

Press release from Elanders AB (publ)

2009-07-14

The second quarter:

- **Net sales fell by 16 % totalling MSEK 445 (MSEK 532).**
- **Operating profit amounted to MSEK -22.4 (MSEK 24.9). The result is affected by costs of MSEK 13 stemming from the change in leadership.**
- **Pre-tax profit was MSEK -31.6 (MSEK 13.5).**
- **Net profit was MSEK -24.0 (MSEK 13.4) or SEK -2.46 per share (SEK 1.36 per share)¹⁾.**
- **Operating cash flow amounted to MSEK 45 (MSEK 18).**
- **Magnus Nilsson was appointed new President and CEO on 25 June 2009.**

The first half year:

- **Net sales fell by 13 % totalling MSEK 921 (MSEK 1,054).**
- **Operating profit amounted to MSEK -10.3 (MSEK 56.2). The result is affected by costs of MSEK 13 stemming from the change in leadership.**
- **Pre-tax profit was MSEK -28.7 (MSEK 32.7).**
- **Net profit was MSEK -20.6 (MSEK 26.1) or SEK -2.11 per share (SEK 2.66 per share)¹⁾.**
- **Operating cash flow amounted to MSEK 67 (MSEK 19 together with property sales of MSEK 110).**

¹⁾ There was no dilution during the given periods.

COMMENTS BY THE PRESIDENT

The second quarter underlined above all the problems in our Swedish operations. There has been a sharp drop in margins in traditional printing in Sweden and Western Europe. Our foreign operations are in general doing better, although they too have been affected by lower demand and pressed prices as a result of the economic slump.

Our strategy is to without delay improve the effectiveness of our global organisation by marketing products from our facilities in Poland, Hungary and China in Sweden and Western Europe. Meanwhile we will continue to work on cutting costs, raising productivity and optimally utilising our plants globally.

Focus on the market is rapidly moving from traditionally ordered print production in offset to a more flexible and recipient oriented production in digital print and orders through Web-to-print solutions. We will intensify our work to create efficient Web interfaces for receiving orders for printed matter from businesses, organisations and consumers.

Magnus Nilsson
President and Chief Executive Officer

NET SALES AND INCOME/LOSS PER BUSINESS AREA

April-June	Net sales			Income/loss		
MSEK	2009	2008	2007	2009	2008	2007
Infologistics	357	418	421	-15.6	16.8	25.1
User Manuals	88	114	91	6.3	8.1	23.3
Costs in connection with the change in leadership				-13.1		
Total	445	532	512	-22.4	24.9	48.4
Net financial items				-9.2	-11.4	-10.3
Group	445	532	512	-31.6	13.5	38.1

January-June	Net sales			Income/loss		
MSEK	2009	2008	2007	2009	2008	2007
Infologistics	729	826	800	-20.3	31.7	47.2
User Manuals	192	228	178	23.1	24.5	41.2
Costs in connection with the change in leadership				-13.1		
Total	921	1,054	978	-10.3	56.2	88.4
Net financial items				-18.4	-23.5	-18.5
Group	921	1,054	978	-28.7	32.7	69.9

THE BUSINESS AREAS

Infologistics**Business area operations**

The business area has its platform in the Infomedia Centres in Mölnlycke (SE), Atlanta (US), Newcastle (GB) and Waiblingen (Stuttgart) (DE). Elanders' infomedia centres offer information structuring, advanced premedia, digital print, offset print and fulfilment services. There are digital print units in Oslo (NO), São Paulo (BR), Malmö and Stockholm and in-house at, among others, ABB in Västerås, Volvo in Gothenburg and Tetra Pak in Lund (SE) as well as for the automotive industry in Luton and Birmingham (GB). In addition, we have production units for premedia, offset print and fulfilment in Falköping (SE). There is a unit for sales, premedia and page production in Harrogate (GB).

