.69
Average number of shares (000)	99 206	99 206	99 206	99 206	99 206	99 206

## Second quarter 2007

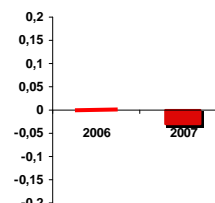
Net sales (MSEK)  
April – June



Operating profit/loss (MSEK)  
April – June



Earnings per share (SEK)  
April – June



## Second quarter 2007

### Net Sales

During the second quarter of 2007, CashGuard sales totalled MSEK 101.8 (78.5), an increase of 30 percent on the year-earlier period. The improvement was mainly attributable to sales in the Retail business area rising by 177 percent. Sales in the CIT/ATM business area decreased by 17 percent compared with the year-earlier period.

### Earnings

Compared with the year-earlier period, the operating result declined to a loss of MSEK 4.5 (0.0). During the quarter, nonrecurring costs were incurred for product upgrades for customers in Europe to the amount of MSEK 3.5 and costs for sales/separate listing of SQS amounted to MSEK 1.9. Nonrecurring costs totalled approximately MSEK 5.4. Excluding the nonrecurring costs, the Group reported operating profit of MSEK 0.9, which was mainly attributable to the strong sales increase noted in the Retail business area.

A loss of MSEK 4.7 (profit: 0.3) was reported after taxes, equal to a loss of SEK 0.05 (0.0) per share.

Cash flow from operating activities during the quarter was a positive MSEK 3.3 (neg: 13.8)

### Operations

The Retail business area showed sharp sales growth of 177 percent during the second quarter, which derived mainly from sales to Norgesgruppen of Norway.

During the quarter, the Board of Directors and company management continued their efforts to streamline CashGuard towards the Retail business area. The earlier work on integrating the two subgroups was terminated and an independent structure has been developed around SQS. This has resulted in both legal and operational changes in the Group. The work involved will be finalised during the third quarter.

During the quarter, Pontus Ljungberg was employed as new service manager and is a member of the Group's management team.

In June, an employment contract was signed with Lars Ingman as new Chief Financial Officer. He will take up his new position in mid-September.

## **CIT/ATM**

Due to the increased number of robberies that are occurring in Europe, there is a trend towards greater demand for closed and fully automatic cash-handling system in the European markets.

As of September 1, a directive from the Swedish Work Environment Authority will be in place to govern the fill-up of ATMs. As of this date, all systems for ATM replenishment must be closed and must make cash permanently useless in the event of robbery. As a result of the decision, demand for SQS products has risen, which also led to an upturn in order bookings in the CIT/ATM business area towards the end of the quarter.

The CIT/ATM business area's costs for guarantees and product upgrades increased during the first half of the year. New product adaptations have caused problems. An action programme has been implemented.

Following the close of the period, a framework agreement was concluded with Panaxia concerning SQS products. The value of the framework agreement is approximately MSEK 150.

## **Retail**

As a result of the decision to streamline CashGuard so that it will focus exclusively on activities in the Retail business area, resources have been invested in developing existing markets in Europe. In France, a new Retail organisation has been built up and a number of pilot installations have been implemented. In cooperation with LaSer Symag, joint marketing and training activities have also been initiated.

In the German market, a new organisation has been formed that focuses exclusively on Retail. In cooperation with Pharmatechnik, joint marketing and training activities have been initiated and pilot installations have been implemented and test run for the pharmacy market. The German sales organisation has been strengthened through the addition of an external sales organisation, at the same time as additional proprietary salespeople are being employed.

During the quarter, the product CashGuard Blue Emptying Box was delivered to a customer with a global business. The product offers closed and fully automatic cash-handling, since CashGuard Blue, which is installed at checkouts, can be emptied without any possibility of open access to bank notes. The emptying concept offers an optimum level of security, featuring the inking and destruction of notes in the event of a robbery.

Following the close of the fiscal period, CashGuard delivered its ten-thousandth cash-handling system to ICA Kvantum supermarket in Västra Frölunda.

A renegotiation of the distribution agreement with PSI Antonson of Sweden is under way. The objective, following these renegotiations, is that CashGuard will increase its volumes substantially in the Swedish market.

