INTOI ANNUAL REPORT 2009

['into:ai]

Intoi AB (publ) was founded in 1985 and is listed on the NASDAQ OMX Nordic Exchange Stockholm. Intoi's mission is based on the acquisition, active ownership and divestment of IT companies. Intoi owns and develops IAR Systems, Deltaco and Northern, all of which have innovative technologies, large potential and scalable business models. Intoi serves as a driver for growth and profitability by actively developing the sales strategy, product offering and corporate governance in technology companies.

Contents

Highlights of 2009

- In 2009 Intoi delivered higher sales in all holdings, a profit from the Group's holdings on par with the previous year and a significant improvement in cash flow. This has been achieved in a weak market and has been made possible by our efforts to develop and position technology companies.

- Consolidated cash and cash equivalents have more than doubled at the same time that interest-bearing liabilities have been reduced by half. The Group has net cash of SEK 28 million, compared to a net debt of SEK 38 million at year-end 2008. The financial position remains stable with an equity/assets ratio of 80 percent.

- Deltaco increased its sales and posted its highest operating profit of all time, at SEK 31.9 million for the full year. The company has a strong offering and has further enhanced the efficiency of its logistics, which boosted operating margin for the full year to 9 percent (8).

- IAR Systems improved its sales and strengthened its operating margin to 11 percent (8) for the full year. The company has undergone a major process of change during the year, which contributed to a 58 percent increase in earnings for the fourth quarter. At the same time, license and maintenance revenue rose to 84 percent of total revenue for the quarter.

- Northern reported higher sales for the full year but lower earnings for the fourth quarter due to restructuring in the European organization. To ensure that Northern's technological edge leads to growth in sales, the company was reinforced with resources from Nocom Software in February 2010.

- Nocom Software showed higher sales for both the full year and the fourth quarter. The company has a strong customer base and in-depth expertise in sales of software. In order to better leverage these resources, the company has been integrated into Northern.

- Total operating profit was SEK 5.5 million (31.7). In the fourth quarter the Group's profit was affected by restructuring in Northern, a capital loss on the sale of an operating property and an impairment loss on intangible assets in Nocom Software. The total earnings impact of these measures was SEK –27.5 million.

- Total operating margin was 1 percent (5).

- Earnings per share amounted to SEK 0.17 (2.85).

- Equity per share at year-end 2009 was SEK 53.57 (53.98).

- Intoi's class B share (INTO B) is listed on the Small Cap list of the NASDAQ OMX Nordic Exchange Stockholm. The share price at December 31, 2009, was SEK 24.40 (13.35) and Intoi's market capitalization on the same date was SEK 270 million (148).

- In light of our strong financial position, the Board proposes that the dividend be doubled to SEK 1.25 (0.60).

- Given the Group's stable financial position and the strong market positions of its various operations, we expect consolidated operating profit to improve during 2010 with a goal to exceed the level in 2008.

Intoi creates value by driving development in IT companies. Our holdings are characterized by innovative technologies, large potential and scalable business models. Intoi contributes strategic business development, capacity and synergies. In order to create value in our IT companies, we strive to maximize sales, enhance the product offering and ensure effective corporate governance. In the past year our efforts led to increased sales in all holdings, higher earnings in our largest holdings and a strong positive cash flow for the Group. We are proud of the way in which we are strengthening Intoi by driving development in technology companies. →

We serve as an active driver for growth, increased profitability and long-term competitiveness in technology companies. We call it Propelling Technology.

The focus in 2009 was on active ownership – building companies – the commitment at the very heart of Intoi's business. We have entered 2010 with a portfolio of exciting companies that are profitable and have strong positions in their respective markets. IAR Systems and Northern have leading technologies and sell to global organizations. The third subsidiary, Deltaco, is the Nordic region's largest distributor of computer accessories. In all of our holdings we are pursuing explicit strategies to develop the companies. One thing the holdings have in common is that they all increased their sales and strengthened their offerings during 2009.

Our model scales up sales and profitability to ensure that the company's technical edge creates value for the customers and stockholders

Two years ago Intoi formulated its strategy to acquire, actively own and divest IT companies. We have expertise in multiple technologies and have several times repeated the feat of acquiring technology-intensive companies and extending the global reach of their products. We invest in companies that have leading technologies in their niches and products that are well received by the market. We then contribute our model to scale up sales and ensure that the company's technical edge creates value for the customers and stockholders.

In 2009 we received a number of inquiries from interested buyers of our holdings, but felt that the indicative levels did fully reflect the potential of the companies. This continuous assessment of possible divestitures leads to a powerful focus on value-creation in the subsidiaries. Our top priority is to strengthen the companies' offerings and maximize their profitability. By doing so we create value for Intoi, and in certain cases this value can be realized through a sale. This is both an incentive and an opportunity.

Our strong brand gives us a wide contact interface in the IT industry and brings us in contact with a large number of potential acquisitions. In 2009 we conducted several interesting discussions, but in each case we chose to wait. In 2010 we will continue to evaluate possible business transactions without any particular haste. Although the market remains uncertain, we expect to see greater stability than in 2009. We are taking a cautious approach to ensure that we only acquire quality companies that can be taken to the next level with the help of Intoi's model and resources. Development of the holdings demands management input from Intoi and the addition of new holdings can create a need to reinforce our capacity at the Group level. In view of this, we are currently focusing on supplementary acquisitions in our existing portfolio. We have the resources to accelerate value-creating in our companies through smaller acquisitions that can be integrated with the existing holdings.

Our promise to the stockholders is threefold. Firstly, we promise to professionally develop our companies by using our model to boost sales and profitability. Secondly, we promise to utilize all of our expertise and contact interfaces to buy the right IT companies with the right potential. And thirdly, we promise that our work will benefit the stockholders through Intoi's value growth.

Our ambition for 2009 was to become better at everything. We have delivered higher sales in all holdings and a profit from the Group's holdings that was largely on par with the previous year in spite of a challenging market. The Group achieved a very healthy cash flow and more than doubled its cash and cash equivalents while at the same time reducing its interest-bearing liabilities by half. This has been achieved in a weak market and has been made possible by our efforts to develop and position technology companies.

As proof of our success, the Board has proposed to the AGM that we double our dividend for 2009 to SEK 1.25 per share (0.60). In view of the Group's stable financial position and the strong market positions of its various operations, the Board expects consolidated operating profit to improve during 2010 with a goal to exceed the level in 2008.

We are moving into the market's next phase of development with solid finances and well positioned holdings. For 2010 this gives us a strong platform from which to repeat our ambition to once again become better at everything.

Stefan Skarin
President and CEO
Intoi AB (publ)

The Board of Directors and the President of Intoi AB (publ), corporate identity number 556400-7200 domiciled in Stockholm, Sweden, hereby present the annual report and the consolidated annual report of the Parent Company and the Group for the financial year 2009. The annual report and audit report are presented on pages 6–47. The results of the year's operations and the financial positions of the Group are presented in the description of operations, income statements, balance sheets and notes.

ADMINISTRATION REPORT

Intoi enters 2010 with three well positioned holdings

Active ownership is our core business and is aimed at building, strengthening and increasing the value of our holdings. Corporate transactions – acquisitions and divestitures – are the activities surrounding our core business, and are carried out on strictly commercial and industrial grounds.

INTOI'S CORE BUSINESS is to actively drive development of IT companies. Our holdings have innovative technologies, large potential och scalable business models. Intoi contributes strategic business development, capacity and synergies. To increase profitability and create value, we strive to maximize sales, enhance the product offering and ensure effective corporate governance in our IT companies. Active ownership is a process that takes place in close cooperation with the managements of our holdings, where aim is to build and develop through commitment and active involvement. Together with the managements of the companies, we draw up strategies to ensure that their technical edge and market position create value for their customers and our stockholders.

Active ownership is a process that takes place in close cooperation with our holdings

In 2009 Intoi developed four wholly owned subsidiaries; IAR Systems, Northern, Deltaco and Nocom Software. After the end of the year, Nocom was integrated with Northern and Intoi has entered 2010 with three well positioned holdings.

Intoi has actively driven a process of change in IAR Systems during 2009. The aim is to strengthen the company's business by sharpening the focus on the most advanced embedded systems and boosting sales primarily of software licenses and maintenance. For the full year, IAR Systems delivered growth in both sales and operating profit. These measures contributed to a 58 percent increase in operating profit in the fourth quarter compared to the prior year. The effects of Intoi's investments in IAR Systems are now starting to emerge and the company has a leading technical edge and the market's largest customer base in development tools for embedded systems, a combination that gives IAR Systems considerable potential.

Intoi has continued to support DELTACO in the company's successful growth with stronger sales and a record high operating profit. Deltaco became part of Intoi in 2005 and offers computer accessories to resellers in the Nordic region. Intoi's strategy has been to increase the company's resources for investment in logistics and development of its offering. One important step has been the investment in a new logistics center in Tullinge, Sweden, which is already having a tangible effect. The company can now deliver goods faster, which is contributing to both customer loyalty and a greater willingness to pay. In addition, Deltaco has expanded its offering to more than 5,800 products, of which 1,700 under its own brand.

NORTHERN is a world-leading Swedish provider of software for storage resource management. Intoi's strategy for Northern is to give the company global sales reach based on strong products. There are significant economies of scale in that the company sells licenses for proprietary software. The company's technical edge was confirmed by Northern's recognition as "2008 EMC Partner Solution Award: Offering Of The Year" by EMC Corporation and several new orders from leading global organizations. The company has been highly successful in sales to the US market, while the European sales organization was restructured during 2009. To ensure that the company's technical edge leads to growth in sales, the company's resources were strengthened in February 2010 by integrating Northern with Nocom Software, which is active in distribution and sales of software. Nocom Software got off to an impressive start in 2009 with several new orders, but the market weakened toward the end of the year. The company has a strong customer base and expertise in software sales and we are leveraging these resources more effectively by integrating the company with Northern.

ACQUISITIONS AND DIVESTITURES – WE CARRY OUT CORPORATE TRANSACTIONS

Intoi's business mission also includes corporate transactions – the acquisition and divestment of IT companies. The goal of corporate transactions is to increase the potential and/or reduce risks in the Group as a whole. Intoi has five clearly defined criteria for acquisition of companies. →

Evaluation of possible corporate transactions is an important task for both the Executive Management and the Board of Directors, and our new and clearer focus has widened our contact interface in the industry. The financial turbulence of 2008 led to a dramatic decrease in the number of transactions in the industry, and although the global economy stabilized during 2009, the flow of transactions with quality companies remained very low. Many are choosing to wait and postpone transactions into the future, which has affected Intoi's work during the year.

In the past year we evaluated a large number of companies that we identified ourselves or that came to us. Of these, we have taken a closer look at around 15 companies.

Product focus – software, primarily standard products that have already been introduced on the market.
Market potential – established customers and significant scope for expansion.
International opportunities – opportunities for rapid introduction of a new offering in several geographical markets, if possible in collaboration with other of Intoi's holdings.
Majority ownership – Intoi's involvement in and development of acquired companies demands a controlling influence over their operations. The ambition is to attain 100 percent ownership, either immediately or over time.
Competent management – a committed management with the ambition and capacity to drive and develop operations in close cooperation with Intoi's Executive Management.

The strategy for divestitures is also well defined. The timing of divestitures is optimized through ongoing and overall assessment of value growth, market conditions and other external factors. In 2009 we carried out no divestitures based on the conviction that we can create more value for our stockholders by developing the companies than was reflected by the bid levels.

Our model is aimed at scaling up global sales for companies with a strong technology base, and we therefore look mainly at software companies. We are not interested in services, hardware products or software products that require consulting services for adaptation to customer specifications. We are only interested in software that has been launched on the market and has existing customer relationships. We assess the potential of a company's products and together with its management draw up a plan for driving international sales. One key issue in this context is the management's willingness to remain involved and raise its ambitions and goals together with us. The next step is valuation. Every analysis is company-specific, but we naturally use parameters like growth and profitability, as well as potential, market share and hard facts like net cash and patents. The industry often uses valuation metrics like the p/s ratio, which measures the stock price in relation to sales per share.

We currently have a small number of corporate transactions underway, but nothing that will be pursued in the near future. In the present situation we are taking a very cautious approach and are evaluating the incoming proposals very carefully. The focus in 2010 is on possible supplementary acquisitions in the existing holdings. ▮

STRATEGY

- Acquire high-tech software companies
- Develop companies to increase sales and profitability
- Divest companies as a means for realizing values

ACHIEVED IN 2009

- Measures led to higher sales in all holdings
- Stronger cash flow for the Group
- Improved earnings in the two largest holdings

FOCUS IN 2010

- Continue to develop holdings and increase sales
- Focus on profitability with a target of SEK 32 million
- Supplementary acquisitions in the existing companies

NET SALES AND PROFIT

All holdings in the Group reported sales growth during the year and net sales for the Group as a whole reached SEK 603.0 million (579.3). In continuing operations, this is equal to organic growth of 6 percent. The Group's profit from holdings was stable at SEK 52.0 million (54.7), despite the fact that the holdings showed varying development during the year.

Operating profit, which in the fourth quarter was charged with costs of SEK 27.5 million for restructuring in Northern, a capital loss on the sale of an operating property and an impairment loss on intangible assets in Nocom Software, amounted to SEK 5.5 million (31.7). Operating margin was 1 percent (5).

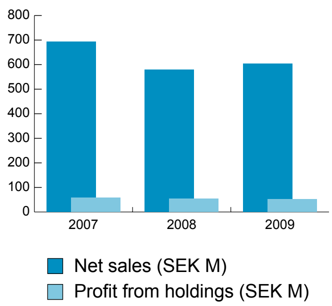
	2009	2008
Net sales, total (SEK M)	603.0	579.3
Profit from holdings, (SEK M)	52.0	54.7
Operating profit, total (SEK M)	5.5	31.7
Operating margin (%)	1	5
Profit before tax (SEK M)	1.9	31.6
Earnings per share (SEK)	0.17	2.85
Equity per share (SEK)	53.57	53.98
Cash flow from operating activities (SEK M)	51.7	22.5

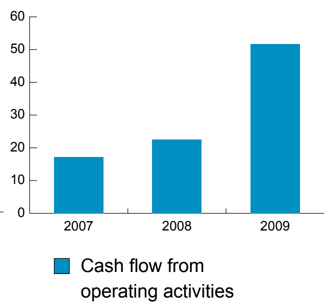
FINANCIAL POSITION

Consolidated cash and cash equivalents were doubled at the same time that interest-bearing liabilities were reduced by half. The Group now has net cash of SEK 28 million, compared to a net debt of SEK 38 million at year-end 2008. The financial position remains strong with an equity/assets ratio of 80 percent.

Cash flow from operating activities improved during the year by SEK 29.2 million to SEK 51.7 million (22.5). Cash flow from investing activities was positive due to the full payment of consideration for the sale of Network Innovation in September 2007 and the sale of the former operating property in Deltaco. Parts of the positive cash flow have been used for repayment of interest-bearing liabilities, SEK 38.3 million, and stockholder dividends of SEK 6.6 million.

At December 31, 2009, the Group had cash and cash equivalents of SEK 60.6 million (32.3) and unutilized bank overdraft facilities of SEK 60.0 million (35.9). The Group's total disposable cash and cash equivalents thus amounted to SEK 120.6 million (68.2).





INTOI'S SUBSIDIARIES AT DECEMBER 31, 2009

IAR Systems is a world-leading Swedish provider of proprietary software tools for development of embedded systems. IAR Systems' effective software tools are used to develop microprocessors that control products in areas like industrial automation, medical devices, consumer electronics and the automotive industry. IAR Systems combines technical edge with wide global reach through its more than 10,000 customers worldwide.

IAR Systems' customers develop programming code in products such as industrial robots, elevators, washing machines, clocks, cars, cell phones, medical devices, televisions, home electronics, measurement equipment, etc. We like to say that everyone touches a product from IAR Systems at least ten times per day. The market is growing rapidly, partly due to an increase in the number of products and a rising number of chips per product, for example a car contains ten times as many microprocessors today as in 1995. At the same time, the level of programming complexity in the microprocessors is growing. A cell phone now contains more than five million lines of code, compared to 400,000 lines 15 years ago. IAR Systems creates value by offering tools for effective programming of microprocessors.

We like to say that everyone touches a product from IAR Systems at least ten times per day

In order to further develop IAR Systems' strong market position, the company is working closely with chip manufacturers. One of IAR Systems' greatest strengths is that the software supports a range of microprocessors in several different architectures from all of the 16 major chip vendors, including NEC, ST, NXP, Renesas, Freescale, Toshiba, Fujitsu and Atmel. IAR maintains its technological leadership through market-driven product development.

IAR Systems AB
Founded in 1983, part of Intoi since 2005.

Offering: Development tools and software (compilers) that are used for programming of microprocessors in embedded systems. The software is marketed as IAR Embedded Workbench.

Business mission: IAR Systems is a supplier of quality tools that enable customers to quickly and effectively develop reliable products.

Market: Primarily the USA, Germany and Japan. The customer companies are found in a number of industries, including industrial automation, medical devices, automotive products and consumer electronics such as cell phones.

Customers: Biotage, Ember, GE Sensing, Laerdal medical, NILU, Quanta, Reiner SCT, RMB Consulting, Technologico de Monterrey, Landis+Gyr, Quake Global, Siemens, Itt, Adidas, ST/Ericsson and Sony Ericsson.

Net sales in 2009: SEK 168.6 million (160.5)

Operating profit in 2009: SEK 17.9 million (13.0)

Operating margin in 2009: 10.6% (8.1)

Number of employees: 126

President: Stefan Skarin

Offices: Headquarters in Uppsala. Sales offices in the USA, China, Japan, the UK, Germany and Brazil. Distributors in more than 25 additional countries.

In the past year Intoi implemented a new strategic plan for IAR Systems. The aim is to strengthen the company's business by sharpening the focus on the most advanced embedded systems (32 bit architecture, primarily ARM, see www.arm.com) and increasing sales of software licenses and maintenance. To drive this process of change, Stefan Skarin was appointed as the new president and recruited a new management team. Stefan is also CEO of Intoi.

For the full year IAR Systems increased its sales and raised its operating margin to 11 percent (8). Higher sales of software contributed to a 58 percent improvement in first quarter earnings compared to the same period of last year. At the same time, license and maintenance revenue accounted for a full 84 percent of total revenue for the quarter. The share of license and maintenance revenue will rise in pace with a stronger focus on license revenue and decreased revenue from development contracts. The greatest increase was noted for 32 bit architecture.

