



Interim Report January – June 2009

The second quarter in brief

- Net sales for the second quarter amounted to SEK 12.4 million (21.3).
- Operating profit (EBIT) amounted to SEK -6.9 million (-8.1).
- Operating profit after tax amounted to SEK -6.3 million (-7.7).
- An order with a contract value of SEK 2.3 million over four years was received from Resurs Bank for usage rights for Nexus Safe Access.

The first six month in brief

- Net sales for the first six month amounted to SEK 30.3 million (32.2).
- Profit after tax from remaining operations to SEK -6.9 million (-20.8).
- Earnings per share amounted to SEK -1.40 (-0.01).
- Ponderus Technology AB's acquisition offer to Nexus shareholders expired on 27 July 2009. As of that date, Ponderus Technology AB's shareholding in Nexus was 69.2 percent.

CEO's comments on developments

Contracts signed during the first six month exceeded those signed during the same period last year. Financial performance during the quarter was impaired by the introduction of a new revenue model (software as a service), in which income is distributed over a longer period, and the postponement of a major deal. Both financial performance and cash flow showed improvement over the same period last year.

During the quarter, Nexus launched and installed the new Argus¹ product for the first reference customer. Moreover, the new Nexus Software as a Service (SaaS) offering², SafeSign³, SafeIdentity⁴ and NeonInsight were launched and the first reference customers began using them.

Prospects

The new service and product offerings launched by Nexus so far this year have been well received and are assessed to comprise an attractive market offering. As such, there are good prospects for increasing the company's growth.

Investments in development will, however, increase in order to further strengthen our market offering and, together with the refined revenue model, this will result in a weaker earnings trend in the short term but financial benefits in the long term.

Segment division

The Groups two business areas are e-Security Solutions⁵ and Messaging Solutions⁶.

These business areas comprise the level at which the highest ranking decision-makers analyse operations and are based on Nexus' internal reporting structure.

e-Security Solutions

Net sales within e-Security Solutions for the first six month amounted to SEK 20.4 million (19.2). License and maintenance income amounted to SEK 17.5 million (14.4). Operating profit after depreciation (EBIT) for the period was SEK -3.5 million (-12.4).

Messaging Solutions

Net sales within Nexus Messaging Solutions for the first six month amounted to SEK 8.8 million (12.1). License and maintenance income amounted to SEK 7.1 million (11.2). Operating profit after depreciation (EBIT) for the period was SEK 0.3 million (3.0).

Sales and profits

The Group's net sales for the first six month amounted to 30.3 million (32.2). The drop is attributable to the introduction in 2009 of the new revenue model for software as a service, which had a negative effect

on income for the first six month, and lower licensing income in the Messaging Solutions business area, which received a major licensing deal in the second quarter last year.

The group's total costs for the first six month dropped by SEK 14.4 million and amounted to SEK 38.3 million (52.7).

Financial items for the first six month amounted to SEK 1.1 million (-0.3). Profit after tax for the first six months improved to -6.9 million (-20.8), with the increase attributable to reduced operating costs and a reported profit of SEK 0.7 million for the sale of Nexus' shareholding in the associated company Image Systems AB.

The Group's profit/loss after tax for the first six month amounted to SEK -6.3 million (-7.7).

Financial position

Cash flow from current operations for the first six month 2009 amounted to SEK 7.4 million (4.0). Investments in tangible and intangible fixed assets for the first six month amounted to SEK 0.3 million (0.6). Depreciation of tangible and intangible fixed assets amounted to SEK -1.7 million (-5.4). The Group's liquid funds totalled SEK 52.9 million (41.6) at the end of the period. Solidity at the end of the period was 73 percent (73).

Parent Company

The Parent Company's sales for the period amounted to SEK 5.8 million (9.7). Profit/loss before tax amounted to SEK -1.6 million (-4.6). Financial items for the period include a reported profit of SEK 3.2 million for the sale of Nexus' shareholding in the associated company Image Systems AB.

Liquid funds at the end of the quarter totalled SEK 46.3 million (17.1).

Employees

At the end of the period, the Group had 56 (57) employees. The average number of employees for the period was 55 (74) employees. Personnel turnover for the period was 14.5 percent (12.0).

Important events after the end of the period

Ponderus Technology AB's acquisition offer to Nexus shareholders expired on 27 July 2009. As of that date, Ponderus Technology AB' shareholding in Nexus was 69.2 percent.