## **First half of 2007**

### **Net Sales**

During the first half of 2007, CashGuard sales totalled MSEK 203.5 (142.0), up 43 percent on the year-earlier period. The improvement was mainly attributable to increased demand in the Retail business area, where sales rose by 136 percent. Sales in the CIT/ATM business area increased by 3 percent compared with the year-earlier period.

### **Earnings**

The Group on the whole reported a loss. Compared with the year-earlier period, operating profit declined to a loss of MSEK 1.1 (0.1). During the first half of the year, nonrecurring costs were incurred for the change of Chief Executive Officer, the resolution of disputes and a switch of supplier. Costs for the sale/

separate listing process of business area CIT/ATM amounted to MSEK 1.9 and are included in the nonrecurring costs. These costs totalled approximately MSEK 10.9. Excluding the nonrecurring costs, operating profit amounted to MSEK 9.8 and was mainly attributable to the strong sales increase noted in the Retail business area.

The Group reported a loss of MSEK 1.8 (loss: 0.2) after taxes, or loss of SEK 0.02 (0.0) per share.

Cash flow from operating activities during the first half of the year was a positive MSEK 3.8 (neg: 14.5)

## Operations

Sales in the Retail business area grew sharply by 136 percent during the first half of the year. This growth mainly derived from sales to Norgesgruppen in Norway.

Since an important feature of international expansion within Retail has been to reach out to a wider market in Europe, a number of important distribution agreements were signed at the beginning of the year.

In early January, CashGuard signed a cooperation contract with LaSer Symag, France, which will act as distributor and service partner with regard to cash-handling systems in the French market. LaSer Symag is part of the Galerie Lafayette Group, which, in addition to LaSer Symag, includes department store chains Galerie Lafayette, BHV and Monoprix. In 2005, the LaSer Group had total sales of MEUR 5,635 and 36,000 employees. Today, LaSer Symag has 50,000 checkout systems installed in 16,000 stores in Europe.

In mid-January, a supplementary distributor contract was signed with RBS (Retail Business System AB) for cash-handling systems in the Swedish market. This will increase CashGuard's presence in the Swedish market. RBS develops and markets store computer solutions and has approximately 90 employees and about 3,000 stores in its customer base in Sweden.

In mid-February, a distributor agreement regarding cash-handling systems was concluded with Pharmatechnik of Germany. Pharmatechnik will market and sell CashGuard products and services to slightly more than 20,000 pharmacies in the German market.

In late February, Brink's of Belgium placed an order for security cases with SQS-technology. The order, worth MSEK 13, was delivered during the first and second quarters of 2007.

### Sales and operating profit/loss per business area (MSEK)

	Sales		Operating profit/loss		Sales		Operating profit/loss	
	Second quarter 2007	Second quarter 2006	Second quarter 2007	Second quarter 2006	First half of 2007	First half of 2006	First half of 2007	First half of 2006
CIT/ATM business area	49.8	59.7	-1.3	10.6	101.8	98.9	1.0	13.7
Retail business area	52.0	18.8	-3.2	-10.6	101.7	43.1	-2.1	-13.6
Group total	101.8	78.5	-4.5	0.0	203.5	142.0	-1.1	0.1

## Business Areas

### CIT/ATM business area

*The CIT/ATM business area offers unique security cases for transport and storage of cash, as well as products for secure fill-up and protection of cash in ATMs.*

During the first half of 2007, net sales within the CIT/ATM business area rose 3 percent to MSEK 101.8 (98.9). Operating profit declined to MSEK 1.0 (13.7). The earnings deterioration was mainly due to

nonrecurring costs of MSEK 7.2. A reallocation of Group-wide costs compared with the year-earlier period resulted in an increase in costs by MSEK 3.0.

