

## Nolato AB (publ) three-month interim report 2008

# Significant improvement in earnings for the Nolato Group

## ■ First quarter 2008 in brief

- Sales rose by 26 percent to SEK 690 M (547)
  - High volumes for Nolato Telecom
- Operating income (EBITA) was up 59% to SEK 59 M (37)
- Net income was SEK 41 M (19)
- Earnings per share increased to SEK 1.56 (0.72)
- Cash flow after investments was SEK 47 M (23 excluding acquisitions)
- Decision made to start production in China for Nolato Medical

## ■ Consolidated financial results in brief

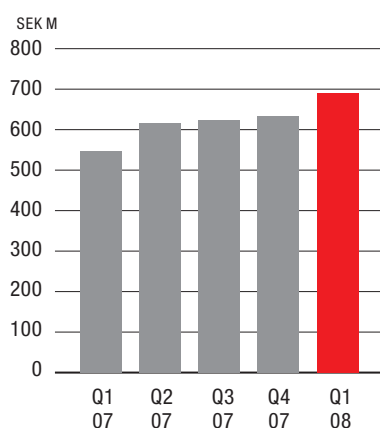
SEK M unless otherwise specified	Q1 2008	Q1 2007	Rolling 12 months	Full year 2007
Net sales	690	547	2,564	2,421
Operating income (EBITDA) excluding non-recurring items 1)	100	73	384	357
Operating income (EBITA) excluding non-recurring items 2)	59	37	226	204
EBITA margin excluding non-recurring items, %	8.6	6.8	8.8	8.4
Income after financial items	53	26	198	171
Net income, remaining operations	41	19	172	150
Net income	41	20	172	151
Earnings per share, SEK	1.56	0.76	6.54	5.74
Earnings per share, remaining operations, SEK	1.56	0.72	6.54	5.70
Adjusted earnings per share, SEK 3)	1.63	0.95	6.01	5.32
Average number of shares, thousands	26,307	26,307	26,307	26,307
Cash flow after investments, excl. acquisitions and disposals	47	23	251	227
Net investments affecting cash flow, excl. acquisitions and disposals	44	25	107	88
Return on capital employed, %	—	—	16.7	15.0
Return on capital employed, excluding non-recurring items, %	—	—	16.7	15.5
Return on shareholders' equity, %	—	—	20.4	18.3
Equity/assets ratio, %	46	38	—	46
Net liabilities	265	579	—	314

1) Operating income (EBITDA): Earnings before interest, taxes, depreciation/amortisation and non-recurring items.

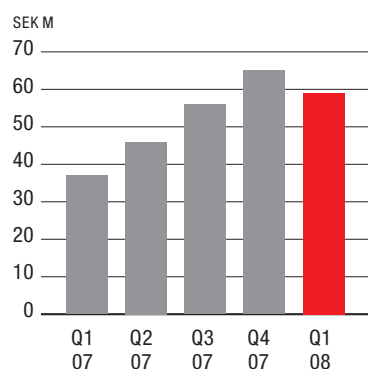
2) Operating income (EBITA): Earnings before interest and taxes, excluding non-recurring items and amortisation of intangible assets arising from acquisitions.

3) Adjusted earnings per share: Net income, excluding non-recurring items and amortisation of intangible assets arising from acquisitions, divided by the average number of shares.

■ Sales per quarter



■ Operating income (EBITA) per quarter



Earnings before interest and taxes, excluding non-recurring items and amortisation of intangible assets arising from acquisitions.

■ First quarter of 2008

- Sales rose by 26 percent to SEK 690 M (547)
- Operating income (EBITA) was up 59 percent to SEK 59 M (37)
- Strong growth for Nolato Telecom

Sales

Consolidated sales for the Nolato Group during the first quarter totalled SEK 690 M (547), of which acquired units accounted for SEK 36 M. Organic growth was thus 20 percent. Currency exchange rate differences had an adverse impact on sales of around 1 percent.

Nolato Medical saw sales grow to SEK 147 M (113 for remaining operations). This corresponds to a 30 percent increase compared with the same period during the previous year. Of this, 4 percent was organic growth. Volumes for insulin products were somewhat lower than before, particularly in comparison with the extremely high volumes experienced during the second half of 2007. Volumes were high within other customer segments.

Nolato Telecom's sales rose by 54 percent to SEK 284 M (185). Sales during the quarter consisted largely of newer products and products launched during the quarter for which volumes were extremely high right from the start. Start-up problems experienced by a co-supplier in a project have resulted in a temporary volume surplus of approximately SEK 40 M. As a result, the usual seasonal variation did not apply.

