BTS Group AB (publ)

Year-end Report January 1 – December 31, 2008

Earnings in line with previous year

Full Year 2008

- Net turnover increased by 5 percent during the year and amounted to MSEK 548.4 (523.2). Adjusted for changes in exchange rates, growth was 8 percent.
- Operating profit before amortization of intangible assets (EBITA) decreased by 10 percent to MSEK 79.8 (88.3).
- Profit before tax decreased by 7 percent to MSEK 67.6 (72.8)
- Profit after tax decreased by 8 percent to MSEK 45.0 (48.8).
- Earnings per share decreased by 8 percent to SEK 2.50 (2.71).

The fourth quarter 2008

- Net turnover for the fourth quarter increased by 14 percent and amounted to MSEK 155.4 (135.9). Adjusted for changes in exchange rates, growth was 2 percent.
- Operating profit before amortization of intangible assets (EBITA) decreased by 4 percent to MSEK 23.7 (24.6).
- Profit before tax decreased by 3 percent to MSEK 20.6 (21.2)
- Profit after tax for the fourth quarter decreased by 17 percent and amounted to MSEK 13.7 (16.5).
- Earnings per share decreased by 17 percent to SEK 0.76 (0.92).

Summary of BTS' and the market's development during the fourth quarter

- Demand for training and consultancy services weakened during the fourth quarter. Demand for BTS' services continued to be positive, apart from APG, which continued to develop negatively during the fourth quarter.
- BTS' earnings during the fourth quarter were in line with the previous year with a significant improvement in BTS Europe but with considerable deteriorations in APG and BTS Other Markets.
- New clients secured during the fourth quarter included among others Konecranes, Mass Mutual, Munters MCS, MySpace, Repsol and Subaru North America.

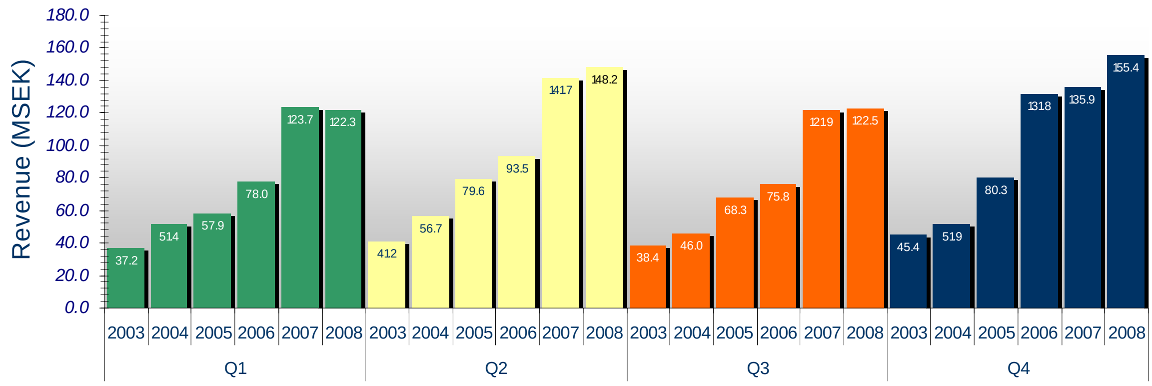
Dividend

- The proposed dividend is SEK 1.20 (1.20) per share.

BTS Group AB is an international consultancy and training company active in the field of business acumen. BTS uses tailor-made simulation models to support company managers in implementing change and improving profitability. BTS solutions and services train the entire organization to analyze and to take decisions centered on the factors that promote growth and profitability. This generates increased emphasis on profitability and market focus, and supports day-to-day decision-making, which in turn leads to tangible, sustainable improvements in profits. BTS customers are often leading major companies.

