

# knowit

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## Knowit AB Interim Report January – June 2013

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### *Highlights*

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Improved cash flow in an unchanged market

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Result and margin on par with those of the last two quarters

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Strong growth in the energy sector, but weaker in finance and retail

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Frame agreements remain important for operations

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#### **JANUARY – JUNE 2013**

- Net sales were SEK 1,018.8 (1,022.9) million
- The EBITA result was SEK 55.6 (87.3) million
- Result after tax was SEK 28.3 (49.0) million
- Earnings per share were SEK 1.52 (2.73)
- The EBITA margin was 5.5 (8.5) percent
- Cash flow from operating activities was SEK 44.5 (-26.8) million
- Cash amounted SEK 83.0 (100.3) million on June 30

#### **APRIL – JUNE 2013**

- Net sales were SEK 511.3 (489.5) million
- The EBITA result was SEK 23.2 (26.5) million
- Result after tax was 9.4 (11.4) million
- Earnings per share were SEK 0.49 (0.61)
- The EBITA margin was 4.5 (5.4) percent
- Cash flow from operating activities was SEK 67.0 (-15.7) million

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#### **THE STRENGTH OF THE LARGE COMPANY WITH THE SOUL OF THE SMALL COMPANY AND THE COMMITMENT OF THE INDIVIDUAL CONSULTANT**

The information contained herein is such as shall be made public by Knowit, in accordance with the Securities Market Act and/or the Financial Instruments Trading Act. This press release was made public at 8.30 AM on June 19, 2013.

## Comments from the CEO

Despite the fact that we see a continued, quick technical development and a strong pressure for change on our clients, purchasing decisions still take a long time, holding back new order. During the second quarter, demand is on par with the past two quarters with noticeable differences in different geographic areas and different offerings. There is room for us to make ventures, while we actively streamlining and adjusting operations. For example, we have made an acquisition in Norway, while adjusting our organizations on the weaker markets in Finland, Gothenburg and Malmö.

### The ability to change

Our corporate structure, with decentralized operative subsidiaries, means that we quickly react to changes on the market, to benefit both our clients and our owners. We have, for example, stable demand in the Stockholm region, and most other markets in Sweden as well as throughout Norway. The challenges are in Finland along with in Gothenburg and Malmö. Clients there have, as formerly, been careful in placing new orders.

In Norway, we have growth potential mainly in Oslo and Stavanger. The acquired Norwegian company Amende in Oslo, with 35 employees marks the start of continued expansion on the Oslo market. Amende adds new clients and competence to Knowit. The company is a perfect match for us and I am sure it will have a positive effect on us in Norway.

The market has been particularly difficult in Finland, where economic development is weak. This, combined with changed purchasing patterns, has led us to decrease the number of employees. Similarly we have adapted our operations in Gothenburg to suit market needs.

In Malmö, we have for the past two years worked hard to redirect our operations, to avoid dependence on a few large clients. Through intense sales work and increased specialization, we have gained a wider client base and improved order situation.

### Optimizing client benefits

This spring, we have clarified our client offerings. We have grouped them into three areas: Management, Digi & Design and IT. We have seen that our clients increasingly ask for efforts from us in which competencies from different areas are needed. Our new structure means that we can more efficiently meet their needs.

#### **MANAGEMENT**

In management, we continue to grow. Currently, we have over 200 specialists in the field. In a modern business operation, the concepts business model, business process and technology are closely linked. We have deep understanding of how IT and product development interact with business operations, and vice versa.

#### **DIGI & DESIGN**

We have for many years been a total supplier of web, portal and collaboration solutions in the Nordic region. Aside from technical competence, we have extensive knowledge of design. We are currently on the largest web agencies in the Nordic region, with over 450 consultants in the field. In Sweden, we have taken on more assignments and increased our projects with creative breadth in design.

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KNOWIT AB INTERIM REPORT JANUARY – JUNE 2013

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## IT

There is still a large pressure to change using IT and things are moving faster than ever. The quick development carries with it a need for further development and updating of existing solutions. Within IT, we offer specialists with extensive competence, who jointly cover a wide field of technology.

## Improved cash flow

We have actively worked to quickly improve our cash flow. Aside from that, we are working with structural activities where our subsidiaries have this issue high on the agenda in order to improve cash flow in the long term.