Nolato Industrial experienced an increase in sales to SEK 260 M (252). This corresponds to a 3 percent increase

compared with the same period during the previous year. Of this, 0 percent was organic growth. Volumes were high during the quarter, particularly to the engineering industry and other industries. There was a slight drop in demand towards the end of the quarter, particularly in relation to the automotive industry.

Earnings

The Group's operating income (EBITA) was up 59 percent to SEK 59 M (37).

Nolato Medical's operating income (EBITA) was SEK 21 M (16 for remaining operations), with corresponding figures of SEK 27 M (5) for Nolato Telecom and SEK 20 M (23) for Nolato Industrial.

The EBITA margin for Nolato Medical remained largely unchanged at 14.3 percent (14.2).

Nolato Telecom's EBITA margin rose sharply to 9.5 percent (2.7). The product mix, which featured a large proportion of new mobile phone projects, has had a beneficial effect on the margin. Capacity utilisation was also high.

Nolato Industrial's EBITA margin stood at 7.7 percent (9.1). This reduction is attributable to a high comparative figure, due mainly to high levels of capacity utilisation and an advantageous product mix. The margin during the first quarter of the current year was more in line with that for the last three quarters of the previous year, during which increased assembly content for the automotive industry had a negative impact.

Overall, the Group's EBITA margin rose to 8.6 percent (6.8).

Raw material prices for plastic man-

■ Sales, operating income (EBITA) and EBITA margin by business area

SEK M	Sales Q1/2008	Sales Q1/2007	Operating income (EBITA) Q1/2008	Operating income (EBITA) Q1/2007	EBITA margin Q1/2008	EBITA margin Q1/2007
Nolato Medical	147	113	21	16	14.3%	14.2%
Nolato Telecom	284	185	27	5	9.5%	2.7%
Nolato Industrial	260	252	20	23	7.7%	9.1%
Intra-Group adj., Parent Co.	-1	-3	-9	-7	—	—
Group total	690	547	59	37	8.6%	6.8%

Operating income (EBITA): Earnings before interest and taxes, excluding non-recurring items and amortisation of intangible assets arising from acquisitions.

ufacturing were largely unchanged in the first quarter of 2008 compared with the corresponding quarter in 2007, but remained at a very high level historically.

Currency effects, i.e. conversion effects and transaction effects, had a negative impact on earnings of around SEK 3 M during the first quarter.

Operating income (EBIT) rose to SEK 57 M (36, excluding non-recurring items). Earnings for the previous year were affected by non-recurring items totalling SEK 7 M during the first quarter, relating to management termination costs in connection with the acquisition of the Cerbo Group.

Income after net financial items rose to SEK 53 M (26). These net financial items include currency exchange rate effects of SEK 0 M (1) during the first quarter.

Net income was SEK 41 M (19 for remaining operations). Earnings per share before and after dilution stood at SEK 1.56 (0.72 for remaining operations). Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions and non-recurring items were SEK 1.63 (0.95 for remaining operations). The effective tax rate was 23 percent (27 excluding non-recurring items).

The return on capital employed was 16.7 percent for the last twelve months (15.5 percent for the 2007 calendar year, excluding non-recurring items). The return on operating capital was 17.5 percent for the last twelve months (16.4 percent for the 2007 calendar year, excluding non-recurring items).

### Nolato Medical

Sales and earnings (SEK M)		
Three months	2008	2007
Sales	147	113
Operating income (EBITA)	21	16
EBITA marg. exkl. non rec. (%)	14.3	14.2
Operating income (EBIT)	20	8

Nolato Medical saw sales grow to SEK 147 M (113). This is an increase of 30 percent for remaining operations compared with the same period during

the previous year. Organic growth was 4 percent. Sales accounted for 21 percent (20) of the Group's entire sales.

Nolato Medical has decided to start production in China. As customers produce ever greater volumes for the Asian markets, Nolato Medical's presence and production is increasingly in demand. Production will take place initially at one of the Beijing factories where Nolato Telecom already operates. Nolato Medical will begin by producing products for a customer which already has a close working relationship with Nolato Medical in Europe.

The outsourcing project announced in the nine-month interim report is running according to plan, receiving only small-scale deliveries during the first quarter. Production will begin during the second quarter, gradually increasing during the third and fourth quarters.

Operating income (EBITA) increased to SEK 21 M (16 excluding operations disposed of and non-recurring items). The EBITA margin was 14.3 percent (14.2).