Development during the period

Net sales fell by MSEK 61 or 15 % to MSEK 357 (MSEK 418) and operating profit for the period amounted to MSEK -15.6 (MSEK 16.8). The reduction in net sales is mainly due to the decline in demand from the automotive industry and the growing general price press resulting from the economic crisis. These same reasons have led to lower profits together with the fact that the personnel cut backs set in motion at the end of 2008 will not achieve full effect until the end of this year.

Almost all operations in the business area have been hit by weakening demand from industry, in particular automotives. On the other hand, as always in an economic downturn, there has been a notable rise in procurement procedures and a trend to overhaul publishing activities in global industrial groups. This is advantageous for Elanders with its global organisation and good experience in this kind of work. There is also an increasing price press which Elanders can counter to a certain extent by offering production in low cost countries, in Elanders' own facilities or through our partners. We will actively begin to transfer production with lower margins from Sweden and Western Europe to our plants in Eastern Europe and Asia after the summer.

User Manuals**Business area operations**

User Manuals is aimed at highly efficient deliveries of user information for mobile telephones and other consumer electronics. This business is chiefly printing production with extremely high demands on flexibility and short lead times. Geographical expansion will take place in relatively low cost countries in Eastern Europe and Asia.

User Manuals is comprised of the units in Beijing (CN), Płońsk (PL), Treviso (IT) and Budapest, Komárom and Zalaötvő (HU) and customers are primarily in the segment *Industry & Trade*. Production capacity is also used for deliveries to customers in Scandinavia, Great Britain and Germany in other segments and business areas.

Development during the period

Net sales fell by 23 % to MSEK 88 (MSEK 114) and operating profit for the period was MSEK 6.3 (MSEK 8.1). The reduction in net sales stems mainly from Hungary where primarily orders for mobile telephones are lower than last year. Despite this the business area has been able to maintain the same level of profit due to continued good performance in China. At the end of the quarter a turn in developments was discernable in Hungary and Italy through an increase in orders received and greater cost efficiency.

Investments to expand operations in Hungary to include packaging production are progressing according to plan and will be completed in the third quarter.

Operations in China have continued to develop well through the powerful combination of packaging and graphic production and have surpassed the net sales and profit for the period in 2008. New expansion initiatives will be carried out in 2009, above all in marketing.

Moving production with lower margins from Sweden and Western Europe to the business area's units in Eastern Europe and Asia will begin after the summer.

PARENT COMPANY

During the period the parent company has provided joint Group services. The average number of employees was 11 (14) and at the end of the period 10 (15). No external sales have taken place.

GROUP

Net sales and profit

Second quarter

Group net sales decreased by MSEK 87 to MSEK 445 (MSEK 532) or 16 %, primarily due to developments in Sweden. Operating profit diminished by MSEK 47.3 to MSEK -22.4 (MSEK 24.9). The drop in profit stems primarily from developments in Sweden.

First half year

Group net sales decreased by MSEK 133 to MSEK 921 (MSEK 1,054) or 13 %, primarily due to lower volumes in Sweden and Hungary. Operating profit diminished by MSEK 66.5 to MSEK -10.3 (MSEK 56.2). The drop in profit stems primarily from developments in Sweden, Hungary and Italy.

Personnel

Second quarter

The average number of employees during the period was 1,586 (1,789), of which 517 (643) were in Sweden. At the end of the period the Group had 1,557 (1,863) employees.

Magnus Nilsson was appointed new President and CEO on 25 June 2009. Magnus Nilsson has been an employee at Elanders since 1999. Up to this point he has been Business Area User Manuals Manager. He was responsible for successfully establishing operations in China and became the CEO of the plant there.

First half year

The average number of employees during the period was 1,625 (1,761), of which 541 (641) were in Sweden.

Investments and depreciation

Second quarter

During the period capital expenditures totalled MSEK 17 (MSEK 49), of which MSEK 0 (MSEK 37) was acquisitions. Group depreciation and write-downs amounted to MSEK 24 (MSEK 25).