In recent years Intoi has invested ambitiously in IAR Systems and the effects of this are now starting to emerge. IAR Systems has a strong technology and the market's largest customer base. In combination with its scalable business model, this gives IAR Systems considerable potential. ∎

STRATEGY

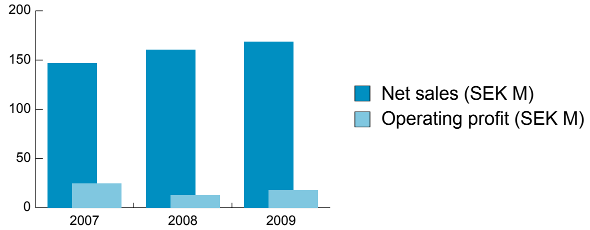
- Offer software tools for development of embedded systems (chip)
- Expand the market's largest customer base by driving sales worldwide
- Leverage the scalable business model by increasing license sales

ACHIEVED IN 2009

- Higher sales and operating margin for the full year
- Sales record for ARM tools for the most advanced systems in Q4
- Increased license sales

FOCUS IN 2010

- Continue to increase license sales
- Raise the share of innovation in the product portfolio
- Strengthen the sales organization's global reach and efficiency



Deltaco is the Nordic region's leading supplier and distributor of computer accessories. The company has a highly competitive offering through effective purchasing in low-cost countries in Asia, a modern logistics center in Stockholm and wide distribution to most of the major Nordic resellers. Thanks to scale economies and efficient systems, Deltaco is able to combine low prices with a wide and attractive range of products. The company has an unbroken record of stable organic growth and rising profitability since the start 19 years ago.

Deltaco's business mission is to offer a wide and attractive range of computer-related products to the Nordic market with short delivery times and competitive prices. In the past nine years the company has among other things sold more than 850,000 mouse mats, 985,000 headsets, 683,000 keyboards and 19.5 million cables, of which 4.5 million network cables. This scale and experience ensure that the Deltaco obtains the best price and delivery conditions from the more than 100 manufacturers used by the company, primarily in China and Taiwan.

The company has an unbroken record of organic growth and rising profitability since the start 19 years ago

Deltaco continuously develops its offering of more than 5,800 products. In 2009 around 2,500 products were added and some 1,700 were phased out. Deltaco sells products under strong international brands, white-label products and to a growing extent also own-branded products (currently 1,700). To increase the value of its offering, the company sells products under the Deltaco brand and produces manuals and packages, offers support services and conducts marketing activities, for example in cooperation with the football (soccer) clubs AIK, Hammarby and Djurgården. Deltaco-branded products now account for 29 percent of total sales. Increasingly, Deltaco drives sales through new mass marketing channels outside the IT sector, such as Gekås.

Intoi's strategy for Deltaco has been to increase the company's resources for investment in logistics as a means for developing the offering. The company's logistics center in Tullinge, business system and e-commerce solution are now in full operation. These investments have strengthened the company's "same-day delivery" concept, which is creating greater customer loyalty and scope for higher margins. The increased stock capacity has also enabled the company to order larger volumes from its suppliers, which makes it economical to market the Deltaco brand.

In 2009 Deltaco continued to show very strong and stable growth and reported its highest operating profit of all time. Net sales and operating profit rose in every quarter, both compared to the same quarter of last year and in relation to the preceding quarter.

Deltaco's stable development is a result of initiatives in purchasing, logistics and sales together with the company's constant ambition to maximize efficiency.

SweDeltaco AB
Founded in 1991, part of Intoi since 2005.

Offering: Supplier and distributor of computer accessories such as cables, network products and multimedia products, both under the Deltaco brand and well known international brands like D-Link, Sennheiser, Logitech, Maxell, Terratec and Verbatim.

Business mission: To offer a wide and attractive range of computer-related products to the Nordic IT market, with short delivery times and competitive prices.

Market: Leader in the Nordic region.

Customers: The customers consist of distributors, computer retailers, industrial customers, installers, PC builders, mail order companies and resellers. Key customers include Dustin, MediaMarkt, Kjell & Company, Elgiganten, OnOff, Teknikmagasinet, etc.

Net sales in 2009: SEK 351.7 million (335.0)

Operating profit in 2009: SEK 31.9 million (26.3)

Operating margin in 2009: 9.1% (7.9)

Number of employees: 69

President: Siamak Alian

Offices: Headquarters in Stockholm, subsidiaries in Finland and Denmark and business partners in Norway, Estonia and the Netherlands.

STRATEGY

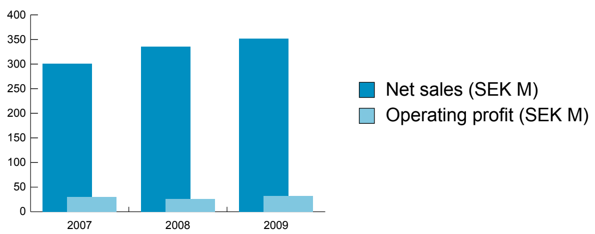
- More efficient purchasing of computer accessories in low-cost countries
- Keep the product range up-to-date by renewing at least 30 percent of the products every year
- Sales via the major distribution chains under the Deltaco brand, other brands and white-label

ACHIEVED IN 2009

- Growth in sales and operating profit in each quarter of 2009
- Logistics center in full operation and sale of operating property
- Sales of own-branded products increased to 29%

FOCUS IN 2010

- Continue to drive sales of the Deltaco brand
- Further improve efficiency in purchasing and logistics
- Extend reach through cooperation outside the IT sector



NORTHERN

Northern is a world-leading Swedish provider of software for storage resource management and IT infrastructure. Through proprietary and licensed products, Northern is helping more than 28,000 organizations to manage the fast-growing volume of data stored on computers. Northern saves disc space, time and resources for some of the world's most demanding organizations, such as IKEA, the US Navy, Boeing and Nike.

Northern's proprietary software enables its customers to gain control over user-generated data. Northern, the longstanding market-leader, guarantees that a customer can reclaim 30 percent of its storage capacity in 30 days.

The product's technical superiority was confirmed not only by the addition of new prestige customers but also that the company was named "Offering Of The Year" by its partner EMC Corporation. In addition, Northern offers a number of software IT infrastructure products, such as solutions that make information in central databases available to a large number of users in a simple and user-friendly manner. These capabilities have been added to Northern through the integration with Nocom Software in February 2010.

The new Northern has entered 2010 with an expanded product portfolio and a stronger sales organization

Northern Parklife AB
Founded in 1995, part of Intoi since April 2006.

Offering: Proprietary software for Storage Resource Management and licensed software for IT infrastructure.

Business mission: Northern helps its customers to save time and money in their storage resource management through innovative and effective management of their enterprise storage environment and better control over their IT infrastructure.

Market: Primarily the Nordic region, the USA, Germany, the UK, France, Italy and Spain. Strong position in banking and finance, the manufacturing industry and the public sector.

Customers: Northern's software is used by more than 28,000 organizations worldwide, including more than half of the Fortune Global 100. Key customers include SAS, Nike, Adidas, the US Army, Boeing, Airbus. The largest customer is the US Navy.

Net sales in 2009: SEK 37.5 million (33.1) in Northern and SEK 45.2 million (41.9) in Nocom Software

Operating profit in 2009: SEK –2.5 million (6.8) in Northern and SEK 4.7 million (9.2) in Nocom Software

Operating margin in 2009: –6.7% (20.5) % in Northern and 10.4% (22.0) in Nocom Software

Number of employees: 35 in Northern and 9 in Nocom Software

President: Thomas Vernersson

Offices: Headquarters in Stockholm, subsidiaries in the USA and France and sales offices in the UK, Germany, the Netherlands and Italy. Through Nocom Software, also subsidiaries in Finland and Norway.

Nocom Software has in-depth expertise and experience in software sales and a strong Nordic base underpinned by longstanding relationships with some of the region's largest companies. Within Northern, these relationships are being developed and the product offering is being further expanded. The integration will make it possible to leverage these resources more effectively.

In 2009 both Northern and Nocom Software reported higher sales. Northern has long been successful in the USA but showed weaker earnings due to restructuring in the European organization during the fourth quarter.

Intoi's strategy for Northern is to exploit the benefits of the integration and extend the company's global reach by selling directly to global organizations and widening the base of small customers. There are significant economies of scale, since the company sells software licenses. The new Northern has entered 2010 with an expanded product portfolio and a stronger sales organization. ∎

STRATEGY

- Offer solutions for storage resource management and IT infrastructure
- Business model with scale economies through license revenue from proprietary products
- Develop the customer base of 28,000 organizations and a number of prestige customers

ACHIEVED IN 2009

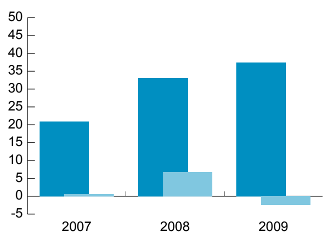
- Growth in sales compared to 2008
- Named "Offering of the year" by EMC
- New prestige customers such as Airbus, EU, SVT, Folksam and Atkin

FOCUS IN 2010

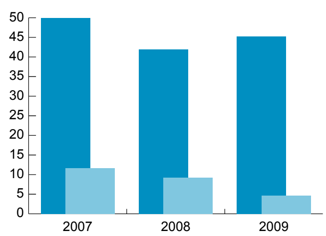
- Integration of Nocom Software into Northern
- Increased sales in the Nordic region, the USA and Europe
- Further development of the product offering

■ Net sales (SEK M)
■ Operating profit (SEK M)

Northern



Nocom Software



The Intoi share and ownership structure

Intoi's class B share is listed on the Small Cap list of the NASDAQ OMX Nordic Exchange Stockholm. The share price at December 31, 2009, was SEK 24.40 (13.35) and market capitalization on the same date was SEK 270 million (148).

SHARE DATA

Intoi's class B share (INTO B) is traded on the Small Cap list of the NASDAQ OMX Nordic Exchange. A round lot consists of 1 (one) share. In 2009 the share price (last price paid) varied from a low of SEK 14.40 (12.95) to a high of SEK 28.70 (41.70). The share price at December 31, 2009, was SEK 24.40 (13.35) and Intoi's market capitalization on the same date was SEK 270 million (148). In calculation of market capitalization and other share data, Intoi's holdings of treasury shares have not been included.

The number of stockholders in Intoi at December 31, 2009, was 11,173 (12,151), of whom 648 (697) held more than 1,000 shares each. Foreign stockholders held around approximately 19 percent (24) of the share capital and 25 percent (30) of the votes.

Intoi's share capital at December 31, 2009, amounted to SEK 11,688,561, divided between 11,688,561 shares of which 100,000 are of class A and 11,588,561 are of class B. Of these, 634,600 class B shares are held in treasury by Intoi following share buybacks in 2007 and 2008 and. This means that the number of class B shares on the market at December 31, 2009, was 10,953,961.

SHARE BUYBACKS

No share buybacks were carried out during the year. A total of 634,600 shares, for a combined value of SEK 30.1 million, have been repurchased since 2007 and 2008. These shares, which are now held in treasury by Intoi, are not included in the share data at December 31, 2009.

DIVIDEND

For the 2009 fiscal year, the Board proposes a dividend of SEK 1.25 (0.60) per share. The record date for dividends is 7 May 2010.

DIVIDEND POLICY

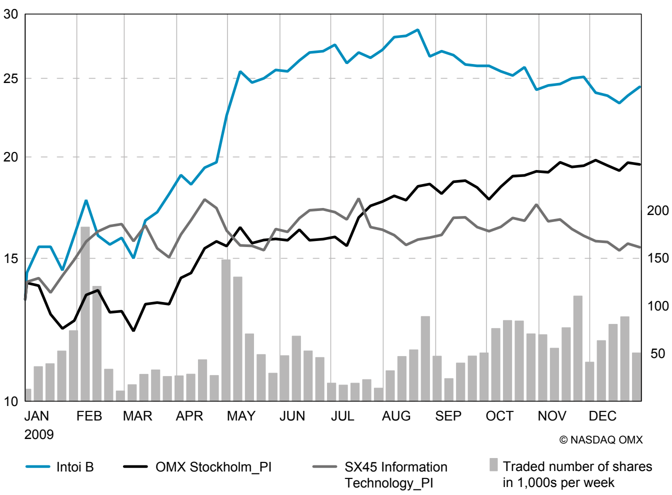
The Board of Directors intends to propose an annual dividend, or other similar transfer of value, corresponding to 30–50 percent of profit after tax. In addition, the Board may recommend a further transfer of capital to the stockholders, provided that the Board considers this action to be justified in view of the anticipated future cash flow and the company's investment plans.

AUTHORIZATIONS

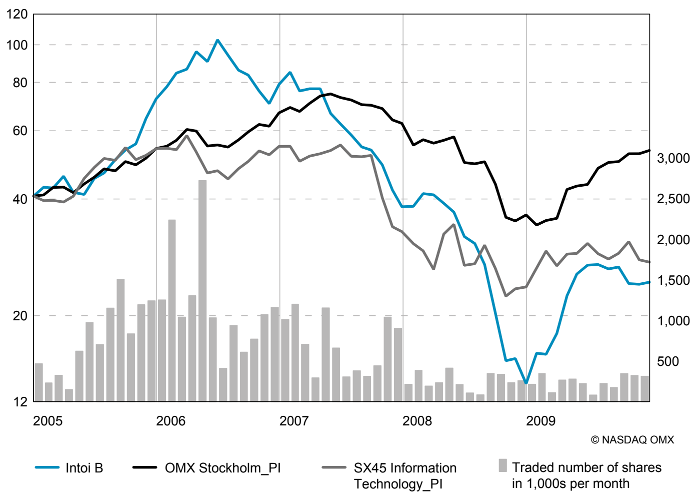
The 2009 AGM authorized the Board, on one or several occasions during the period until the 2009 AGM, to repurchase a maximum number of class B shares whereby the holding of treasury shares at no time exceeds 10 percent of all registered shares in the company. The shares shall be repurchased on the NASDAQ OMX Nordic Exchange Stockholm. The motive for the authorization is to give the Board greater freedom of action in optimizing the company's capital structure.

The AGM also authorized the Board to decide on the transfer of the company's own shares as consideration in the acquisition of companies or operations.

Intoi's share price development January 1–31 December 31, 2009



Intoi's share price development 2005–2009



Largest stockholders at December 31, 2009[1)]

	No. of class A shares	No. of class B shares	Total no. of shares	% of capital	% of votes
Pictet & Cie	–	1,134,508	1,134,508	10.2	9.5
Lannebo Micro Cap	–	750,000	750,000	6.8	6.3
Catella Trygghetsfond	–	660,000	660,000	6.0	5.5
Purpose AB	–	562,531	562,531	5.1	4.7
Länsförsäkringar Småbolagsfond	–	501,140	501,140	4.5	4.2
Ribbskottet AB	–	450,000	450,000	4.1	3.8
Boda Invest AS	100,000	250,000	350,000	3.2	10.5
Tamt AB	–	350,000	350,000	3.2	2.9
Försäkringsaktiebolaget Avanza Pension	–	328,552	328,552	3.0	2.7
Manticore	–	308,900	308,900	2.8	2.6
Bliwa Livförsäkring	–	249,707	249,707	2.2	2.1
Marianne Rapp	–	152,000	152,000	1.4	1.3
Theodor Jeansson	–	145,011	145,011	1.3	1.2
Danske Bank International S.A.	–	101,312	101,312	0.9	0.8
Nordnet Pensionsförsäkring AB	–	98,645	98,645	0.9	0.8
Total 15 largest stockholders	**100,000**	**6,042,306**	**6,142,306**	**55.8**	**58.9**
Others	–	4,911,655	4,911,655	44.4	41.1
Total	**100,000**	**10,953,961**	**11,053,961**	**100.0**	**100.0**

1) Shares held directly and through trustees. Added to this are 634,600 class B shares held in treasury by Intoi following buybacks.

Distribution of stockholdings at December 31, 2009[1)]

Holdings	Stockholders	No. of class A shares	No. of class B shares	% of capital	% of votes
1–100	7,723	–	229,120	2.1	1.9
101–1,000	2,802	–	1,006,804	9.1	8.4
1,001–5,000	478	–	1,104,211	10.0	9.2
5,001–10,000	81	–	619,507	5.6	5.2
10,001–	89	100,000	7,994,319	73.2	75.3
	11,173	**100,000**	**10,953,961**	**100.0**	**100.0**

1) Excluding the 634,600 class B shares held in treasury by Intoi following buybacks.

Changes in the share capital[1)]

Year	Transaction	Quota value	Change in no. of shares	Total no. of shares	Change in share capital	Total
1990	Company formed	100	500	500	50 000	50 000
1993	100-for-1 split	1	49 500	50 000	–	50 000
1994	Stock dividend, 9-for-1	1	450 000	500 000	450 000	500 000
1996	Stock dividend, 5-for-1	1	2 500 000	3 000 000	2 500 000	3 000 000
	New share issue	1	129 600	3 129 600	129 600	3 129 600
1997	New share issue	1	220 920	3 350 520	220 920	3 350 520
1998	New share issue	1	940 000	4 290 520	940 000	4 290 520
1999	New share issue/conversion	1	31 200	4 321 720	31 200	4 321 720
	New share issue	1	271 456	4 593 176	271 456	4 593 176
2000	New share issue	1	540 000	5 133 176	540 000	5 133 176
	New share issue	1	300	5 133 476	300	5 133 476
	New share issue	1	195 700	5 329 176	195 700	5 329 176
	Stock dividend	1	21 316 704	26 645 880	21 316 704	26 645 880
	New share issue	1	5 500	26 651 380	5 500	26 651 380
2001	New share issue	1	27 500	26 678 880	27 500	26 678 880
	New share issue	1	609 624	27 288 504	609 624	27 288 504
	New share issue	1	1 000 000	28 288 504	1 000 000	28 288 504
2004	New share issue	1	3 757 000	32 045 504	3 757 000	32 045 504
2005	New share issue	1	53 702 961	85 748 465	53 702 961	85 748 465
	New share issue	1	941 182	86 689 647	941 182	86 689 647
	New share issue	1	12 404 214	99 093 861	12 404 214	99 093 861
	New share issue	1	5 998	99 099 857	5 998	99 099 857
	New share issue	1	211 070	99 310 929	211 070	99 310 929
	New share issue	1	468 744	99 779 673	468 744	99 779 673
2006	New share issue	1	54 154	99 833 827	54 154	99 833 827
	New share issue	1	546 125	100 379 952	546 125	100 379 952
	New share issue	1	31 086	100 411 038	31 086	100 411 038
	New share issue	1	5 835 172	106 246 210	5 835 172	106 246 210
	New share issue	1	259 874	106 506 084	259 874	106 506 084
	New share issue	1	6 566	106 512 650	6 566	106 512 650
	New share issue	1	442 477	106 955 127	442 477	106 955 127
2007	New share issue	1	9 930 487	116 885 614	9 930 487	116 885 614
2008	1-for-10 reverse split	10	–105 197 053	11 688 561	–	116 885 614

1) Operations commenced in 1985 and were organized within Nocom Nordic Communication AB until February 1998.
The current operating company was established in 1990. In May 2008 the company changed name to Intoi AB (publ).

