



## MANAGING DIRECTOR AND CEO ERIK STRAND'S COMMENTS ON THE INTERIM REPORT FOR JANUARY 1 – JUNE 30, 2007

### **Continued profitable growth – increased investment in Germany and the UK**

During the second quarter, the Poolia Group's revenues amounted to SEK 326.8 M, which is 13% higher than the corresponding period in 2006. For the first six months of the year, total revenues increased by 15% to SEK 669.2 M. The largest relative growth was within Poolia Germany and the health company Dedicare, while Swedish operations grew most in absolute terms

The Group's operating profit for the quarter was SEK 16.1 M and during the January – June period totalled SEK 37.5 M. This means that revenues are unchanged compared with the year-earlier period. However, the figures for 2006 included the reversal of reserves from the discontinuation of former non-core businesses in Germany. The German operations have been able to cover their share of expenses for extensive investments in new establishments, while profitability in the UK remains unsatisfactory. Operating margin for the Group for the quarter was 4.9% and for the January – June period 5.6%.

During the quarter, the Group's largest unit, Poolia Sweden, grew 19% to SEK 190.1 M. All regions and professional areas showed healthy growth, with the strongest growth in regions outside Stockholm. Profitability remains favourable within all areas and operating profit for the second quarter amounted to SEK 18.9 M, corresponding to a margin of 9.9%.

In the other Nordic countries, Finland and Denmark, sales during the quarter amounted to SEK 9.4 M, which is lower than the year-earlier period. The largest part of this decrease is attributable to the fact that Poolia's former operations in Norway, which was discontinued during 2006, is included in the figures for the second quarter. Profitability for the other Nordic countries for the second quarter was 2.1%. During the period, José Majanen was appointed new manager of Poolia Finland.

In Germany, sales rose by 60% to SEK 17 M. If the former non-core business, which is no longer part of the company, is excluded, growth for the quarter was 89%. Growth was reported in all regions, with the strongest trend in Munich. Operating profit was SEK 1.7 M, including costs for two newly established offices, corresponding to a margin of 10.0%. This means that the core business in Germany has grown strongly since the restructuring at the beginning of 2006, and has shown favourable profitability for two consecutive quarters.

During the quarter, Poolia UK had sales of SEK 72.2 M, which is lower than the year-earlier period. Here, we have chosen to discontinue a number of assignments in the banking sector, where the increasing utilisation of subcontractors resulted in a considerable pressure on prices. In the UK, we have five newly established offices, and costs for this investment contributed to an operating loss for the quarter. The operation at the largest office in London/Holborn generates profit but does not fully cover the costs for new establishments. A measures program to increase profitability in the UK is under implementation.

The operation within Dedicare (formerly Poolia Healthcare) developed favourably, with the strongest growth in Sweden, and during the quarter, sales increased by 53% to SEK 38.1 M. Operating margin was 6.8%.

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Poolia's success is based on constantly striving for premium quality. We specialise in temporary staffing and permanent recruitment within our focus areas of finance/accounting, administration, IT and healthcare. Poolia was founded in 1989 and is active in six countries.



- Revenues amounted to SEK 669.2 M (584.1).
- Operating profit amounted to SEK 37.5 M (37.4).
- Profit after financial items amounted to SEK 38.7 M (38.3).
- After taxes, profit of SEK 28.9 M (28.0) was reported.
- Earnings per share amounted to SEK 1.57 (1.52).
- Cash flow from operating activities amounted to SEK 34.0 M (19.3).
- Johan Eriksson has been appointed new Managing Director and CEO for Poolia AB and will assume this position on October 1.

## January – June

### Revenues

Revenues for the Group increased by 15% to SEK 669.2 M (584.1). During the period, exchange-rate effects had a positive impact of 0.1% on revenues. The strongest growth was reported for operations in Germany and Dedicare. Revenues for the UK declined. Temporary Staffing continued to be the predominant service area. The proportion of Permanent Recruitment decreased from 11% to 10%. Accounting was the largest occupational segment in absolute terms.