Turnover

BTS' net turnover increased by 5 percent during the year and amounted to MSEK 548.4 (523.2). Adjusted for changes in exchange rates, growth was 8 percent. All units achieved growth in local currency terms, apart from APG; 19 percent in BTS North America, 21 percent in BTS Europe and 14 percent in BTS Other Markets. In APG, revenue decreased by 21 percent in local currency terms.



Revenue development by quarter

Earnings

Operating profit before amortization on intangible assets (EBITA) decreased by 10 percent during the year and amounted to MSEK 79.8 (88.3). Operating profit during the year was affected by MSEK 9.3 (10.1) for amortization of intangible assets attributable to acquisitions. Operating profit (EBIT) decreased by 10 percent to MSEK 70.5 (78.2).

The operating margin before amortization of intangible assets (EBITA margin) was 15 (17) percent. The operating margin (EBIT margin) was 13 (15) percent.

Profit before tax decreased by 7 percent to MSEK 67.6 (72.8) during the year, which corresponds to the outlook provided of a profit before tax in line with the previous year.

The negative change in earnings and margin is mainly due to lower sales in the acquired APG unit, considerably lower margins in BTS Other Markets, as well as a weakening of the USD and GBP, currencies of importance for BTS. Earnings have also been negatively impacted by lower cost efficiency in BTS USA during the first half year. Measures undertaken to improve cost efficiency in BTS USA have delivered positive results during the second half year.

An action program for APG was initiated earlier in the year in order to make sales more efficient. However, the deterioration in US' market conditions has had a significant adverse effect on APG. Marketing and sales efforts have been strengthened with the aim of achieving a better development in 2009.

Fourth quarter

BTS' net turnover increased by 14 percent during the fourth quarter and amounted to MSEK 155.4 (135.9). Adjusted for changes in exchange rates, growth was 2 percent.

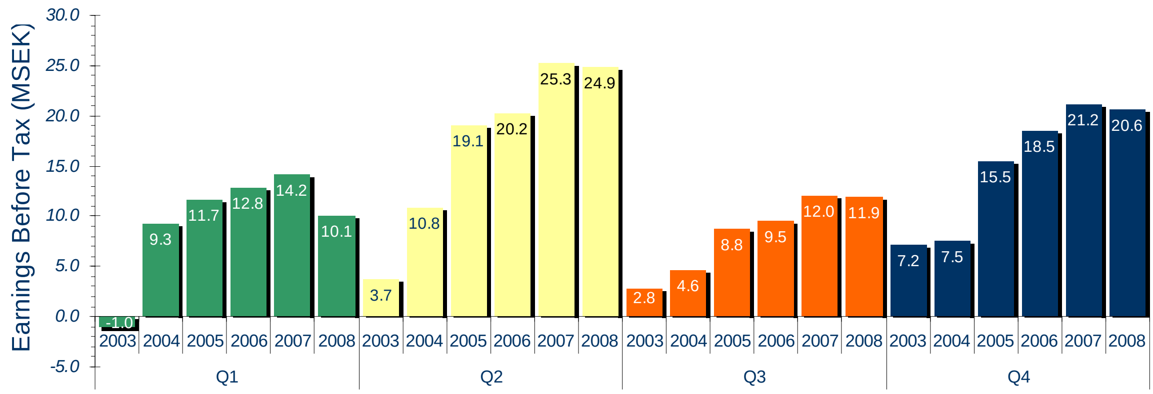
Growth was strong in BTS Europe, which grew by 21 percent in local currency terms. BTS USA grew by 9 percent and APG decreased by 20 percent. BTS Other Markets decreased by 32 percent, due to a very weak quarter in Australia.

BTS' earnings during the fourth quarter are in line with the previous year but with an improvement in BTS Europe and deteriorations in APG and BTS Other Markets.

Operating profit before amortization on intangible assets (EBITA) decreased by 4 percent during the fourth quarter and amounted to MSEK 23.7 (24.6). Operating profit during the fourth quarter was affected by MSEK 2.7 (2.4) for amortization of intangible assets attributable to acquisitions. Operating profit (EBIT) decreased by 5 percent to MSEK 21.0 (22.2).

