

*We deliver the IT expertise of a big company  
with the soul of a small company and the commitment of the  
individual consultant*

## **KNOW IT AB – INTERIM REPORT**

- Net sales increased by more than 15 percent
- The effect of the recession is limited, thanks to industry field dispersion and geographic spread
- Know IT has on April 21 signed an agreement to acquire Reaktor AS in Norway

## **JANUARY – MARCH 2010**

- Net sales rose to SEK 408.2 (353.4) million
- Operating profit before depreciation of intangible assets (EBITA) was SEK 42.9 (40.2) million
- Results after taxes was SEK 25.9 (23.5) million, taxes totaled SEK -10.2 (-9.8) million
- Earnings per share were SEK 1.60 (1.68)
- The operating margin was 10.5 (11.4) percent
- Cash flow from operating activities was SEK -43.0 (-13.6) million

*Know IT AB (publ) is an IT-consultancy firm which contributes to the success of companies and organizations by developing and taking long-term responsibility for value-adding processes, functions and IT-solutions. Operations include services within strategic consultancy, systems development and application management. Know IT was founded in 1990 and currently has around 1,350 employees in 23 locations around Sweden, four locations in Norway, and one each in Estonia, Finland, China, Russia and USA. Know IT AB (publ) is quoted on the Nordic Exchange in Stockholm. For further information about Know IT, please visit [www.knowit.se](http://www.knowit.se).*

# INTERIM REPORT JANUARY – MARCH 2010

## COMMENTS FROM THE CEO

Initially, the first quarter of 2010 has the same insecure characteristics of early 2009. No significant improvement in the ordering could be seen. The market was challenging in that larger consultancy buyers remained moderate, projects were postponed and prices showed to tendencies toward rising. The competition over assignments remained high.

But, as the quarter has passed, the market conditions have improved slightly. We have seen increasing queries for services in our specialist fields and signs of a growing investment interest among our clients. This increase is encouraging moving in to the second quarter 2010.

Know IT has an extensive client base, with clients in many industry fields. We have a wide geographic dispersion, with a presence on many local Nordic markets. Our many frame agreements provide long client relations and guarantee a steady influx of assignment queries. We have a strong position when the market starts to improve again.

Because we see an improving market, we have intensified our organic recruitment. During the quarter, we have increased by more than 50 net employees.

Endero, our newly acquired operations in Finland, is experiencing a more competitive market than our Swedish operations. Endero operates in an environment where clients postpone projects, which has affected results. Through Endero's operations in St Petersburg, we have reinforced our ability of offering near-shoring capacity to our Swedish clients. I believe this is very beneficial, as this type of service is increasingly often demanded in purchasing processes.

We are expanding our operations in Norway through the acquisition of the Bergen-based company Reaktor AS with around 100 employees. This is a step toward positioning ourselves on the Norwegian market and in line with our strategy of having a local presence on interesting markets with high demand for our specialist services. Reaktor has a long history and a corporate culture which suits us well.

It is gratifying to see that Know IT has not only gained market shares, but also improved its position in various surveys. We have improved our position in this survey each year, despite the fact that Know IT has more than 30 percent of its clients in the public sector, which is not included in the survey. The analyst Universum's annual ranking of ideal employers for university students places Know IT as one of the best of the IT-consultancy firms. This shows that we have a strong trademark among both clients and potential employees.

Anders Nilsson  
CEO and President

## MARKET

Know IT has, during the first quarter of 2010, seen a slight positive development in demand for the company's services. The insecurity regarding future market development that characterized all of 2009, seems to be decreasing. Competition, however, remains harsh.

Know IT has historically proved to be able to handle insecure economic conditions. Our geographic dispersion, in combination with clients in many business fields and long-term agreements, particularly frame agreements, makes for well distributed risks. In a long-term perspective, IT will become more common and more important in companies, organizations and the public sector. By operating close to its clients, Know IT will remain an important

supplier of specialized strategic consultancy, client-tailored systems development and total solutions in application management.

Know IT still has a large portion of net sales from deals arising from the around 130 frame agreements which the company has with IT-consultancy buying companies, organizations and public sector operations. These agreements set the general terms for allocation of contracts during the agreement period.

During the quarter, Know IT has signed new or extended existing agreements with ICA, Inköp Gävleborg, Telenor Mobil, TeliaSonera, TNS Gallup and Upplysningscentralen. Frame agreements are important, as they provide around 60 percent of Know IT's sales.