Business risks

Changes in the IT industry are often rapid, and future development forecasts are therefore associated with uncertainty for a corporate group like Intoi. The risks Intoi is exposed to are mainly dependent on the composition of the Group's holdings. Intoi strives for a good spread of risk in its portfolio. Risks in the Group also differ with respect to the activities of the respective subsidiaries and are dependent on companies, industries and countries to varying degrees.

OPERATING RISKS

Customers

The subsidiaries strive to build long-term relationships with their customers. In general, there is a relatively good spread across customer categories in terms both of industrial sectors and markets. Despite this spread over customer categories, the loss of one or more major customers may have a negative impact on the operations and results of individual subsidiaries.

Employees

The subsidiary employees' longstanding experience of the products and good relationships with the customers are also valuable competitive advantages. Employee expertise is continuously maintained and strengthened through training and knowledge-sharing. At present, employee turnover is low.

Technology

For companies active in the IT sector, it is vital to be able to offer products and services in the latest technologies as well as knowledge and experience of established products. Subsidiaries with proprietary software are technologically advanced. In the computer accessories market, much of the product range consists of basic products with a considerably longer technological and commercial life. However, it cannot be ruled out that individual subsidiaries may be negatively affected by future technology shifts.

Competitors

Intoi's subsidiaries compete with companies in several different sub-segments of the IT industry. The competitors include major international and domestic companies.

Business cycle

The business cycle and related customer IT investments are difficult to predict and have an impact on sales also for the Group as a whole. Recent years' divestitures of unprofitable operations and the diversification between products, markets and industrial sectors represented by the remaining holdings have reduced the Group's sensitivity to the business cycle. The management closely monitors the potential effects on the Group's subsidiaries arising from trends in the business cycle.

FINANCIAL RISKS

Through its operations, the Group is exposed to various types of financial risk. These financial risks arise from fluctuations in the company's earnings and cash flow due to movements in foreign exchange and interest rates, as well as refinancing and credit risks.

Foreign exchange risk

Foreign exchange risk consists of the risk for variations in the value of financial instruments due to exchange rate fluctuations. The Group's procedures for management of transaction-related foreign exchange risk are established in the Group's finance policy. The objective is to minimize the short-term earnings impact of an exchange rate movement while at the same time creating long-term freedom of action.

Foreign exchange risk arises in the translation of trade receivables and payables in foreign currency, predominantly the US dollar and euro. The Group's sales in foreign currency, mainly USD and EUR, make up around 33 percent of total sales. Of the cost of goods for resale in the Group, approximately 75 percent of purchases are denominated in foreign currency, also primarily USD and Euro. The Group's translation exposure, consisting of the risk for changes in the Group's value of net assets in foreign subsidiaries, due to exchange rate fluctuations, is limited and no measures are currently taken to further hedge translation exposure in foreign currencies.

Financing and liquidity risk

The Group's financial position is strong. In 2009 the stockholders received dividends of SEK 6.6 million (22.1). No share buybacks were carried out (SEK 6.3 million in 2008). The equity/assets ratio increased somewhat and was 80 percent (79) at year-end 2009. Cash and cash equivalents at December 31, 2009, amounted to SEK 60.6 million (32.3) and unutilized bank overdraft facilities totaled SEK 60.0 million (35.9). Interest-bearing liabilities on the same date amounted to SEK 32.4 million (70.7).

Credit risk

The Group's credit risk is mainly associated with the solvency of its customers. Intoi's subsidiaries carry out routine credit assessment of customers according to established procedures. A few of the subsidiaries use credit insurance as part of their measures to minimize credit risk. Historically, bad debt losses have been low.

Interest rate risk

Interest rate risk consists of the risk for variations in the value of financial instruments due to movements in market interest rates. The Group's loans carry variable interest rates. At present, Intoi has no investments in equity instruments.

Additional information

ORGANIZATION

Intoi has a small organization with few employees in the Parent Company. Business is conducted in independent subsidiaries operating under their own business concepts and brands. Each subsidiary reports directly to the Executive Management and has a strong management that controls and develops its organization.

The operations of the Parent Company consist of group management, financial management and PR/IR functions. The Parent Company supports the Group's subsidiaries with expertise in strategic analysis, marketing, sales, leadership, accounting, finance and corporate acquisitions. Since the fourth quarter of 2009 the Parent Company's controller is employed as Financial Director of Northern, which has resulted in improved financial control in Northern and lower central costs.

SOCIAL ACCOUNTABILITY

Intoi's policy for social accountability is to conduct business in accordance with the applicable laws and regulations. Integrity, sincerity, frankness and honesty are of the utmost importance in all business and community relations. The Group expects all of its employees to be honest in their dealings with customers, suppliers and competitors and to perform their duties in a manner that safeguards the company's good name and reputation.

Intoi encourages its subsidiaries to analyze their operations from a social accountability perspective and to create guidelines for the company to conduct itself in a responsible and ethically sound manner. In order to do this, the subsidiaries must obtain information about, and comply with, the relevant laws, regulations and international conventions.

In addition, the Parent Company strives to continuously reduce the subsidiaries' environmental impact and improve their actions in the social area and with regard to human rights. The Group also encourages all suppliers to work with similar goals for social accountability.

EMPLOYEES

Intoi's competitiveness depends on the ability of the subsidiaries to recruit, retain, and develop qualified staff. The success of the Group's companies is determined by how well they develop their leadership resources and inspire the commitment of their personnel. The diverse types of business conducted by the different subsidiaries require different corporate cultures to achieve success. All corporate cultures are characterized by openness, social accountability and professionalism.

The Group strives for a personnel policy and a work environment that inspire the employees to develop in their professional roles.

The required experience, training, and type of expertise varies from one subsidiary to another. As a result, every subsidiary is individually responsible for its own personnel policy. Intoi's employees are typified by a high level of technical expertise and long industry experience. However, educational levels vary among the subsidiaries. In particular, the subsidiaries that develop software have a high proportion of employees with advanced academic degrees. In the companies that are suppliers and distributors, long industry and sales experience, as well as broadly based technological expertise, are important qualities.

In Intoi as a whole, more than 72 percent of the employees have a higher post-secondary education and 26 have a secondary education. The average age of the Group's employees is 40 years. Like many other companies in the IT sector, the Group has an uneven gender balance, with 24 percent women and 76 percent men at the end of 2009.

In 2009 the number of employees in continuing operations was unchanged at 242. The average number of employees was 242 (233).

INVESTMENTS AND FINANCING

Net expenditure on property, plant and equipment for the year reached SEK –28.3 million (53.7). Net expenditure refers to the sum of investments and divestitures/disposals. Net expenditure for 2009 was negative as a result of the sale of Deltaco's former operating property in Bredäng. The equity/assets ratio has increased somewhat and amounted to 80 percent (79) at December 31, 2009. Pledged assets also decreased during the year and totaled SEK 103.2 million (121.3) at December 31, 2009. No changes in reported contingent liabilities took place.

CASH FLOW, CASH AND CASH EQUIVALENTS

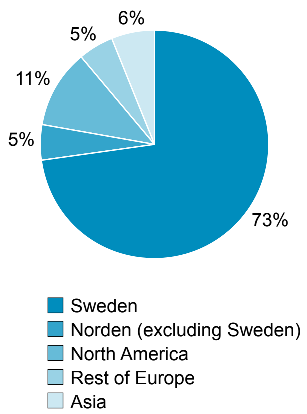
At December 31, 2009, Intoi had net cash of SEK 28.2 million (–38.4) in addition to the holding of 634,600 treasury shares.

The year's cash flow from operating activities improved significantly to SEK 51.7 million (22.5).

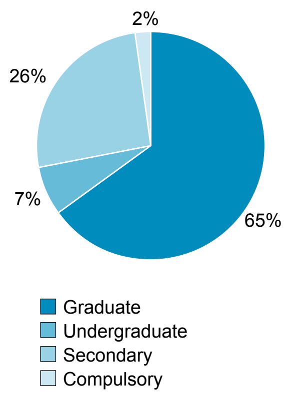
Cash flow from investing activities for the year amounted to SEK 21.5 million (–52.9). In 2009 Deltaco sold its former operating property.

The year's cash flow from financing activities was SEK –44.9 million (23.5). In the second quarter Intoi paid a stockholder dividend of SEK 0.60 per share (2.00), for a total of SEK 6.6 million (22.1). Cash flow was negatively affected by repayment of borrowings in an amount of SEK 38.3 million.

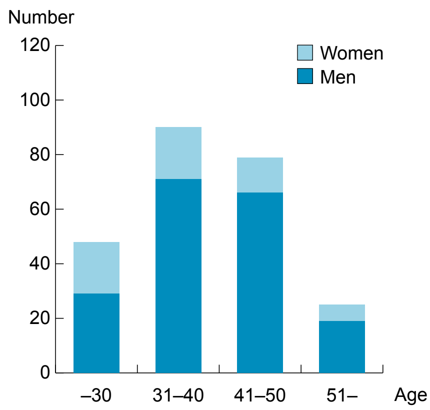
Number of employees by geographical area



Educational level



Age and gender distribution



Cash and cash equivalents at the end of the year totaled SEK 60.6 million (32.3) and unutilized bank overdraft facilities amounted to SEK 60.0 million (35.9). The Group's total available cash and cash equivalents thus amounted to SEK 120.6 million (68.2).

GOODWILL

The value of goodwill is attributable to profitability in the acquired operations. These acquisitions include TurnIT and IAR Systems in 2005, Northern in 2006 and Copernet in 2007. The purchase price allocations (PPA) are based on estimates and assumptions made on the respective acquisition dates. An impairment loss on all intangible assets in Nocom Software was recognized at year-end 2009 and was charged to the year's profit in an amount of SEK 18.7 million. Goodwill at December 31, 2009, amounted to SEK 288.7 million (304.5).

DEFERRED TAX ASSET

The deferred tax asset attributable to loss carryforwards is recognized only to the extent that it is probable that these loss carryforwards can be offset against future taxable profits. At December 31, 2009, the Group had cumulative loss carry-forwards of approximately SEK 382 million. In the balance sheet, the current estimated value of these losses is reported at SEK 89.7 million (87.2). This item consists mainly of the assessed value of capitalized loss carryforwards.

DIVIDEND POLICY

The Board of Directors intends to propose an annual dividend, or other similar transfer of value, corresponding to 30–50 percent of profit after tax. In addition, the Board may recommend a further transfer of capital refund the stockholders, provided that the Board considers this action to be justified in view of the anticipated future cash flow and the Company's investment plans.

The Board proposes a dividend of SEK 1.25 per share. In 2009 the company paid a dividend of SEK 0.60 per share.

GUIDELINES FOR REMUNERATION AND OTHER TERMS OF EMPLOYMENT OF SENIOR EXECUTIVES

The Board of Directors proposes to the 2010 AGM that the guidelines for remuneration to senior executives that were adopted by the 2009 AGM continue to apply.

The 2009 AGM approved the Board's proposed guidelines for remuneration to the company's senior executives according to the following. The Board's proposal corresponds to the previously applied guidelines for remuneration to the company's senior executives in all essential respects. The principles apply to employment contracts entered into after the decision of the AGM and in cases where changes are made in existing terms of employment after this date. Senior executives refer to the Chief Executive Office and the Chief Operating Officer. In these guidelines, the Board has also chosen to include the presidents of the subsidiaries. The Board of Directors has appointed a remuneration committee for preparation of matters related to remuneration and other terms of employment for the Executive Management.

No changes are proposed for 2010.

Motive

Intoi strives for a rewards system for the Chief Executive Officer, senior executives and other employees that is market-based and competitive. Remuneration to the Executive Management shall consist of fixed salary, variable salary, a long-term incentive scheme, pension and other customary benefits.

Fixed salary

Fixed salary shall be market-based and individually differentiated on the basis of the individual's role, performance, results and responsibilities. As a rule, fixed salary is adjusted once a year. That portion salary consisting of health and fitness, company car and lunch benefits, etc., is assigned a value in SEK and comprises part of fixed salary.

No changes are proposed for 2010.

Variable salary

Variable salary shall be proportionate to the responsibilities and powers of the individual in question. Variable salary is based on the attainment of predetermined performance targets in the areas of profit, sales and "soft" individual goals. The amount of variable salary is based on the number of established targets that are met by the individual and on actual outcomes in relation to these targets. The maximum amount of variable salary may not exceed 50 percent of fixed salary for the Chief Executive Officer and Chief Operating Officer, and 30 percent of fixed salary for the subsidiary presidents. The Board Chairman receives no variable salary. In addition, the Board shall be authorized to award variable salary on a discretionary basis to senior executives or subsidiary presidents in excess of that described above when deemed appropriate. Such remuneration may not exceed 50 percent of fixed salary.

No changes are proposed for 2010.

Warrant program

On a yearly basis, the Board of Directors shall evaluate whether additional long-term share-based or share price-based incentive schemes should be proposed to the Annual General Meeting. The Board proposed no such scheme in connection with the 2009 AGM and does not intend to propose and any such scheme ahead of the 2010 AGM.

Pension

The Chief Executive Officer and Chief Operating Officer are covered by a pension plan corresponding to the cost of the ITP plan, but with a retirement age of 60 years that makes the premium higher than that for a retirement age of 65 years. Other employees are covered by a pension plan corresponding to the cost of the ITP plan.

No changes are proposed for 2010.

Other terms of employment

Employment contracts can be terminated with a notice period of between three and six months. Monthly salary is payable throughout the entire notice period. If employment is terminated by the company, the Chief Executive Officer and Chief Operating Officer are entitled to a 12-month notice period and termination benefits corresponding to a maximum of six monthly salaries. If employment is terminated by the Chief Executive Officer or Chief Operating Officer, the notice period is six months.

Aside from the above, there are no agreements for additional termination benefits for senior executives.

No changes are proposed for 2010.

Consulting fees for members of the Board

In cases where Board members perform services in addition to customary Board duties, the Board of Directors can under special circumstances decide on additional remuneration in the form of consulting fees.

No such remuneration was paid in 2009.

Deviations from the guidelines

The Board of Directors shall have the right to deviate from the above guidelines in individual cases where the Board finds special reason to do so. In 2009 there were no deviations from the guidelines approved by the Annual General Meeting.

PROPOSED APPROPRIATION OF PROFITS

The funds at the disposal of the Annual General Meeting are as follows:

Retained profit	SEK 108,084,177
Profit for the year	SEK 5,092,915
Total	**SEK 13,177,092**

The Board of Directors and the Chief Executive Officer propose that these profits be allocated as follows:

To be paid to the stockholders as a dividend of SEK 1.25 per share	SEK 14 610 701
To be carried forward to new account	SEK 98,566,391
Total	**SEK 113,177,092**

The proposed dividend to the stockholders will reduce the equity/assets ratio to 99 percent in the Parent Company and 80 percent in the Group. The equity/assets ratio is deemed adequate and is expected to be maintained at a high level.

The Board of Directors' assessment is that the proposed dividend will not hinder the company, or other companies in the Group, from fulfilling their short- or long-term obligations or from making the requisite investments. The proposed dividend can therefore be justified with respect to the provisions in the Swedish Companies Act, Chapter 17, Section 3, Paragraphs 2–3 (the cautionary rule).

The proposed record date for payment of dividends is Friday, May 7, 2010.

SUBSEQUENT EVENTS

Nocom Software was integrated with Northern in February 2010. With its large customer base, high level of expertise and wide Nordic coverage, Nocom Software will strengthen Northern's organization.