### Earnings

Profit after financial items amounted to SEK 38.7 M (38.3). Operating profit amounted to SEK 37.5 M (37.4). Operating margin was 5.6% (6.4). The outcome in 2006 included SEK 3 M for the reversal of restructuring reserves in Germany. Poolia Sweden reported operating profit of SEK 44.4 M (33.9) and an operating margin of 11.2% (10.4).

In the other Nordic countries, operating profit was SEK 0.5 M (1.3) and the operating margin 2.5% (5.0).

In Germany, operating profit totalled SEK 3.7 M (1.7) and the operating margin was 11.3% (6.3). In the UK, operating loss during the period was SEK 6.7 M (profit: 4.2). Operating profit for Dedicare was SEK 4.2 M (1.8) and the operating margin was 6.0% (4.0).

Earnings include operations under construction in two districts in Germany and five districts in the UK, and a total of SEK 10.5 M (3.1) was charged against operating profit during the period.

The Group's financial items amounted to SEK 1.2 M (0.9). Non-distributed Parent Company's costs amounted to SEK 8.6 M (5.5).

The tax rate for the Group is 25% (27).

## Second quarter

### Revenues

Consolidated revenues rose by 13% to SEK 326.8 M (288.9). During the quarter, the exchange-rate effects had a positive impact of 0.3% on revenues. Temporary Staffing continued to be the

largest service area. The proportion of Permanent Recruitment decreased from 12% to 11%. Accounting was the largest occupational segment in absolute terms.

The number of working days during the quarter was 59 (59).

Poolia Sweden continued to report strong growth. Revenues during the quarter amounted to SEK 190.1 M (159.9), which is an increase of 19%. Growth was reported in all occupational areas and regions, with the strongest trend in regions outside Stockholm.

Revenues in other Nordic countries, which comprise Denmark and Finland, totalled SEK 9.4 M (11.9). The proportion of Permanent Recruitment increased significantly. The outcome for 2006 included SEK 1.4 M for the operation in Oslo, which was discontinued in December 2006.

Revenues in Germany amounted to SEK 17.0 M (10.6). Revenues for 2007 are exclusively derived from core operations, and the corresponding revenues for 2006 totalled SEK 9.0 M. Growth was reported in all districts, with the strongest trend in Munich.

In the UK, sales decreased by 12% to SEK 72.2 M (81.6). At the largest office in London/Holborn, we chose to discontinue a number of assignments within the banking sector. There is an arrangement known as “master vendor” in this sector, in which large recruitment companies utilise smaller colleagues in the industry as subcontractors, and which has become increasingly common resulting in strong pressure on prices.

Dedicare (formerly Poolia Healthcare), which comprises operations within healthcare in Sweden and Norway, had sales totalling SEK 38.1 M (24.9). The strongest growth was reported in Sweden.

### **Earnings**

Profit of SEK 16.8 M (16.6) was reported after financial items. Operating profit amounted to SEK 16.1 M (16.2) and the operating margin was 4.9% (5.6).

Poolia Sweden reported operating profit of SEK 18.9 M (13.6). The operating margin was 9.9% (8.5). Profitability was favourable in all regions. In terms of the number of working days, the second quarter had fewer working days than the preceding quarter, as was the case also in 2006, which had the most impact on revenues in the Swedish operations.

In the other Nordic countries, operating profit amounted to SEK 0.2 M (0.4) and the operating margin was 2.1% (3.4). The outcome for 2006 included a loss of SEK 0.4 M for the operations in Oslo, which was discontinued in December 2006.

In Germany, operating profit totalled SEK 1.7 M (1.0). The outcome for 2006 included the reversal of restructuring reserve of SEK 2 M. The newly established offices (in Düsseldorf and Cologne) made a negative contribution of SEK 0.4 M (0.5).

In the UK, operating loss for the period was SEK 3.2 M (profit: 2.3). The newly established offices (in Bristol, London/Canary Wharf, Edinburgh, Glasgow and Reading) made negative contributions totalling SEK 5.0 M (1.2), during the quarter.