First half year

During the period capital expenditures totalled MSEK 30 (MSEK 84), of which MSEK 0 (MSEK 58) was acquisitions. Group depreciation and write-downs amounted to MSEK 51 (MSEK 48).

Financial position, cash flow, equity ratio and financing

Group net debt amounted to MSEK 806 (MSEK 840) and operating cash flow for the second quarter amounted to MSEK 45 (MSEK 18), of which MSEK 0 (MSEK -23) was attributable to acquisitions. Operating cash flow for the first half year amounted to MSEK 67 (MSEK 19 together with property sales of MSEK 110). Equity amounted to MSEK 860 (MSEK 844), which resulted in an equity ratio of 39.0 % (38.2 %).

Risks and uncertainties

Elanders divides risks into circumstantial risks (the future of printing, business cycles, structure and the competition), financial risks (currency, interest, financing and credit) as well as operational risks (customer concentration, operations, operating costs, contracts, disputes, insurance and other risk management as well as other operational risks). These risks together with a sensitivity analysis are described in detail on pages 42-45 in the Annual Report 2008. No significant changes have occurred that have changed the risks as reported there.

Seasonal variations

The Group's net sales, and thereby income, are affected by the seasonal variations described on page 45 of the Annual Report 2008. Among other information found there is the fact that, historically, almost a third of the Group's net sales occur in the fourth quarter.

Future reports from Elanders

Interim report January – September 2009
The annual accounts report 2009

22 October 2009
29 January 2010

Review and accounting principles

The company auditors have not reviewed this report. The interim report for the Group has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting and the report for the parent company has been prepared in accordance with the Annual Accounts Act.

Many amendments of existing standards, new interpretations and a new standard (IFRS 8) have come into effect on 1 January 2009. Only IFRS 8 *Operating Segments* and the amendments in IAS 1 *Presentation of Financial Statements* are considered relevant for Elanders. The application of IFRS 8 has not changed the Group's reportable segments and therefore the accounting principles used here for segment reporting concur with those in the annual accounts for 2008. The amendment in IAS 1 has caused a change in the presentation of the financial reports. In accordance with IAS 1 Elanders has chosen to present the Group's total earnings in two reports, one income statement and one statement of comprehensive income.

In all other aspects the same accounting principles and calculation methods as those in the latest annual accounts have been used.

Declaration and Certification

The Board of Directors and the Chief Executive Officer of Elanders AB (publ) hereby certify that this first half year report gives a true and fair view of the parent company and the Group's operations, financial position and income/loss and describes significant risks and uncertainties that the Group and the companies within the Group face.

Mölnlycke, 14 July 2009

Carl Bennet
Chairman

Tore Åberg
Vice Chairman

Per Hansson

Göran Johnsson

Cecilia Lager

Hans-Olov Olsson

Kerstin Paulsson

Tomas Svensson

Johan Stern

Magnus Nilsson
President and
Chief Executive Officer

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

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GROUP

Consolidated income statements

MSEK	Second quarter	
	2009	2008
Net turnover	444.7	532.0
Cost of products and services sold	-362.5	-408.8
Gross profit	82.2	123.2
Sales and administrative costs	-103.0	-99.3
Other operating income	5.6	4.0
Other operating costs	-5.4	-1.8
Income from jointly controlled entities	-1.8	-1.2
Operating income/loss	-22.4	24.9
Net financial items	-9.2	-11.4
Income/loss after financial items	-31.6	13.5
Taxes	7.6	-0.1
Income/loss for the period	-24.0	13.4
Attributable to		
Parent company shareholders	-24.0	13.3
Minority interests	0.0	0.1
Income/loss per share ¹⁾²⁾	-2.46	1.36
Average number of shares, in thousands	9,765	9,765
Outstanding shares at the end of the period, in thousands	9,765	9,765

¹⁾ Earnings per share before and after dilution.

²⁾ Earnings per share calculated by dividing income/loss by the average number of outstanding shares during the period.