Consolidated income statement

SEK M	Note	2009	2008
Continuing operations			
Net sales	1, 2, 3 4	603.0	570.5
Total operating income from continuing operations		**603.0**	**570.5**
Goods for resale	5	–297.2	–283.5
Other external expenses	6, 7, 8	–81.2	–77.0
Personnel costs	9, 10	–184.9	–168.4
Depreciation of tangible assets	20, 21, 22	–4.8	–4.2
Amortization of intangible assets	16, 17, 18, 19	–5.5	–5.1
Impairment losses on intangible assets	16, 17, 19	–18.7	–
Other operating expenses	11	–5.2	–
Operating profit from continuing operations		**5.5**	**32.3**
Financial investments in continuing operations			
Financial income	12	0.2	1.4
Financial expenses	12	–3.2	–3.6
Result from financial investments in continuing operations		**–3.0**	**–2.2**
Profit after financial items from continuing operations		**2.5**	**30.1**
Discontinued operations			
Net sales	1, 2, 3	0.0	8.8
Total operating income from discontinued operations		**0.0**	**8.8**
Goods for resale		0.0	–2.9
Other external expenses		0.0	–1.7
Personnel costs		0.0	–3.9
Depreciation of tangible assets	21	0.0	–0.9
Operating profit from discontinued operations		**0.0**	**–0.6**
Financial investments in discontinued operations			
Financial income		0.0	0.0
Financial expenses		–0.6	0.0
Result from financial investments in discontinued operations		**–0.6**	**0.0**
Profit after financial items from discontinued operations	13	**–0.6**	**–0.6**
Total profit after financial items		**1.9**	**29.5**
Income tax expense	14, 24	0.0	2.1
Profit for the year		**1.9**	**31.6**
Profit for the year attributable to:			
Owners the Parent Company		*1.9*	*31.6*
Earnings per share based on profit in continuing operations attributable to owners of the Parent Company during the year, (basic and diluted), SEK	15	*0.23*	*2.90*
Earnings per share based on profit in discontinued operations attributable to owners of the Parent Company during the year, (basic and diluted), SEK	15	*–0.05*	*–0.05*
Earnings per share based on comprehensive income attributable to owners of the Parent Company during the year, (basic and diluted), SEK	15	*0.17*	*2.85*

Consolidated statement of comprehensive income

SEK M	Note	2009	2008
Profit for the year		1.9	31.6
Other comprehensive income			
Foreign exchange gains/losses		–0.1	0.8
Other comprehensive income for the year		–0.1	0.8
Total comprehensive income for the year		**1.8**	**32.4**
Comprehensive income for the year attributable to owners of the Parent Company		*1.8*	*32.4*

Consolidated balance sheet

SEK M	Note	Dec. 31, 2009	Dec. 31, 2008
	1, 2, 3		
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	16	288.7	304.5
Brands	17	20.3	24.4
Software	18	9.4	6.2
Customer contracts	19	0.6	2.3
Total intangible assets		319,0	337,4
Tangible assets			
Leasehold improvements	20	0.2	0.2
Equipment	21	8.9	12.5
Buildings	22	45.2	70.3
Total tangible assets		54.3	83.0
Financial assets			
Other non-current securities		0.1	0.1
Other non-current receivables	23, 30	17.5	27.8
Deferred tax asset	24	89.7	87.2
Total financial assets		107.3	115.1
Total non-current assets		**480.6**	**535.5**
Current assets			
Inventories	25	73.5	66.5
Current receivables			
Trade receivables	26	90.5	83.4
Tax assets	26, 30	–	0.7
Other current receivables	27	12.6	10.5
Prepaid expenses and accrued income	28	20.6	28.6
Total current receivables		197.2	189.7
Cash and cash equivalents	29	60.6	32.3
Total current assets		**257.8**	**222.0**
TOTAL ASSETS		**738.4**	**757.5**
EQUITY AND LIABILITIES			
Equity			
Share capital	31	116.9	116.9
Other contributed capital		289.2	289.2
Reserves		0.1	0.2
Retained profit including profit for the year		185.7	190.4
Total equity attributable to owners of the Parent Company		**591.9**	**596.7**
Non-current liabilities			
Borrowing	8, 32	27.4	41.2
Deferred tax liabilities		7.6	8.6
Total non-current liabilities		**35.0**	**49.8**
Current liabilities			
Trade payables		35.9	17.0
Borrowing	8, 32	5.0	29.5
Provisions	33	–	1.0
Other liabilities	34	25.1	16.4
Accrued expenses and deferred income	35	45.5	47.1
Total current liabilities		**111.5**	**111.0**
TOTAL EQUITY AND LIABILITIES		**738.4**	**757.5**

Consolidated statement of changes in equity

SEK M	Note	Share capital	Other contributed capital	Reserves	Retained profil	Total equity
	31					
Balance at January 1, 2008		**116.9**	**289.2**	**–0.6**	**187.2**	**592.7**
Profit for the year					31.6	31.6
Other comprehensive income						
Foreign exchange gains/losses				0.8		0.8
Total comprehensive income				**0.8**	**31.6**	**32.4**
Transactions with owners						
Share buybacks					–6.3	–6.3
Dividends					–22.1	–22.1
Total transactions with owners					**–28.4**	**–28.4**
Balance at January 1, 2009		**116.9**	**289.2**	**0.2**	**190.4**	**596.7**
Profit for the year					1,9	1,9
Other comprehensive income						
Foreign exchange gains/losses				–0.1		–0.1
Total comprehensive income				**–0.1**	**1.9**	**1.8**
Transactions with owners						
Share buybacks					–	–
Dividends					–6.6	–6.6
Total transactions with owners					**–6.6**	**–6.6**
Balance at December 31, 2009		**116.9**	**289.2**	**–0.1**	**185.7**	**591.9**

Comments on the statement of changes in equity

A total of SEK 0.60 per share was distributed to the stockholders during the year in accordance with the decision of the AGM in May 2009.

The share capital at December 31, 2009, amounted to SEK 116,885,610, divided between 100,000 class A shares and 11,588,561 class B shares.

All shares have a quota value of SEK 10 each.

The dividend proposed by the Board but not yet approved by the AGM amounts to SEK 1.25 per share, for a total of SEK 14,610,701.

Consolidated statement of cash flows

SEK M	Note	2009	2008
Operating activities			
Incoming payments from customers		593.8	576.0
Outgoing payments to suppliers and employees		–536.4	–553.6
Cash flow from operating activities before interest and income taxes paid		**57.4**	**22.4**
Interest received		0.2	1.2
Interest paid		–3.8	–3.5
Income tax paid		–2.1	2.4
Cash flow from operating activities		**51.7**	**22.5**
Investing activities			
Investments in tangible assets	20, 21, 22	–0.7	–54.8
Sale of tangible assets	20, 21, 22	19.5	0.0
Investments in intangible assets	16, 17, 18, 19	–6.1	–1.2
Payment of contingent consideration		–1.0	–1.5
Sale of subsidiaries		–	0.5
Sale of (+) other financial assets		9.8	4.1
Cash flow from investing activities		**21.5**	**–52.9**
Financing activities			
Share buybacks		–	–6.3
Dividends to owners of the Parent Company		–6.6	–22.1
Repayment of borrowings		–38.3	–7.1
Proceeds from new borrowings		–	59.0
Cash flow from financing activities		**–44.9**	**23.5**
Cash flow for the year		28.3	–6.9
Cash and cash equivalents at beginning of year		32.3	39.2
Cash and cash equivalents at end of year	29	**60.6**	**32.3**

Parent Company income statement

SEK M	Note	2009	2008
	1, 2, 3, 4		
Net sales	4	12.8	13.5
Total operating income		**12.8**	**13.5**
Other external expenses	6, 7, 8	–9.9	–1.7
Personnel costs	9, 10	–9.7	–11.6
Depreciation of tangible assets	20, 21, 22	–0.2	–0.6
Operating profit		**–7.0**	**–0.4**
Result from financial investments			
Result from participations in group companies	38	–1.1	–1.0
Other interest income and similar income	12	0.2	0.3
Interest expenses and similar expenses	12	–0.9	–1.8
Total profit after financial investments		**–1.8**	**–2.5**
Profit before tax		**–8.8**	**–2.9**
Income tax expense	14, 24	13.9	2.0
Profit for the year		**5.1**	**–0.9**

Parent Company balance sheet

SEK M	Note	Dec. 31, 2009	Dec. 31, 2008
	1, 2, 3		
ASSETS			
Non-current assets			
Tangible assets			
Equipment	21	0.5	1.8
Total tangible assets		0.5	1.8
Financial assets			
Participations in group companies	39	414.3	414.4
Other non-current receivables	23	10.4	10.9
Deferred tax asset	24	60.0	46.8
Total financial assets		484.7	472.1
Total non-current assets		**485.2**	**473.9**
Current assets			
Current receivables			
Receivables from subsidiaries		4.7	43.6
Tax assets		0.4	0.3
Other current receivables	27	1.0	1.2
Prepaid expenses and accrued income	28	6.7	5.7
Total current receivables		12.8	50.8
Cash and cash equivalents	29	5.2	0.0
Total current assets		**18.0**	**50.8**
TOTAL ASSETS		**503.2**	**524.7**
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	31	116.9	116.9
Statutory reserve		270.2	270.2
		387.1	387.1
Non-restricted equity			
Share premium reserve		74.2	74.2
Retained profit		33.9	39.6
Profit for the year		5.1	–0.9
		113.2	112.9
Total equity		**500.3**	**500.0**
Current liabilities			
Trade payables		1.0	0.5
Borrowing	32	–	20.9
Provisions	33	–	1.0
Other liabilities	34	0.6	1.0
Accrued expenses and deferred income	35	1.3	1.3
Total current liabilities		**2.9**	**24.7**
TOTAL EQUITY AND LIABILITIES		**503.2**	**524.7**
Pledged assets	36	1.4	1.4
Contingent liabilities	37	–	–

Parent Company statement of changes in equity

SEK M	Note	Share capital	Statutory reserve	Share premium reserve	Retained profit	Total equity
	31					
Balance at January 1, 2008		**116.9**	**270.2**	**74.2**	**62.7**	**524.0**
Share buybacks					–6.3	–6.3
Dividends paid					–22.1	–22.1
Group contributions, net					5.3	5.3
Total income and expense recognized directly in equity		**0**	**0.0**	**0.0**	**–23.1**	**–23.1**
Profit for the year					–0.9	–0.9
Balance at December 31, 2008		**116.9**	**270.2**	**74.2**	**38.7**	**500.0**
Dividends paid					–6.6	–6.6
Group contributions, net					1.8	1.8
Total income and expense recognized directly in equity		**0**	**0.0**	**0.0**	**–4.8**	**–4.8**
Profit for the year					5,1	5,1
Balance at December 31, 2009		**116.9**	**270.2**	**74.2**	**39.0**	**500.3**

Comments on the statement of changes in equity

A total of SEK 0.60 per share was distributed to the stockholders during the year in accordance with the decision of the AGM in May 2009.
The share capital at December 31, 2009, amounted to SEK 116,885,610, divided between 100,000 class A shares and 11,588,561 class B shares.
All shares have a quota value of SEK 10 each.
The dividend proposed by the Board but not yet approved by the AGM amounts to SEK 1.25 per share, for a total of SEK 14,610,701.

Parent Company statement of cash flows

SEK M	Note	2009	2008
Operating activities			
Incoming payments from customers		12.8	13.5
Outgoing payments to suppliers and employees		–15.1	–22.4
Cash flow from operating activities before interest and income taxes paid		**–2.3**	**–8.9**
Interest received		0.2	0.3
Interest paid		–0.9	–1.8
Dividends received		–	–
Cash flow from operating activities		**–3.0**	**–10.4**
Investing activities			
Investments in subsidiaries		–1.0	–1.0
Investments in tangible assets	20, 21, 22	–0.0	–0.2
Sale of tangible assets	20, 21, 22	1.1	0.0
Decrease in loans to subsidiaries		33.3	10.3
Cash flow from investing activities		**33.4**	**9.1**
Financing activities			
Proceeds from new borrowings		–	20.9
Repayment of borrowings		–20.9	–
Dividends paid		–6.6	–22.1
Share buybacks		0.0	–6.3
Group contributions		2.3	7.4
Cash flow from financing activities		**–25.2**	**–0.1**
Cash flow for the year		5.2	–1.4
Cash and cash equivalents at beginning of year		0.0	1.4
Cash and cash equivalents at end of year	29	**5.2**	**0.0**

Five-year overview

INCOME STATEMENTS

SEK M	2009	2008	2007	2006	2005
Net sales, total	603.0	579.3	693.8	788.3	635.6
Operating expenses	–546.2	–519.5	–630.4	–715.6	–587.3
Depreciation of tangible assets	–4.8	–5.1	–5.9	–7.5	–7.6
Profit from holdings	**52.0**	**54.7**	**57.5**	**65.2**	**40.7**
Central costs, net	–22.3	–17.9	–12.6	–12.7	–10.8
Other operating income	–	–	–	3.0	8.4
Amortization of intangible assets	–5.5	–5.1	–4.4	–4.4	–2.8
Impairment losses on intangible assets	–18.7	–	–	–	–
Operating profit, total	**5.5**	**31.7**	**40.5**	**51.1**	**35.5**
Result from financial investments	–3.6	–2.2	0.9	–1.1	–0.8
Profit before tax	**1.9**	**29.5**	**41.4**	**50.0**	**34.7**
Income tax expense	0.0	2.1	17.9	3.4	22.3
Profit for the year	**1.9**	**31.6**	**59.3**	**53.4**	**57.0**

BALANCE SHEETS

SEK M	2009	2008	2007	2006	2005
ASSETS					
Non-current assets					
Goodwill	288.7	304.5	313.7	302.8	227.6
Other intangible assets	30.3	32.9	36.2	37.9	38.3
Tangible assets	54.3	83.0	36.8	43.6	46.3
Financial assets	107.3	115.1	111.6	74.3	63.3
Total non-current assets	**480.6**	**535.5**	**498.3**	**458.6**	**375.5**
Current assets					
Inventories	73.5	66.5	76.5	72.2	66.7
Other current assets	33.2	39.8	26.7	31.7	27.3
Trade receivables	90.5	83.4	76.1	137.1	150.4
Cash and cash equivalents	60.6	32.3	39.2	108.1	89.5
Total current assets	**257.8**	**222.0**	**218.5**	**349.1**	**333.9**
TOTAL ASSETS	**738.4**	**757.5**	**716.8**	**807.7**	**709.4**
EQUITY, PROVISIONS AND LIABILITIES					
Total equity	**591.9**	**596.7**	**592.7**	**592.3**	**448.9**
Non-current liabilities					
Borrowing	27.4	41.2	12.5	16.8	32.2
Provisions	7.6	8.6	10.5	12.6	16.6
Total non-current liabilities	**35.0**	**49.8**	**23.0**	**29.4**	**48.8**
Current liabilities					
Trade payables	35.9	17.0	36.8	84.9	81.1
Borrowing	5.0	29.5	6.3	2.1	17.4
Provisions	–	1.0	3.8	5.4	2.4
Other current liabilities	70.6	63.5	54.2	93.6	110.8
Total current liabilities	**111.5**	**111.0**	**101.1**	**186.0**	**211.7**
TOTAL EQUITY, PROVISIONS AND LIABILITIES	**738.4**	**757.5**	**716.8**	**807.7**	**709.4**

CASH FLOWS

SEK M	2009	2008	2007	2006	2005
Incoming payments from customers	593.8	576.0	754.8	808.5	639.2
Outgoing payments to suppliers and employees	–536.4	–553.6	–731.6	–767.4	–631.0
Interest received	0.2	1.2	1.8	1.8	0.9
Interest paid	–3.8	–3.5	–0.5	–2.5	–1.8
Income tax paid	–2.1	2.4	–7.3	4.0	0.1
Cash flow from operating activities	**51.7**	**22.5**	**17.2**	**44.4**	**7.4**
Cash flow from investing activities	**21.5**	**–52.9**	**–28.4**	**–26.9**	**32.9**
Cash flow from financing activities	**–44.9**	**23.5**	**–57.7**	**1.1**	**35.5**
Cash flow for the year	**28.3**	**–6.9**	**–68.9**	**18.6**	**75.8**

KEY RATIOS

	2009	2008	2007	2006	2005
Gross margin, total, %	5.7	7.2	7.3	8.0	7.2
Operating margin, total, %	0.9	5.5	5.8	6.5	5.6
Profit margin, total, %	0.3	5.1	6.0	6.3	5.5
Cash flow, total, %	8.6	3.9	2.5	5.6	1.2
Equity/assets ratio, %	80.2	78.8	82.7	73.3	63.3
Return on equity, %	0.3	5.3	10.0	10.3	22.2
Return on capital employed, %	0.9	5.2	7.0	9.5	12.6
Interest coverage ratio, times	1.5	9.4	38.0	21.0	20.,0
Capital employed, SEK M	624.3	667.4	611.5	611.2	498.5
Net interest-bearing liabilities, SEK M	–28.2	38.4	–20.4	–89.2	–39.9
Net debt/equity ratio, times	–0.05	0.06	–0.03	–0.15	–0.09
Number of employees at end of period	242	242	219	261	250
Average number of employees	242	233	256	273	212
Net sales per employee, SEK M	2.5	2.5	2.7	2.9	3.0

DATA PER SHARE

	2009	2008	2007	2006	2005
Equity per share, SEK	53.57	53.98	52.90	50.70	45.00
Number of shares at end of period, millions	11.05	11.05	11.21	11.69	9.98
Average number of shares, millions	11.05	11.08	11.60	10.34	8.06
Cash flow from operating activities per share, SEK	4.68	2.03	1.50	3.80	0.92
Earnings per share, SEK	0.17	2.85	5.10	5.16	7.07
Dividend per share, SEK	0.60	2.00	3.00	–	–
Closing share price on 31 December or similar, SEK	24.40	13.35	38.20	79.00	72.50

DEFINITIONS

Capital employed
Balance sheet total less interest-free liabilities.

Cash flow
Cash flow from operating activities as a percentage of sales.

Diluted earnings per share
Earnings per share after dilution are calculated on profit attributable to equity holders in the Parent Company divided by the weighted average number of shares outstanding during the period including outstanding warrants. See also Note 15, page 39.

Earnings per share
Profit for the year after tax divided by the average number of shares during the period.

Equity
Reported equity including 73.7 percent of untaxed reserves.

Equity/assets ratio
Equity as a percentage of the balance sheet total.

Equity per share
Equity divided by the number of shares at the end of the period.

Gross margin
Operating profit before depreciation/amortization as a percentage of sales.

Interest coverage ratio
Profit after financial items plus financial expenses divided by financial expenses.

Net debt/equity ratio
Net interest-bearing liabilities divided by equity.

Net interest-bearing liabilities
Interest-bearing liabilities less interest-bearing assets.

Operating margin
Operating profit as a percentage of sales.

Profit margin
Profit after financial items as a percentage of sales.

Return on capital employed
Profit after financial items plus financial expenses as a percentage of average capital employed.

Return on equity
Profit after financial items less full tax as a percentage of average equity.

Notes

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Intoi AB (publ), corporate identification number 556400-7200, is a Swedish-registered limited liability company domiciled in Stockholm, Sweden. The address to the company's head office is Kista Science Tower, SE-164 51 Kista, Sweden. Intoi is an IT group that was founded in 1985 and listed on the stock exchange in 1999. Intoi's mission is based on the acquisition, active ownership and divestment of IT companies. Business is conducted in subsidiaries operating under their own names and business concepts – Deltaco, IAR Systems, Northern and Nocom Software.

The Parent Company is listed on the Small Cap list of the NASDAQ OMX Nordic Exchange Stockholm.

The consolidated financial statements were approved for publication by the Board of Directors on April 14, 2010.

Group

1.1 Basis of presentation

Intoi AB's consolidated financial statements are presented in accordance with the Swedish Annual Accounts Act, RFR 1.2 Supplementary Accounting Rules for Groups, International Financial Reporting Standards (IFRS) and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) which have been endorsed for application in the EU.