The operating margin before amortization of intangible assets (EBITA margin) was 15 (18) percent. The operating margin (EBIT margin) was 13 (16) percent.

Profit before tax for the fourth quarter decreased by 3 percent and amounted to MSEK 20.6 (21.2).



Profit development by quarter

Market development and BTS' recession strategy

Demand for training and consultancy services weakened during the fourth quarter. Demand for BTS' services continued to be positive, apart from APG, which also continued to develop negatively during the fourth quarter. APG has been more exposed to the deterioration in market conditions on account of its client and product mix.

Many of BTS' clients are significantly affected by the severe recession. BTS considers that it is in a much better position than its competitors, through a well-diversified customer base, an underweight of clients in the most exposed sectors, very competitive solutions as well as client projects of a strategic and long-term nature.

BTS has a small market share and the company sees good opportunities to increase this during the recession. BTS' recession strategy is based on:

- focusing sales resources on clients and projects that are considered to represent continued opportunities for growth during the recession
- adapting the offer to the market's partly altered demands
- raising cost efficiency

This strategy worked during 2008, as the total market is estimated to have contracted, whereas BTS continued to grow.

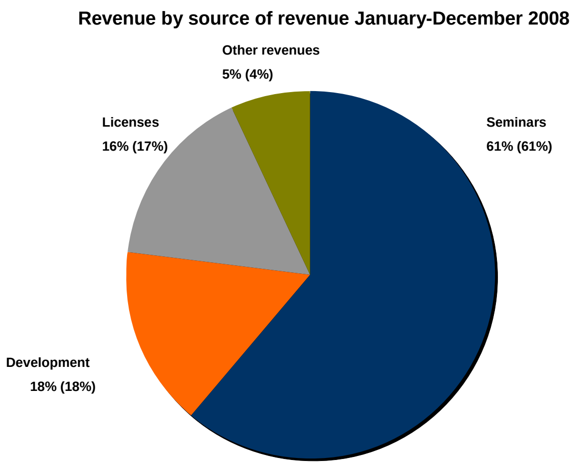
BTS' offering has broadened considerably through product development and completed acquisitions and apart from world-leading business simulations also includes leading solutions within strategically important areas such as e.g. sales and management development and internet-based training solutions.

BTS offers the most comprehensive range of tailored simulation solutions on the market today, a well developed sales organization and at the same time, is the only company in the world that can serve large international companies on a global basis. BTS can to a greater extent satisfy existing clients' needs for additional solutions, which generates good growth opportunities both in the near-term and long-term.

Assignments and new clients

New clients secured during the fourth quarter included Konecranes, Mass Mutual, Munters MCS, MySpace, Repsol and Subaru North America, among others.

Revenue development



Operative units

Net turnover per operative unit MSEK	Oct-Dec 2008	Oct-Dec 2007	Full-year 2008	Full-year 2007
North America*	102.3	85.8	369.4	368.4
Europe	45.6	38.0	138.2	117.0
Other markets	7.5	12.1	40.8	37.8
Total	**155.4**	**135.9**	**548.4**	**523.2**

*North America				
BTS	72.8	55.2	254.2	219.4
APG	29.5	30.6	115.2	149.0
Total	**102.3**	**85.8**	**369.4**	**368.4**

Operative units

Operating profit before amortization of intangible assets (EBITA) per operative unit

MSEK	Oct-Dec 2008	Oct-Dec 2007	Full-year 2008	Full-year 2007
North America*	11.6	11.9	46.7	61.2
Europe	14.5	10.4	30.5	21.1
Other markets	-2.4	2.3	2.6	6.0
Total	**23.7**	**24.6**	**79.8**	**88.3**

*North America				
BTS	11.2	9.8	43.8	47.8
APG	0.4	2.1	2.9	13.4
Total	**11.6**	**11.9**	**46.7**	**61.2**

North America

The operations - APG and RLC, which were acquired during the fall of 2006, are reported geographically within North America. Since the beginning of 2008, RLC is combined in the same organizational and legal entity as BTS. Comparative figures in respect of the previous year have been adjusted to the new operating structure.