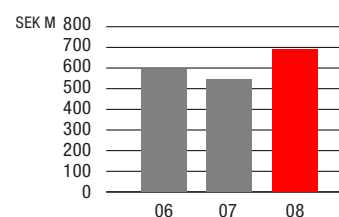
### Nolato Telecom

Sales and earnings (SEK M)		
Three months	2008	2007
Sales	284	185
Operating income (EBITA)	27	5
EBITA marg. exkl. non rec. (%)	9.5	2.7
Operating income (EBIT)	27	5

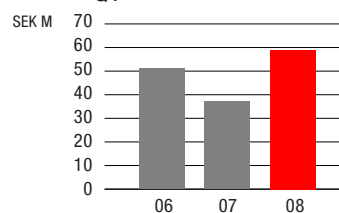
Nolato Telecom saw sales grow to SEK 284 M (185), an increase of 54 percent compared with the same period during the previous year. Sales accounted for 41 percent (34) of the Group's entire sales. The business area's operating income (EBITA) was SEK 27 M (5). The EBITA margin was 9.5 percent (2.7).

During 2007, Nolato Telecom was appointed supplier to the Canadian company RIM, with operations including developing and producing the BlackBerry. Nolato has so far received an order for the production of a small-scale project in 2008, as announced in the nine-month interim report for 2007. This project is progressing according to plan.

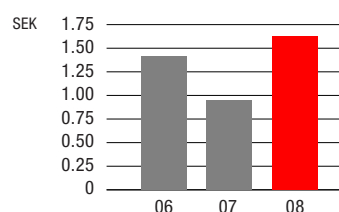
### Sales Q1



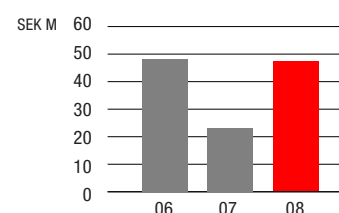
### Operating income (EBITA) Q1 <sup>1)</sup>



### Adjusted earnings per share Q1 <sup>2)</sup>



### Cash flow after investments Q1 <sup>3)</sup>

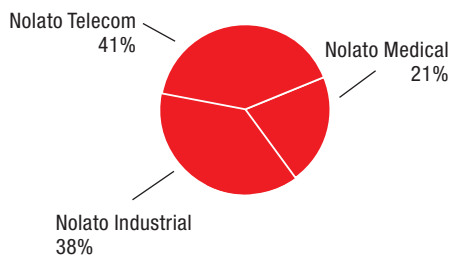


1) Operating income (EBITA): Earnings before interest and taxes, excluding non-recurring items and amortisation of intangible assets arising from acquisitions.

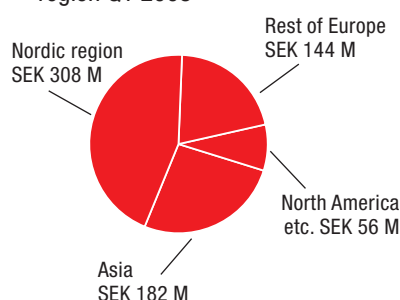
2) Adjusted earnings per share – Net income, excluding non-recurring items and amortisation of intangible assets arising from acquisitions, divided by the average number of shares.

3) Excluding acquisitions and disposals.

■ Business areas' share of sales Q1 2008



■ Sales by geographic region Q1 2008



Nolato Industrial

Sales and earnings (SEK M)		
Three months	2008	2007
Sales	260	252
Operating income (EBITA)	20	23
EBITA marg. exkl. non rec. (%)	7.7	9.1
Operating income (EBIT)	19	23

Nolato Industrial's sales rose by 3 percent to SEK 260 M (252). Compared with the same period during the previous year, SEK 7 M was from acquisitions. Organic growth was 0 percent. Sales accounted for 38 percent (46) of the Group's entire sales.

The business area's operating income (EBITA) was SEK 20 M (23). The EBITA margin was 7.7 percent (9.1).

Cash flow

Cash flow before investments totalled SEK 91 M (48). The change in working capital was a positive SEK 5 M (-22). Payments in relation to BenQ had a negative impact of approximately SEK 5 M. Outstanding future payments relating to BenQ have been estimated at around SEK 2 M. Cash flow after investments was SEK 47 M (23 excluding acquisi-

tions). Net investments affecting cash flow totalled SEK 44 M (25 excluding acquisitions).