Unless otherwise stated, the accounting policies are unchanged between years. The functional currency of the Parent Company is Swedish kronor (SEK), which is also the presentation currency of the Parent Company and the Group. The financial statements are therefore presented in SEK. All amounts, unless otherwise stated, are rounded off to the nearest one hundred thousandth. The consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions. It also requires the management to exercise its judgment in the process of applying the company's accounting policies. The estimates and assumptions are based on past experience and a number of other factors that are considered reasonable under the given circumstances. The results of these estimates and assumptions are then used to make judgments about the carrying value of assets and liabilities that cannot be readily determined from other sources. Actual outcomes may differ from these estimates and assumptions. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

New and amended accounting standards

In preparation of the consolidated financial statements at 31 December 2009, a few new standards and interpretations have gone into effect compared to the preceding year and several have been published but are not yet effective. Below is an assessment of the actual and preliminary impact arising from the implementation of these standards and interpretations on Intoi's financial statements:

a) New and amended accounting standards that are effective and have been applied by the Group

- IAS 1 (revision), "Presentation of Financial Statements" (effective January 1, 2009). The revised standard prohibits the presentation of items of income and expenses (i.e. "non-owner changes in equity") in the statement of changes in equity and requires non-owner changes in equity to be presented separately from owner changes in equity in a statement of comprehensive income. As a result, the Group presents all owner changes in equity in the "Consolidated statement of changes in equity" while all non-owner changes in equity are presented in the "Consolidated statement of comprehensive income". The comparative information has been restated in accordance with the revised standard. Since this change of accounting standard only affects presentation aspects, it has no impact on earnings per share.
- IFRS 7 (amendment), "Financial Instruments: Disclosures" (effective January 1, 2009). The amendment requires additional disclosures about fair value measurement of financial instruments and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. Since this amendment only results in additional disclosure requirements, it has no impact on earnings per share.

The other standards and interpretations that are effective are not assessed to have any accounting effects or require additional disclosures.

b) Standards, amendments and interpretations of existing standards that are not yet effective and have not been applied in advance by the Group

IFRS 3 (revision), "Operating Segments" (effective July 1, 2009). The revised standard continues to apply the acquisition method for business combinations, but with some significant changes. For example, all payments to purchase a business are recorded at fair value on the acquisition date, while subsequent contingent payments are recognized as a liability with fair value adjustments through the income statement. Non-controlling equity (minority) interests can be measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's net identifiable assets. All acquisition-related costs are expensed. The Group will apply IFRS 3 (Revised) prospectively for all business combinations on or after January 1, 2010.

The other standards and interpretations that are effective are not assessed to have any accounting effects or require additional disclosures.

1.2 Consolidation

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies in a manner generally accompanying ownership of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date on which control ceases.

All subsidiaries are consolidated according to the acquisition method of accounting. The cost of an acquisition is measured as the aggregate of the fair values, on the date of exchange, of the assets given, equity instruments issued and liabilities incurred or assumed, plus any costs directly attributable to the acquisition. The identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at their fair values on the acquisition date, regardless of the extent of any non-controlling interests. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement.

All intra-company transactions, balances, and unrealized gains arising on transactions between group companies are eliminated. Unrealized losses are similarly eliminated unless they provide evidence of impairment of the transferred asset. In certain cases, the accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

1.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the function responsible for allocating resources and assessing the performance of the operating segments. In the Group, this function has been identified as the senior executives, which are those individual that make strategic decisions.

In 2009 the Group had four segments: IAR Systems, Northern, Deltaco and Nocom Software. Income, expenses and profit in the various segments have been affected by intra-group sales. Intra-group sales are eliminated in preparation of the consolidated financial statements. Sales between segments are made on market-based terms and at market prices.

1.4 Foreign currency translation

a) Functional and presentation currency

The items included in the financial statements of each of the group entities are measured using the currency of the primary economic environment where the entity operates (the functional currency). The consolidated financial statements are presented in Swedish kronor (SEK), which is the functional and presentation currency of the Parent Company.

b) Transactions and balances

Foreign currency transactions are translated to the functional currency at the exchange rates prevailing on the transaction dates or the dates on which the items are revalued. Foreign exchange gains/losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities in foreign currencies at the closing day rate are recognized in the income statement.

c) Group companies

The results and financial position of all group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency other than the presentation currency are translated into the Group's presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing day rate of exchange,
- income and expenses for each income statement are translated at the average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the dates of the transactions, in which case income and expenses are translated at the rates on the dates of the transactions), and all resulting foreign exchange gains and losses are recognized as a separate component of equity.

On consolidation, foreign exchange gains and losses resulting from the translation of the net investment in foreign operations are recognized in the statement of comprehensive income and accumulated as a separate component of equity. When a foreign operation is disposed of or sold, the cumulative amount of exchange gain/losses attributable to the operation is recognized in the income statement as part of the capital gain or loss on the sale.

The following exchange rates have been used:

Country	Currency	Closing day rate		Average rate	
USA	1 USD	7.2125	(7.7525)	7.6457	(6.5808)
Finland, France, Germany	1 EUR	10.3530	(10.9355)	10.6213	(9.6055)
UK	1 GBP	11.4850	(11.2475)	11.9260	(12.0912)
Japan	1 JPY	0.0784	(0.0860)	0.0818	(0.0640)
Denmark	1 DKK	1.3915	(1.4680)	1.4264	(1.2884)
Norway	1 NOK	1.2430	(1.1035)	1.2162	(1.1705)
China	1 CNY	1.0600	(–)	1.1192	(–)

1.5 Tangible assets

All tangible assets are measured at cost less accumulated depreciation and any impairment losses. The residual values and useful lives of assets are reviewed at each balance sheet date and adjusted if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. On disposal of the asset, any resulting gains are recognized in other income and losses are recognized in other operating expenses. Subsequent expenditure is included in the carrying amount of the asset or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow the Group and the cost of the asset can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Depreciation of tangible assets is calculated using the straight-line method to allocate their cost over their estimated useful lives, as follows:

Computers	3 years
Other equipment	5 years
Building	50 years
Leasehold improvements:	
Remaining lease period	1–5 years

1.6 Intangible assets

a) Goodwill

Goodwill represents the excess of the fair value of purchase consideration given in connection with an acquisition and the fair value of the Group's share of the acquired subsidiary's identifiable net assets on the acquisition date. Goodwill on acquisitions of subsidiaries is recognized in intangible assets. Goodwill is tested for impairment annually and is carried at cost less accumulated impairment losses. The gain or loss arising on the disposal of an entity includes the carrying amount of goodwill relating to the entity sold.

In testing for impairment, goodwill is allocated to cash-generating units. The cash-generating units used by Intoi are the four segments.

Goodwill is allocated to the cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

b) Brands

Brands are initially measured at cost. Brands have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of brands over their estimated useful lives of 5–15 years.

c) Computer software

Computer software is initially measured at cost. Software has a finite useful life and is carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of the software over its estimated useful life of 3-12 years.

In the Group, only IAR Systems and Northern conduct certain development activities. Development costs may be capitalized as intangible assets if, among other things, the company can demonstrate the technical and financial feasibility of completing the asset and the value of the asset can be reliably measured.

The Group's costs for technical platform components are expensed as incurred. Costs for development of technical platform components are expensed, since it is not possible at the time of completion of the development work to assess with adequate certainty the profit generating ability of the future end-products, i.e. the software that is based on the platform components and subsequent development work. In cases where platform components are adapted for sale in the local market, for example Japan, the costs for this are capitalized as an asset that is amortized over a period of three years.

For website development costs, the Group applies interpretation SIC 32, where by the costs for creating a website are capitalized as an asset if all of the conditions in IAS 38 have been met.

d) Customer contracts

Customer contracts are initially are initially measured at cost. Customer contracts have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of customer contracts over their estimated useful lives of five years.

1.7 Impairment

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Previously recognized impairment losses on non-financial assets other than goodwill are reviewed for possible reversal of the impairment at each balance sheet date.

1.8 Inventories
Inventories are stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress consists of design costs, raw materials, direct labor, other direct costs and related production overheads (based on normal production capacity). Borrowing costs are not included. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make a sale.

1.9 Financial assets
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. These are included in current assets, with the exception of items maturing more than 12 months after the balance sheet date. These are classified as non-current assets. The Group's loans and receivables consist of trade receivables and other receivables, as well as cash and cash equivalents in the balance sheet.

Recognition and measurement of financial assets
Regular purchases and sales of financial assets are recognized on the trade date – the date on which the Group commits to purchase or sell the asset.

Loans and receivables are measured at amortized cost using the effective interest rate method.

At each balance sheet date, the Group assesses whether there is objective evidence that a financial asset or group of financial assets is impaired.

1.10 Trade receivables
Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected within one year or earlier (or in the normal operating cycle of the business if this is longer), they are classified as current assets. If not, they are classified as non-current assets.

Trade receivables are initially measured at fair value and subsequently at amortized cost using the effective interest rate method, less provisions for impairment.

1.11 Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

1.12 Borrowings
Loans are initially measured at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost and any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer payment of the liability for at least 12 months after the balance sheet date. A financial liability is derecognized from the balance sheet when the obligation is discharged, cancelled or otherwise extinguished.

1.13 Trade payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if this is longer). If not, they are classified as non-current liabilities.

Trade payables are initially measured at fair value and subsequently at amortized cost using the effective interest rate method.

1.14 Current and deferred income tax
The income tax expense for the period consists of current tax and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In such cases, the resulting tax effect is also recognized in other comprehensive income or equity, respectively.

The current income tax charge is calculated on the basis of the tax laws that have been enacted or substantively enacted at the balance sheet date in the countries where the Parent Company's subsidiaries and associates operate and generate taxable income. The management periodically evaluates positions taken in tax returns with respect to situations in which the applicable tax regulations are subject to interpretation and, when deemed appropriate, establishes provisions on the basis of amounts that are expected to be paid to the tax authorities.

The reported income tax expense includes tax payable or receivable with respect to the year's profit or loss, adjustments in current tax from earlier periods and changes in deferred tax. All tax liabilities/receivables are measured at the nominal amount according to the tax rules and tax rates that have been enacted or substantively enacted at the balance sheet date. For items that are recognized in the income statement, the related tax effects are also recognized in the income statement.

Deferred tax is calculated according to the balance sheet method on all temporary differences between the tax bases of assets and liabilities and their carrying amounts.

Temporary differences are not recognized for consolidated goodwill or participations in group companies that are not expected to be taxed in the foreseeable future. Deferred income tax assets relating to tax loss carry-forwards or other future tax deductions are recognized only to the extent that it is probable that future taxable profit will be available against which the deduction can be utilized.

Deferred tax is reported according to the balance sheet method on all temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

1.15 Provisions
Provisions for contingent consideration and legal claims are recognized when the Group has a present obligation (legal or constructive) that has arisen as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably.

1.16 Employee benefits
a) Pension obligations
The Group has defined contribution pension plans under which each company pays fixed contributions to a separate legal entity and has no legal or constructive obligation to pay further contributions. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that the Group may receive a cash refund or a reduction in future payments.

b) Termination benefits
Termination benefits are payable when employment is terminated by the Group before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed to either terminate an employee or group of employees according to a detailed formal plan and is without realistic possibility of withdrawal; or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to their present value.

c) Bonus plans
The Group recognizes a liability and an expense for bonuses when there is a legal obligation, in accordance with the company's bonus models, based on sales and/or profit.

1.17 Revenue recognition
Revenue is measured as the fair value of consideration received or receivable for the sale of goods and services net of VAT and discounts and after elimination of inter-company sales. In certain cases the Group's sales contracts include delivery of several different sub-components, so-called multiple elements. In these cases the Group has allocated revenue based on the estimated fair values of the respective sub-components in order to facilitate accurate recognition of revenue. Interest income is recognized using the effective interest rate method.

Revenue in the Group's various subsidiaries is recognized as follows:

IAR Systems
Net sales consist of revenue arising from the sale of programming tools for embedded systems, consulting and training services, new development contracts and maintenance contracts. Revenue from software license fees are recognized upon delivery, which is not considered to have occurred until the access code for the license or the CD with the software has been made available to the customer.

Revenue from consulting and training services is recognized under the percentage of completion method. Contract work is of two different types, new development contracts and maintenance contracts, both of which carried out at a fixed price. Revenue from new development contracts is recognized in pace with the estimated fair value of that which has been delivered to the customer, which is primarily based on the stage of completion of the transaction. Revenue arising from maintenance contracts and support is accrued on a straight-line basis over the term of the contract. Revenue is recognized only to the extent of the expenses recognized that are likely to be recoverable from the customer.

Northern Parklife
Net sales consist of revenue from the sale of software for storage resource management and maintenance contracts. License fees for software are recognized upon delivery, which is not considered to have been made until the access code for the license has been made available to the customer. Revenue arising from maintenance contracts and support is accrued on a straight-line basis over the term of the contract.

In cases where license sales are based on delivery of the software and subsequent modification to customer specifications, revenue is recognized in proportion to the stage of completion.

Revenue is recognized only to the extent of the expenses recognized that are likely to be recoverable from the customer.

Deltaco
Net sales consist of revenue from the sale of computer accessories. Revenue arising from the sale of computer accessories is recognized on delivery and when the risks of ownership have been transferred to the buyer.

Nocom Software
Net sales consist of revenue from the sale of software licenses, support contracts, software service contracts, expert support and training within the software offering. Revenue from software license fees and software service contracts, where Nocom Software has no obligation to the customer, are recognized upon delivery, which is not considered to have been made until the access code for the license or the CD with the software have been made available to the customer. Revenue from support and service contracts where Nocom Software has an obligation to the customer are accrued on a straight-line basis over the term of the contract.

Expert support and training are charged on running account, whereby revenue is recognized in proportion to the stage of completion.

1.18 Foreign exchange gains and losses
Foreign exchange gains and losses attributable to purchases in the normal course of business are recognized in goods for resale. Foreign exchange gains and losses arising on revaluation of loans and financial receivables in foreign currencies are recognized in financial income or expenses.

1.19 Leases
Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased asset and the present value of the minimum lease payments.

Each lease payment is allocated between amortization of the liability and finance charges to produce a constant periodic rate of interest on the remaining balance of the liability. The corresponding obligation to pay future leasing charges, net of finance charges, is included in the balance sheet items non-current borrowing and current borrowing.

The interest element of the finance charge is recognized in the income statement over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Property, plant and equipment acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease period.

1.20 Borrowing costs
The Group has no borrowing costs that are directly attributable to the acquisition, construction or production of assets that takes a substantial period of time to get ready for their intended use or sale. In view of this, borrowing costs are expensed in the period in which they are incurred.

1.21 Statement of cash flows
The statement of cash flows is presented in accordance with the direct method. The reported cash flow includes only transactions that lead to cash receipts or payments. Cash and cash equivalents comprise cash on hand and demand deposits together with short-term, highly liquid investments that are subject to an insignificant risk of changes in value, are traded on an open market in known amounts or have a remaining maturity of three months or less from the date of acquisition.

Parent Company
1.22 Accounting policies of the Parent Company
The annual financial statements of the Parent Company are presented in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2.1, Accounting for Legal Entities. RFR 2.1 states that in the annual report for the legal entity, the Parent Company shall apply all EU-endorsed IFRSs and statements as far as possible within the framework of the Annual Accounts Act and with respect to the connection between accounting and taxation. This recommendation defines the exceptions d additional disclosures compared to IFRS. The differences between the accounting policies applied by the Group and the Parent Company are described below. The following accounting policies for the Parent Company have been applied consistently for all periods presented in the Parent Company's financial statements.

1.23 Group and stockholder contributions
The Parent Company recognizes group and stockholder contributions in accordance with a statement from the Swedish Financial Reporting Board's Urgent Issues Task Force, whereby stockholder contributions are recognized directly in equity by the recipient and as an increase in the cost of the investment by the giver. Group contributions are reported in accordance with their financial significance, which means that group contributions paid in order to minimize the Group's tax expense are recognized directly in equity less their current tax effect.

1.24 Finance leases
In the Parent Company, all leases are recognized according to the rules for operating leases regardless of whether they are operating or finance leases.

1.25 Dividends
The Parent Company recognizes dividends from subsidiaries when the right to receive payment is deemed certain.

1.26 Participations in group companies
In the Parent Company's financial statements, participations in group companies are accounted for in accordance with the cost method less any impairment losses. Dividends received are recorded as revenue only on the condition that these derive from profits arising after the acquisition date.

NOTE 2 FINANCIAL RISK MANAGEMENT

Operating risks

Customers

The subsidiaries strive to build long-term relationships with their customers. In general, there is a relatively good spread across customer categories in terms both of industrial sectors and markets. Despite this spread over customer categories, the loss of one or more major customers may have a negative impact on the operations and results of individual subsidiaries.

Employees

The subsidiary employees' longstanding experience of the products and good customer relationships are valuable competitive advantages. Employee expertise is continuously maintained and strengthened through training and knowledge-sharing. At present, employee turnover is low.

Technology

For companies active in the IT sector, it is vital to be able to offer products and services in the latest technologies as well as knowledge and experience of established products. Subsidiaries with proprietary software are technologically advanced. In the computer accessories market, much of the product range consists of basic products with a considerably longer technological and commercial life. However, it cannot be ruled out that individual subsidiaries may be negatively affected by future technology shifts.

Competitors

Intoi's subsidiaries compete with companies in several different subsegments of the IT industry. The competitors include both international and domestic companies.

Business cycle

The business cycle and related customer IT investments are difficult to predict and have a considerable impact on sales and earnings development also for the Group as a whole. Recent years' divestitures of unprofitable operations and the diversification between products, markets and industrial sectors represented by the remaining holdings have reduced the Group's sensitivity to the business cycle. The management closely monitors the potential effects on the Group's subsidiaries arising from trends in the business cycle.

Financial risks

Through its operations, the Group is exposed to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management policy is focused on the unpredictability of financial markets and seeks to minimize the potential adverse effects on the Group's financial performance. Risk management is handled centrally according to policies that are adopted by the Board of Directors. The Executive Management identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units.

a) Market risk

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from exposure to different currencies, predominantly the US dollar and euro. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations. Foreign exchange risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the functional currency of the entity. The Group has decided not to hedge anticipated cash flows since the assessment is that there is a certain degree of natural hedging in the Group in that both sales and purchasing are denominated in foreign currency in equal amounts.

The Group's sales in foreign currency, mainly USD and EUR, make up around 33 percent of total sales. Of the cost of goods for resale in the Group, approximately 75 percent of purchases are denominated in foreign currency, also primarily USD and Euro.