#### **CIT/ATM business area**

	Second quarter 2007	Second quarter 2006	First half of 2007	First half of 2006	Rolling 12 months	Fyll-year 2006
Sales, MSEK	49.8	59.7	101.8	98.9	227.9	225.0
Operating profit, MSEK	-1.3	10.6	1.0	13.7	26.3	39.0
Operating margin, %	-2.6	17.8	1.0	13.9	11.5	17.3

#### **Sale/separate listing of SQS**

During the quarter, the Board of Directors and company management continued their determined efforts to streamline CashGuard towards the Retail business area. Accordingly, efforts have been concentrated on a streamlining of the CashGuard and SQS subgroups. The earlier work on integrating the two subgroups was terminated and an independent structure has been developed around SQS. This has resulted in both legal and operational changes in the Group. The Board has continued its discussions with a number of interested parties concerning the sale of SQS. In agreement with CashGuard's financial advisor, HQ Bank, the Board has decided to adjust the timing of a possible sale until earnings better reflect SQS's business status. A separate listing remains a possibility.

#### **SQS's sales \* as an independent company**

	Second quarter 2007	Second quarter 2006	First half of 2007	First half of 2006	Rolling 12 months	Full-year 2006
Sales, MSEK	64.6	60.4	128.9	104.3	265.5	240.9

\* Pertains to sales without elimination of internal transactions

The above figures describe SQS as an independent group.

The business situation of SQS has improved and we believe that the net sales will increase substantially during the second half of 2007, compared to the first half.

#### **Retail business area**

*The Retail business area offers systems for efficient cash handling in checkout environments.*

During the first half of 2007, the Retail business area's sales rose by 136 percent to MSEK 101.7 (43.1), due mainly to installations at Norgesgruppen stores. Operating loss of MSEK 2.1 (loss: 13.6). The earnings improvement was mainly attributable to increased volumes combined with a reallocation of Group-wide costs, which resulted in a cost decrease of MSEK 3.0 compared with the year-earlier period. In addition, the Retail business area was charged with nonrecurring costs of MSEK 3.7.

#### **Retail business area**

	Second quarter 2007	Second quarter 2006	First half of 2007	First half of 2006	Rolling 12 months	Full-year 2006
Sales, MSEK	52.0	18.8	101.7	43.1	156.2	97.6
Operating profit, MSEK	-3.2	-10.6	-2.1	-13.6	-14.6	-26.1
Operating margin, %	-6.2	-56.4	-2.1	-31.6	-9.3	-26.7

## Market position and outlook

CashGuard increases sales goal of Retail business area to 90-100 percent and for CIT/ATM business area the corresponding goal is 25-30 percent.

Within CIT/ATM, CashGuard focuses directly on customers, which from CIT's viewpoint mainly comprise security companies, banks and post offices. Customers in the ATM segment are mainly banks and other companies that own ATMs and need safe and effective methods for the fill-up and storage of cash. An increasing number of potential customers view intelligent solutions as better than traditional armoured and armed CIT. In the CIT/ATM market, acceptance of CashGuard's technology is high in Europe. In other high-growth markets, we see significant potential as awareness of the need for the Group's offerings increases.

Market trends are in CashGuard's favour. Consolidation in the retail sector is resulting in a greater concentration of cash, which is increasing the risk of robbery. More stringent legal requirements are driving a technology shift in which intelligent shield protection and destruction of bank notes are increasing in importance. In the ATM segment, the need for ATMs is rising in pace with the closure of bank and post offices. Distances between ATMs and bank offices are becoming longer, thus requiring more efficient and secure logistics for transport, and for the fill-up and collection of cash. The trend is also moving towards closed systems becoming standard. Given such a market situation, CashGuard aims to compete by offer its security system for ATMs. Accordingly, the ATM market is beginning to gain momentum and CashGuard has all the certificates required to deliver a safe and secure end-to-end solution.

CashGuard's primary market for its product in the Retail business area comprises all checkouts in the retail sector. Today the number of retail checkouts in the EU is estimated at slightly more than five million. Only a few tenths of a percent of these currently have secure cash-handling systems. The market for the Retail business area is enormous and unexploited. Despite increased card usage, the volume of cash in society is increasing. In addition, the concentration of cash is increasing in pace with the ongoing consolidation of the retail sector, which is also increasing the risk of robbery. Moreover, CashGuard's business opportunities are expanding through new legal requirements for job rotation, which are resulting in an increase in cashier changes and in the associated cash checkings.