Financial position

Interest-bearing assets totalled SEK 78 M (100), while interest-bearing liabilities and provisions totalled SEK 352 M (687). The market value of derivatives relating to interest-bearing liabilities was SEK +9 M (+8). Net liabilities thus totalled SEK 265 M (579).

Shareholders' equity was SEK 909 M (822). The equity/assets ratio was 46 percent (38). Adjusted to take the proposed dividend into account, the equity/assets ratio was 44 percent (36).

Personnel

The average number of employees during the period was 4,831 (3,374). The number of employees rose mainly in China and Malaysia.

Events after the end of the reporting period

No significant events have occurred since the end of the reporting period.

■ Consolidated performance analysis

SEK M	Q1 2008	Q1 2007	Full year 2007
Net sales	690	547	2,421
Gross income excl. amortisation and non-recurring items	146	116	537
<i>As a percentage of net sales</i>	21.1	21.2	22.2
Costs 1)	-46	-43	-180
<i>As a percentage of net sales</i>	6.7	7.9	7.4
Operating income (EBITDA) excluding non-recurring items	100	73	357
<i>As a percentage of net sales</i>	14.5	13.3	14.7
Depreciation	-41	-36	-153
<b>Operating income (EBITA) excluding non-recurring items</b>	<b>59</b>	<b>37</b>	<b>204</b>
<i>As a percentage of net sales</i>	<b>8.6</b>	<b>6.8</b>	<b>8.4</b>
Amortisation of intangible assets arising from acquisitions	-2	-1	-7
Non-recurring items 2)	—	-7	-7
Operating income (EBIT)	57	29	190
Financial items	-4	-3	-19
Income after financial items	53	26	171
Tax excluding non-recurring items	-12	-9	-43
<i>As a percentage of income after financial items excl. non-recurring items</i>	22.6	27.3	24.2
Lump-sum tax income 3)	—	2	22
Operations disposed of, net	—	1	1
Net income	41	20	151

1) Excluding non-recurring items.

2) SEK 7 M during Q1 2007 relates to termination costs for Cerbo Group management in connection with the acquisition.

3) SEK 20 M during Q4 2007 relates to changes in the tax situation for foreign subsidiaries.

SEK 2 M in Q1 2007 relates to the tax effect of termination costs in connection with the acquisition of the Cerbo Group.

## Significant risks and uncertainty factors

The business risks and risk management of the Group and the Parent Company, along with the management of financial risks, are described in the 2007 Annual Report on pages 30–31, and in note 4 on pages 52–53. No significant events have occurred during the period which would significantly affect or change these descriptions of the Group and the Parent Company's risks or the management thereof.

## Ownership and legal structure

Nolato AB (publ), Swedish corporate identity number 556080-4592, is the Parent Company of the Nolato Group. Nolato's B shares are listed on the OMX Nordic Exchange under the Stockholm Small Cap index, where the shares are included in the IT sector. Nolato had 6,630 shareholders as at March 31, 2008.

The largest shareholders were the Paulsson family with 12 percent of the share capital, the Jorlén family with 11 percent, and the Boström family with 10 percent. The next largest shareholders were seven institutional investors, who together owned another 26 percent of the capital, with Skandia Liv, If Skadeförsäkring, Skandia Fonder and Svolder being the largest. The ten largest shareholders hold 59 percent of the share capital and 79 percent of the votes.

## The Parent Company

Sales totalled SEK 8 M (8). Income before tax totalled SEK –4 M (92). The drop in

earnings is due to dividends not being received from subsidiaries.

## Accounting and valuation principles

Nolato's consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS). The consolidated accounts have been prepared in accordance with the same principles as those applied to the Annual Report, which are described in the 2007 Annual Report on pages 49–52. This interim report has been prepared in accordance with IAS 34 (Interim Financial Reporting), the Swedish Financial Accounting Standards Council recommendation RR 31 (Interim Group Financial Reporting) and the Swedish Annual Reports Act. The Parent Company accounts have been prepared in accordance with the Swedish Annual Reports Act and the Swedish Financial Reporting Board recommendation 2.1 (Accounting for Legal Entities). The new or revised IFRS standards or IFRIC interpretations that entered into force on January 1, 2008 have not had any material effect on the Group's income statements or balance sheets.