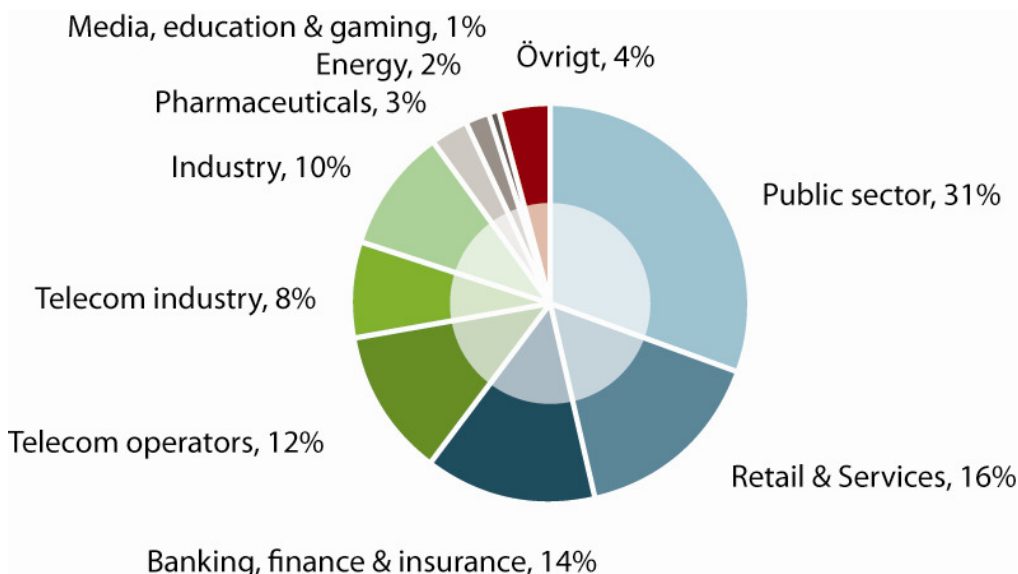
The Swedish market shows differences between geographic regions. Demand has been very high in Mälardalen and the Stockholm region. However, demand has remained low in the Öresund region, mainly because larger consultancy buyers, which dominate the region, have become moderate.

The Finnish market has toward the end of the quarter improved slightly as compared to the beginning of the year. However, consultancy service buyers are still careful, particularly in beginning new projects. During the reporting period, the Norwegian market has been characterized by a stable demand, albeit lower than before the recession.

During the quarter, Know IT has received assignments regarding:

- **Business & IT Management** for Bonnier, the municipality of Botkyrka, Cloetta, the Swedish National Courts Administration, ICA, Resekortet AB, SAAB, Siemens, Tekniska verken in Linköping, the Swedish Transport Agency and the Swedish Space Corporation.
- **Enterprise Content Management** for DeedOne, Entercard, Mekonomen, Riksbyggen and Upplysningscentralen.
- **Information Management/Business Intelligence** for Entercard, ICA, Jernbanepersonalens Bank, the Swedish Board of Agriculture, SBAB, SEB, SHB, SJ, Swedbank, Tele2, TeliaSonera and TryggHansa.
- **Application management** for Apoteket, Försäkringskassan and OK/Q8.
- **Systems development** for Apoteket, Cochlear, Gore-Tex, Lantmäteriet, Outokumpu, Peak Performance, Saab, Statoil, Stora Enso, TeliaSonera and Telenor.
- **Test & Quality Management** for ICA, Länsförsäkringar, the Swedish Tax Agency and Unibet.

Know IT's net sales per industry field during the quarter:



## **NOTABLE EVENTS SUBSEQUENT TO THE REPORTING PERIOD**

On April 21, Know IT acquired the Norwegian firm Reaktor AS with operations in Bergen, Oslo and Stockholm. The company has around 100 employees and focuses on IT-solutions for the field of banking, finance and insurance. The acquisition means Know IT will grow to around 1,450 employees and strengthen its local presence on the Norwegian market. Acquisition will be final as of May 2010. In 2009, the Reaktor Group showed an operating result (EBITDA) of NOK 22.8 million with net sales of NOK 103.8 million.

Know IT will initially acquire 53 percent of the shares in the Reaktor Group. Over the coming 4 years, Know IT will acquire the remaining shares, divided equally over the years. The initial consideration totals approximately NOK 44.9 million. Payment will be made as shares in Know IT, on the condition that the annual general meeting gives such authority to the Board. The total price of each successive share acquisition will depend on Know IT's market valuation and the results of the Reaktor Group. The acquisition will have a positive effect on profit per share.

## **EMPLOYEES**

The number of employees, in full-time equivalents, was 1,313 (1,122) on March 31, 2010. In all, 1,371 (1,178) people are employed in the Group. The number of contracted consultants who had not yet begun employment on March 31, 2010 was 30 (12).