## Profitability

The return on capital employed was 0.4 percent (0.2).

## Risks and uncertainties

CashGuard's revenues derive mainly from sales of products and services for secure and effective cash handling and cash logistics. Since these markets are still at a very early stage of development, they must be regarded as uncertain, but they have enormous growth potential.

CashGuard has a proprietary manufacturing unit in Skellefteå for the manufacture of products within the CIT/ATM business area. Since all products within the business area are manufactured in this production unit, this gives rise to risks, primarily pertaining to deliveries. Manufacturing is also currently dependent on a number of very small suppliers who are unique for a certain type of component, which gives rise to risks pertaining to prices and deliveries. In the Retail business area, manufacturing is outsourced to PartnerTech, which results in all products within this business area currently being manufactured in the same production unit.

Since the company has operations outside Sweden, it is exposed to risks resulting from exchange rate changes. These primarily relate to transaction, translation and financial risks. Transaction exposure is generated from sales and purchasing transactions. The business operations are conducted through subsidiaries that virtually exclusively invoice in the same currency as they have their costs. Through the translation of foreign subsidiaries' balance sheets to SEK, the Group is exposed to fluctuations in

exchange rates. The Group has pursued a policy of normally not hedging translation exposure in foreign currency. The Group has interest-bearing liabilities in SEK and EUR. The EUR-denominated loan has been raised to hedge the holding in the property in France.

CashGuard's finance policy provides a framework of guidelines and regulations for the management of financial risks. The company aims to minimise and centralise the management of the currency risk affecting its commercial flows. Trading between the Parent Company and subsidiaries must be conducted in the subsidiary's currency.

## Financial position and cash flow

The equity/assets ratio at the end of the period was 68.7percent, compared with 75.0 percent at the end of the 2006 fiscal year. Shareholders' equity per share was SEK 2.66, compared with SEK 2.69 at the beginning of the fiscal year. On June 30, the Group's net liabilities amounted to MSEK 32.2, compared with MSEK 20.2 at the beginning of the fiscal year. Cash flow from operating activities improved to MSEK 3.8 (negative: 14.5). Net investments in tangible fixed assets amounted to MSEK 3.4 (0.3). During the second quarter, development costs of MSEK 6.4 (0.0) were capitalised.

## Personnel

The number of employees at the close of the period was 191, compared with 173 at the beginning of the fiscal year. The average number of employees during the period was 176, compared with 139 in the year-earlier period.

## Share distribution

At the end of the period, share capital amounted to MSEK 7,936. The distribution by class of shares was as follows:

<b>Class of shares</b>	
	<b>Shares outstanding</b>
Series A shares	1 000 000
Series B shares	98 205 633
Total number of shares	<b>99 205 633</b>

## Accounting principles

This interim report has been compiled in accordance with IAS 34, Interim Financial Reporting, and the Financial Accounting Standards Council's recommendation RR 31, Interim Reporting for Groups. The new or revised IFRS standards or IFRIC interpretations that have become effective since January 1, 2007 had no significant impact on the Group's income statement or balance sheet. The accounting principles in accordance with IFRS are presented in the Annual Report for the 2006 fiscal year.

The Parent Company has compiled its interim report in accordance with the Annual Accounts Act (1995:1554) and the Swedish Financial Accounting Standards Council's RR 32:06 recommendations, Interim Reporting for Legal Entities. The interim report has been prepared in accordance with the same accounting principles and methods of calculation as the 2006 Annual Report.

As of January 1, 2007, CashGuard has switched to a function-divided income statement in order to better highlight the Group's results.

## Parent company

The Parent Company had net sales of MSEK 102.0 (42.8) and reported a loss of MSEK 9.9 (loss: 7.2) after net financial items. Net investments in tangible fixed assets amounted to MSEK 0.7 (0.0). During the first half of the year, development costs of MSEK 4.5 (0.0) were capitalised. The Parent Company's



financial net assets at the end of the period amounted to MSEK 191.2, compared with MSEK 191.9 at the beginning of the fiscal year. During the period, a marketing contribution of MSEK 13.9 was granted to CashGuard SAS, France.