## Financial information schedule

- Six-month interim report 2008:  
July 21, 2008
- Nine-month interim report 2008:  
October 27, 2008

*Torekov, April 28, 2008*

*Nolato AB (publ)*

*Hans Porat*

*President and CEO*

*The information contained in this interim report is the information which Nolato must make public in accordance with the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act.*

*This information was made public on April 28, 2008 at 16:30.*

*This interim report has not been audited by the Company's auditors.*

**For further information, please contact:**

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- Per-Ola Holmström, Executive Vice President and CFO, tel. +46 431 442293, +46 705 763340

CEO Hans Porat and CFO Per-Ola Holmström will be giving their comments on the interim report at a presentation in Stockholm on April 29 at 08:00.

Attendees must register, no later than 17:00 on April 28, by e-mailing [elisabeth.larsson@nolato.se](mailto:elisabeth.larsson@nolato.se) or by fax +46 431 442291.

## ■ Financial position

SEK M	31/03/2008	31/03/2007	31/12/2007
Interest-bearing liabilities, credit institutions	264	600	300
Interest-bearing pension liabilities	88	87	86
Market value of derivatives	–9	–8	–10
<b>Total borrowings</b>	<b>343</b>	<b>679</b>	<b>376</b>
Cash, bank balances and short-term investments	–78	–100	–62
<b>Net debt</b>	<b>265</b>	<b>579</b>	<b>314</b>
Working capital	188	215	189
<i>As a percentage of sales (avg.) (%)</i>	<i>7.9</i>	<i>8.1</i>	<i>7.4</i>
Capital employed	1,261	1,509	1,267
<i>Return on capital employed, excl. non-recurring items (avg.) (%)</i>	<i>16.7</i>	<i>16.8</i>	<i>15.5</i>
Shareholders' equity	909	822	881
<i>Return on equity (avg.) (%)</i>	<i>20.4</i>	<i>3.6</i>	<i>18.3</i>

## ■ Income statements

SEK M	Q1 2008	Q1 2007	Rolling 12 months	Full year 2007
Net sales	690	547	2,564	2,421
Cost of goods sold	- 584	- 466	- 2,151	- 2,033
<b>Gross income</b>	<b>106</b>	<b>81</b>	<b>413</b>	<b>388</b>
Selling expenses	- 14	- 12	- 56	- 54
Administrative expenses	- 33	- 39	- 131	- 137
Other operating expenses	- 2	- 1	- 8	- 7
<b>Operating income</b>	<b>57</b>	<b>29</b>	<b>218</b>	<b>190</b>
Financial items	- 4	- 3	- 20	- 19
<b>Income after financial items</b>	<b>53</b>	<b>26</b>	<b>198</b>	<b>171</b>
Tax	- 12	- 7	- 26	- 21
<b>Net income before operations disposed of</b>	<b>41</b>	<b>19</b>	<b>172</b>	<b>150</b>
Net income from operations disposed of	—	1	—	1
<b>Net income</b>	<b>41</b>	<b>20</b>	<b>172</b>	<b>151</b>
Total amortisation and writedowns charged to income	43	37	166	160
Earnings per share (SEK) *	1.56	0.76	6.54	5.74
Earnings per share, remaining operations (SEK) *	1.56	0.72	6.54	5.70
Number of shares at the end of the period (thousands)	26,307	26,307	26,307	26,307
Average number of shares (thousands)	26,307	26,307	26,307	26,307

\* The Company does not have any ongoing financial instrument programmes which involve any dilution in the number of shares.

## ■ Balance sheets

SEK M	31/03/2008	31/03/2007	31/12/2007
Tangible fixed assets	731	853	752
Intangible fixed assets	381	474	383
Deferred tax assets	16	13	14
<b>Total fixed assets</b>	<b>1,128</b>	<b>1,340</b>	<b>1,149</b>
Inventories	225	216	201
Accounts receivable	488	419	462
Other current assets	48	113	44
Cash, bank balances and short-term investments	78	100	62
<b>Total current assets</b>	<b>839</b>	<b>848</b>	<b>769</b>
<b>Total assets</b>	<b>1,967</b>	<b>2,188</b>	<b>1,918</b>
Shareholders' equity	909	822	881
Interest-bearing provisions	88	87	86
Non-interest-bearing provisions and deferred tax liabilities	133	146	133
Interest-bearing liabilities	264	600	300
Non-interest-bearing liabilities	573	533	518
<b>Total shareholders' equity and liabilities</b>	<b>1,967</b>	<b>2,188</b>	<b>1,918</b>