Our most important goal is earnings per share, so the margin and results are in focus. Sales and results for the second quarter are on par with our performance during the past quarters. In this context, it is important to remember that the actions we have taken during the quarter have not yet had their full effect.

It remains difficult to assess the economic development and how it will affect demand. Even if the market is currently unstable, we will quickly adapt our operations based on demand. This ability to adapt creates stability in our operations and contributes to the development of our results.

*Per Wallentin*  
*CEO and President*

## The corporation

### Operations

#### MARKET

Demand has, during the second quarter, been on par with demand in the past two quarters and, as formerly, the market is not homogeneous.

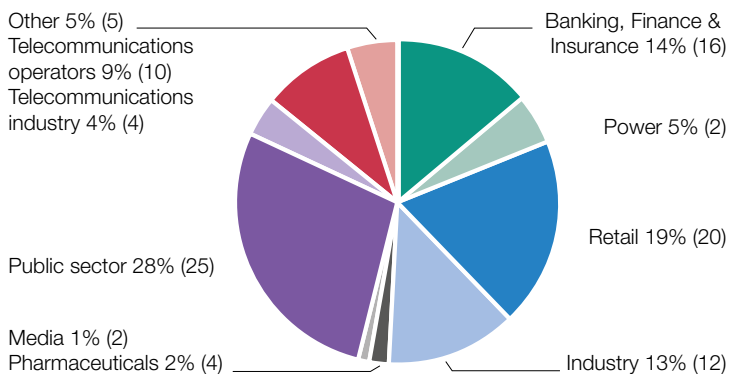
Demand in Stockholm has, as in most local markets outside of the big cities, remained stable. In Gothenburg and Malmö, demand has been weak. The Finnish market remains weak. The Norwegian market has been on par with earlier quarters, with stable development in the segments and offerings where Knowit operates. In Denmark, Knowit's operations are developing well.

In the segments retail and banking, finance and insurance, demand has been slightly weaker during this quarter as compared with last year.

Knowit continues increasing sales in the energy sector. Challenges for the sector are increased demands from politicians and from end clients regarding openness and flexibility, which creates a need to replace outdated infrastructure. This places pressure on the field to develop and streamline operations using IT.

The public sector is still Knowit's strongest client segment with 28 percent of sales. The public sector is expected, by the public and companies, to offer a high degree of service and accessibility at low costs to taxpayers. Efficient IT solutions improve work flows, cut costs and give access to correct information.

#### SALES PER INDUSTRY FIELD



#### FRAME AGREEMENTS AND DEALS

Frame agreements are an important basis for Knowit's business operations. Assignments arising from these around 150 agreements provide around half of Knowit's net sales. Frame agreements give Knowit a steady inflow of queries.

During this quarter, Knowit in Sweden has signed or extended contracts with, among others, Försäkringskassan, Hyresbostäder i Norrköping, Inköp Gävleborg, the County Council of Jönköping, Post- och telestyrelsen, Skatteverket, SKL Kommentus Inköpscentral and Telia Sonera. In Denmark contracts were signed with Topdanmark and in Norway with the Municipality of Oslo.

## **EXAMPLES OF ASSIGNMENTS DURING THE QUARTER**

Knowit has won a purchasing process regarding application management and further development in EPiServer CMS of websites belonging to Volkswagen Group Sverige AB (VGS). The contract term is two years, with an option of extension. Knowit was also given the assignment of developing a new external website for Bixia. The new website is developed by Knowit in Linköping and will be an important channel for Bixia in reaching new clients and simplifying the clients' introduction to Bixia.

For the Swedish Police, Knowit has been tasked with developing a new, modern, responsive website.

In Norway, Knowit has delivered a pilot project for the next generation of Bank ID clients. The delivery includes design, a clickable prototype and a report.

## **STREAMLINING AND NEW VENTURES**

Through Knowit's corporate structure, with operative subsidiaries in different geographic regions and different offerings, there is space for ventures in some parts of the corporation, while streamlining other parts. During this quarter, Knowit has reinforced its presence in Oslo and Örebro and in the management field. At the same time, operations were adapted to the weaker markets in Finland, Gothenburg and Skåne.

In Finland and in Gothenburg Knowit has adjusted organizations. In Malmö, a restructuring of the organization has begun, to increase specialization and focus on sales.