## Related parties

### Closely related companies

The SQS Group is to be sold or listed separately. Transactions with SQS AB are presented below. The Group and the parent company have a close relationship with PSI Group ASA, the company's principal shareholder.

PSI is CashGuard's distributor in the Swedish and Norwegian markets. The distribution agreement is non-exclusive and is effective until December 31, 2009. Closely related key personnel comprise members of executive management and other senior executives.

### Related-party transactions

KSEK	Year	GROUP			PARENT COMPANY		
		Sales	Debt	Receivable	Sales	Debt	Receivable
PSI Group	2007	69 588	1 311	12 851	69 588	1 311	12 851
SQS AB	2007	27 865	968	35 390	11 647	4 084	1 509

## Management changes

On February 22, 2007, Agne Pettersson became Managing Director and Chief Executive Officer of CashGuard. In June, an employment contract was signed with Lars Ingman as new Chief Financial Officer. He will take up his new position in mid-September. During the quarter, Pontus Ljungberg was employed as new service manager.

## Events after the period end

Following the close of the fiscal period, CashGuard delivered its ten-thousandth cash-handling system to the ICA Kvantum supermarket in Västra Frölunda. In addition, a five-year framework agreement was concluded with Panaxia. The value of the framework agreement is approximately MSEK 150.

## Telephone conference and presentation material

Due to the publication of the interim report, CashGuard will be holding a telephone conference on Thursday August 23 at 3 p.m., via telephone number: +46-8-672 81 50. The interim report will be presented by Managing Director and CEO Agne Pettersson and by Chief Financial Officer Nils Owe Engström. A presentation of the Group's interim report will be available on CashGuard's website.

## Forthcoming financial reports

The interim report for January 1 – September 30 will be presented on October 25, 2007.



## Certification

The Board of Directors and President provide their assurance that the six-month report gives a fair and accurate impression of the Company's and the Group's operations, financial position and earnings, and describes the significant risks and uncertainties faced by the Company and the companies included in the Group.

Täby den 23 augusti 2007

Morthen Johannessen  
*Chairman of the Board*

Leif Flemming Bakke  
*Member of the Board*

Mats Andersson  
*Member of the Board*

Agne Pettersson  
*Chief Executive Officer*

Mats-Olof Ljungkvist  
*Member of the Board*

Christina Detlefsen  
*Member of the Board*

### **For further information contact:**

Agne Pettersson, Managing Director and Chief Executive Officer, tel +46-8-732 22 00,  
agne.pettersson@cashguard.se

Nils Owe Engström, Chief Financial Officer, tel +46-8-732 22 00, nils-owe.engström@cashguard.se

This interim report has not been examined by the Company's auditors.

### Consolidated income statement, KSEK

	Apr-Jun 2007	Apr-Jun 2006	Jan-Jun 2007	Jan-Jun 2006	Full-year 2006
Net sales	101 845	78 490	203 525	142 014	322 633
Cost of goods and services sold	-72 895	-52 288	-141 192	-93 218	-208 437
<b>Gross profit</b>	<b>28 950</b>	<b>26 202</b>	<b>62 333</b>	<b>48 796</b>	<b>114 196</b>
- gross margin, %	28.4	33.4	30.6	34.4	35.4
Other operating expenses	-33 454	-26 158	-63 449	-48 651	-101 285
<b>Operating profit/loss</b>	<b>-4 504</b>	<b>44</b>	<b>-1 116</b>	<b>145</b>	<b>12 911</b>
- operating margin, %	-4.4	0.0	-0.5	0.0	4.0
Net financial items	-1 177	279	-443	-301	-2 654
<b>Profit/loss after financial items</b>	<b>-5 681</b>	<b>323</b>	<b>-1 559</b>	<b>-156</b>	<b>10 257</b>
- profit margin, %	-5.6	0.4	-0.8	-0.1	3.2
Tax	998	0	-202	0	-4 501
<b>Net profit/loss for the period</b>	<b>-4 683</b>	<b>323</b>	<b>-1 761</b>	<b>-156</b>	<b>5 756</b>
- profit/loss from operations under sale/separate listing	-742	8 715	823	12 991	26 880
Earnings per share before and after dilution, SEK	-0.05	0.00	-0.02	0.00	0.06
Average number of shares, thousands	99 206	99 206	99 206	99 206	99 206
Average number of shares after dilution, thousands	100 206	100 206	100 206	100 206	100 206
Number of shares at period end, thousands	99 206	99 206	99 206	99 206	99 206
Number of shares at period end after dilution, thousands	100 206	100 206	100 206	100 206	100 206