## ■ Non-recurring items

SEK M	Q1 2008	Q1 2007	Rolling 12 months	Full year 2007
Restructuring costs from acquisition of Cerbo	—	-7	—	-7
Tax effect	—	2	—	2
Tax changes for foreign subsidiaries	—	—	20	20
<b>Net income</b>	<b>—</b>	<b>-5</b>	<b>20</b>	<b>15</b>
Effect of non-recurring items on income statement				
Administrative expenses	—	-7	—	-7
Tax	—	2	20	22
<b>Net income</b>	<b>—</b>	<b>-5</b>	<b>20</b>	<b>15</b>

## ■ Earnings per share

SEK M	Q1 2008	Q1 2007	Rolling 12 months	Full year 2007
Net income	41	20	172	151
Earnings from operations disposed of	—	-1	—	-1
<b>Earnings from remaining operations</b>	<b>41</b>	<b>19</b>	<b>172</b>	<b>150</b>
Adjusted earnings:				
Non-recurring items	—	7	—	7
Tax, non-recurring items	—	-2	-20	-22
Amortisation of intangible assets arising from acquisitions	2	1	8	7
Tax on amortisation	—	—	-2	-2
<b>Adjusted earnings</b>	<b>43</b>	<b>25</b>	<b>158</b>	<b>140</b>
Average number of shares, thousands	26,307	26,307	26,307	26,307
Earnings per share, SEK	1.56	0.76	6.54	5.74
Earnings per share, remaining operations, SEK	1.56	0.72	6.54	5.70
Adjusted earnings per share, SEK	1.63	0.95	6.01	5.32

## ■ Operations disposed of

SEK M	Q1 2007	Full year 2007
Net sales	13	33
Cost of goods sold	-11	-27
<b>Gross income</b>	<b>2</b>	<b>6</b>
Selling expenses	-1	-2
Administrative expenses	—	-1
<b>Operating income</b>	<b>1</b>	<b>3</b>
Financial items	—	-1
<b>Income after financial items</b>	<b>1</b>	<b>2</b>
Tax	—	-1
<b>Net income from operations disposed of</b>	<b>1</b>	<b>1</b>



## ■ Quarterly data

<b>Consolidated financial results in brief</b>		Q1	Q2	Q3	Q4	Full year
Net sales (SEK M)	<b>2008</b>	<b>690</b>				
	2007	547	616	624	634	2,421
Operating income (EBITDA), excl. non-rec. items (SEK M)	<b>2008</b>	<b>100</b>				
	2007	73	85	94	105	357
Operating income (EBITA), excl. non-rec. items (SEK M)	<b>2008</b>	<b>59</b>				
	2007	37	46	56	65	204
EBITA margin, excl. non-recurring items (%)	<b>2008</b>	<b>8.6</b>				
	2007	6.8	7.5	9.0	10.3	8.4
Operating income (EBIT) (SEK M)	<b>2008</b>	<b>57</b>				
	2007	29	44	54	63	190
Operating income (EBIT), excl. non-rec. items (SEK M)	<b>2008</b>	<b>57</b>				
	2007	36	44	54	63	197
Income after net financial items (SEK M)	<b>2008</b>	<b>53</b>				
	2007	26	40	47	58	171
Net income, remaining operations (SEK M)	<b>2008</b>	<b>41</b>				
	2007	19	31	36	64	150
Net income, operations disposed of (SEK M)	<b>2008</b>	<b>—</b>				
	2007	1	0	—	—	1
Net income (SEK M)	<b>2008</b>	<b>41</b>				
	2007	20	31	36	64	151
Cash flow after inv., excl. acq. and disposals (SEK M)	<b>2008</b>	<b>47</b>				
	2007	23	81	52	71	227
Earnings per share (SEK)	<b>2008</b>	<b>1.56</b>				
	2007	0.76	1.18	1.37	2.43	5.74
Earnings per share, remaining operations (SEK)	<b>2008</b>	<b>1.56</b>				
	2007	0.72	1.18	1.37	2.43	5.70
Adjusted earnings per share (SEK)	<b>2008</b>	<b>1.63</b>				
	2007	0.95	1.21	1.45	1.71	5.32
Average number of shares (thousands)	<b>2008</b>	<b>26,307</b>				
	2007	26,307	26,307	26,307	26,307	26,307
<b>Net sales per business area (SEK M)</b>						
		Q1	Q2	Q3	Q4	Full year
Nolato Medical	<b>2008</b>	<b>147</b>				
	2007	113	140	126	147	526
Nolato Telecom	<b>2008</b>	<b>284</b>				
	2007	185	223	271	241	920
Nolato Industrial	<b>2008</b>	<b>260</b>				
	2007	252	257	233	258	1,000
Group adjustments, Parent Company	<b>2008</b>	<b>-1</b>				
	2007	-3	-4	-6	-12	-25
Group total	<b>2008</b>	<b>690</b>				
	2007	547	616	624	634	2,421
<b>Operating income (EBITA) per business area (SEK M)</b>						
		Q1	Q2	Q3	Q4	Full year
Nolato Medical	<b>2008</b>	<b>21</b>				
	2007	16	18	17	25	76
	<i>EBITA margin (%)</i>	<b>14.3</b>				
	2007	14.2	12.9	13.5	17.0	14.4
Nolato Telecom	<b>2008</b>	<b>27</b>				
	2007	5	14	27	27	73
	<i>EBITA margin (%)</i>	<b>9.5</b>				
	2007	2.7	6.3	10.0	11.2	7.9
Nolato Industrial	<b>2008</b>	<b>20</b>				
	2007	23	19	17	19	78
	<i>EBITA margin (%)</i>	<b>7.7</b>				
	2007	9.1	7.4	7.3	7.4	7.8
Group adjustments, Parent Company	<b>2008</b>	<b>-9</b>				
	2007	-7	-5	-5	-6	-23
Group total	<b>2008</b>	<b>59</b>				
	2007	37	46	56	65	204
	<i>EBITA margin (%)</i>	<b>8.6</b>				
	2007	6.8	7.5	9.0	10.3	8.4