SEK M	Total	SEK	USD	Euro	Other currencies
Net sales	603.0	342.5	86.7	114.5	59.3
Goods for resale	297.2	75.0	164.3	54.3	3.6
Other operating expenses	300.3	229.0	36.1	17.4	17.8

(ii) Price risk

The Group is not assessed to be exposed to any price risk that could have a significant impact on the Group's profit or financial position.

(iii) Cash flow and fair value interest rate risk

Because the Group has a net cash surplus, interest rate risk is deemed minor.

b) Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents, deposits with banks and credit exposures to customers, including outstanding receivables and committed transactions. For banks, only independently rated parties with a minimum rating of "A" are accepted. Individual risk limits for customers are set based on internal credit assessments with external support in accordance with the limits set by the Executive Management, in consultation with the management of each subsidiary.

The utilization of credit limits is regularly monitored. No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by these counterparties in excess of the amount for which provisions have been made.

Credit risks in trade receivables

The Group has sales to a large number of customers. Most of the Group' sales go to customers in the Nordic countries. For a few subsidiaries, however, sales are made predominantly in the international market. For these companies, the USA is a large and important market.

Sales are subject to normal delivery and payment conditions. The Group's credit granting policy contains rules to ensure that management of customer credits includes credit assessment, credit limits, decision-making levels and handling of doubtful debts. No specific customer or group of customers accounted for a significant share of trade receivables at year-end 2009. Historically, the Group's bad debt losses have not been significant in scope.

c) Liquidity risk

The Group manages liquidity risk by ensuring that it has adequate cash and cash equivalents and short-term investments with a liquid market while maintaining sufficient access to financing through committed borrowing facilities. Due to the dynamic nature of the Group's operations, the management achieves flexibility in financing by maintaining agreements for lines of credit. In addition, the management closely monitors rolling forecasts of the Group's liquidity reserve, consisting of undrawn committed borrowing facilities and cash and cash equivalents, on the basis of anticipated cash flows.

The table below analyses the maturity structure of the Group's financial liabilities grouped according to the period remaining to the contractual maturity. The amounts disclosed in the table are the contractual undiscounted cash flows.

Per 31 december 2009	Less than 1 year	Between 1 and 2 year	Between 2 and 5 year	Later than 5 year
Borrowings including computed interest[1]	5.9	11.2	14.9	5.5
Finance lease liabilities	0.7	0.7	–	–
Bank overdraft facilities	–	–	–	–
Trade and other payables[2]	83.2	–	–	–

Per 31 december 2008	Less than 1 year	Between 1 and 2 year	Between 2 and 5 year	Later than 5 year
Borrowings including computed interest[1]	7.3	13.8	18.6	20.6
Finance lease liabilities	0.7	–	–	–
Bank overdraft facilities	24.1	–	–	–
Trade and other payables[2]	52.1	–	–	–

1) Computed based on an interest rate of 5.5 percent (6.2) at December 31, 2009.
2) The maturity analysis refers only to financial instruments, for which reason items such as accrued social security expenses are not included.

Sensitivity analysis

The risks described here and in the administration report can result in either lower income or higher expenses for the Group. The table below shows the effects on consolidated profit or loss resulting from changes in a number of items in the income statement.

Equity is not assessed to be affected by the following changes other than through the income statement.

At 31 December 2009

Sensitivity analysis	Change	Effect on profit
Cost of materials	+/– 2%	+/– SEK 6.0 M
Payroll expenses	+/– 5%	+/– SEK 9.1 M
Currency – EUR	+/– 5%	+/– SEK 2.4 M
Currency – USD	+/– 5%	+/– SEK 5.9 M
Variable interest	+/– 1%-point	+/– SEK 0.3 M

At 31 December 2008

Sensitivity analysis	Change	Effect on profit
Cost of materials	+/– 2%	+/– SEK 5.7 M
Payroll expenses	+/– 5%	+/– SEK 8.2 M
Currency – EUR	+/– 5%	+/– SEK 2.0 M
Currency – USD	+/– 5%	+/– SEK 6.2 M
Variable interest	+/– 1%-point	+/– SEK 0.5 M

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for the stockholders and benefits for other stakeholders and to maintain an optimal capital structure as a means for reducing the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to stockholders, return capital to stockholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including "current and non-current borrowings" as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as "equity" as shown in the consolidated balance sheet plus net debt.

In 2009 the Group's strategy was to improve the gearing ratio. As a result of the sale of the operating property in Deltaco (December 2009) and the strong cash flows generated by operating activities, the target can be raised to a gearing ratio of between 0 and –10 percent (previously 5–10 percent). The gearing ratio at December 31, 2009 and 2008 was as follows:

	2009	2008
Total borrowings (Note 32)	32.4	70.7
Less cash and cash equivalents (Note 29)	–60.6	–32.3
Net debt	–28.2	38.4
Total equity	591.9	596.7
Total capital	563.7	635.1
Net debt/equity ratio	–5%	6%

The carrying amounts, less impairment losses, of trade receivables and trade payables are assumed to approximate their fair values, since these items are of a current nature.

NOTE 3 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

a) Estimated impairment of goodwill

The Group tests goodwill for impairment annually, in accordance with the accounting policy stated in Note 2.6. The recoverable amounts of cash-generating units have been determined based on calculations of value in use. These calculations require the use of estimates (Note 16).

Value in use is calculated on the basis of future cash flow projections. Cash flows for the first five years are based on financial budgets approved by the management. Cash flows beyond the five-year period are extrapolated using the estimated growth rate. The growth rate used is based on past performance and the management's expectations for market development. The estimated operating margin used in calculation of value in use is based on past performance and the management's expectations for market development. The discount rates used are pre-tax and are assessed to reflect specific risks relating to the relevant operating segments.

In 2009 Nocom Software had a lower distributor margin for parts of the company's offering. The company's earning ability has thus declined and an impairment charge of SEK 15.8 million arose, which means that the reported value of the cash-generating unit was written down to zero. Aside from impairment of goodwill, the values of brands and customer contracts were also written down by SEK 1.7 million and SEK 1.2 million, respectively.

b) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the provision for income taxes in the consolidated financial statements. There are many transactions and calculations for which the ultimate tax determination is uncertain at the date of the transactions and calculations. The Group has substantial accumulated loss carryforwards.

As a result of Intoi's (Nocom's) acquisition of TurnIT 2005, loss carryforwards in the acquired companies have been reduced through the so-called amount block rule.

Furthermore, the opportunities to utilize these loss carryforwards have been affected by the so-called group contribution rule, which restricts the usability of group contributions to the respective original corporate group. As of 1 January 2011, the loss carryforwards are no longer blocked and can therefore be utilized in full.

At December 31, 2009, the Group had cumulative loss carryforwards of approximately SEK 382 million. All loss carryforwards are found in Sweden and can be used for an unlimited period.

A total deferred tax asset of SEK 87.2 million is recognized in the consolidated balance sheet at December 31, 2009. The value of loss carryforwards is recognized as an asset to the extent that it is probable that the loss carryforwards can be utilized against future taxable profits. The assessed value is based on previous performance and the management's expectations for market development.

c) Revenue recognition

The Group reports revenue in accordance with IAS 18, Revenue, whereby revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the seller and these can be measured reliably. Revenue is measured according to the principles described in Note 1.17 above.

The Group assesses the probability that the economic benefits will flow to the Group on the basis of several factors, such as a customer's payment history and credit rating. In certain cases, the Group requires a deposit from the customer. If the company deems a debt to be doubtful, a provision is made to cover the debt until it is possible to determine whether or not the Group will receive payment. Advance payments are recorded as current liabilities until they are earned. In certain cases, the Group's sales contracts include delivery of several different sub-components, so-called multiple elements. In these cases, the Group has allocated revenue based on the estimated fair values of the respective sub-components in order to facilitate accurate revenue recognition.

d) Discontinued operations, critical judgments by the Board and Executive

Contingent consideration

As part of the sales price in connection with the sale of Nocom Security in 2007, an agreement was reached for payment of performance-based contingent consideration. The estimated outcome of the performance-based contingent consideration, SEK 10.3 million (the maximum amount of contingent consideration), has been taken into account in calculation of profit from discontinued operations. The actual outcome may differ from this judgment.

As part of the sales price in connection with the sale of Nocom Drift in 2008, an agreement was reached for payment of performance-based contingent consideration. The estimated outcome of the performance-based contingent consideration, SEK 5.1 million (the maximum amount of contingent consideration), has been taken into account in calculation of profit from discontinued operations. The actual outcome may differ from this judgment.

NOTE 4 SEGMENT REPORTING

The Group's operating segments consist of the various subsidiaries. This reporting corresponds to the Group's internal reporting to the Executive Management and Board of Directors. Income, expenses, assets and liabilities are reported by segment when they are directly attributable to the respective segment or when they can be reliably allocated. In cases where these items are shared and there are no reasonable grounds for allocation by segment, they have not been allocated.

At December 31, 2009, the Group was organized in four main segments: IAR Systems, Deltaco, Northern and Nocom Software, as well as Central.

Segment

Financial year 2009

SEK M	IAR Systems	Deltaco	Northern	Nocom Software	Central	Discontinued operations	Eliminations	Group
Income								
External sales	168.6	351.7	37.5	45.2		0.0		603.0
Internal sales	0.0	0.0	–	–	12.8	0.0	–12.8	0.0
Total income	**168.6**	**351.7**	**37.5**	**45.2**	**12.8**	**0.0**	**–12.8**	**603.0**
Profit								
Operating profit/loss by segment	17.9	31.9	–2.5	4.7	–22.3	0.0	–24.2	5.5
Interest income								0.2
Interest expenses and other expenses from financial investments								–3.8
Income tax								0.0
Profit/loss for the year								**1.9**
Other information								
Total assets	185.2	364.3	57.4	17.4	214.7	–	–100.6	738.4
Total liabilities	36.9	156.0	27.5	14.9	22.9	–	–111.7	146.5
Investments in tangible assets	0.6	–23.8	0.2	0.0	0.0	–	–	–23.0
Investments in intangible assets	5.0	–	–	0.8	–	–	–	5.8
Investments in goodwill	–	–	–	–	–	–	–	0.0
Depreciation of tangible assets	–1.0	–2.9	–0.2	–0.3	–0.4	–	–	–4.8
Amortization of intangible assets	–	–	–	–	–	–	–5.5	–5.5
Impairment losses on intangible assets	–	–	–	–	–		–18.7	–18.7

Financial year 2008

SEK M	IAR Systems	Deltaco	Northern	Nocom Software	Central	Discontinued operations	Eliminations	Group
Income								
External sales	160.5	335.0	33.1	41.9		8.8		579.3
Internal sales	0.0	0.1	–	–	13.3	0.3	–13.7	0.0
Total income	**160.5**	**335.1**	**33.1**	**41.9**	**13.3**	**9.1**	**–13.7**	**579.3**
Profit								
Operating profit/loss by segment	13.0	26.3	6.8	9.2	–17.9	–0.6	–5.1	31.7
Interest income								1.4
Interest expenses and other expenses from financial investments								–3.6
Income tax								2.1
Profit/loss for the year								**31.6**
Other information								
Total assets	185.9	367.9	53.5	39.4	257.6	–	–146.8	757.5
Total liabilities	38.7	159.7	6.9	18.9	82.3	–	–145.7	160.8
Investments in tangible assets	1.2	51.6	0.5	0.2	0.2	–	–	53.7
Investments in intangible assets	1.2	–	0.6	–	–	–	–	1.8
Investments in goodwill	–	–	–	–	–	–	–	0.0
Depreciation of tangible assets	–1.0	–2.2	–0.1	–0.1	–0.8	–0.9	–	–5.1
Amortization of intangible assets	–	–	–	–	–	–	–5.1	–5.1

Geographical areas

	Sales		Assets		Investments	
SEK M	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
Sweden	309.3	292.7	683.2	689.0	–28.3	56.0
Denmark	23.8	24.2	0.4	2.8	0.0	0.0
Norway	14.9	15.7	3.1	3.8	0.0	0.0
Finland	58.3	58.5	5.7	9.5	0.0	0.0
Baltic countries	1.1	1.1	0.0	0.0	0.0	0.0
Europe, excl. Nordic and Baltic region	78.9	67.9	17.4	20.1	0.0	0.1
North America	76.8	77.3	23.3	25.9	0.0	0.4
Asia	37.7	31.1	5.3	6.4	0.0	0.1
South America	1.9	1.7	–	–	–	–
Africa	0.3	0.3	–	–	–	–
Discontinued operations	0.0	8.8	–	–		
Total	**603.0**	**579.3**	**738.4**	**757.5**	**–28.3**	**56.6**

NOTE 5 FOREIGN EXCHANGE GAINS/LOSSES

The item "goods for resale" within consolidated operating profit includes foreign exchange gains/losses of SEK –1.4 million (2.2) pertaining to operating receivables and liabilities.

Operating profit in the Parent Company includes foreign exchange gains/ losses of SEK 0.0 million (0.0).

NOTE 6 FEES TO AUDITORS

	Group		Parent Company	
SEK M	**2009**	**2008**	**2009**	**2008**
Auditing services				
Öhrlings PricewaterhouseCoopers	1.7	1.6	0.8	0.8
Others	0.2	0.2	–	–
Non-auditing services				
Öhrlings	0.6	0.3	0.2	0.2
Others	0.2	0.1	–	–
Total fees to auditors	**2.7**	**2.2**	**1.0**	**1.0**

Auditing services refer to examination of the consolidated financial statements, the accounts and the administration of the Board of Directors and the President of the company, other tasks incumbent on the company's auditor, and advice or other assistance prompted by observations from such audits or the performance of other such tasks. All other work is classified as non-auditing services.

NOTE 7 OPERATING LEASES

During the year, lease payments under operating leases in the Group amounted to SEK 13.6 million (12.3). The majority of operating leases consist of leases for premises. The Parent Company classifies all leases, whether operating or finance leases, as operating leases.

The aggregate amount of future minimum lease payments at the balance sheet date under non-cancellable operating leases grouped by period to maturity was as follows:

	Group		Parent Company	
SEK M	**2009**	**2008**	**2009**	**2008**
Within 1 year	10.9	12.7	0.6	1.9
Within 2 years	8.3	7.7	0.0	0.0
Within 3 years	6.9	6.6	0.0	0.0
Within 4 years	3.4	5.8	–	–
Later than 5 years	2.9	2.9	–	–

NOTE 8 FINANCE LEASES

The majority of finance leases refer to company cars. The accumulated cost of finance leases at December 31, 2009, was SEK 2.2 million (1.9). Accumulated amortization at year-end amounted to SEK 0.7 million (0.4). These obligations are recognized within equipment in the balance sheet. See also Note 21.

Lease payments for company cars are affected by interest rate levels, and are thus variable.

Total lease charges of SEK 0.5 million (0.6) were paid during the year.

The present value of future payment obligations under finance leases is recognized within liabilities to credit institutions, divided between current and non-current liabilities, as follows:

Group, SEK M	**2009**	**2008**
Current portion (due within 1 year)	0.7	0.7
Non-current portion (due within 5 years)	0.7	–
Non-current portion (due later than 5 years)	–	–
Total	**1.4**	**0.7**

NOTE 9 EMPLOYEES

Average number of employees

	2009		2008	
	No. of employees	**Of whom, men**	**No. of employees**	**Of whom, men**
Parent Company				
Stockholm	3	67%	3	100%
Subsidiaries in Sweden				
Uppsala	91	76%	90	79%
Stockholm	83	76%	83	74%
Subsidiaries outside Sweden				
Denmark	5	100%	3	100%
Finland	7	57%	6	50%
Norway	1	100%	1	100%
UK	3	67%	3	67%
Germany	5	80%	4	75%
France	3	67%	3	67%
USA	27	78%	26	85%
China	5	40%	4	50%
Japan	9	78%	7	86%
Total subsidiaries	**239**	**76%**	**230**	**76%**
Total Group	**242**	**76%**	**233**	**77%**

Board members and senior executives

	2009		2008	
	No. of employees	**Of whom, men**	**No. of employees**	**Of whom, men**
Group (incl. subsidiaries)				
Board members	4	75%	4	75%
Presidents and other senior executives	2	100%	2	100%
Presidents in subsidiaries	3	100%	4	100%
Parent Company				
Board members	4	75%	4	75%
Presidents and other senior executives	2	100%	2	100%

Salaries, other remuneration and social security expenses

	2009		2008	
SEK M	**Salaries and other remuneration**	**Social security expenses (of which, pension costs)**	**Salaries and other remuneration**	**Social security expenses (of which, pension costs)**
Parent Company	5.8	3.7	6.3	3.9
		(1.8)		(1.6)
Subsidiaries	126.9	45.9	112.8	41.5
		(6.4)		(10.1)
Total Group	**132.7**	**49.6**	**119.1**	**45.4**
		(8.2)		**(11.7)**

Of the Group's total pension costs, SEK 2.8 million (1.9) is attributable to board members and presidents. Of the Parent Company's total pension costs, SEK 1.7 million (1.6) is attributable to the Board and CEO.

Breakdown of salaries and other remuneration by country and between Board members, the President, other senior executives and other employees

SEK M	2009 Board, CEO and other senior executives	2009 Other employees	2008 Board, CEO and other senior executives	2008 Other employees
Parent Company	5.1	0.7	5.0	1.3
Subsidiaries in Sweden	6.4	79.2	7.8	74.3
Subsidiaries outside Sweden				
Denmark	–	2.6	–	1.7
Finland	–	1.9	–	1.5
Norway	–	0.8	–	0.9
UK	–	1.1	–	0.9
Germany	–	5.5	–	3.4
France	–	2.1	–	1.0
USA	–	20.3	–	16.8
China	–	1.2	–	0.7
Japan	–	5.8	–	3.8
Total subsidiaries	**6.4**	**120.5**	**7.8**	**105.0**
Total Group	**11.5**	**121.2**	**12.8**	**106.3**

NOTE 10 REMUNERATION TO SENIOR EXECUTIVES

Principles

The Chairman and members of the Board of Directors are paid fees in accordance with the decision of the Annual General Meeting. No additional remuneration is paid for work on the Board's committees. No board fees are paid to members who receive salary from companies in the Intoi Group.

Remuneration to the CEO and other senior executives consists of basic salary, variable remuneration, other benefits, pension and financial instruments. Other senior executives refer to one individual who together with the CEO makes up the Executive Management. The AGM has chosen to include all company presidents, although they do not comprise other senior executives in the Group, in the summary of remuneration and other benefits during the year. For the composition of the Executive Management, see page 52.