Operating profit for Dedicare amounted to SEK 2.6 M (1.2) and the operating margin was 6.8% (4.8).

Non-distributed Parent Company costs amounted to SEK 4.1 M (2.3).

## Information about operating sectors and geographic regions

### January – June Revenues and operating results

	2007 Jan-June Operating revenues	2007 Jan-June Operating profit/loss	2006 Jan-June Operating revenues	2006 Jan-June Operating profit/loss
Poolia Sweden	396.7	44.4	326.6	33.9
Poolia, Other Nordic countries	19.9	0.5	26.1	1.3
Poolia Germany	32.8	3.7	27.1	1.7
Poolia UK	149.8	-6.7	158.9	4.2
Dedicare	70.0	4.2	45.4	1.8
Non-distributed Parent Company costs		-8.6		-5.5
<b>Total</b>	<b>669.2</b>	<b>37.5</b>	<b>584.1</b>	<b>37.4</b>

### April – June Revenues and operating results

	2007 Apr-June Operating revenues	2007 Apr-June Operating profit/loss	2006 Apr-June Operating revenues	2006 Apr-June Operating profit/loss
Poolia Sweden	190.1	18.9	159.9	13.6
Poolia Other Nordic countries	9.4	0.2	11.9	0.4
Poolia Germany	17.0	1.7	10.6	1.0
Poolia UK	72.2	-3.2	81.6	2.3
Dedicare	38.1	2.6	24.9	1.2
Non-distributed Parent Company costs		-4.1		-2.3
<b>Total</b>	<b>326.8</b>	<b>16.1</b>	<b>288.9</b>	<b>16.2</b>

## Liquidity and financing

On June 30, the Group's cash and cash equivalents amounted to SEK 78.3 M (95.9). Cash flow from operating activities during the period amounted to SEK 34.0 M (19.3). Dividend payments on shares totalled SEK 46.2 M. The equity/assets ratio was 55.2% (56.0).

## Investments

The Group's investments in fixed assets amounted to SEK 7.7 M (5.3).

## Employees

The average number of annual employees was 2,109 (2,012). The total number of employees on June 30, 2007 was 2,408 (2,225).

## Parent Company

The Parent Company engages in general corporate management, development and financial management activities. Revenues during the period amounted to SEK 5.1 M (5.0) and a loss after financial items of SEK 2.6 M (loss: 4.6) was reported.

**Market trend**

Demand in all of Poolia's markets remained favourable during the period. This applied to both temporary staffing and, even more so, to permanent recruitment. In several of the markets, there is keen competition for professional candidates, particularly specialists in IT and accounting.

**Significant risks and uncertainty factors**

Risks and risk management are described in Poolia's Annual Report for 2006. The risks can be summarised as changes in the economic trend, customer and individual dependence, legislation and regulations and financial risks. All significant risks and uncertainty factors for Poolia, which existed on December 31, 2006, existed on June 30, 2007.

## Condensed consolidated income statement

<b>SEK M</b>	<b>Jan-Jun 2007</b>	<b>Jan-Jun 2006</b>	<b>Apr-Jun 2007</b>	<b>Apr-Jun 2006</b>	<b>Jan-Dec 2006</b>
<b>Operating revenues</b>	<b>669.2</b>	<b>584.1</b>	<b>326.8</b>	<b>288.9</b>	<b>1 221.1</b>
Personnel costs	-570.9	-498.6	-280.5	-250.6	-1 037.9
Other costs	-57.4	-46.4	-28.1	-21.3	-103.7
Depreciation of fixed assets	-3.4	-1.7	-2.1	-0.8	-4.8
<b>Operating profit</b>	<b>37.5</b>	<b>37.4</b>	<b>16.1</b>	<b>16.2</b>	<b>74.7</b>
Financial items	1.2	0.9	0.7	0.4	1.9
<b>Profit after financial items</b>	<b>38.7</b>	<b>38.3</b>	<b>16.8</b>	<b>16.6</b>	<b>76.6</b>
Tax	-9.8	-10.3	-4.3	-3.6	-21.3
<b>Profit for the period</b>	<b>28.9</b>	<b>28.0</b>	<b>12.5</b>	<b>13.0</b>	<b>55.3</b>
Earnings per share before dilution, SEK	1.57	1.52	0.68	0.70	3.00
Earnings per share after dilution, SEK	1.57	1.52	0.68	0.70	3.00