In Oslo, Knowit acquired Amende AS with 35 employees. Amende is a company in system development and strategic consultancy, focused on Microsoft technology. The goal of the acquisition is to gain a stronger position on the Oslo market and offer clients a broader range of services. Through this deal, the conditions for continued local growth through recruitment are created. Amende has during 2012 presented net sales of NOK 53.5 million with a result (EBIT) totaling NOK 9.5 million. The initial consideration will be paid in cash and the company will be consolidated as of August.

Knowit has reinforced its geographic presence and offerings by acquiring and founding new companies during the second quarter. In Örebro, where Knowit formerly had a liaison office, Knowit is reinforcing its local presence with a new company. The company will, at an initial stage, offering services in project management, testing, system development and architecture mainly to local clients, with operations beginning on August 1.

Knowit is reinforcing its offering in the management field by founding a new company in change management and other providing support for growth and innovation. The new companies widen and reinforce Knowit's existing operations by focusing on and adding strategic competencies in the respective fields.

Knowit's strategy for expansion and growth is primarily to develop existing operations and also to recruit, found new companies and make acquisitions. It is important that new recruits and companies we found or acquire share the same culture that characterizes Knowit.

## Net sales and results

### JANUARY – JUNE

Net sales were SEK 1,018.8 (1,022.9) million, a decrease of 0.4 percent as compared to the corresponding period last year. Sales per employee were SEK 611,000 (629,000).

Net sales were SEK 694.5 (710.0) million in Sweden, SEK 257.4 (244.1) million in Norway and SEK 61.4 (65.5) million in Finland.

The operating profit before amortization of intangible assets (EBITA) was SEK 55.6 (87.3) million. In Sweden, EBITA was SEK 44.9 (68.4) million, in Norway SEK 29.6 (35.1) million and in Finland SEK 1.4 (3.4) million.

The EBITA margin was 5,5 (8,5) percent.

Amortization of intangible assets amounted to SEK -10.5 (-12.7) million. The operating profit after financial items was SEK 41.6 (70.8) million. The financial net was SEK -3.5 (-3.8) million.

The result after tax was SEK 28.3 (49.0) million. Tax for the period amounted to SEK -13.3 (-21.8) million.

Earnings per share were SEK 1.52 (2.73).

### THE SECOND QUARTER

Net sales were SEK 511.3 (489.5) million, an increase of 4.5 percent as compared to the corresponding period last year. Sales per employee were SEK 306,000 (300,000).

Net sales were SEK 344.6 (339.0) million in Sweden, SEK 133.4 (116.1) million in Norway and SEK 29.9 (31.7) million in Finland.

The operating profit before amortization of intangible assets (EBITA) was SEK 23.2 (26.5) million. In Sweden, EBITA was SEK 16.7 (24.9) million, in Norway SEK 15.9 (13.0) million and in Finland SEK 0.0 (3.6) million.

The EBITA margin was 4.5 (5.4) percent.

Amortization of intangible assets amounted to SEK -5.3 (-6.5) million. The operating profit after financial items was SEK 15.7 (17.8) million. The financial net was SEK -2.2 (-2.2) million.

The result after tax was SEK 9.4 (11.4) million. Tax for the period amounted to SEK -6.3 (-6.4) million.

Earnings per share were SEK 0.49 (0.61).

## Segments

### JANUARY – JUNE

Net sales for the segment Sweden totaled SEK 694.5 (710.0) million and, for the segment Other Nordic countries totaled SEK 320.7 (309.6) million. For the segment Sweden, the operating profit before amortization of intangible assets (EBITA) was SEK 44.9 (68.4) million, with an EBITA margin of 6.5 (9.6) percent. For the segment Other Nordic countries, EBITA was SEK 28.2 (38.5) with an EBITA margin of 8.7 (12.4) percent.

## Financial position and cash flow

Cash and cash equivalents, including short-term investments, totaled SEK 83.4 (100.6) million as per June 30, 2013.

Goodwill and other intangible assets amounted to SEK 923.5 (953.4) million, of which goodwill totaled SEK 877.6 (887.4) million, and other intangible assets totaled SEK 45.9 (66.0) million.

Equity was SEK 813.2 (825.8) million, affected by exchange rate differences totaling SEK -11.8 (2.2) million.