Significant risks and uncertainty factors

The Group and the Parent Company
Nexus' significant risks and uncertainty factors are described in the 2008 annual report, pages 15 and 23-25. No significant changes are otherwise reported.

Accounting principles

Technology Nexus prepares its consolidated accounts in accordance with the International Financial Reporting Standards (IFRS). This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. As of 1 January 2009, the group applies the new standard IFRS 8 “Operating Segments”. The application of IFRS 8 has not entailed any changes to the group’s reported segments, but has entailed additional disclosures. As of 1 January 2009, IAS 1 “Presentation of Financial Statements” is also updated. For Nexus, this update has meant that the interim report includes a presentation of overall profit that includes transactions previously reported under equity. Otherwise the Group uses the same accounting principles and valuation methods as used in the most recent annual report. The Parent Company prepares its accounts in accordance with RFR 2.2 “Financial Reporting for Legal Entities” and according to the Swedish Annual Accounts Act and uses the same accounting principles and valuation methods as used in the most recent annual report.

Dates of future Financial Reports

29 October 2008 Interim Report January - September
19 February 2010 Year-end Report 2008

The Board of Directors and the CEO declare that this report gives a true summary of the company and the Group’s operations, position and result and describes the significant risks and uncertainty factors faced by the company and the companies that form part of the Group.

Stockholm, August 27, 2009

Technology Nexus AB (publ)

Michael Olsson Göran Öjersson Sven Rasmusson
Chairman

Thomas Jonsson

Peter Gille
CEO

Review Report

Introduction

We have reviewed the interim report for Technology Nexus AB (publ) for the period January 1, 2009, to June 30, 2009. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our 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 matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden RS and other generally accepted auditing practices in Sweden. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, 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.

Stockholm, August 27, 2009
Deloitte AB

Kent Åkerlund
Authorized Public Accountant

For further information, please contact:

Peter Gille, CEO, Technology Nexus AB,
Phone: +46 8 655 39 00
E-mail: peter.gille@nexussafe.com

Björn Johansson, CFO, Technology Nexus AB,
Phone: +46 8 655 39 00
E-mail: bjorn.johansson@nexussafe.com

Explanations of terminology

1. Argus: Argus is a product that uses the SAML standard to manage logging in and logging out (SSO) for web-based corporate applications. It provides a simpler and more secure user experience while offering the IT department easier integration with two-factor authentication solutions, such as smart cards. Argus can also be used together with Nexus MultiID for easy integration with different national e-identity systems.
2. Software as a Service (SaaS) includes software as a service based on Nexus products, offering customers direct access to different types of solutions over the Internet.
3. Safe Sign, Nexus Safe Sign Package is a packaged solution that enables companies and organisations to sign agreements and documents in a secure and fully legal manner.
4. SafeIdentity: Nexus Safe Identity Services is a cloud service in which Nexus manages authentication and issues certificates, whether software or smart card-based, on behalf of the customer.
5. e-Security Solutions is Nexus business area focused on PKI-based identification solutions, also known as digital identities and policy-based tools for protecting information by encrypting files and e-mail in accordance with a company's information policy.
6. Nexus Messaging Solutions is Nexus business area focused on messaging.