MSEK	First half year		Last 12 months	Full year 2008
	2009	2008		
Net turnover	921.3	1,054.0	2,058.4	2,191.1
Cost of products and services sold	-744.6	-803.3	-1,683.0	-1,741.7
Gross profit	176.7	250.7	375.4	449.4
Sales and administrative costs	-195.0	-198.5	-420.9	-424.4
Other operating income	19.3	9.6	40.3	30.6
Other operating costs	-10.8	-4.2	-46.3	-39.7
Income from jointly controlled entities	-0.5	-1.4	1.0	0.1
Operating income/loss	-10.3	56.2	-50.5	16.0
Net financial items	-18.4	-23.5	-45.2	-50.3
Income/loss after financial items	-28.7	32.7	-95.7	-34.3
Taxes	8.1	-6.6	23.3	8.6
Income/loss for the period	-20.6	26.1	-72.4	-25.7
Attributable to				
Parent company shareholders	-20.6	26.0	-72.2	-25.6
Minority interests	0.0	0.1	-0.2	-0.1
Income/loss per share ¹⁾²⁾	-2.11	2.66	-7.39	-2.62
Average number of shares, in thousands	9,765	9,765	9,765	9,765
Outstanding shares at the end of the period, in thousands	9,765	9,765	9,765	9,765

¹⁾ Earnings per share before and after dilution.

²⁾ Earnings per share calculated by dividing income/loss by the average number of outstanding shares during the period.

Consolidated statements of comprehensive income

MSEK	Second quarter	
	2009	2008
Income/loss for the period	-24.0	13.4
Other comprehensive income		
Translation differences, net after tax	-9.7	12.5
Cash flow hedges, net after tax	0.1	0.5
Hedging of net investment abroad, net after tax	0.3	-0.5
Other comprehensive income, net after tax	-9.3	12.5
Total comprehensive income for the period	-33.3	25.9
Total comprehensive income attributable to:		
Parent company shareholders	-33.3	25.8
Minority interests	0.0	0.1

MSEK	First half year		Last 12 months	Full year 2008
	2009	2008		
Income/loss for the period	-20.6	26.1	-72.4	-25.7
Other comprehensive income				
Translation differences, net after tax	3.0	-2.8	97.0	91.3
Cash flow hedges, net after tax	0.1	0.1	0.1	0.1
Hedging of net investment abroad, net after tax	0.2	0.1	-8.6	-8.7
Other comprehensive income, net after tax	3.3	-2.6	88.5	82.7
Total comprehensive income	-17.3	23.5	16.1	57.0
Total comprehensive income attributable to:				
Parent company shareholders	-17.4	23.4	16.3	57.2
Minority interests	0.1	0.1	-0.2	-0.2

Consolidated statements of cash flow

MSEK	Second quarter		First half year		Full year 2008	Last 12 months
	2009	2008	2009	2008		
Income/loss after financial items	-31.6	13.5	-28.7	32.7	-34.3	-95.7
Adjustments for items not included in cash flow	29.2	20.0	33.1	40.7	134.4	126.8
Paid taxes	-3.8	-5.3	-10.6	-19.5	-31.7	-22.8
Changes in working capital	50.1	1.9	60.3	-15.2	52.2	127.7
Cash flow from operating activities	43.9	30.1	54.1	38.7	120.6	136.0
Cash flow from investing activities	-12.1	-28.7	-16.2	47.0	14.5	-48.7
Changes in long and short-term borrowing	-64.2	-29.2	-75.8	-53.3	-34.2	-56.7
Dividends	-	-43.9	-	-43.9	-43.9	-
Cash flow from financing activities	-64.2	-73.1	-75.8	-97.2	-78.1	-56.7
Cash flow for the period	-32.4	-71.7	-37.9	-11.5	57.0	30.6
Liquid funds at the beginning of the period	140.9	123.6	141.7	65.2	65.2	53.4
Translation difference	-4.3	1.5	0.4	-0.3	19.5	20.2
Liquid funds at the end of the period	104.2	53.4	104.2	53.4	141.7	104.2
Net debt at the beginning of the period	838.2	774.1	843.3	817.5	817.5	840.0
Translation difference in net debt	1.7	1.6	2.5	-2.8	11.0	16.3
Change in net debt	-33.5	64.3	-39.4	25.3	14.8	-49.9
Net debt at the end of the period	806.4	840.0	806.4	840.0	843.3	806.4
Operating cash flow	44.9	18.0	67.0	128.7	217.2	155.5