The number of employees has increased by 196 during the quarter. 141 of these are attributable to the acquisition of Endero, while 55 are from organic growth. The average number of employees during the quarter was 1,291 (1,125).

## **NET SALES**

Net sales for the current reporting period, January-March, were SEK 408.2 (353.4) million, an increase by 15.5 percent compared with the same period last year.

Net sales in Sweden were SEK 324.8 (313.4) million and SEK 75.9 (40.6) in the rest of the Nordic region.

Net sales per employee for the reporting period were SEK 316 (314) thousand.

## **RESULTS**

The operating profit before depreciation of intangible assets amounted to 42.9 (40.2) million for the current reporting period, January-March. In Sweden, the operating profit totaled 40.9 (42.9) million and in the rest of the Nordic region, it was SEK 7.3 (5.1) million.

Depreciation of intangible assets amounted to SEK -5.1 (-3.8) million. The operating profit after financial items for the same period amounted to SEK 36.0 (33.3) million.

Results after taxes were SEK 25.9 (23.5) million, for the current reporting period. Taxes for the year amount to SEK -10.2 (-9.8) million

Earnings per share for the reporting period were SEK 1.60 (1.68).

## **FINANCIAL POSITION**

Cash and cash equivalents including short-term investments were SEK 61.6 (85.0) million.

Interest-bearing liabilities totaled SEK 207.5 (267.2) million on March 31, including financial leases of SEK 20.0 (21.9) million. Of the total, 66.4 (66.4) million are in Norwegian kroner, to limit exchange rate risks following from the previous acquisition of Objectnet.

Cash flow from operating activities totaled SEK -43.0 (-13.6) million during the current reporting period, affected mainly by payments of 2009 premiums for profit-sharing to employees and tax payments. Accounts receivable increased with SEK 21 million.

Investment activities, mainly acquisitions and payments of additional considerations, have affected cash flow by SEK -16.6 (-11.2) million, while financing activities, mainly amortizations, have affected the cash flow by SEK -8.0 (-8.2) million.

Goodwill and other intangible assets have increased to SEK 816.3 (754.4) million, affected mainly by the acquisition of Endero. Shareholder's equity increased to SEK 658.0 (483.2) million, in 2010 mainly affected by a directed issue to the seller of Endero.

The equity ratio was 52.6 (41.5) percent on March 31.

## **PARENT COMPANY**

The result after financial items for the current reporting period amounted to SEK -4,5 (-16.7) million.

As of March 31, equity was SEK 446.0 (287.9) million. Cash and cash equivalents totaled SEK 3.8 (46.2) million. The parent company has an unused overdraft facility of SEK 75 (55) million.

Interest-bearing liabilities totaled SEK 186.8 (244.6) million, of which 66.4 (66.4) million are in Norwegian kroner, to limit exchange rate risks following from the previous acquisition of Objectnet.

## **ESSENTIAL RISKS AND UNCERTAINTY FACTORS**

Know IT's general essential business risks consist of reduced demand for consultancy services, problems attracting and retaining skilled personnel, price pressures and financial risks related to credit and exchange rates and, to a lesser extent, risks related to fixed price projects. For a comprehensive description of the essential risks and uncertainty factors, see Know IT's annual report for 2009.

## **ACCOUNTING PRINCIPLES**

This report has been prepared in accordance with IAS 34, Interim Financial Reporting. The Group accounts have been prepared in accordance with the International Financial Reporting Standards, IFRS, as adopted by the European Union, and the Swedish Annual Accounts Act. The interim report for the Parent company has been prepared in accordance with the Swedish Annual Accounts Act and the recommendation RFR 2.2 Accounting for legal entities.

As of 2009, the Group applies the new standard IFRS 8 Operating Segments, which replaces IAS 14, and the revised versions of IAS 1 Presentation of Financial Statements. IAS 23 Borrowing Costs does not apply to the Know IT Group.

The new version of IAS 1 separates changes in equity following from transactions with owners from other changes. The statement of changes in equity shall only contain owner transactions, while all other changes in equity shall be presented either in one statement (a comprehensive income statement) or two statements (a separate income statement and a comprehensive income statement). The Group has chosen to present an income statement and a comprehensive income statement.

The Group uses the same accounting principles and calculation methods as were used for the annual report for 2009.

## **ACCOUNTING ESTIMATES AND ASSUMPTIONS**

The preparation of financial reports in accordance with IFRS requires the Board of Directors and Management to make accounting estimates and assumptions that affect the application of accounting principles and the carrying amounts of assets, liabilities, revenue and expenses.