Interest-bearing liabilities were SEK 248.7 (273.5) million on June 30, 2013, of which SEK 81.4 (113.9) million were long-term and SEK 167.3 (159.6) million short-term. This includes bank loans totaling SEK 110.7 (127.5) million, a used overdraft facility totaling SEK 93.0 (68.5) of a granted overdraft facility of SEK 125.0 (100.0) million, financial leases totaling SEK 20.5 (19.2) million and liabilities for future acquisition of non-controlling interests' holdings in, among others, Reaktor and estimated future dividends for these, totaling SEK 24.5 (58.3) million.

The equity ratio was 53.6 (52.2) percent as per June 30, 2013.

### **JANUARY – JUNE**

Cash flow from operating activities totaled SEK 44.5 (-26.8) million. The change compared with the corresponding period last year is mainly attributable to the decreased tax claims and decreased payments of preliminary taxes.

Cash flow from investment activities was SEK -44.6 (-32.7) million, affected by consideration for non-controlling interests in, among others, the Reaktor companies. Cash flow from financing activities was SEK -14.8 (32.3) million, affected by dividends to shareholders, loans taken, usage of overdraft facilities and amortizations made.

Total cash flow was SEK -14.9 (-27.2) million.

## Employees

On June 30, 2013, a total of 1,798 (1,693) people were employed by the corporation. The number of employees has increased by 59 (23) persons during 2013.

The average number of employees during the first six months of the year totaled 1,667 (1,627).

# Parent company

## Results and financial position

### JANUARY – JUNE

The operating profit before amortization of intangible assets (EBITA) totaled SEK -18.8 (-20.3) million.

The financial net totaled SEK 5.2 (-4.4) million, thanks to dividends from subsidiaries.

The result after financial net was SEK -13.9 (-24.9) million.

As per June 30, 2013, equity was SEK 460.9 (507.9) million and untaxed reserves, mainly accrual funds, were SEK 53.8 (45.9) million. The equity ratio was 45.7 (48.2) percent.

## Other information

### Outlook

The demand for IT-related consultancy services will grow in the long term, both in fields where Knowit already operates and in new areas. Knowit, with a large number of frame agreements, wide distribution both in different industry fields and geographically, has the right conditions for long-term positive sales and result development.

### Essential Risks and Uncertainty Factors

Knowit'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 Knowit's annual report for 2012.

### 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.

*As of January 1, 2013, the company applies the following new standards or amendments in IFRS:*

**AN AMENDMENT TO IAS 1, »PRESENTATION OF FINANCIAL STATEMENTS«**, regarding "Reporting of the corporation's total results". The most significant change in the altered IAS 1 is the requirement that the items reported as "Other total results" are to be presented in two groups. The division is based on if the items might be reclassified in the income statement (reclassification adjustments) or not. The change does not mention the items that are to be included in "Other total results".

**IFRS 13, »FAIR VALUE MEASUREMENT«** does not increase the instances when fair value should be assessed, but provides guidance on how to apply this, when other IFRS already require or allow fair value measurement. This standard has also increased the information requirements in IAS 34, Interim reporting, as regards financial instruments.

None of the new or altered standards or interpretations have had any significant effect on the group's financial reporting. There are no differences between IFRS as valid on June 30, 2013, and IFRS as adopted by the EU.



## **INFORMATION REQUIREMENTS PER QUARTER FROM 2013, AS PER IFRS**

### *Financial instruments reported at other than fair value*

There are no significant differences between reported values and fair value of financial instruments in the balance sheet.

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.

For more information on valuation principles, see note 1, Accounting and valuation principles in the Annual Report 2012.

## 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.

### **FINANCIAL CALENDAR**

October 23, 2013 Interim Report Jan-Sept 2013

February 7, 2014 Year-End Report 2013

Stockholm, June 19, 2013

*Per Wallentin*

CEO

*Mats Olsson*

*Chairman of the Board*

*Carl-Olof By*

*Member of the Board*

*Cecilia Lager*

*Member of the Board*

*Jon Risfelt*

*Member of the Board*

*Pekka Seitola*

*Member of the Board*

*Anna Vikström-Persson*

*Member of the Board*

*Ben Wrede*

*Member of the Board*

*This interim report has not been reviewed by Knowit's auditors*

### **ADDRESS AND CONTACT INFORMATION**

Knowit AB, (Company reg.no. 556391-0354)

P.O. Box 3383, 103 68 Stockholm

Visiting address: Klarabergsgatan 60

Phone:+ 46 (0)8 700 66 00, Fax: +46 (0)8 700 66 10

knowitgroup.com

Knowit AB is a consultancy company which develops its clients' business and operations by offering qualitative solutions using information, design and technology. Through entrepreneurial, locally active units operating on the client's local markets, we offer understanding of both operations and needs. Our culture is characterized by openness, entrepreneurialism, high competence and a drive to constantly develop.