### Consolidated balance sheet, KSEK

	June 30 2007	June 30 2006	Full-year 2006
Intangible fixed assets	133 294	117 542	125 087
Tangible fixed assets	14 619	9 291	10 105
Financial fixed assets	70 030	75 969	72 631
Inventories	64 722	47 217	52 323
Accounts receivable	83 457	62 801	82 902
Other current assets	11 757	7 747	4 560
Cash and cash equivalents	6 324	31 670	7 814
<b>Total assets</b>	<b>384 203</b>	<b>352 237</b>	<b>355 422</b>
- assets held for sale/separate listing	285 012	0	0
Shareholders' equity	263 823	260 098	266 566
Long-term liabilities	19 766	19 657	12 379
Current liabilities	100 614	72 482	76 477
<b>Total equity and liabilities</b>	<b>384 203</b>	<b>352 237</b>	<b>355 422</b>
- liabilities held for sale/separate listing	184 240	0	0

### Consolidated cash flow statement, KSEK

	Jan-Jun 2007	Jan-Jun 2006	Full-year 2006
Cash flow from operating activities, remaining	7 203	-17 103	-32 547
Cash flow from operating activities, discontinued	-3 451	2 582	8 581
<b>Total cash flow from operating activities</b>	<b>3 752</b>	<b>-14 521</b>	<b>-23 966</b>
Cash flow from investment activities, remaining	-5 468	83	-8 083
Cash flow from investment activities, discontinued	-10 239	-911	-3 946
<b>Total cash flow from investment activities</b>	<b>-15 707</b>	<b>-828</b>	<b>-12 029</b>
Cash flow from financing activities, remaining	-1 486	-1 057	39
Cash flow from financing activities, discontinued	11 813	-971	-4 790
<b>Total cash flow from financing activities</b>	<b>10 327</b>	<b>-2 028</b>	<b>-4 751</b>
Cash flow during the period, remaining	749	-18 076	-40 592
Cash flow during the period, discontinued	-2 377	699	-155
<b>Total cash flow during the period</b>	<b>-1 628</b>	<b>-17 377</b>	<b>-40 747</b>
Cash and cash equivalents at beginning of the period, remaining	2 177	43 107	43 107
Cash and cash equivalents at beginning of the period, discontinued	5 637	5 699	5 699
Total cash and cash equivalents at beginning of the period	7 814	48 806	48 806
Exchange rate differences in cash and cash equivalents, remaining	85	119	-338
Exchange rate differences in cash and cash equivalents, discontinued	53	122	93
Total exchange rate differences in cash and cash equivalents	138	241	-245
Cash and cash equivalents at period end, remaining	2 511	25 150	2 177
Cash and cash equivalents at period end, discontinued	3 813	6 520	5 637
Total cash and cash equivalents at period end	6 324	31 670	7 814

### Changes in consolidated shareholders' equity, KSEK

	Jan-Jun 2007	Jan-Jun 2006	Full-year 2006
Opening balance	266 566	260 238	260 238
Year's change in translation reserve	-982	16	572
<b>Profit/loss during the period</b>	<b>- 1 761</b>	<b>-156</b>	<b>5 756</b>
Amounts at period end	263 823	260 098	266 566

### Quarterly figures

Sales per business area, KSEK	2007		2006				2005	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
CIT/ATM business area	49 839	52 007	76 530	49 620	59 669	39 232	41 591	24 382
Retail business area	52 006	49 673	34 943	19 526	18 821	24 292	30 236	18 447
Group	101 845	101 680	111 473	69 146	78 490	63 524	71 827	42 829