Technology Nexus AB (publ) – Interim Report January – June 2009

CONSOLIDATED REPORT- OVERALL PROFIT	2009-01-01 -2009-06-30	2008-01-01 -2008-06-30	2008-01-01 -2008-12-31	2009-04-01 -2009-06-30	2008-04-01 -2008-06-30
<i>Amounts in SEK thousands</i>					
Net sales *	30 293	32 248	68 982	12 384	21 299
Costs for external consultants and goods for resale	-1 891	-3 026	-3 591	-1 627	-1 414
Personnel costs (1)	-23 588	-27 478	-47 688	-11 371	-15 232
Costs for premises*	-2 246	-6 888	-9 097	-1 035	-5 096
Other costs	-8 885	-9 896	-19 777	-4 714	-4 055
Depreciations – tangible fixed assets	-536	-268	-724	-215	-133
Depreciations and write-downs – intangible assets	-1 135	-5 144	-7 128	-280	-3 429
Profit/loss after depreciations (EBIT)	-7 988	-20 452	-19 023	-6 858	-8 060
Financial items (2)	1 079	-326	1 381	549	401
Profit/loss after financial items (EBT)	-6 909	-20 778	-17 642	-6 309	-7 659
Tax	-	-	-	-	-
Profit/loss for the period from remaining operations	-6 909	-20 778	-17 642	-6 309	-7 659
Profit/loss for the period from discontinued operations	**191	20 728	22 876	-	20 656
Profit/loss for period	-6 718	-50	5 234	-6 309	12 997
Other overall profit					
Exchange rate differences from translation of overseas operations	-704	232	679	-395	346
Actuarial profits/losses from benefit-based pension schemes	-	-	139	-	-
Total other overall profit for the year, net after tax	-704	232	818	-395	346
Total overall profit for the period	-7 422	182	6 052	-6 704	13 343
Profit for the period attributable to parent company shareholders	-6 718	-50	5 234	-6 309	12 997
	-6 718	-50	5 234	-6 309	12 997
Total overall profit attributable to parent company shareholders	-7 422	182	6 052	-6 704	13 343
	-7 422	182	6 052	-6 704	13 343
Earnings per share, SEK, remaining operations	-1,44	-4,34	-3,69	-1,32	-1,60
Earnings per share, SEK, discontinued operations	0,04	4,33	4,78	0,00	4,32
Earnings per share/ SEK	-1,40	0,01	1,09	1,32	2,72

* The company is reporting rental income net against costs for premises relating to the additional leasing of premises in Sundbyberg.

** Attributable to final payment of additional purchase sum for the sale of consulting operations.

The company has no minority shareholdings and no dilution.

**CONSOLIDATED BALANCE SHEET
IN BRIEF**

<i>Amounts in SEK thousands</i>	2009-06-30	2008-06-30	2008-12-31
ASSETS			
Goodwill	39 979	39 979	39 980
Other intangible assets	2 653	4 094	3 542
Tangible fixed assets	1 436	1 480	1 828
Financial fixed assets*	-	2 818	3 093
Deferred tax claims	5 153	5 153	5 153
Other current assets	22 372	41 370	38 264
Liquid funds	52 947	34 042	41 576
Total assets	124 540	128 936	133 436

* Including interest-bearing.

EQUITY AND LIABILITIES

Equity	90 536	92 088	97 958
Long-term liabilities – pensions	1 258	1 153	1 269
Current liabilities	32 746	35 695	34 209
Total equity and liabilities	124 540	128 936	133 436

**CASH FLOW STATEMENT IN
BRIEF**

<i>Amounts in SEK thousands</i>	2009-01-01 -2009-06-30	2008-01-01 -2008-06-30	2008-01-01 -2008-12-31	2009-04-01 -2009-06-30	2008-04-01 -2008-06-30
Profit/loss for the period	-6 718	-50	5 234	-6 329	12 997
Adjustments for items not included in the cash flow, etc.	414	-15 235	-15 111	-348	-17 087
Tax paid	-791	1 581	2 237	-475	2 333
Cash flow from current operations before change in working capital	-7 095	-13 704	-7 640	-7 132	-1 757
Change in working capital	14 515	17 728	21 290	4 434	-1 183
Cash flow from current operations	7 420	4 024	13 650	-2 698	-2 940
Cash flow from investment activities	3 951	20 037	17 945	4 004	20 672
Cash flow from financing activities	-	-	-	-	-
Change in liquid funds	11 371	24 061	31 595	1 306	17 732
Liquid funds at start of period	41 576	9 981	9 981	51 641	16 310
Liquid funds at end of period	52 947	34 042	41 576	52 947	34 042

NET SALES PER SEGMENT

<i>Amounts in SEK thousands</i>	2009-01-01 -2009-06-30	2008-01-01 -2008-06-30	2008-01-01 -2008-12-31	2009-04-01 -2009-06-30	2008-04-01 -2008-06-30
e-Security Solutions*	20 361	19 156	46 687	8 026	12 802
Messaging Solutions*	8 840	12 119	20 612	4 347	7 611
Group-wide & eliminations	1 092	973	1 683	11	886
Total	30 293	32 248	68 982	12 384	21 299

* Income from external customers.

**OPERATING PROFIT PER
SEGMENT (EBIT)**

<i>Amounts in SEK thousands</i>	2009-01-01 -2009-06-30	2008-01-01 -2008-06-30	2008-01-01 -2008-12-31	2009-04-01 -2009-06-30	2008-04-01 -2008-06-30
e-Security Solutions	-3 464	-12 373	-5 397	-4 125	-4 154
Messaging Solutions	253	2 993	3 780	-234	3 066
Group-wide & eliminations	-4 777	-11 072	-17 406	-2 499	-6 972
Total	-7 988	-20 452	-19 023	-6 858	-8 060

Total assets cannot be broken down by segment since the segments make joint use of all assets.