## ■ Group financial highlights

	Q1 2008	Q1 2007	Rolling 12 months	Full year 2007
Net sales (SEK M)	690	547	2,564	2,421
Sales growth (%)	26	- 8	- 3	- 10
Percentage of sales outside Sweden (%)	65	58	63	61
Operating income (EBITDA), excluding non-recurring items (SEK M)	100	73	384	357
Operating income (EBITA), excluding non-recurring items (SEK M)	59	37	226	204
EBITA margin, excluding non-recurring items (%)	8.6	6.8	8.8	8.4
Income after financial items (SEK M)	53	26	198	171
Profit margin (%)	7.7	4.8	7.7	7.1
Net income, remaining operations (SEK M)	41	19	172	150
Net income, operations disposed of (SEK M)	—	1	—	1
Net income (SEK M)	41	20	172	151
Return on total assets (%)	—	—	11.0	9.9
Return on capital employed (%)	—	—	16.7	15.0
Return on capital employed excl. non-recurring items (%)	—	—	16.7	15.5
Return on operating capital (%)	—	—	17.5	15.8
Return on operating capital excl. non-recurring items (%)	—	—	17.5	16.4
Return on shareholders' equity (%)	—	—	20.4	18.3
Equity/assets ratio (%)	46	38	—	46
Debt/equity ratio (%)	39	84	—	44
Interest coverage ratio (times)	10	6	9	8
Net investments affecting cash flow, excl. acquisitions and disposals (SEK M)	44	25	107	88
Cash flow after investments, excl. acquisitions and disposals (SEK M)	47	23	251	227
Net liabilities (SEK M)	265	579	—	314
Earnings per share (SEK)	1.56	0.76	6.54	5.74
Earnings per share, remaining operations (SEK)	1.56	0.72	6.54	5.70
Adjusted earnings per share (SEK)	1.63	0.95	6.01	5.32
Cash flow per share (SEK)	1.79	- 6.12	13.87	5.97
Shareholders' equity per share (SEK)	35	31	—	33
Number of shares at the end of the period (thousands)	26,307	26,307	26,307	26,307
Average number of shares (thousands)	26,307	26,307	26,307	26,307
Average number of employees	4,831	3,374	—	3,760

## Definitions

### Operating income (EBITDA)

Earnings before interest, taxes, depreciation/amortisation and non-recurring items.

### Operating income (EBITA)

Earnings before interest and taxes, excluding non-recurring items and amortisation of intangible assets arising from acquisitions.

### Operating income (EBIT)

Income before tax, financial items and expenses.

### Return on total capital

Income after financial items plus financial expenses as a percentage of average total assets in the balance sheet.

### Return on capital employed

Income after financial items plus financial expenses as a percentage of average capital employed.

Capital employed consists of total assets less non-interest-bearing liabilities and provisions.

### Return on operating capital

Operating income as a percentage of average operating capital. Operating capital consists of total assets less non-interest-bearing liabilities and provisions, less interest-bearing assets.

### Return on shareholders' equity

Net income as a percentage of average shareholders' equity.