### **FOR MORE INFORMATION, PLEASE CONTACT**

Per Wallentin, President and CEO, Knowit AB (publ), +46 (0)730 74 68 60, or

Patrik Syrén, IRO, Knowit AB (publ), +46 (0)730 74 66 30, or

Anna Jennehov, CFO, Knowit AB (publ), +46 (0)730 74 06 70

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KNOWIT AB INTERIM REPORT JANUARY – JUNE 2013

## Consolidated income statement *and report concerning total results*

SEK M	APR-JUN 2013	APR- JUN 2012	JAN-JUN 2013	JAN-JUN 2012	JAN-DEC 2012
Net sales	511.3	489.5	1 018.8	1 022.9	1 931.2
Operating costs	-485.1	-460.2	-957.2	-930.1	-1 778.9
Depreciation of tangible fixed assets	-3.0	-2.8	-6.0	-5.5	-11.0
<b>OPERATING RESULT BEFORE DEPRECIATIONS OF INTANGIBLE ASSETS (EBITA)</b>	<b>23.2</b>	<b>26.5</b>	<b>55.6</b>	<b>87.3</b>	<b>141.3</b>
Depreciation of intangible fixed assets	-5.3	-6.5	-10.5	-12.7	-24.6
<b>OPERATING RESULT (EBIT)</b>	<b>17.9</b>	<b>20.0</b>	<b>45.1</b>	<b>74.6</b>	<b>116.7</b>
Financial income	0.9	2.5	1.0	1.5	4.2
Financial cost	-3.1	-4.7	-4.5	-5.3	-13.8
<b>RESULT AFTER FINANCIAL ITEMS</b>	<b>15.7</b>	<b>17.8</b>	<b>41.6</b>	<b>70.8</b>	<b>107.1</b>
Income taxes	-6.3	-6.4	-13.3	-21.8	-26.3
<b>RESULT FOR THE PERIOD</b>	<b>9.4</b>	<b>11.4</b>	<b>28.3</b>	<b>49.0</b>	<b>80.8</b>
Result for the period assignable to shareholders in Parent Company	8.6	10.5	26.9	47.2	78.0
Result for the period assignable to non-controlling interests' holdings	0.8	0.9	1.4	1.8	2.8
<b>Earnings per share</b>					
Earnings per share before dilution (SEK)	0.49	0.61	1.52	2.73	4.47
Earnings per share after dilution (SEK)	0.49	0.61	1.52	2.73	4.47
<b>Other total result</b>					
Result for the period	9.4	11.4	28.3	49.0	80.8
<i>Items that may be reclassified subsequently to profit or loss</i>					
Hedging of netinvestment	0.0	0.1	2.3	-0.6	0.8
Tax effect hedging of netinvestment	0.0	0.0	-0.5	0.2	-0.2
Exchange rates differences	3.8	0.3	-11.8	2.2	-0.8
<b>OTHER TOTALRESULT FOR THE PERIOD, NET AFTER TAX</b>	<b>13.2</b>	<b>11.8</b>	<b>18.3</b>	<b>50.8</b>	<b>80.6</b>
<b>Total result for the period</b>					
Total result assignable to shareholders in Parent Company	12.4	10.9	16.9	49.0	77.8
Total result assignable to non-controlling interests' holdings	0.8	0.9	1.4	1.8	2.8

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KNOWIT AB INTERIM REPORT JANUARY – JUNE 2013