The amount of variable remuneration for the CEO and other senior executives is determined by the company's Board of Directors from time to time. Variable remuneration is based on actual outcomes in relation to individually set targets in accordance with the principles approved by the AGM.

Pension benefits, remuneration in the form of financial instruments and other benefits of the CEO and other senior executives are paid as part of the total remuneration package.

Note 10, cont'd

Remuneration and other benefits during the year

Remuneration to the Board, CEO and other senior executives in 2009

SEK M	Basic salary/ board fees	Variable remuneration	Other benefits	Pension cost	Other remuneration	Total
Board Chairman Trygve Angell, Jan. 1 – Dec. 31	0.2	–	–	–	–	0.2
Board member Lisbeth Gustafsson, Jan. 1 – Dec. 31	0.1	–	–	–	–	0.1
Board member Björn Abild, Jan. 1 – Dec. 31	0.1	–	–	–	–	0.1
CEO Stefan Skarin, Jan. 1 – Dec. 31	2.5	0.3	0.1	0.8	–	3.7
CEOO Stefan Ström, Jan. 1 – Dec. 31	1.9	0.0	0.1	0.9	–	2.9
Presidents and vice presents in subsidiaries (4)	6.4	0.0	0.0	1.1	–	7.5
Total	**11.2**	**0.3**	**0.2**	**2.8**	**–**	**14.5**

Variable remuneration

For the CEO, variable remuneration for 2009 was based on the Group's net sales, operating profit and individual targets. The bonus amount for 2009 was equal to 12 percent (0) of basic salary. For other senior executives, variable remuneration for 2009 was based on the Group's net sales, operating profit and individual targets. The bonus amount for other senior executives for 2009 was equal to 0 percent (0) of basic salary.

Share-based incentive schemes

No share-based incentive schemes have existed.

Pension agreements

The CEO and COO are covered by pension insurance corresponding to the ITP plan, but with a contractual retirement age of 60 years. All other senior executives are covered by pension insurance corresponding to the ITP plan. All of the Group's pension plans are of the defined contribution type.

Termination benefits

In the event of dismissal by the company, the CEO and COO is entitled to full salary during a notice period of twelve months and termination benefits corresponding to six monthly salaries after the notice period.

All senior executives are entitled to salary and other contractual benefits during the notice period. The subsidiary presidents have employment contracts specifying a mutual notice period of three to six months and termination benefits corresponding to three to six monthly salaries.

NOTE 11 OTHER OPERATING EXPENSES

SEK M	Group 2009	Group 2008	Parent Company 2009	Parent Company 2008
Capital loss on sale of property	–5.2	–	–	–
Total other operating expenses	**–5.2**	**–**	**–**	**–**

NOTE 12 FINANCIAL INCOME AND EXPENSES

SEK M	Group 2009	Group 2008	Parent Company 2009	Parent Company 2008
Interest income	0.2	1.4	0.2	0.3
Total financial income	**0.2**	**1.4**	**0.2**	**0.3**
Interest expenses	–2.6	–3.5	–0.3	–1.8
Foreign exchange losses	–1.1	–	–0.6	–
Finance lease liabilities	–0.1	–0.1	–	–
Total financial expenses	**–3.8**	**–3.6**	**–0.9**	**–1.8**
Net financial items	**–3.6**	**–2.2**	**–0.7**	**–1.5**

NOTE 13 PROFIT FOR THE YEAR FROM DISCONTINUED OPERATIONS

	Group	
SEK M	2009	2008
Sale of Nocom Drift AB	–	–0.6
Exchange rate movement – contingent consideration	–0.6	0.0
	–0.6	**–0.6**

NOTE 14 INCOME TAX

	Group		Parent Company	
SEK M	2009	2008	2009	2008
Current tax on profit for the year	–2.5	2.1	–	–
Deferred tax	2.5	–	13.9	2.0
Total tax on profit for the year	**0.0**	**2.1**	**13.9**	**2.0**

NOTE 15 EARNINGS PER SHARE (BASIC AND DILUTED)

	Group	
SEK M	2009	2008
Continuing operations		
Reported profit before dilution, SEK M	2.5	32.2
Reported profit after dilution, SEK M	2.5	32.2
Basic earnings per share, SEK	0.23	2.91
Diluted earnings per share, SEK	0.23	2.91
Discontinued operations		
Reported profit before dilution, SEK M	–0.6	–0.6
Reported profit after dilution, SEK M	–0.6	–0.6
Basic earnings per share, SEK	–0.05	–0.05
Diluted earnings per share, SEK	–0.05	–0.05
Total		
Reported profit before dilution, SEK M	1.9	31.6
Reported profit after dilution, SEK M	1.9	31.6
Basic earnings per share, SEK	0.17	2.85
Diluted earnings per share, SEK	0.17	2.85
Number of shares		
Average number of shares before dilution, millions	11.05	11.08
Average number of shares after dilution, millions	11.05	11.08

Basic

Basic earnings per share are calculated by dividing profit attributable to owners of the Parent Company by the weighted average number of shares outstanding during the year.

Diluted

Profit for the year after tax is divided by the average number of shares outstanding during the year after dilution. The dilutive effect of warrants is determined based on the following assumptions: (1) all warrants with a exercise price that is lower than the market value per share at the end of the respective period are exercised and new shares issued, (2) the net proceeds generated by the exercise of warrants is equal to the number of warrants exercised multiplied by the value of the exercise price, (3) the net proceeds are used to repurchase shares at a price equal to the market price per share according to (1) above. The increase in the number of shares in the company is thus equal to the number of shares issued through the exercise of warrants less the number of shares repurchased with the net proceeds received.

NOTE 16 GOODWILL

	Group		Parent Company	
SEK M	2009	2008	2009	2008
Opening cost	303.4	312.8	0.4	0.4
Purchases	–	–	–	–
Sales and disposals	–	–9.4	–	–
Closing accumulated cost	**303.4**	**303.4**	**0.4**	**0.4**
Opening amortization	–	–	0.4	0.4
The year's amortization	–	–	–	–
Closing accumulated amortization	**0.0**	**0.0**	**–0.4**	**–0.4**
Opening impairment	–	–	–	–
The year's impairment	–15.8	–	–	–
Closing accumulated impairment	**–15.8**	**–**	**–**	**–**
Opening foreign exchange gain/losses	1.1	0.9	–	–
The year's foreign exchange gain/losses	0.0	0.2	–	–
Closing accumulated foreign exchange gain/losses	**1.1**	**1.1**	**–**	**–**
Closing carrying amount	**288.7**	**304.5**	**0.0**	**0.0**

Goodwill is allocated to the Group's identified cash-generating units by operating segment

	Group	
SEK M	2009	2008
IAR Systems	97.4	97.4
Deltaco	156.3	156.3
Northern	35.0	35.0
Nocom Software	–	15.8
Total	**288.7**	**304.5**

The Group tests goodwill for impairment annually and when there is an indication if impairment. The recoverable amounts of cash-generating units have been determined based on calculations of value in use. For the purposes of assessing impairment, this has been done at the lowest level for which there are separately identifiable cash flows.

Value in use is calculated on the basis of future cash flow projections. Cash flows for the first five years are based on financial budgets approved by the management. Cash flows beyond the five-year period are extrapolated using the estimated growth rate. The growth rate used is based on past performance and the management's expectations for market development.

Assumptions used for calculation of value in use

	IAR Systems	Deltaco	Northern
Growth rate	7.0%	2.0%	10.0%
Discount rate	11.0%	10.0%	12.0%

The estimated operating margin used in calculation of value in use is based on past performance and the management's expectations for market development.

The weighted average growth rates used are based on the forecasts made in industry reports. The discount rates used are pre-tax and are assessed to reflect specific risks relating to the relevant operating segments. Estimated value in use for the remaining holdings significantly exceeds the value of goodwill.

NOTE 17 BRANDS

SEK M	Group 2009	Group 2008	Parent Company 2009	Parent Company 2008
Opening cost	33.2	33.2	–	–
Purchases	–	–	–	–
Closing accumulated cost	**33.2**	**33.2**	**–**	**–**
Opening amortization	–8.8	–6.5	–	–
The year's amortization	–2.4	–2.3	–	–
Closing accumulated amortization	**–11.2**	**–8.8**	**–**	**–**
Opening impairment	–	–	–	–
The year's impairment	–1.7	–	–	–
Closing accumulated impairment	**–1.7**	**–**	**–**	**–**
Closing carrying amount	**20.3**	**24.4**	**–**	**–**

Value of brands by business area

SEK M	Group 2009	Group 2008
IAR Systems	8.0	8.8
Deltaco	11.6	12.7
Northern	0.7	0.9
Nocom Software	–	2.0
Total	**20.3**	**24.4**

The total carrying amount of brands at December 31, 2009, was SEK 20.3 million (24.4). In the income statement for 2009, amortization of brands was charged in an amount of SEK 2.4 million (2.3). Impairment of brands Nocom Software was recognized in the income statement for 2009 in an amount of SEK 1.7 million (–). The deferred tax liability attributable to brands amounted to SEK 5.3 million (6.8) at December 31, 2009. The reversal of the deferred tax liability had an effect of SEK 1.5 million (0.6) on profit for 2009.

NOTE 18 COMPUTER SOFTWARE

SEK M	Group 2009	Group 2008	Parent Company 2009	Parent Company 2008
Opening cost	9.0	7.2	–	–
Purchases	5.0	1.8	–	–
Closing accumulated cost	**14.0**	**9.0**	**–**	**–**
Opening amortization	–2.8	–1.4	–	–
The year's amortization	–1.8	–1.4	–	–
Closing accumulated amortization	**–4.6**	**–2.8**	**–**	**–**
Closing carrying amount	**9.4**	**6.2**	**–**	**–**

Value of computer software by business area

SEK M	Group 2009	Group 2008
IAR Systems	7.8	3.9
Deltaco	–	–
Northern	1.6	2.3
Nocom Software	–	–
Total	**9.4**	**6.2**

The total carrying amount of product development at December 31, 2009, was SEK 9.4 million (6.2). In the income statement for 2009, amortization of product development was charged in an amount of SEK 1.8 million (1.4). The deferred tax liability attributable to product development amounted to SEK 2.2 million (1.7) at December 31, 2009. The change in the deferred tax liability had an effect of SEK -0.5 million (0.4) on profit for 2009.

NOTE 19 CUSTOMER CONTRACTS

SEK M	Group 2009	Group 2008	Parent Company 2009	Parent Company 2008
Opening cost	6.7	6.7	–	–
Purchases	0.8	0.,0	–	–
Closing accumulated cost	**7.5**	**6.7**	**–**	**–**
Opening amortization	–4.4	–3.0	–	–
The year's amortization	–1.3	–1.4	–	–
Closing accumulated amortization	**–5.7**	**–4.4**	**–**	**–**
Opening impairment	–	–	–	–
The year's impairment	–1.2	–	–	–
Closing accumulated impairment	**–1.2**	**–**	**–**	**–**
Closing carrying amount	**0.6**	**2.3**	**–**	**–**

Value of customer contracts by business area

SEK M	Group 2009	Group 2008
IAR Systems	0.2	0.8
Deltaco	–	–
Northern	0.4	0.6
Nocom Software	–	0.9
Total	**0.6**	**2.3**

The total carrying amount of customer contracts at December 31, 2009, was SEK 0.6 million (2.3). Impairment of customer contracts in Nocom Software was recognized in the income statement for 2009 in an amount of SEK 1.2 million (–). In the income statement for 2009, amortization of product development was charged in an amount of SEK 1.3 million (1.4). The deferred tax liability attributable to customer contracts amounted to SEK 0.1 million (0.6) at December 31, 2009. The reversal of the deferred tax liability had an effect of SEK 0.5 million (0.4) on profit for 2009.

NOTE 20 LEASEHOLD IMPROVEMENTS

SEK M	Group 2009	Group 2008	Parent Company 2009	Parent Company 2008
Opening cost	0.3	10.7	–	1.5
Purchases	–	0.2	–	–
Sales and disposals	–	–10.6	–	–1.5
Closing accumulated cost	**0.3**	**0.3**	**–**	**0.0**
Opening depreciation	–0.1	–9.3	–	–1.5
Sales and disposals	–	9.8	–	1.5
The year's depreciation	0.0	–0.6	–	–
Closing accumulated depreciation	**–0.1**	**–0.1**	**–**	**0.0**
Closing carrying amount	**0.2**	**0.2**	**–**	**0.0**

NOTE 21 EQUIPMENT

SEK M	Group 2009	Group 2008	Parent Company 2009	Parent Company 2008
Opening cost	30.3	38.0	5.4	10.3
Purchases	2.5	7.2	0.0	0.2
Purchases through finance leases	0.5	0.3	–	–
Sales and disposals	–1.9	–15.2	–3.4	–5.1
Closing accumulated cost	**31.4**	**30.3**	**2.0**	**5.4**
Opening depreciation	–17.8	–27.5	–3.6	–8.1
Sales and disposals	–1.0	13.4	2.3	5.1
The year's depreciation on finance leases	–0.4	–0.4	–	–
The year's depreciation	–3.3	–3.3	–0.2	–0.6
Closing accumulated depreciation	**–22.5**	**–17.8**	**–1.5**	**–3.6**
Closing carrying amount	**8.9**	**12.5**	**0.5**	**1.8**

NOTE 22 BUILDINGS

SEK M	Group 2009	Group 2008	Parent Company 2009	Parent Company 2008
Opening cost	75.3	29.8	–	–
Purchases	0.1	5.7	–	–
Added through business combinations	–	39.9	–	–
Sales and disposals	–29.5	–0.1	–	–
Closing accumulated cost	**45.9**	**75.3**	**–**	**–**
Opening depreciation	–5.0	–4.4	–	–
Sales and disposals	5.4	0.1	–	–
The year's depreciation	–1.1	–0.7		
Closing accumulated depreciation	**–0.7**	**–5.0**	**–**	**–**
Closing carrying amount	**45.2**	**70.3**	**–**	**–**
Tax assessment values				
For property in Skärholmen, Utile Dulci 2	–	21.6		
For property in Huddinge, Genetikern 2	31.0	31.0		
	31.0	**52.6**		

NOTE 23 OTHER NON-CURRENT RECEIVABLES

SEK M	Group 2009	Group 2008
Receivable contingent consideration from the sale of Nocom Security	10.4	11.0
Receivable from the sale of Network Innovation	–	9.1
Receivable from the sale of Nocom Drift	6.7	6.7
Other	0.4	1.0
	17.5	**27.8**

NOTE 24 DEFERRED TAX

SEK M	Group 2009	Group 2008	Parent Company 2009	Parent Company 2008
The year's deferred tax expense/income				
Deferred tax expense attributable to				
– temporary differences	–1.0	–1.4	–	–
– group contributions	–	–	–	–
Deferred tax income attributable to				
– group contributions	–	–	0.7	2.0
– temporary differences	3.5	1.4	13.2	–
Deferred tax in the income statement, total	**2.5**	**0.0**	**13.9**	**2.0**

SEK M	Group 2009	Group 2008	Parent Company 2009	Parent Company 2008
Reconciliation between effective tax and tax based on the applicable tax rate				
Reported profit before tax	1.9	29.5	–8.8	–2.9
Tax according to the applicable tax rate	–0.5	–8.3	0.0	0.0
Tax effect of non-deductible expenses	–6.4	–1.4	0.0	0.0
Tax effect of non-taxable income	0.1	0.1	0.0	0.0
Refund of paid tax after review of earlier tax assessment	–	2.7	–	–
Effect of changed tax rate	–	–5.4	–	–
Utilization of previously uncapitalized loss carryforwards	4.3	14.4	–	–
Tax effect of group contributions paid and received	–	–	–	–
Tax on profit for the year according to the income statement	**–2.5**	**2.1**	**0.0**	**0.0**

Tax rate

The applicable tax rate, 26.3 (28) percent, is the tax rate for income tax in the Group.

Temporary differences

Temporary differences arise when the carrying amount of an asset or liability differs from its tax base. Temporary differences in respect of the following items have resulted in deferred tax liabilities and assets. Temporary differences relating to software, brands and customer contracts have resulted in deferred tax liabilities and temporary differences relating to loss carryforwards have resulted in deferred tax assets.

SEK M	Group 2009	Group 2008	Parent Company 2009	Parent Company 2008
Opening deferred tax liabilities	**–8.6**	**–9.5**	**–**	**–**
Deferred tax liability attributable to acquired intangible assets	–	–0.5		
Deferred tax liability attributable to sold intangible assets	–	–	–	–
The year's reversal of deferred tax liabilities	1.0	1.4	–	–
Closing deferred tax liabilities	**–7.6**	**–8.6**	**–**	**–**
Opening deferred tax assets	**87.2**	**85.8**	**46.8**	**46.8**
Acquired deferred tax asset	–	–	–	–
Deferred tax asset attributable to sold intangible assets	–1.0	–	–	–
Deferred tax asset attributable to loss carryforwards	3.5	1.4	13.2	–
Closing deferred tax assets	**89.7**	**87.2**	**60.0**	**46.8**
Net deferred tax assets	**82.1**	**78.6**	**60.0**	**46.8**

Total loss carryforwards in the Group at December 31, 2009, amounted to approximately SEK 382 million (408).

NOTE 25 INVENTORIES

	Group		Parent Company	
SEK M	2009	2008	2009	2008
Computer software	2.3	2.9	–	–
Computer accessories	70.8	62.3	–	–
Work in progress	0.4	1.3	–	–
Total inventories	**73.5**	**66.5**	**–**	**–**

Inventories are measured at historical cost.

NOTE 26 TRADE AND OTHER RECEIVABLES

	Group	
SEK M	2009	2008
Trade receivables	93.7	83.6
Provisions for doubtful debts	–3.2	–0.2
Trade receivables, net	90.5	83.4
Prepaid expenses and accrued income	20.6	28.6
Other receivables	12.6	11.2
	123.7	**123.2**

The fair values of trade receivables are assessed to approximate their carrying amounts. The estimated fair value has not been discounted, since the assessment is that this would not have any significant effect on fair value.

At December 31, 2009, trade payables amounting to SEK 12.9 million were past due but not impaired. These apply a number of independent customers that have not had any previous payment difficulties. The age structure of these trade payables is shown below.