## OUTLOOK

Know IT has seen an improvement on the market, which may lead to an increase in demand and a growing interest in investing among the company's clients during the coming six months.

The company's structural capital in the form of frame agreements and a good distribution through market segments and geographically, gives it a strong position on a changeable market. The possibilities for new establishments and making acquisitions under attractive conditions remain strong. Know IT's growth continues.

*In the Year-End Report January-December 2009, the following forecast was made:*

Know IT is expected to continue to cope well with the overall weak market situation during the first quarter of 2010. The market development during the second quarter of 2010 is difficult to assess.

Thanks to the large number of frame agreements and a good distribution through market segments and geographically, Know IT has good conditions for continued positive development. The possibilities for new establishments and making acquisitions under attractive conditions remain strong. Know IT's growth continues.

## FINANCIAL CALENDAR

July 16 2010 Interim Report Jan-June 2010  
Oct 22 2010 Interim Report Jan-Sept 2010

Stockholm, April 22, 2010

Anders Nilsson  
President and CEO

This Interim Report has not been audited by Know IT's accountants.

The information contained herein is such as shall be made public by Know IT, in accordance with the Securities Market Act and/or the Financial Instruments Trading Act. This report was made public on April 22, 2010.

## ADDRESS AND CONTACT INFORMATION

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**CONSOLIDATED INCOME STATEMENT**  
**(SEK M)**

	<b>Jan-Mar</b>	<b>Jan-Mar</b>	<b>Full year</b>
	<b>2010</b>	<b>2009</b>	<b>2009</b>
Net sales	408.2	353.4	1385.3
Operating costs	-362.8	-310.6	-1221.5
Depreciation of tangible fixed assets	-2.5	-2.6	-9.6
<b>Operating result (EBITA)</b>	<b>42.9</b>	<b>40.2</b>	<b>154.2</b>
Depreciation of intangible assets	-5.1	-3.8	-15.2
<b>Operating result (EBIT)</b>	<b>37.7</b>	<b>36.4</b>	<b>139.0</b>
Financial income	0.4	0.7	1.9
Financial cost	-2.1	-3.8	-9.1
<b>Result after financial items</b>	<b>36.0</b>	<b>33.3</b>	<b>131.8</b>
Income taxes	-10.2	-9.8	-37.7
<b>Result for the period</b>	<b>25.9</b>	<b>23.5</b>	<b>94.1</b>
Result for the period assignable to shareholders in Parent Company	25.9	23.5	94.1
Result for the period assignable to minority interests	0.0	0.0	0.0
<b>Earnings per share</b>			
Earnings per share before dilution (SEK)	1.60	1.68	6.48
Earnings per share after dilution (SEK)	1.58	1.68	6.48
<b>Other total result</b>			
Result for the period	25.9	23.5	94.1
Financial assets which can be sold	-	-	-
Hedging of netinvestment	1.6	-7.8	-8.4
Tax effect hedging of netinvestment	-0.4	2.0	2.2
Exchange rates differences	-6.5	18.3	19.5
<b>Other totalresult for the period, net after tax</b>	<b>20.6</b>	<b>36.0</b>	<b>107.4</b>
<b>Total result for the period</b>			
Total result assignable to shareholders in Parent Company	20.6	36.0	107.4
Total result assignable to minority interests	0.0	0.0	0.0

**CONSOLIDATED BALANCE SHEET**  
**(SEK M)**

	<b>Mar 31</b>	<b>Mar 31</b>	<b>Dec 31</b>
	<b>2010</b>	<b>2009</b>	<b>2009</b>
<b>ASSETS</b>			
Intangible fixed assets	816.3	754.4	746.0
Tangible fixed assets	28.5	31.0	27.6
Financial fixed assets	0.6	0.3	0.4
Deferred tax assets	7.5	0.0	2.1
Current assets	336.5	292.9	277.8
Liquid funds including short-term investments	61.6	85.0	130.9
<b>Total assets</b>	<b>1251.0</b>	<b>1163.6</b>	<b>1184.8</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	16.3	14.0	14.9
Other paid-up capital and other provisions	361.1	252.6	287.4
Recognized profits including result for the year	280.6	216.6	255.7
<b>Equity attributable to shareholders of Parent Company</b>	<b>658.0</b>	<b>483.2</b>	<b>558.0</b>
Minority interest	0.0	0.0	0.0
<b>Total equity</b>	<b>658.0</b>	<b>483.2</b>	<b>558.0</b>
Interest-bearing long-term liabilities	144.6	209.0	154.9
Other long-term liabilities incl deferred tax liability	60.2	77.9	55.5
Interest bearing short-term liabilities	62.9	58.2	61.5
Other short-term liabilities	325.3	335.3	354.9
<b>Total equity and liabilities</b>	<b>1251.0</b>	<b>1163.6</b>	<b>1184.8</b>