## Consolidated balance sheet

SEK M	30/06/2013	30/06/2012	31/12/2012
<b>Assets</b>			
Intangible fixed assets	923.5	953.4	943.3
Tangible fixed assets	38.6	38.4	38.9
Financial fixed assets	0.8	0.4	1.4
Deferred tax assets	1.1	1.2	1.5
Current assets	470.3	487.7	527.6
Liquid funds including short-term investments	83.4	100.6	101.2
<b>TOTAL ASSETS</b>	<b>1,517.7</b>	<b>1,581.7</b>	<b>1,613.9</b>
<b>Equity and liabilities</b>			
Share capital	17.7	17.7	17.7
Other paid-up capital and other provisions	421.7	431.2	431.1
Recognized profits including total result for the period	369.9	372.9	400.2
<b>Equity attributable to shareholders of Parent Company</b>	<b>809.3</b>	<b>821.8</b>	<b>849.0</b>
Non-controlling interests' holdings	3.9	4.0	4.4
<b>Total equity</b>	<b>813.2</b>	<b>825.8</b>	<b>853.4</b>
Long-term provisions	56.1	83.1	57.3
Interest-bearing long-term liabilities	81.4	113.9	79.8
Interest bearing short-term liabilities	167.3	159.6	167.1
Other short-term liabilities	399.7	399.3	456.3
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,517.7</b>	<b>1,581.7</b>	<b>1,613.9</b>

## Key figures

	APR-JUN 2013	APR-JUN 2012	JAN-JUN 2013	JAN-JUN 2012	JAN-DEC 2012
Average number of employees	1,669	1,630	1,667	1,627	1,646
Sales per employee (000)	306	300	611	629	1,173
Result after financial items per employee (000)	9	11	25	44	65
Return on total capital %	1.2	1.3	2.9	4.8	7.6
Return on equity %	1.1	1.4	3.4	6.0	9.7
Return on capital employed %	1.7	1.9	4.3	7.1	11.3
EBITA margin %	4.5	5.4	5.5	8.5	7.3
Equity ratio %	53.6	52.2	53.6	52.2	52.9

## Data per share

	APR-JUN 2013	APR-JUN 2012	JAN-JUN 2013	JAN-JUN 2012	JAN-DEC 2012
<b>Earnings per share (SEK)</b>					
Before dilution	0.49	0.61	1.52	2.73	4.47
After dilution	0.49	0.61	1.52	2.73	4.47
<b>Equity per share (SEK)</b>					
Before dilution	45.87	46.58	45.87	46.58	48.12
After dilution	45.87	46.58	45.87	46.58	48.12
<b>Average number of shares (000)</b>					
Before dilution *)	17,644	17,284	17,644	17,279	17,463
After dilution *)	17,644	17,284	17,644	17,279	17,463
<b>No. of shares on balance day (000)</b>					
Before dilution *)	17,644	17,644	17,644	17,644	17,644
After dilution *)	17,644	17,644	17,644	17,644	17,644

\*) after taking into account repurchased shares, 49

## Change in equity

SEK M	APR-JUN 2013	APR-JUN 2012	JAN-JUN 2013	JAN-JUN 2012	JAN-DEC 2012
<b>Opening balance</b>	<b>858.6</b>	<b>851.9</b>	<b>853.4</b>	<b>812.9</b>	<b>812.9</b>
Exchange rates differences	3.8	0.3	-11.8	2.2	-0.8
Hedging of net investment	0.0	0.1	2.3	-0.6	0.8
Tax effect hedging of net investment	0.0	0.0	-0.5	0.2	-0.2
Result for the period	9.4	11.4	28.3	49.0	80.8
<b>TOTAL RESULT FOR THE PERIOD</b>	<b>13.2</b>	<b>11.8</b>	<b>18.3</b>	<b>50.8</b>	<b>80.6</b>
<b>TOTAL BEFORE TRANSACTIONS WITH SHAREHOLDERS</b>	<b>871.9</b>	<b>863.7</b>	<b>871.7</b>	<b>863.7</b>	<b>893.5</b>
Acquired non-controlling interests' holdings	0.0	0.0	0.0	0.0	-0.4
Changed provision for acquisition of minority interests	0.0	0.0	0.2	0.0	0.2
Dividend	-58.7	-56.1	-58.7	-56.1	-58.2
New share issue, options	0.0	18.2	0.0	18.2	18.2
New share issue, acquisitions	0.0	0.0	0.0	0.0	0.0
<b>CLOSING BALANCE</b>	<b>813.2</b>	<b>825.8</b>	<b>813.2</b>	<b>825.8</b>	<b>853.4</b>