BTS

Net turnover for BTS' North American operations amounted to MSEK 254.2 (219.4) during the year. Adjusted for currency effects, revenue increased by 19 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 43.8 (47.8) during the year. The operating margin before amortization of intangible assets (EBITA margin) was 17 (22) percent.

Net turnover amounted to MSEK 72.8 (55.2) during the fourth quarter. Adjusted for currency effects, revenue increased by 9 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 11.2 (9.8) during the fourth quarter. The operating margin before amortization of intangible assets (EBITA margin) was 15 (18) percent.

Growth was positive during the year. However, BTS' sales via APG declined considerably resulting in deterioration in earnings and lower margin. Earnings have also been negatively impacted by lower cost efficiency in BTS USA during the first half year. Measures undertaken to improve cost efficiency in BTS USA have delivered positive results during the second half year.

APG

Net turnover for APG amounted to MSEK 115.2 (149.0) during the year. Adjusted for currency effects, revenue decreased by 21 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 2.9 (13.4) during the year. The operating margin before amortization of intangible assets (EBITA margin) was 3 (9) percent.

Net turnover amounted to MSEK 29.5 (30.6) during the fourth quarter. Adjusted for currency effects, revenue decreased by 20 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 0.4 (2.1) during the fourth quarter. The operating margin before amortization of intangible assets (EBITA margin) was 1 (7) percent.

The negative change in earnings and margin was principally attributable to decreased sales in comparison with the previous year.

An action program for APG was initiated during the year in order to make sales more efficient. The deterioration in US' market conditions has had a significant adverse effect on APG. Marketing and sales efforts have been strengthened with the aim of achieving a better development and measures have also been taken to reduce the cost level in APG during 2009.

Europe

Net turnover for Europe amounted to MSEK 138.2 (117.0) during the year. Adjusted for currency effects, revenue increased by 21 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 30.5 (21.1) during the twelve-month period. The operating margin before amortization of intangible assets (EBITA margin) was 22 (18) percent.

Net turnover amounted to MSEK 45.6 (38.0) during the fourth quarter. Adjusted for currency effects, revenue increased by 21 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 14.5 (10.4) during the fourth quarter. The operating margin before amortization of intangible assets (EBITA margin) was 32 (27) percent.

Other markets

Net turnover for Other markets amounted to MSEK 40.8 (37.8) during the year. Adjusted for currency effects, revenue increased by 14 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 2.6 (6.0) during the twelve-month period. The operating margin before amortization of intangible assets (EBITA margin) was 6 (16) percent.

Net turnover amounted to MSEK 7.5 (12.1) during the fourth quarter. Adjusted for currency effects, revenue decreased by 32 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK -2.4 (2.3) during the fourth quarter. The operating margin before amortization of intangible assets (EBITA margin) was -32 (19) percent.

The deterioration in earnings was due to a very weak fourth quarter in BTS Australia. A new organization and more efficient processes have been introduced, and BTS Australia is expected to return to a positive development from the first quarter 2009.

Financial position

BTS' cash flow from operating activities amounted to MSEK 32.3 (45.2) during the year.

The increase in goodwill is entirely contributed to changes in exchange rates.

Accounts receivables has as of December 31.st 2008 increased with 31.2 MSEK which predominantly is due to changes in exchange rates and a larger than normal volume of customer invoices in December.