Consolidated balance sheets

MSEK	30/6 2009	30/6 2008	31/12 2008
Assets			
Intangible assets	971.3	891.6	957.2
Tangible assets	475.4	482.9	513.4
Other fixed assets	120.0	82.0	107.6
Total fixed assets	1,566.7	1,456.5	1,578.2
Inventories	107.6	152.9	120.1
Accounts receivable	334.8	438.6	470.9
Other current assets	90.1	106.2	75.9
Cash and cash equivalents	104.2	53.4	141.7
Total current assets	636.7	751.1	808.6
Total assets	2,203.4	2,207.6	2,386.8
Equity and liabilities			
Equity	860.4	844.2	877.7
Liabilities			
Non-interest bearing long-term liabilities	54.7	54.4	52.5
Interest bearing long-term liabilities	113.1	288.0	122.3
Total long-term liabilities	167.8	342.4	174.8
Non-interest bearing current liabilities	377.7	415.6	471.6
Interest bearing current liabilities	797.5	605.4	862.7
Total current liabilities	1,175.2	1,021.0	1,334.3
Total equity and liabilities	2,203.4	2,207.6	2,386.8

Consolidated statement of changes in equity

MSEK	Equity attributable to parent company shareholders	Equity attributable to minority owners	Total equity
Equity at year-end 2007	862.3	2.3	864.6
Dividends	-43.9	-	-43.9
Total comprehensive income for the year	57.2	-0.2	57.0
Equity at year-end 2008	875.6	2.1	877.7
Equity at year-end 2007	862.3	2.3	864.6
Dividends	-43.9	-	-43.9
Total comprehensive income for the period	23.4	0.1	23.5
Equity at the end of the second quarter 2008	841.8	2.4	844.2
Equity at year-end 2008	875.6	2.1	877.7
Total comprehensive income for the period	-17.4	0.1	-17.3
Equity at the end of the second quarter 2009	858.2	2.2	860.4

Operating segments

Second quarter

MSEK	Infologistics		User Manuals		Other items		Group	
	2009	2008	2009	2008	2009	2008	2009	2008
External sales	357	418	88	114	-	-	445	532
Operating income/loss	-16	17	6	8	-13	-	-23	25
Income/loss after financial items ¹⁾	-16	17	6	8	-22	-11	-32	14

¹⁾ Net financial items are not included in individual segments. They are presented separately since external borrowing is shared and therefore cannot be divided in a meaningful way.

There has been no significant change in the segment's assets since last year, except that the operating assets have diminished as a result of the decrease in net sales compared to the previous year.

Costs for changes in management are presented in Other items 2009.

First half year

MSEK	Infologistics		User Manuals		Other items		Group	
	2009	2008	2009	2008	2009	2008	2009	2008
External sales	729	826	192	228	-	-	921	1,054
Operating income/loss	-20	32	23	24	-13	-	-10	56
Income/loss after financial items ¹⁾	-20	32	23	24	-32	-23	-29	33

¹⁾ Net financial items are not included in individual segments. They are presented separately since external borrowing is shared and therefore cannot be divided in a meaningful way.

There has been no significant change in the segment's assets since the turn of the year, except that the operating assets have diminished as a result of the decrease in net sales compared to the previous year.

Costs for changes in management are presented in Other items 2009.