## Consolidated cash flow analysis

SEK M	APR-JUN 2013	APR-JUN 2012	JAN-JUN 2013	JAN-JUN 2012	JAN-DEC 2012
Cash flow current operations before changes in working capital	22.5	17.0	44.4	65.4	105.3
Change in working capital incl. short-term investments	44.5	-32.7	0.1	-92.2	-95.3
<b>Cash flow from current operations</b>	<b>67.0</b>	<b>-15.7</b>	<b>44.5</b>	<b>-26.8</b>	<b>10.0</b>
Cash flow from investing activities	-28.7	-10.6	-44.6	-32.7	-37.9
Cash flow from financing activities	-45.6	-4.9	-14.8	32.3	1.9
<b>Cash flow for the period</b>	<b>-7.3</b>	<b>-31.2</b>	<b>-14.9</b>	<b>-27.2</b>	<b>-26.0</b>
Opening balance	89.8	131.2	100.8	126.4	126.3
Exchange rates differences	0.5	0.3	-2.9	1.1	0.5
Closing balance	83.0	100.3	83.0	100.3	100.8

# Income statement – parent company

SEK M	APR-JUN 2013	APR-JUN 2012	JAN-JUN 2013	JAN-JUN 2012	JAN-DEC 2012
Net sales	41.4	34.2	81.1	65.4	133.9
Operating costs	-49.8	-45.6	-99.3	-85.1	-176.8
Depreciation of tangible fixed assets	-0.3	-0.3	-0.6	-0.6	-1.2
<b>Operating result before depreciations of intangible assets (EBITA)</b>	<b>-8.7</b>	<b>-11.7</b>	<b>-18.8</b>	<b>-20.3</b>	<b>-44.1</b>
Depreciation of intangible fixed assets	-0.2	-0.1	-0.3	-0.2	-0.4
<b>Operating result (EBIT)</b>	<b>-8.9</b>	<b>-11.8</b>	<b>-19.1</b>	<b>-20.5</b>	<b>-44.5</b>
Financial items	0.3	-2.7	5.2	-4.4	58.3
<b>Result after financial items</b>	<b>-8.6</b>	<b>-14.5</b>	<b>-13.9</b>	<b>-24.9</b>	<b>13.8</b>
Appropriations	0.0	-0.2	0.0	-0.2	-8.1
Income taxes	0.0	-0.2	0.0	-0.2	-6.7
<b>Result for the period / Other totalresult</b>	<b>-8.6</b>	<b>-14.9</b>	<b>-13.9</b>	<b>-25.3</b>	<b>-1.0</b>

# Balance sheet – parent company

SEK M	30/06/2013	30/06/2012	31/12/2012
<b>Assets</b>			
Intangible fixed assets	0.9	1.1	1.1
Tangible fixed assets	3.0	2.9	3.3
Financial fixed assets	915.0	923.1	906.3
Current assets	90.3	127.0	160.2
Liquid funds including short-term investments	0.0	0.0	0.0
<b>TOTAL ASSETS</b>	<b>1,009.2</b>	<b>1,054.1</b>	<b>1,070.9</b>
<b>Equity and liabilities</b>			
Share capital	17.7	17.7	17.7
Statutory reserve	68.0	68.0	68.0
Unrestricted share capital including result for the period	375.2	422.2	446.4
<b>Total equity</b>	<b>460.9</b>	<b>507.9</b>	<b>532.1</b>
Untaxed reserves	53.8	45.9	53.8
Interest-bearing long-term liabilities	60.2	61.0	34.2
Interest bearing short-term liabilities	137.7	128.0	123.7
Other liabilities	296.6	311.3	327.1
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,009.2</b>	<b>1,054.1</b>	<b>1,070.9</b>