<b>KEY FIGURES</b>	<b>Jan-Mar 2010</b>	<b>Jan-Mar 2009</b>	<b>Full year 2009</b>
Number of employees at period-end	1,313	1,122	1,117
Average number of employees	1,291	1,125	1,123
Sales per employee (000)	316	314	1,234
Result/employee after financial income/expense (000)	28	30	117
Return on total capital %	3.1	3.2	12.0
Return on equity %	4.3	5.0	18.5
Return on capital employed %	3.2	5.0	18.9
Operating margin %	10.5	11.4	11.1
Equity ratio %	52.6	41.5	47.1
<b>DATA PER SHARE</b>	<b>Jan-Mar 2010</b>	<b>Jan-Mar 2009</b>	<b>Full year 2009</b>
Earnings per share (SEK)			
Before dilution	1.60	1.68	6.48
After dilution	1.58	1.68	6.48
Equity per share (SEK)			
Before dilution	40.57	34.57	37.52
After dilution	41.83	34.57	37.92
Average number of shares (000)			
Before dilution	16,219	13,978	14,519
After dilution	16,344	13,978	14,519
No. of shares on balance sheet day (000)			
Before dilution	16,219	13,978	14,874
After dilution	16,344	13,978	15,392
<b>CHANGE IN EQUITY (SEK M)</b>	<b>Jan-Mar 2010</b>	<b>Jan-Mar 2009</b>	<b>Full year 2009</b>
<b>Opening balance, Jan 1</b>	558.0	456.7	456.7
Acquired minority interests	0.0	-9.5	-9.4
Exchange rates differences	-6.5	18.3	19.5
Hedging of net investment	1.6	-7.8	-8.4
Tax effect hedging of net investment	-0.4	2.0	2.2
Result for the period	25.9	23.5	94.1
<b>Total result for the period</b>	<b>20.6</b>	<b>36.0</b>	<b>107.4</b>
Total before transactions with Parent Company shareholders	<b>578.6</b>	<b>483.2</b>	<b>554.7</b>
Dividend	0.0	-	-31.5
New share issue, options	0.0	-	2.7
New share issue, acquisitions	79.4	-	32.1
<b>Closing balance, March 31</b>	<b>657.9</b>	<b>483.2</b>	<b>558.0</b>
<b>CONSOLIDATED CASH FLOW ANALYSIS (SEK M)</b>	<b>Jan-Mar 2010</b>	<b>Jan-Mar 2009</b>	<b>Full year 2009</b>
Cash flow current operations before changes in working capital	35.5	27.7	118.6
Change in working capital incl. short-term investments	-78.5	-41.3	25.0
<b>Cash flow from current operations</b>	<b>-43.0</b>	<b>-13.6</b>	<b>143.6</b>
Cash flow from investing activities	-16.6	-11.2	-46.1
Cash flow from financing activities	-8.0	-8.2	-85.6
<b>Cash flow for the period</b>	<b>-67.6</b>	<b>-33.0</b>	<b>11.9</b>
Opening balance	130.5	114.8	114.8
Exchange rates differences	-1.8	2.9	15.7
Closing balance	61.1	84.7	130.5



<b>INCOME STATEMENT - PARENT COMPANY (SEK M)</b>	<b>Jan-Mar 2010</b>	<b>Jan-Mar 2009</b>	<b>Full year 2009</b>
Net sales	14.5	19.3	67.7
Operating costs	-18.9	-25.0	-87.3
Depreciation of tangible fixed assets	-0.3	-0.3	-1.1
<b>Operating result</b>	<b>-4.7</b>	<b>-6.0</b>	<b>-20.7</b>
Financial items	0.2	-10.7	23.6
<b>Result after financial items</b>	<b>-4.5</b>	<b>-16.7</b>	<b>2.9</b>
Appropriations	0.0	0.0	-11.0
Income taxes	0.0	0.0	12.3
<b>Result for the period</b>	<b>-4.5</b>	<b>-16.7</b>	<b>4.2</b>
<b>BALANCE SHEET - PARENT COMPANY (SEK M)</b>	<b>Mar 31 2010</b>	<b>Mar 31 2009</b>	<b>Dec 31 2009</b>
<b>ASSETS</b>			
Tangible fixed assets	3.2	3.4	3.4
Financial fixed assets	820.7	726.2	722.2
Current assets	54.7	52.7	61.8
Liquid funds including short-term investments	3.8	46.2	73.4
<b>Total assets</b>	<b>882.4</b>	<b>828.5</b>	<b>860.8</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	16.3	14.0	14.9
Statutory reserve	313.6	68.0	68.0
Unrestricted share capital including result for the year	116.1	205.9	288.2
<b>Total equity</b>	<b>446.0</b>	<b>287.9</b>	<b>371.1</b>
Untaxed reserves	24.8	13.9	24.8
Interest-bearing long-term liabilities	134.9	195.4	144.1
Other long-term liabilities	11.7	35.6	11.6
Interest bearing short-term liabilities	51.9	49.2	52.3
Other short-term liabilities	213.1	246.5	256.9
<b>Total equity and liabilities</b>	<b>882.4</b>	<b>828.5</b>	<b>860.8</b>