Technology Nexus AB (publ) – Interim Report January – June 2009

CHANGE IN EQUITY				
<i>Amounts in SEK thousands</i>	Share capital	Retained profit	Translation of overseas operations	Total equity
Closing balance as of 31 December 2007	4 784	86 092	1 030	91 906
Actuarial profits/losses from benefit-based pension schemes	-	139	-	139
Exchange rate differences	-	-	679	679
Profit for year	-	5 234	-	5 234
Total income and expenses for the period	-	5 373	679	6 052
Closing balance as of 31 December 2008	4 784	91 465	1 709	97 958
Actuarial profits/losses from benefit-based pension schemes	-	-	-	-
Exchange rate differences	-	-	-704	-704
Profit for year	-	-6 718	-	-6 718
Total income and expenses for the period	-	-6 503	-704	-7 207
Closing balance as of 30 June 2009	4 784	84 962	1 005	90 536

KEY RATIOS	2009-06-30	*2008-06-30	*2008-12-31
Number of shares	4 784 073	4 784 073	4 784 073
Average number of shares	4 784 073	4 784 073	4 784 073
Equity per share, SEK	18,92	19,25	20,48
Profit margin (EBT), %	Neg	Neg	6,5%
Return on equity, %	Neg	Neg	5,5%
Return on capital employed, %	Neg	Neg	5,5%
Equity ratio, %	73%	71%	73%
Net dept	-52 947	-34 042	-41 576
No. of employees on balance sheet date	52	57	54
Average no. of employees	52	74	58
Net sales per average no. of employees	583	599	1 190

* Key ratios include profit/loss from sold operations until the date of sale.

NOTES	2009-01-01 -2009-06-30	2008-01-01 -2008-06-30	2008-01-01 -2008-12-31	2009-04-01 -2009-06-30	2008-04-01 -2008-06-30
1) Personnel costs					
Personnel costs	-23 588	-28 113	-49 735	-11 371	-15 232
Capitalised product development expenditure		635	2 047		
	-23 588	-27 478	-47 688	-11 371	-15 232
2) Financial items					
Interest income	178	375	1 142	59	278
Interest expense	-35	-26	-36	-21	-15
Other financial items	936	-675	275	511	138
	1 079	-326	1 381	549	401

THE PARENT COMPANY'S INCOME STATEMENT IN BRIEF					
<i>Amounts in SEK thousands</i>					
	2009-01-01 -2009-06-30	2008-01-01 -2008-06-30	2008-01-01 -2008-12-31	2009-04-01 -2009-06-30	2008-04-01 -2008-06-30
Operating income*	5 797	9 731	10 967	3 304	6 230
Costs for external consultants and goods for resale	-59	-358		-19	-132
Personnel costs	-4 653	-6 298	-11 295	-2 498	-3 834
Costs for premises*	-2 790	-8 989	-7 315	-2 033	-7 280
Other costs	-3 138	-3 074	-6 938	-1 577	-1 006
Depreciations – tangible fixed assets	-498	-196	-587	-193	-102
Operating profit after depreciation (EBIT)	-5 341	-9 184	-15 818	-3 016	-6 124
Financial items	3 788	-4 549	-10 249	3 536	-3 949
Profit/loss after financial items (EBT)	-1 553	-4 635	-26 067	520	-975
Tax	0	0	1 612	0	0
Profit/loss for period	-1 553	-4 635	-24 455	520	-975

* The company is reporting rental income net against costs for premises relating to the additional leasing of premises in Sundbyberg.

THE PARENT COMPANY'S BALANCE SHEET IN BRIEF			
<i>Amounts in SEK thousands</i>			
	2009-06-30	2008-06-30	2008-12-31
ASSETS			
Tangible fixed assets	1 086	1 292	1 584
Financial fixed assets	6 316	14 765	7 268
Other current assets	25 711	41 922	44 266
Liquid funds	46 331	26 023	17 065
Total assets	76 444	84 002	70 183
EQUITY AND LIABILITIES			
Equity	58 476	75 708	60 032
Long-term liabilities	-	-	-
Current liabilities	17 968	8 294	10 151
Total equity and liabilities	76 444	84 002	70 183