## Condensed consolidated balance sheet

<b>SEK M</b>	<b>June 30, 2007</b>	<b>June 30, 2006</b>	<b>Dec. 31, 2006</b>
<b>Assets</b>			
Goodwill	99.6	99.5	99.5
Other fixed assets	24.9	19.5	21.5
Deferred tax assets	7.4	7.1	7.4
Current receivables	260.8	222.1	246.3
Cash and cash equivalents	78.3	95.9	95.5
<b>Total assets</b>	<b>471.0</b>	<b>444.1</b>	<b>470.2</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	260.2	248.6	275.4
Long-term liabilities	0.2	1.2	0.5
Current liabilities	210.6	194.3	194.3
<b>Total shareholders' equity and liabilities</b>	<b>471.0</b>	<b>444.1</b>	<b>470.2</b>
Pledged assets and contingent liabilities	0.6	1.4	1.5

## Change in Group shareholders' equity

<b>SEK M</b>	<b>Jan-Jun 2007</b>	<b>Jan-Jun 2006</b>
<b>Amount at the beginning of the period</b>	<b>275.4</b>	<b>226.8</b>
New share issues	0	0.3
Dividend	-46.2	-4.6
Translation differences	2.1	-1.9
Net profit for the period	28.9	28.0
<b>Amount at the end of the period</b>	<b>260.2</b>	<b>248.6</b>

## Condensed cash flow statement, Group

<b>SEK M</b>	<b>Jan-Jun 2007</b>	<b>Jan-Jun 2006</b>	<b>Apr-Jun 2007</b>	<b>Jan-Dec 2006</b>
Cash flow from operating activities	34.0	19.3	15.2	24.7
Cash flow from investing	-7.7	-5.3	-5.7	-10.8
Cash flow from financing	-46.2	-4.4	-46.2	-4.4
<b>Cash flow during the period</b>	<b>-19.9</b>	<b>9.6</b>	<b>-36.7</b>	<b>9.5</b>
Cash and cash equivalents on January 1	95.5	88.2	114.1	88.2
Exchange-rate differences in cash and cash equivalents	2.7	-1.9	0.9	-2.2
<b>Cash and cash equivalents at the end of the period</b>	<b>78.3</b>	<b>95.9</b>	<b>78.3</b>	<b>95.5</b>

## Key figures

<b>SEK M</b>	<b>Jan-Jun 2007</b>	<b>Jan-Jun 2006</b>	<b>Apr-Jun 2007</b>	<b>Apr-Jun 2006</b>	<b>Jan-Dec 2006</b>
Operating margin, %	5.6	6.4	4.9	5.6	6.1
Profit margin, %	5.8	6.6	5.1	5.8	6.3
Return on capital employed, %, (12 month rolling basis)	30.3	-2.7	-	-	30.5
Return on total capital, %, (12 month rolling basis)	16.9	-1.6	-	-	17.8
Equity/assets ratio, %	55.2	56.0	55.2	56.0	58.6
Share of risk-bearing capital, %	55.2	56.0	55.2	56.0	58.6
Average number of annual employees	2 109	2 012	2 114	1 998	2 047
Revenues per employee, SEK 000s	317	290	155	145	597
Average number of shares, before dilution (000)	18 467	18 455	18 467	18 462	18 461
Number of shares outstanding, before dilution (000)	18 467	18 467	18 467	18 467	18 467
Average number of shares, after dilution* (000)	18 467	18 455	18 467	18 462	18 461
Number of shares outstanding, after dilution* (000)	18 467	18 467	18 467	18 467	18 467
Earnings per share, before dilution, SEK	1.57	1.52	0.68	0.70	3.00
Shareholders' equity per share, before dilution, SEK	14.09	13.46	14.09	13.46	14.91
Earnings per share, after dilution, SEK*	1.57	1.52	0.68	0.70	3.00
Shareholders' equity per share, after dilution, SEK*	14.09	13.46	14.09	13.46	14.91

\*The dilution effects of the options programmes outstanding from 2003 have been taken into account. On June 30, 2007 there were no outstanding options programmes.