**SEGMENT REPORTING**
**SEK, 000s**
**2010 Jan - Mar**

	<b>Sweden</b>	<b>Nordic</b>	<b>Other</b>	<b>Mother Company/Adj</b>	<b>Total</b>
External net sales	324,820	75,896	0	7,507	408,223
Net sales between segments					0
<b>Net sales</b>	<b>324,820</b>	<b>75,896</b>	<b>0</b>	<b>7,507</b>	<b>408,223</b>
					0
Operating result before depreciations of intangible assets	40,924	7,329	-682	-4,689	42,882
Result after financial items	36,027	5,137	-646	-4,469	36,049
<b>Result attributable to Parent Company shareholders</b>	<b>25,861</b>	<b>5,137</b>	<b>-646</b>	<b>-4,469</b>	<b>25,883</b>
Tangible fixed assets	3,775	25,126	64	823,946	852,911
Current assets, excluding cash	221,682	58,754	1,431	54,659	336,526
Liquid funds including short-term investments	862	53,895	2,990	3,828	61,575
<b>Total assets</b>	<b>226,319</b>	<b>137,775</b>	<b>4,485</b>	<b>882,433</b>	<b>1,251,012</b>
Equity	117,901	71,114	4,637	464,314	657,966
Deferred tax liability	42,003	0	0	6,525	48,528
Other long-term liabilities	9,702	0	0	146,573	156,275
Other short-term liabilities	56,714	66,661	-153	265,021	388,243
<b>Total equity and liabilities</b>	<b>226,320</b>	<b>137,775</b>	<b>4,484</b>	<b>882,433</b>	<b>1,251,012</b>
Investments in tangible fixed assets incl leasing	<b>2,054</b>	<b>115</b>	<b>0</b>	<b>199</b>	<b>2,368</b>
Depreciation of tangible fixed assets	<b>-2,523</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-2,523</b>

**2009 Jan - Mar**

	<b>Sweden</b>	<b>Nordic</b>	<b>Other</b>	<b>Mother Company/Adj</b>	<b>Total</b>
External net sales	312,818	40,552	0	0	353,370
Net sales between segments	561	-		-561	0
<b>Net sales</b>	<b>313,379</b>	<b>40,552</b>	<b>0</b>	<b>-561</b>	<b>353,370</b>
					0
Operating result before depreciations of intangible assets	42,946	5,146	-1,943	-5,953	40,196
Result after financial items	47,261	4,723	-1,943	-16,737	33,304
<b>Result attributable to Parent Company shareholders</b>	<b>38,303</b>	<b>3,875</b>	<b>-1,943</b>	<b>-16,737</b>	<b>23,498</b>
Tangible fixed assets	28,227	27,892	260	729,629	786,008
Current assets, excluding cash					
	204,467	30,319	5,735	52,735	293,256
Liquid funds including short-term investments	2,076	34,166	2,265	46,180	84,687
<b>Total assets</b>	<b>234,770</b>	<b>92,377</b>	<b>8,260</b>	<b>828,544</b>	<b>1,163,951</b>
Equity	121,902	54,786	6,341	298,182	481,211
Deferred tax liability	34,443	1	0	3,649	38,093
Other long-term liabilities	17,890	-36	0	231,013	248,867
Other short-term liabilities	60,535	37,626	1,919	295,700	395,780
<b>Total equity and liabilities</b>	<b>234,770</b>	<b>92,377</b>	<b>8,260</b>	<b>828,544</b>	<b>1,163,951</b>
Investments in tangible fixed assets incl leasing	<b>1,010</b>	<b>190</b>	<b>0</b>	<b>500</b>	<b>1,700</b>
Depreciation of tangible fixed assets	<b>-2,167</b>	<b>-125</b>	<b>-10</b>	<b>-277</b>	<b>-2,579</b>