Cash and cash equivalents amounted to MSEK 65.9 (67.5) at the end of the period. The Company's interest-bearing loans, which relate to previously completed acquisitions, amounted to MSEK 81.7 (62.6) at the end of the period. Loans denominated in Swedish kronor have increased due to the change in the dollar rate on December 31, 2008 compared with the previous year. No currency risk is considered to exist as amortization and interest payments are made with cash flow generated in the US.

BTS solidity was 56 (50) percent at the end of the period.

The Company had no outstanding conversion loans at the balance sheet date.

Employees

The number of employees in BTS Group AB as of December 31 was 267 (230). The average number of employees during the period was 249 (211).

The Parent Company

The Company's net turnover amounted to MSEK 2.2 (2.6) and the profit after net financial items amounted to MSEK 10.3 (11.9). Cash and cash equivalents amounted to MSEK 0 (0).

Outlook for 2009

Due to the overall economic situation the assessment for 2009 is more uncertain than usual. The result before tax is expected to be in line with the previous year.

Annual General Meeting and proposed dividend

The Annual General Meeting will be held on Wednesday, April 29, 2009 at 09:30 at BTS' head office, Grevgatan 34, Stockholm.

The Board of Directors has proposed a dividend of SEK 1.20 per share.

Accounting principles

This interim report has been prepared in accordance with IAS 34 Interim Reporting and the Annual Accounts Act. The accounting principles and calculation methods applied are in line with the accounting principles used in the preparation of the most recent financial statements. BTS has, however, elected to apply IFRS 8 – Operating Segments, in advance. IFRS 8 enters into force for annual periods starting January 1, 2009 or later. The new standards mean that segment information is to be presented based on the management approach, which implies that it should be presented in the manner which is used in the internal reporting. BTS' operations are managed and reported per geographical market and the operative units - BTS North America, BTS Europe and BTS Other Markets constitute BTS' operating segments. Internally, operations are managed and reported within these segments. Consequently, this means that BTS' previous reporting does not deviate from the standard. As the identified operating segments in accordance with IFRS 8 do not deviate from IAS 14, no differences between the years arise.

Future reporting dates

Annual Report 2008	Released in April 2009
Interim Report Jan – Mar	April 29, 2009
Interim Report Apr - Jun	August 18, 2009
Interim Report Jul – Sep	November 5, 2009

Stockholm, February 20, 2009

Henrik Ekelund
Chief Executive Officer

Review report

We have conducted a review of the accompanying interim report for BTS Group AB for the period January 1 to December 31, 2008. 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 Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, *Review of Interim Report 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 is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden, RS, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, February 20, 2009

Öhrlings PricewaterhouseCoopers

Magnus Thorling

Contact information.

Henrik Ekelund CEO	Phone:	08-5870 7000
Stefan Brown CFO	Phone:	08-5870 7062
Thomas Ahlerup	Phone:	08-5870 7002
Senior Vice President Corporate Communications	Mobile:	076 – 800 5755

For additional information please visit our home page www.bts.com

BTS Group AB (publ)
Grevgatan 34
114 53 Stockholm
SWEDEN

Corporate registration number: 556566-7119
Phone. +46 8 587 070 00
Fax. +46 8 587 070 01

INCOME STATEMENT, Summary

KSEK	3 months ended		12 months ended	
	Dec 31	Dec 31	Dec 31	Dec 31
	2008	2007	2008	2007
Revenue	155,382	135,802	548,370	523,161
Operating expenses	-131,036	-110,651	-466,183	-432,693
Depreciation tangible assets	-639	-548	-2,369	-2,174
Amortization intangible assets	-2,731	-2,420	-9,356	-10,107
Operating result	**20,976**	**22,183**	**70,462**	**78,187**
Financial income and expenses	-336	-963	-2,876	-5,421
Result before tax	**20,640**	**21,220**	**67,586**	**72,766**
Taxes	-6,925	-4,680	-22,548	-23,937
Result for the period	**13,715**	**16,540**	**45,038**	**48,829**
attributable to equity holders of the parent	13,715	16,540	45,038	48,829
Earnings per share, before dilution of shares, SEK	0.76	0.92	2.50	2.71
Number of shares at end of the period	18,048,300	18,048,300	18,048,300	18,048,300
Average number of shares before dilution of shares	18,048,300	18,048,300	18,048,300	18,048,300
Earnings per share, after dilution of shares, SEK	0.76	0.92	2.50	2.70
Average number of shares after dilution of shares	18,048,300	18,074,696	18,048,300	18,074,696
Proposed dividend per share			1.20	1.20