Operating profit/loss per business area, KSEK	2007		2006				2005	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
CIT/ATM business area	-1 305	2 256	14 028	11 252	10 658	3 064	9 359	-2 732
Retail business area	-3 199	1 132	-2 369	-10 145	-10 614	-2 963	-8 255	-10 853
Operating profit/loss	-4 504	3 388	11 659	1 107	44	101	1 104	-13 585
- operating margin, %	-4.4	3.3	10.5	1.6	0.1	0.2	1.5	-31.7

### Consolidated key figures

	Apr-Jun 2007	Apr-Jun 2006	Jan-Jun 2007	Jan-Jun 2006	Full-year 2006
Change in net sales, %	29.8	59.1	43.3	42.5	50.5
Gross margin, %	28.4	33.4	30.6	34.4	35.4
Operating margin, %	-4.4	0.0	-0.5	0.0	4.0
Profit margin, %	-5.6	0.4	-0.8	-0.1	3.2
Return on capital employed, %	neg	0.2	neg	0.2	4.4
Return on equity, %	neg	0.1	neg	neg	2.2
Debt/equity ratio, times	12.2	-0.4	12.2	-0.4	7.6
Equity/assets ratio, %	68.7	73.8	68.7	73.8	75.0
Interest-coverage ratio, times	-14.1	2.1	-2.5	0.8	4.5
Financial net indebtedness, MSEK	32.2	-1.0	32.2	-1.0	2.2
Equity per share, SEK	2.66	2.62	2.66	2.62	2.69
Average number of employees during the period	181	146	176	139	151
Number of employees at period end	191	154	191	154	173

### Parent Company income statement, KSEK

	Apr-Jun 2007	Apr-Jun 2006	Jan-Jun 2007	Jan-Jun 2006	Full-year 2006
Net sales	51 503	18 060	101 997	42 808	98 756
Cost of goods and services sold	-40 814	-18 287	-79 505	-34 294	-72 168
<b>Gross profit</b>	<b>10 689</b>	<b>-227</b>	<b>22 492</b>	<b>8 514</b>	<b>26 588</b>
- gross margin, %	20.8	-1.3	22.1	19.9	26.9
Other operating expenses	-25 188	-5 828	-33 844	-16 636	-47 223
<b>Operating profit/loss</b>	<b>-14 499</b>	<b>-6 055</b>	<b>-11 352</b>	<b>-8 122</b>	<b>-20 635</b>
- operating margin, %	-28.2	-33.5	-11.1	-19.0	-20.9
Net financial items	-114	792	1 433	968	798
<b>Profit/loss after financial items</b>	<b>-14 613</b>	<b>-5 263</b>	<b>-9 919</b>	<b>-7 154</b>	<b>-19 837</b>
- profit margin, %	-28.4	-29.1	-9.7	-16.7	-20.1
Tax	0	0	0	0	7 985
<b>Net profit/loss for the period</b>	<b>-14 613</b>	<b>-5 263</b>	<b>-9 919</b>	<b>-7 154</b>	<b>-11 852</b>

### Parent Company balance sheet, KSEK

	June 30 2007	June 30 2006	Full-year 2006
Intangible fixed assets	13 499	441	9 045
Tangible fixed assets	795	245	205
Financial fixed assets	191 209	192 147	191 943
Inventories	16 234	11 844	14 224
Accounts receivable	24 717	8 929	11 499
Other current assets	60 109	67 350	92 827
Cash and cash equivalents	1 621	22 081	50
<b>Total assets</b>	<b>308 184</b>	<b>303 037</b>	<b>319 793</b>
Shareholders' equity	278 077	272 182	288 019
Long-term liabilities	4 006	4 397	4 118
Current liabilities	26 101	26 458	27 656
<b>Total equity and liabilities</b>	<b>308 184</b>	<b>303 037</b>	<b>319 793</b>

CashGuard develops and sells products and services for secure and fully automatic cash handling and cash logistics. Via direct sales and distribution partners, CashGuard focuses on retail companies, post offices and banks, as well as security companies. The CashGuard Group has approximately 190 employees. CashGuard shares are listed on the Stockholm Stock Exchange.