## QUARTERLY VALUES

CONSOLIDATED INCOME STATEMENT (SEK M)		Jan - Mar 2010	Oct - Dec 2009	Jul - Sept 2009	Apr - Jun 2009	Jan - Mar 2009
Net sales		408.2	386.0	287.4	358.5	353.4
Operating costs		-362.8	-334.6	-254.1	-322.2	-310.6
Depreciation of tangible fixed assets		-2.5	-2.3	-2.3	-2.4	-2.6
<b>Operating result before goodwill amortization</b>		<b>42.9</b>	<b>49.1</b>	<b>31.0</b>	<b>33.9</b>	<b>40.2</b>
Goodwill amortization		-5.1	-3.8	-3.8	-3.8	-3.8
<b>Operating result after goodwill amortization</b>		<b>37.7</b>	<b>45.3</b>	<b>27.2</b>	<b>30.1</b>	<b>36.4</b>
Financial items		0.4	0.8	0.0	0.4	0.7
		-2.1	-1.9	-1.3	-2.1	-3.8
<b>Result after financial items</b>		<b>36.0</b>	<b>44.2</b>	<b>25.9</b>	<b>28.4</b>	<b>33.3</b>
Income taxes		-10.2	-12.4	-7.2	-8.3	-9.8
<b>Result for the period</b>		<b>25.9</b>	<b>31.8</b>	<b>18.7</b>	<b>20.1</b>	<b>23.5</b>
Result for the period assignable to shareholders in Parent Company		25.9	31.8	18.7	20.1	23.5
Result for the period assignable to minority interests		0.0	0.0	0.0	0.0	0.0
<b>Earnings per share</b>						
Earnings per share before dilution (SEK)		1.60	2.14	1.26	1.40	1.68
Earnings per share after dilution (SEK)		1.58	2.13	1.26	1.40	1.68
<b>Other totalresult</b>						
Result for the period		25.9	31.8	18.7	20.1	23.5
Financial assets which can be sold		-	-	-	-	-
Hedging of netinvestment		1.6	-2.4	0.1	1.7	-7.8
Tax effect hedging of netinvestment		-0.4	0.6	0.0	-0.4	2.0
Exchange rates differences		-6.5	6.2	-0.6	-4.4	18.3
<b>Other totalresult for the period, net after tax</b>		<b>-5.3</b>	<b>4.4</b>	<b>-0.5</b>	<b>-3.1</b>	<b>12.5</b>
<b>Sum totalresult for the period</b>		<b>20.6</b>	<b>36.2</b>	<b>18.2</b>	<b>17.0</b>	<b>36.0</b>
Sum totalresult assignable to shareholders in Parent Company		20.6	36.2	18.2	17.0	36.0
Sum totalresult assignable to minority interests		0.0	0.0	0.0	0.0	0.0
<b>CONSOLIDATED BALANCE SHEET (SEK M)</b>		<b>31-mar 2010</b>	<b>31-dec 2009</b>	<b>30-sep 2009</b>	<b>30-jun 2009</b>	<b>31-mar 2009</b>
<b>ASSETS</b>						
Intangible fixed assets		816,3	746,0	738,4	741,9	754,4
Tangible fixed assets		28,5	27,6	29,5	29,7	31,0
Financial fixed assets		0,6	0,4	0,4	0,3	0,3
Deffered tax recoverable		7,5	2,1	0,0	0,0	0,0
Current assets		336,5	277,8	296,4	299,3	292,9
Liquid funds including short-term investments		61,6	130,9	32,2	53,9	85,0
<b>Total assets</b>		<b>1251,0</b>	<b>1184,8</b>	<b>1096,9</b>	<b>1125,1</b>	<b>1163,6</b>
<b>EQUITY AND LIABILITIES</b>						
Share capital		16,3	14,9	14,9	14,9	14
Other paid-up capital and other provisions		361,1	287,4	283,0	283,5	252,6
Recognized profits including result for the year		280,6	255,7	223,8	205,1	216,6
<b>Total</b>		<b>658,0</b>	<b>558,0</b>	<b>521,7</b>	<b>503,5</b>	<b>483,2</b>
Minority interest		0,0	0,0	0,0	0,0	0,0
<b>Total equity</b>		<b>658,0</b>	<b>558,0</b>	<b>521,7</b>	<b>503,5</b>	<b>483,2</b>
Interest-bearing long-term liabilities		144,6	154,9	167,8	187,2	209,0
Other long-term liabilities incl deffered tax liability		60,2	55,5	78,3	73,3	77,9
Interest bearing short-term liabilities		62,9	61,5	64,8	69,3	58,2
Other short-term liabilities		325,3	354,9	264,3	291,8	335,3
<b>Total equity and liabilities</b>		<b>1251,0</b>	<b>1184,8</b>	<b>1096,9</b>	<b>1125,1</b>	<b>1163,6</b>