## Parent Company's income statement, summary

<b>SEK M</b>	<b>Jan-Jun 2007</b>	<b>Jan-Jun 2006</b>	<b>Apr-Jun 2007</b>	<b>Apr-Jun 2006</b>	<b>Jan-Dec 2006</b>
<b>Net sales</b>	<b>5.1</b>	<b>5.0</b>	<b>2.6</b>	<b>2.5</b>	<b>10.7</b>
Personnel costs	-8.3	-5.5	-4.6	-3.0	-11.9
Other costs	-5.4	-4.5	-2.1	-1.8	-9.5
<b>Operating loss</b>	<b>-8.6</b>	<b>-5.0</b>	<b>-4.1</b>	<b>-2.3</b>	<b>-10.7</b>
Financial items	6.0	0.4	0.1	0.2	7.1
<b>Loss after financial items</b>	<b>-2.6</b>	<b>-4.6</b>	<b>-4.0</b>	<b>-2.1</b>	<b>-3.6</b>
Tax	0.7	1.3	1.1	0.6	2.9
<b>Loss for the period</b>	<b>-1.9</b>	<b>-3.3</b>	<b>-2.9</b>	<b>-1.5</b>	<b>-0.7</b>

## Parent Company's balance sheet, summary

<b>SEK M</b>	<b>June 30, 2007</b>	<b>June 30, 2006</b>	<b>Dec. 31, 2006</b>
<b>Assets</b>			
Participations in Group companies	128.2	119.5	128.2
Current receivables	97.4	71.2	127.2
Cash and cash equivalents	9.9	42.6	41.4
<b>Total assets</b>	<b>235.5</b>	<b>233.3</b>	<b>296.8</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	231.2	230.2	279.9
Current liabilities	4.3	3.1	16.9
<b>Total shareholders' equity and liabilities</b>	<b>235.5</b>	<b>233.3</b>	<b>296.8</b>

## Events after the end of the report period

On September 1, Erik Strand resigned his position as Managing Director and CEO of Poolia AB, and up until Johan Eriksson assumes the position on October 1, Mats Pålsson, who is Chief Financial Officer, will be acting Managing Director and CEO.

## Accounting principles

The interim report was prepared in accordance with IAS 34, Interim Reporting, and the Annual Accounts Act and for the Parent Company in accordance with the Annual Accounts Act. The consolidated accounts were prepared in accordance with IFRS. As of January 1, 2007, IFRS 7, the addendum to IAS 7 and IFRIC 7, 8, 9 and 10 are applied. These new regulations had no impact on Poolia. The same accounting principles and valuation methods were applied in this interim report as in the most recent annual report.

## Forthcoming financial reporting dates and Annual General Meeting

October 25, 2007 08.00 a.m.  
February 2008

Interim report, January – September 2007  
Year-end report, 2007

The Board of Directors and the Managing Director assure that the interim report provides an accurate overview of the Parent Company and the Group's operations, position and earnings, and describes significant risks and uncertainty factors that face the company and Group companies.



*Stockholm, August 21, 2007*

***Björn Örås***  
*Chairman of the Board*

***Per Uebel***  
*Board member*

***Curt Lönnström***  
*Board member*

***Mats Sundström***  
*Board member*

***Margareta Barchan***  
*Board member*

***Monica Caneman***  
*Board member*

***Erik Strand***  
*Managing Director and Chief Executive Officer*

This interim report has not been reviewed specifically by the company's auditors.

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