Full year 2008

MSEK	Infologistics	User Manuals	Other items	Group
External sales	1,697	494	-	2,191
Operating income/loss	-14	30	-	16
Income/loss after financial items	-14	30	-50	-34

PARENT COMPANY

Summary parent company income statement

MSEK	Second quarter	
	2009	2008
Net sales	-	-
Cost of products and services sold	-	-
Gross profit	-	-
Operating expenses	-19.0	-5.2
Operating income/loss	-19.0	-5.2
Net financial items	91.0	-9.0
Income/loss after net financial items	72.0	-14.2
Tax	6.3	3.6
Income/loss for the period	78.3	-10.6

MSEK	First half year		Last 12 months	Full year 2008
	2009	2008		
Net sales	-	-	-	0.0
Cost of products and services sold	-	-	-	0.0
Gross profit	-	-	-	0.0
Operating expenses	-23.1	-14.0	-36.2	-27.1
Operating income/loss	-23.1	-14.0	-36.2	-27.1
Net financial items	82.6	-13.3	2.4	-93.5
Income/loss after net financial items	59.5	-27.3	-33.8	-120.6
Tax	8.7	7.2	19.9	18.4
Income/loss for the period	68.2	-20.1	-13.9	-102.2

Summary parent company balance sheets

MSEK	30/6 2009	30/6 2008	31/12 2008
Assets			
Fixed assets	1,267.8	1,351.7	1,301.4
Current assets	71.3	218.4	134.5
Total assets	1,339.1	1,570.1	1,435.9
Equity, provisions and liabilities			
Equity	611.4	665.2	543.2
Provisions	7.5	5.1	5.7
Long-term liabilities	0.1	158.9	0.1
Current liabilities	720.1	740.9	886.9
Total equity and liabilities	1,339.1	1,570.1	1,435.9

KEY RATIOS

Group quarterly data including discontinued operations

MSEK	2009 Q2	2009 Q1	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3	2007 Q2
Net sales	445	477	621	516	532	522	586	471	512
Operating income/loss	-22	12	-31	-9	25	31	84	54	48
Operating margin, %	-4.9	2.5	-5.0	-1.7	4.7	5.9	14.3	11.5	9.4
Income/loss after financial items	-32	3	-44	-23	14	19	71	43	38
Income/loss after tax	-24	3	-30	-22	13	13	63	54	30
Operating cash flow	45	22	126	-37	18	111	61	-78	7
Depreciation	24	27	31	27	25	23	21	23	21
Net investments	12	4	-3	36	29	-76	27	69	44
Goodwill	920	923	918	866	856	852	845	826	829
Total assets	2,203	2,342	2,387	2,290	2,208	2,237	2,224	2,129	2,002
Equity	860	894	878	849	844	862	865	788	742
Net debt	806	838	843	916	840	774	817	838	769
Capital employed	1,667	1,732	1,721	1,765	1,684	1,636	1,594	1,626	1,511
Return on total assets, % ¹⁾	-4.0	3.0	-3.2	-0.6	4.4	6.3	15.7	10.7	9.9
Return on equity, % ¹⁾	-10.9	1.5	-13.9	-10.4	6.1	6.0	30.5	28.3	16.0
Return on capital employed, % ¹⁾	-5.2	2.8	-7.2	-2.2	6.0	7.5	20.3	13.8	13.0
Debt/equity ratio	0.9	0.9	1.0	1.1	1.0	0.9	0.9	1.1	1.0
Equity ratio, %	39.0	38.2	36.8	37.1	38.2	38.5	38.9	37.0	37.1
Interest coverage ratio ²⁾	-1.1	1.3	0.4	2.7	4.2	4.9	5.5	2.1	1.4
Number of employees at the end of the period	1,557	1,652	1,812	1,887	1,863	1,796	1,723	1,592	1,559

¹⁾ Return ratios have been annualised.

²⁾ Interest coverage ratio calculation is based on a moving 12 month period.