BALANCE SHEET , Summary

KSEK	12/31/08	12/31/07
Assets		
Goodwill	161,216	145,093
Other intangible assets	28,612	33,048
Tangible assets	8,727	5,317
Other fixed assets	5,003	4,343
Accounts receivable	147,184	115,955
Other current assets	34,904	25,187
Cash and bank	65,887	67,473
Total assets	**451,533**	**396,416**
Equity and liabilities		
Equity	250,908	198,603
Non interest bearing - non current liabilities	450	120
Interest bearing - non current liabilities	166	-
Interest bearing - current liabilities	81,690	62,856
Non interest bearing - current liabilities	118,319	134,837
Total equity and liabilities	**451,533**	**396,416**

CASH FLOW STATEMENT, Summary

KSEK	Jan-Dec	Jan-Dec
	2008	2007
Cash flow from current operations	32,298	45,219
Cash flow from investment activities	-28,572	-12,219
Cash flow from financing operations	-15,967	-32,802
Change in liquid funds	**-1,586**	**-4,581**
Liquid funds, opening balance	67,473	72,054
Liquid funds, closing balance	**65,887**	**67,473**
Effect of exchange rate changes on cash	10,655	-4,779

CHANGES IN EQUITY
KSEK

	Total Equity 12/31/08	Total Equity 12/31/07
Opening balance	198,603	175,171
Dividend to shareholders	-21,658	-18,048
Conversion differences	28,342	-8,073
Change minority interest	-	-508
Miscellaneous	583	1,232
Result for the period	45,038	48,829
Closing balance	250,908	198,603

KEY RATIOS	3 months ended		12 months ended	
	Dec 31 2008	Dec 31 2007	Dec 31 2008	Dec 31 2007
Revenues, KSEK	155,382	135,802	548,370	523,161
EBITA (Earnings before interest, tax and amortization), KSEK	23,707	24,603	79,818	88,294
EBIT (Operating result), KSEK	20,976	22,183	70,462	78,187
EBITA margin (Earnings before interest, tax and amortization margin), %	15	18	15	17
EBIT margin (Operating margin), %	13	16	13	15
Profit margin, %	9	12	8	9
Operational capital, KSEK			266,877	193,896
Return on equity, %			20	26
Return on operational capital, %			31	41
Solidity at end of the period, %	56	50	56	50
Cash flow, KSEK	4,351	29,631	-1,586	-4,581
Liquid funds at end of the period, KSEK	65,887	67,473	65,887	67,473
Average number of employees	259	225	249	211
Number of employees at end of the period	267	230	267	230
Revenues for the year per employee, KSEK			2,202	2,479

DEFINITIONS

Earnings per share
Earnings attributable to the parent company´s shareholders divided by number of shares

EBITA margin (Earnings before interest, tax and amortization margin)
Operating result before interest, tax and amortization as a percentage of revenues.

EBIT margin (Operating margin)
Operating result after depreciation as a percentage of revenues.

Profit margin
Result for the period as a percentage of revenues.

Operational capital
Total balance sheet reduced by liquid funds and other interest bearing assets and reduced by non-interest bearing liabilities.

Return on equity
Result for the period (converted into whole year) as a percentage of average equity.

Return on operational capital
Operating result as a percentage of average operational capital.

Solidity
Equity as a percentage of total balance sheet.

Organic growth
Growth excluding aquisition