**KEY FIGURES**

	Jan - Mar 2010	Oct - Dec 2009	Jul - Sept 2009	Apr - Jun 2009	Jan - Mar 2009
Number of employees at period-end	1 313	1 117	1 108	1 090	1 122
Average number of employees	1 291	1 114	1 095	1 102	1 125
Sales per employee (000)	316	346	263	325	314
Result/employee after financial income/expense (000)	28	40	24	26	30
Return on total capital %	3,1	4,0	2,5	2,7	3,2
Return on equity %	4,3	5,9	3,7	4,1	5,0
Return on capital employed %	3,2	6,0	3,6	4,0	5,0
Operating margin %	10,5	12,7	10,8	9,5	11,4
Equity ratio %	52,6	47,1	47,6	44,8	41,5

**DATA PER SHARE**

	Jan - Mar 2010	Oct - Dec 2009	Jul - Sept 2009	Apr - Jun 2009	Jan - Mar 2009
Earnings per share (SEK)					
Before dilution	1,60	2,14	1,26	1,40	1,68
After dilution	1,58	2,13	1,26	1,40	1,68
Equity per share (SEK)					
Before dilution	40,57	37,52	35,07	33,85	34,57
After dilution	41,83	37,92	35,07	33,85	34,57
Average number of shares (000)					
Before dilution	16 219	14 874	14 874	14 336	13 978
After dilution	16 344	14 913	14 874	14 336	13 978
No. of shares on balance sheet day (000)					
Before dilution	16 219	14 874	14 874	14 874	13 978
After dilution	16 344	15 392	14 874	14 874	13 978

**CONSOLIDATED CASH FLOW ANALYSIS  
(SEK M)**

	Jan - Mar 2010	Oct - Dec 2009	Jul - Sept 2009	Apr - Jun 2009	Jan - Mar 2009
Cash flow current operations before changes in working capital	35,5	38,1	28,6	24,2	27,7
Change in working capital incl. short-term investments	-78,5	74,6	-17,3	9,0	-41,3
<b>Cash flow from current operations</b>	<b>-43,0</b>	<b>112,7</b>	<b>11,3</b>	<b>33,2</b>	<b>-13,6</b>
Cash flow from investing activities	-16,6	1,8	-9,7	-27,0	-11,2
Cash flow from financing activities	-8,0	-17,1	-23,5	-36,8	-8,2
<b>Cash flow for the period</b>	<b>-67,6</b>	<b>97,4</b>	<b>-21,9</b>	<b>-30,6</b>	<b>-33,0</b>
Opening balance	130,5	31,9	53,5	84,7	114,8
Exchange rates differences	-1,8	1,2	0,3	-0,6	2,9
Closing balance	61,1	130,5	31,9	53,5	84,7

## Acquired businesses 2010

As of January 1, 2010, Endero Oy was acquired

Total value of acquired assets and liabilities, purchase considerations, and effects on the Group's cash and cash equivalents for the businesses acquired

	<b>Total</b>
Purchase consideration	
settled in cash	16 811
direct costs related to the acquisition	1 891
fair value of shares issued	79 371
provision for supplementary purchase price/unpaid consideration	0
<b>Total purchase consideration</b>	<b>98 073</b>
Fair value, acquired net assets	-15 862
<b>Goodwill and other intangible assets</b>	<b>82 211</b>

Goodwill is attributable to the profitability of the acquired companies and the expected synergistic effects with other Know IT firms.

Other intangible asset is attributable to customer relations of the the acquired businesses

Fair value of shares issued is based on the market value. The number of shares issued was 1,345,050.

Assets and liabilities of the acquired businesses are the following:

	<b>Acquired book value Total</b>	<b>Fair value Total</b>
Goodwill and other intangible assets	0	82 211
Property, plant and equipment	1 191	1 191
Financial non current assets	209	209
Deferred tax assets	6 498	6 498
Current assets	20 837	20 837
Cash and cash equivalents	10 883	10 883
Other liabilities	-23 756	-23 756
Net assets	15 862	98 073
Acquired net assets	15 862	98 073
Consideration settled in cash		-18 702
Cash and cash equivalents in acquired companies		10 883
Effect on the Group's cash and cash equivalents of acquisitions		-7 819