Five year overview – full year

	2008	2007	2006	2005	2004
Income/loss after financial items, MSEK ¹⁾	-34.3	184.1	-31.8	105.3	113.0
Income/loss after tax, MSEK ¹⁾	-25.7	172.2	-49.0	77.6	96.2
Earnings per share, SEK	-2.62	18.06	-5.53	8.77	10.86
Dividends per share, SEK	0.00	4.50	2.36	2.36	1.89
Return on equity, % ²⁾	-3.0	24.2	-8.2	13.2	18.9
Return on total assets, % ²⁾	1.7	12.0	-0.3	7.5	8.6
Return on capital employed, % ²⁾	0.9	16.0	-0.7	10.1	12.2
Debt/equity ratio	1.0	1.0	1.1	1.0	1.1
Equity ratio, %	36.8	38.9	33.9	35.3	33.7

¹⁾ Income/loss corresponds to that presented in the Annual Reports for each year.

²⁾ Return valuations are annualised.

Five year overview – second quarter

	2009 Q2	2008 Q2	2007 Q2	2006 Q2 ¹⁾	2005 Q2 ¹⁾
Net sales, MSEK	445	532	512	490	507
Income/loss after tax, MSEK	-24	13	30	11	20
Earnings per share, SEK ³⁾	-2.46	1.36	3.02	1.26	2.30
Return on equity, % ²⁾	-10.9	6.1	16.0	7.1	14.2
Return on capital employed, % ²⁾	-5.2	6.0	13.0	7.2	7.8
Operating margin, %	-4.9	4.7	9.4	4.5	5.3
Average number of shares, in thousands	9,765	9,765	9,765	8,855	8,855

¹⁾ The figures include discontinued operations in Kungsbacka, i.e. directories production, that were discontinued in the first quarter 2007.

²⁾ Return valuations are annualised.

³⁾ There is no dilution.

Definitions

Equity ratio	Equity (including minority interests) in relation to total assets.
Capital employed	Total assets reduced by cash and cash equivalents and non-interest bearing liabilities.
Return on capital employed	Operating income/loss in relation to average capital employed.
Return on equity	Income/loss for the year in relation to average equity.
Return on total assets	Income/loss plus financial income in relation to total assets.
Debt/equity ratio	Interest-bearing liabilities reduced by cash and cash equivalents in relation to reported equity, including minority interests.
Operating cash flow	Cash flow from current operations and investing activities adjusted for paid taxes and financial items.
Interest coverage ratio	Operating income/loss plus interest income divided by interest costs.

Elanders is a global infomedia group organised into two business areas:

• **Infologistics**

- Full-service solutions that meet customers' requirements for premedia services, print, fulfilment and logistics - Master Vendor[®].
- Database publishing and Cross Media Publishing of trade information in a variety of media such as printed matter, CD-ROM, the Web and e-commerce solutions.
- Page and advertisement production and image management.
- Business development, support and outsourcing services.
- Print in offset and digital print (print-on-demand).
- Product catalogues and manuals for industrial and commercial companies in several media.
- Educational material for schools and universities in Sweden and Great Britain, as well as public sector printing for the Swedish Parliament, the government, governmental departments etc.
- Production and sales in Falköping, Gothenburg, Lund, Malmö, Stockholm, Uppsala and Västerås (SE), Oslo (NO), Harrogate and Newcastle (GB), Waiblingen and Ostfildern (DE), Atlanta (US) and São Paulo (BR).

• **User Manuals**

- Production of user information for mobile telephones and other consumer electronics with extremely short lead times.
- Production of printed matter with moderate lead times for publishing and industrial customers in Sweden and Great Britain.
- Premedia with advanced version management etc.
- Print in offset and digitally (print-on-demand).
- Production and sales in Beijing (CN), Płock (PL), Treviso (IT) and Budapest, Komárom and Zalaegerszeg (HU).

Master Vendor[®] is the Group's comprehensive name for full-service solutions that, in addition to offset or digital print, provide customers with all other services connected to printing production such as information structuring in databases, translation, premedia services, fulfilment and logistics. Our Annual Report describes these concepts in greater detail and can be requested from our headquarters or downloaded from our website www.elanders.com.