### Equity/assets ratio

Shareholders' equity as a percentage of total assets in the balance sheet.

### Debt/equity ratio

Interest-bearing liabilities and provisions divided by shareholders' equity.

### Interest coverage ratio

Income after financial items plus financial expenses, divided by financial expenses.

### Earnings per share

Net income, divided by average number of shares.

### Adjusted earnings per share

Net income, excluding non-recurring items and amortisation of intangible assets arising from acquisitions, divided by the average number of shares.

## ■ Cash flow

SEK M	Q1 2008	Q1 2007	Rolling 12 months	Full year 2007
Cash flow from operations before changes in working capital	86	70	341	325
Changes in working capital	5	- 22	17	- 10
Investment activities*	- 44	- 209	7	- 158
<b>Cash flow before financing activities</b>	<b>47</b>	<b>- 161</b>	<b>365</b>	<b>157</b>
Financing activities	- 29	124	- 384	- 231
<b>Cash flow for the period</b>	<b>18</b>	<b>- 37</b>	<b>- 19</b>	<b>- 74</b>
Liquid funds at beginning of period	62	131		131
Exchange rate difference in liquid funds	- 2	6		5
<b>Liquid funds at end of period</b>	<b>78</b>	<b>100</b>		<b>62</b>

\* SEK 184 M included in Q1 2007 and SEK 187 M in full year 2007 for acquisition of Cerbo Group.  
Full year 2007 and rolling 12 months include the sale of subsidiaries totalling SEK 117 M.

## ■ Change in shareholders' equity

SEK M	Q1 2008	Q1 2007	Full year 2007
Amount at beginning of period	881	789	789
Dividend	—	—	- 63
Translation differences	- 13	14	4
Change in revaluation reserve hedge accounting	—	- 1	—
Earnings for the period	41	20	151
<b>Amount at end of period</b>	<b>909</b>	<b>822</b>	<b>881</b>

## ■ Five-year overview

	2007	2006	2005	2004	2003 *
Net sales (SEK M)	2,421	2,702	2,256	2,401	2,671
Operating income (EBITA), excluding non-recurring items (SEK M)	204	209	221	201	161
EBITA margin, excluding non-recurring items (%)	8.4	7.7	9.8	8.4	6.0
Operating income (EBIT) (SEK M)	190	78	221	201	57
Operating income (EBIT), excluding non-recurring items (SEK M)	197	208	221	201	150
Income after financial items (SEK M)	171	69	208	185	6
Net income (SEK M)	150	48	181	136	- 35
Return on capital employed (%)	15.0	7.4	21.0	18.9	3.6
Return on capital employed excl. non-recurring items (%)	15.5	19.4	21.0	18.9	11.0
Return on shareholders' equity (%)	18.3	5.9	24.2	22.1	9.7
Equity/assets ratio (%)	46	46	50	41	31
Earnings per share (SEK)	5.70	1.82	6.88	5.15	- 1.35
Adjusted earnings per share (SEK)	5.32	6.08	6.31	5.15	2.62

\*Not restated to comply with IFRS

## ■ Income statements, Parent Company

SEK M	Q1 2008	Q1 2007	Full year 2007
Net sales	8	8	17
Selling expenses	-9	-9	-6
Administrative expenses	-2	-1	-36
<b>Operating income</b>	<b>-3</b>	<b>-2</b>	<b>-25</b>
Income from shares in Group companies	—	96	93
Financial income	3	3	21
Financial expenses	-4	-5	-25
<b>Income after financial items</b>	<b>-4</b>	<b>92</b>	<b>64</b>
Appropriations	—	—	-30
Tax	1	1	16
<b>Net income</b>	<b>-3</b>	<b>93</b>	<b>50</b>

## ■ Balance sheets, Parent Company

SEK M	31/03/2008	31/03/2007	31/12/2007
Financial fixed assets	992	1,156	992
Deferred tax assets	2	2	2
Current assets	177	230	173
Cash and bank balances	20	94	6
<b>Total assets</b>	<b>1,191</b>	<b>1,482</b>	<b>1,173</b>
Shareholders' equity	777	791	783
Untaxed reserves	30	—	30
Provisions	2	1	2
Long-term liabilities	286	379	247
Current liabilities	96	311	111
<b>Total shareholders' equity and liabilities</b>	<b>1,191</b>	<b>1,482</b>	<b>1,173</b>
Ställda säkerheter	—	—	—
Contingent liabilities	133	112	136

Transactions with associated companies:  
All Parent Company income relates to invoicing to subsidiaries.