# Segment reporting

2013 APRIL-JUNE, SEK M	SWEDEN	OTHER NORDIC	OTHER	MOTHER-COMPANY/ADJ	TOTAL
<b>External net sales</b>	<b>344.6</b>	<b>164.5</b>	<b>2.2</b>	<b>0.0</b>	<b>511.3</b>
<b>Operating result before depreciations of intangible fixed assets (EBITA)</b>	<b>16.7</b>	<b>14.3</b>	<b>0.8</b>	<b>-8.6</b>	<b>23.2</b>
Depreciation of intangible fixed assets	-2.4	-2.7	0.0	-0.2	-5.3
Result after financial items	14.7	11.3	0.8	-11.1	15.7
<b>Result attributable to Parent Company shareholders</b>	<b>11.0</b>	<b>7.8</b>	<b>0.5</b>	<b>-10.7</b>	<b>8.6</b>
2013 JANUARY-JUNE, SEK M	SWEDEN	OTHER NORDIC	OTHER	MOTHER-COMPANY/ADJ	TOTAL
<b>External net sales</b>	<b>694.5</b>	<b>320.7</b>	<b>3.6</b>	<b>0.0</b>	<b>1,018.8</b>
<b>Operating result before depreciations of intangible fixed assets (EBITA)</b>	<b>44.9</b>	<b>28.2</b>	<b>1.2</b>	<b>-18.7</b>	<b>55.6</b>
Depreciation of intangible fixed assets	-4.8	-5.4	0.0	-0.3	-10.5
Result after financial items	32.6	21.7	1.2	-13.9	41.6
<b>Result attributable to Parent Company shareholders</b>	<b>24.8</b>	<b>15.1</b>	<b>0.9</b>	<b>-13.9</b>	<b>26.9</b>
Non-current assets	604.8	334.4	0.3	24.5	964.0
Current assets	234.8	225.7	3.0	90.2	553.7
<b>Total assets</b>	<b>839.6</b>	<b>560.1</b>	<b>3.3</b>	<b>114.7</b>	<b>1,517.7</b>
<b>Total equity and liabilities</b>	<b>236.6</b>	<b>224.7</b>	<b>2.2</b>	<b>1,054.2</b>	<b>1,517.7</b>
<b>Average number of employees</b>	<b>1,139</b>	<b>499</b>	<b>16</b>	<b>13</b>	<b>1,667</b>
2012 APRIL-JUNE, SEK M	SWEDEN	OTHER NORDIC	OTHER	MOTHER-COMPANY/ADJ	TOTAL
<b>External net sales</b>	<b>339.0</b>	<b>147.8</b>	<b>2.7</b>	<b>0.0</b>	<b>489.5</b>
<b>Operating result before depreciations of intangible fixed assets (EBITA)</b>	<b>24.9</b>	<b>12.9</b>	<b>0.3</b>	<b>-11.6</b>	<b>26.5</b>
Depreciation of intangible fixed assets	-2.7	-3.7	0.0	-0.1	-6.5
Result after financial items	25.6	6.8	0.3	-14.9	17.8
<b>Result attributable to Parent Company shareholders</b>	<b>14.7</b>	<b>4.2</b>	<b>0.3</b>	<b>-8.7</b>	<b>10.5</b>
2012 JANUARI-JUNI, MSEK	SWEDEN	OTHER NORDIC	OTHER	MOTHER-COMPANY/ADJ	TOTAL
<b>External net sales</b>	<b>710.0</b>	<b>309.6</b>	<b>3.3</b>	<b>0.0</b>	<b>1,022.9</b>
<b>Operating result before depreciations of intangible fixed assets (EBITA)</b>	<b>68.4</b>	<b>38.5</b>	<b>0.7</b>	<b>-20.3</b>	<b>87.3</b>
Depreciation of intangible fixed assets	-5.2	-7.3	0.0	-0.2	-12.7
Result after financial items	66.6	28.4	0.7	-24.9	70.8
<b>Result attributable to Parent Company shareholders</b>	<b>45.7</b>	<b>19.5</b>	<b>0.7</b>	<b>-18.7</b>	<b>47.2</b>
Non-current assets	616.3	354.1	0.4	22.6	993.4
Current assets	320.7	213.8	1.8	52.0	588.3
<b>Total assets</b>	<b>937.0</b>	<b>567.9</b>	<b>2.2</b>	<b>74.6</b>	<b>1,581.7</b>
<b>Total equity and liabilities</b>	<b>501.1</b>	<b>242.8</b>	<b>1.8</b>	<b>836.0</b>	<b>1,581.7</b>
<b>Average number of employees</b>	<b>1,124</b>	<b>478</b>	<b>13</b>	<b>12</b>	<b>1,627</b>

Other units includes operation in Estonia. Non-divided costs consist of the Parent Company's group-wide costs for management, financing and marketing. Non-divided assets and liabilities pertain to posts attributable to group-wide liquidity and financing. As of 2013, the principles for accounting of group transactions in the balance sheet are reported in gross, comparison data for 2012 is adjusted accordingly.