Age analysis of past due trade receivables

	Group	
SEK M	2009	2008
Less than 3 months	7.0	10.6
3–6 months	5.9	0.8
More than 6 months	0.0	0.1
	12.9	**11.5**

The recorded amounts, by currency, for the Group's trade receivables are as follows:

	Group	
Currency	2009	2008
SEK	52.1	52.3
EUR	15.9	10.2
USD	15.6	14.3
Other currencies	6.9	6.6
	90.5	**83.4**

Changes in provisions for doubtful debts

	Group	
SEK M	2009	2008
Provisions at January 1	0.2	0.8
The year's provisions for doubtful debts	3.1	0.8
Receivables written off during the year as uncollectable	0.1	0.4
Reversed unutilized amount	–0.2	–1.8
Provisions at December 31	**3.2**	**0.2**

Credit quality

	Group	
SEK M	2009	2008
Group 1	5.3	4.3
Group 2	35.9	36.1
Group 3	49.3	43.0
Total	**90.5**	**83.4**

Group 1 – new customers (less than six months)
Group 2 – existing customers (more than six months), with no past late or defaulted payments
Group 3 – existing customers (more than six months), with certain past late or defaulted payments

Provisions and reversal of provisions for doubtful debts are included in other external expenses in the income statement.

Other categories within trade and other payables do not include any impaired assets.

The maximum exposure to credit risk on the balance sheet date is equal to fair value for each category of receivables mentioned above. The Group has not pledged any assets as security.

NOTE 27 OTHER CURRENT RECEIVABLES

	Group		Parent Company	
SEK M	2009	2008	2009	2008
Services in progress	9.0	2.9	–	–
Rent guarantees	0.2	0.3	–	–
Purchase consideration	0.0	3.3	–	–
Other	3.4	4.0	1.0	1.2
Total other current receivables	**12.6**	**10.5**	**1.0**	**1.2**

NOTE 28 DEFERRED EXPENSES AND ACCRUED INCOME

	Group		Parent Company	
SEK M	2009	2008	2009	2008
Accrued income	6.2	12.7	0.0	0.0
Deferred rents	1.5	1.6	0.1	0.1
Deferred insurance premiums	1.0	1.2	0.0	0.0
Other deferred expenses	11.9	13.1	6.6	5.6
Total deferred expenses and accrued income	**20.6**	**28.6**	**6.7**	**5.7**

NOTE 29 CASH AND CASH EQUIVALENTS

	Group		Parent Company	
SEK M	2009	2008	2009	2008
Cash in hand and at bank	60.4	32.1	5.2	0.0
Short-term investments	0.2	0.2	–	–
Cash and cash equivalents at end of year	**60.6**	**32.3**	**5.2**	**0.0**
Unutilized committed credits	60.0	35.9	50.0	29.1
Total disposable cash and cash equivalents	**120.6**	**68.2**	**55.2**	**29.1**

NOTE 30 FINANCIAL INSTRUMENTS

	Loans and receivables	Other liabilities	Total
December 31, 2009			
Non-current financial receivables			
Other financial receivables	17.6		17.6
Current financial receivables			
Trade and other receivables excluding deferred expenses	109.3		109.3
Cash and cash equivalents			
Cash and cash equivalents	60.6		60.6
Total	**187.5**		**187.5**
Non-current liabilities			
Borrowings (excluding finance lease liabilities)		26.7	26.7
Finance lease liabilities		0.7	0.7
Current liabilities			
Borrowings (excluding finance lease liabilities)		4.3	4.3
Finance lease liabilities		0.7	0.7
Trade and other payables excluding non-finance lease liabilities		83.2	83.2
Total		**115.6**	**115.6**

	Loans and receivables	Other liabilities	Total
December 31, 2008			
Non-current financial receivables			
Other financial receivables	27.9		27.9
Current financial receivables			
Trade and other receivables excluding deferred expenses	107.3		107.3
Cash and cash equivalents			
Cash and cash equivalents	32.3		32.3
Total	**167.5**		**167.5**
Non-current liabilities			
Borrowings (excluding finance lease liabilities)		41.2	41.2
Current liabilities			
Borrowings (excluding finance lease liabilities)		28.8	28.8
Finance lease liabilities		0.7	0.7
Trade and other payables excluding non-finance lease liabilities		52.1	52.1
Total		**122.8**	**122.8**

Cash and cash equivalents

Cash and cash equivalents, as defined by the Group, consist of cash and other highly liquid short-term investments. The table below shows key figures for cash and cash equivalents. The carrying amount of cash and cash equivalents approximates fair value.

	Group	
SEK M	**2009**	**2008**
Cash in hand and at bank	60.4	32.1
Short-term bank deposits	0.2	0.2
Cash and cash equivalents	**60.6**	**32.3**

Trade and receivables

	Group	
SEK M	**2009**	**2008**
Trade receivables	90.5	83.4
Accrued income	6.2	12.7
Other current receivables	12.6	11.2
Trade receivables and other receivables	**109.3**	**107.3**

Net borrowings

The Group's net borrowings at December 31, 2009, amounted to SEK –28.2 million (38.4). The table below shows how the Group calculates net borrowings and what they include.

	Group	
SEK M	**2009**	**2008**
Current borrowings	0.0	24.1
Current portion of non-current borrowings	4.3	4.7
Current portion of finance lease liabilities	0.7	0.7
Total current borrowings	5.0	29.5
Non-current borrowings	26.7	41.2
Non-current portion of finance lease liabilities	0.7	–
Total non-current borrowings	27.4	41.2
Total borrowings	**32.4**	**70.7**
Cash and cash equivalents	60.6	32.3
Net borrowings	**–28.2**	**38.4**
Bank overdraft facility	**60.0**	**35.9**

The bank overdraft facility is not included in net borrowings. However, the bank overdraft facility can be used for current and non-current borrowings.

Interest-bearing liabilities

The Group's total interest-bearing liabilities at December 31, 2009, amounted to SEK 32.4 million (70.7), of which SEK 27.4 million (41.2) refers to non-current borrowings excluding those maturing in the next 12 months.

Non-current borrowings maturing within 12 months amount to SEK 5.0 million (4.7).

The bulk of non-current borrowings, SEK 26.7 million (41.2), consist of bank loans for financing of an operating property in the subsidiary Deltaco. The table below shows the carrying amounts of the Group's interest-bearing liabilities.

Borrowings

			Group	
Type of loan	**Interest rate**	**Currency**	**2009**	**2008**
Other non-current liabilities				
Non-current bank loans in Sweden	Variable	SEK	26.7	41.2
Finance lease liabilities	Variable	SEK	0.7	–
Current portion of non-current liabilities				
Non-current bank loans in Sweden	Variable	SEK	4.3	4.7
Finance lease liabilities	Variable	SEK	0.7	0.7
Bank overdraft facility	Variable	SEK	–	24.1
			32.4	**70.7**

NOTE 31 SHARE CAPITAL

A specification of changes in stockholders' equity is found in the statement of changes in equity.

Number of shares

Parent Company	A shares	B shares	Total number
Number at January 1, 2008	1,000,000	115,885,614	116,885,614
Treasury shares at January 1, 2008		–4,795,000	
Buybacks in 2008		–1,551,000	
Reverse split	–900,000	–104,297,053	–105,197,053
Number at December 31, 2008, excluding treasury shares	100,000	10,953,961	11,053,961
Number at January 1, 2009	100,000	11,588,561	11,688,561
Treasury shares at January 1, 2009		–634,600	
Buybacks in 2009		–	
Number at December 31, 2009, excluding treasury shares	100,000	10,953,961	11,053,961
Total number of shares at December 31, 2009	**100,000**	**11,588,561**	**11,688,561**

The share capital is divided among 11,688,561 shares, of which 100,000 are class A shares and 11,588,614 are class B shares. All shares have a quota value of SEK 10 and grant equal rights to the company's assets and profits. Class A shares grant entitlement to 10 votes and class B shares to one vote. At general stockholder meetings, each holder of voting stock is entitled to exercise the full number of votes held directly or by proxy without restriction.

NOTE 32 BORROWINGS

	Group		Parent Company	
SEK M	**2009**	**2008**	**2009**	**2008**
Non-current				
Bank loans	26.7	41.2	–	–
Finance leases	0.7	–	–	–
Total non-current borrowings	**27.4**	**41.2**	**–**	**–**
Current				
Bank overdraft facilities	0.0	24.1	–	20.9
Finance leases	0.7	0.7	–	–
Bank loans	4.3	4.7	–	–
Total current borrowings	**5.0**	**29.5**	**–**	**20.9**
Total borrowings	**32.4**	**70.7**	**–**	**20.9**

Maturity structure of non-current borrowings

	Group		Parent Company	
SEK M	**2009**	**2008**	**2009**	**2008**
Between 1 and 2 years	4.3	9.3	–	–
Between 2 and 5 years	22.1	14.0	–	–
Later than 5 years	1.0	17.9	–	–
Total non-current borrowings	**27.4**	**41.2**	**–**	**–**

All borrowing is in SEK. The interest rate for the bank loans is variable and at December 31, 2009 was 5.55 percent.

NOTE 33 PROVISIONS

	Group		Parent Company	
SEK M	**2009**	**2008**	**2009**	**2008**
Current provisions				
Contingent consideration	–	1.0	–	1.0
Total provisions	**–**	**1.0**	**–**	**1.0**

Provisions at December 31, 2008, consisted of estimated contingent consideration of SEK 1.0 million relating to the acquisition of Northern Parklife AB in 2006.

Contingent consideration of SEK 1.0 million for the acquisition of Northern was paid during 2009.

NOTE 34 OTHER LIABILITIES

	Group		Parent Company	
SEK M	**2009**	**2008**	**2009**	**2008**
VAT liabilities	9.2	6.4	–	–
Employee withholding taxes	4.5	4.1	0.6	0.2
Services in progress	9.6	3.5	–	–
Liabilities to employees	0.0	0.0	0.0	0.0
Other	1.8	2.4	0.0	0.8
Total other current liabilities	**25.1**	**16.4**	**0.6**	**1.0**

NOTE 35 ACCRUED EXPENSES AND DEFERRED INCOME

	Group		Parent Company	
SEK M	**2009**	**2008**	**2009**	**2008**
Accrued salaries and social security expenses	15.5	13.3	0.8	1.3
Accrued trade payables	3.8	3.9	–	–
Deferred income	22.2	18.7	–	–
Other items	4.0	11.2	0.5	0.0
Total accrued expenses and deferred income	**45.5**	**47.1**	**1.3**	**1.3**

NOTE 36 PLEDGED ASSETS

	Group		Parent Company	
SEK M	**2009**	**2008**	**2009**	**2008**
To secure own liabilities				
To secure pensions and similar obligations				
Direct pension obligations	1.4	1.4	1.4	1.4
To secure liabilities to credit institutions				
Floating charges	40.0	40.0	–	–
Property mortgages	60.0	77.0	–	–
Machinery held under – finance leases	1.5	1.9	–	–
Total assets pledge to secure own liabilities	**102.9**	**120.3**	**1.4**	**1.4**
To secure other commitments				
Guarantees	0.3	1.0	–	–
Total pledged assets	**103.2**	**121.3**	**1.4**	**1.4**

NOTE 37 CONTINGENT LIABILITIES

The Parent Company has furnished bank guarantees for certain of the subsidiaries.

NOTE 38 RESULT FROM PARTICIPATIONS IN GROUP COMPANIES

	Group		Parent Company	
SEK M	**2009**	**2008**	**2009**	**2008**
Discontinued subsidiaries	–	–	–1.1	–
Impairment loss on shares in subsidiaries	–	–	–	–1.0
Total result from participations in group companies	**–**	**–**	**–1.1**	**–1.0**

NOTE 39 PARTICIPATIONS IN GROUP COMPANIES

SEK M	Parent Company 2009	2008
Opening cost	571.5	570.5
Stockholder contributions	–	1.0
Sold subsidiaries	–0.1	–
Closing accumulated cost	**571.4**	**571.5**
Opening impairment losses	–157.1	–156.1
The year's impairment losses	–	–1.0
Closing accumulated shares in profit of associates	**–157.1**	**–157.1**
Closing carrying amount	**414.3**	**414.4**

Parent company holdings

SEK M	Corp. ID no.	Domicile	% of capital	% of votes	No. of shares	Carrying amount 2009	Carrying amount 2008
Direct holdings							
Nocom Software AB	556579-0432	Uppsala	100,0%	100.0%	3,333	2.2	2.2
TurnIT AB	556116-4384	Stockholm	100,0%	100.0%	245,318,248	412.1	412.1
Nocom Software OY	1702558-9	Helsingfors, Finland				–	0.1
Indirect holdings through subsidiaries							
Nocom Software AS	989 806 912	Oslo, Norge	100.0%	100.0%	–	–	–
Nocom Software OY	1702558-9	Helsingfors, Finland	100.0%	100.0%	–	–	–
SweDeltaco AB	556509-3951	Stockholm	100.0%	100.0%	–	–	–
DanDeltaco AS	21729183	Köpenhamn, Danmark	100.0%	100.0%	–	–	–
FinDeltaco Oy	1027613-1	Helsingfors, Finland	100.0%	100.0%	–	–	–
Deltaco Fastigheter AB	556161-5864	Stockholm	100.0%	100.0%			
Fastighets AB Genetikern 2	556715-7770	Stockholm	100.0%	100.0%	–	–	–
Northern Parklife AB	556522-8540	Stockholm	100.0%	100.0%	–	–	–
Northern Parklife INC	p99000080060	Florida, USA	100.0%	100.0%	–	–	–
Northern Parklife France	R.C.S. Bayonne 499 186 781 – No de Gestion 2007 B 644	Bidart, Frankrike	100.0%	100.0%	–	–	–
IAR Systems AB	556230-7107	Uppsala	100.0%	100.0%	–	–	–
IAR Systems Software Inc	1830665	Foster City, USA	100.0%	100.0%	–	–	–
IAR Systems Ltd	2190612	Northampton, England	100.0%	100.0%	–	–	–
IAR Systems AG	HRB 128716	München, Tyskland	100.0%	100.0%	–	–	–
IAR Systems KK	0111-01-034174	Tokyo, Japan	100.0%	100.0%	–	–	–
IAR Software Technology Consulting (SH) Co. Ltd	660701822	Shanghai, Kina	100.0%	100.0%	–	–	–

Aside from the above, there are several dormant subsidiaries.
A complete list of all group companies can be obtained from the Parent Company.

Closing carrying amount	**414.3**	**414.4**

NOTE 40 RELATED PARTY TRANSACTIONS

Of the Parent Company's total expenses of SEK 9.9 million (1.7), 0 percent (10) refers to purchases from other companies in the Group. Of the Parent Company's total sales revenue, 100 percent (98) refers to inter-company sales.

Of the year's total purchasing costs and sales revenue in the subsidiaries, 0 percent (0) refers to purchases from the Parent Company and 0 percent (0) refers to sales to the Parent Company.

Transactions with other related parties

No transactions with related parties have taken place other than those stated in Notes 9 and 10.

The Board of Directors and the CEO hereby give their assurance that the consolidated financial statements have been prepared in accordance with international financial reporting standards IFRSs as adopted by the EU and give a true and fair view of the Group's financial position and results of operations. The annual report has been prepared in accordance with generally accepted accounting principles in Sweden and gives a true and fair view of the Parent Company's financial position and results of operations. The administration report for the Group and the Parent Company provides a true and fair view of the business activities, financial position and results of operations of the Group and the Parent Company and describes the significant risks and uncertainties to which the Parent Company and the Group companies are exposed.

The annual report will be put before the Annual General Meeting on May 4, 2009, for approval.

Stockholm, April 14, 2010

Stefan Skarin
President and CEO
Board member

Trygve Angell
Board Chairman

Björn Abild
Board member

Lisbeth Gustafsson
Board member

Our audit report was submitted on April 14, 2010

Öhrlings PricewaterhouseCoopers AB

Lars Kylberg
Authorized Public Accountant
Auditor in Chief

Audit report

Intoi AB (publ)
Corporate identity number 556400-7200

We have audited the annual accounts, the consolidated accounts, the accounting records and the administration of the board of directors and the managing director of Intoi AB (publ) for the year 2009. The company's annual accounts and the consolidated accounts are included in the printed version on pages 6–46. The board of directors and the managing director are responsible for these accounts and the administration of the company as well as for the application of the Annual Accounts Act when preparing the annual accounts and the application of international financial reporting standards IFRSs as adopted by the EU and the Annual Accounts Act when preparing the consolidated accounts. Our responsibility is to express an opinion on the annual accounts, the consolidated accounts and the administration based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual accounts and the consolidated accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and their application by the board of directors and the managing director and significant estimates made by the board of directors and the managing director when preparing the annual accounts and consolidated accounts as well as evaluating the overall presentation of information in the annual accounts and the consolidated accounts. As a basis for our opinion concerning discharge from liability, we examined significant decisions, actions taken and circumstances of the company in order to be able to determine the liability, if any, to the company of any board member or the managing director. We also examined whether any board member or the managing director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association. We believe that our audit provides a reasonable basis for our opinion set out below.

The annual accounts have been prepared in accordance with the Annual Accounts Act and give a true and fair view of the company's financial position and results of operations in accordance with generally accepted accounting principles in Sweden. The consolidated accounts have been prepared in accordance with international financial reporting standards IFRSs as adopted by the EU and the Annual Accounts Act and give a true and fair view of the group's financial position and results of operations. The statutory administration report is consistent with the other parts of the annual accounts and the consolidated accounts.

We recommend to the annual meeting of shareholders that the income statements and balance sheets of the parent company and the group be adopted, that the profit of the parent company be dealt with in accordance with the proposal in the administration report and that the members of the board of directors and the managing director be discharged from liability for the financial year.

Uppsala, April 14, 2010

Öhrlings PricewaterhouseCoopers AB

Lars Kylberg
Authorized Public Accountant
Auditor in Chief

Corporate governance

Intoi is a Swedish public limited company domiciled in Stockholm, Sweden. In 2009 the Group conducted operations in Sweden, Norway, Denmark, Finland, Germany, England, France, the USA, Japan and China. The Intoi share is listed on the Small Cap list of the NASDAQ OMX Nordic Exchange Stockholm. Corporate governance in the Parent Company and the Group is regulated among other things by the Articles of Association, the Swedish Companies Act and the rules of the Stockholm Stock Exchange, which for Intoi includes application of the Swedish Code of Corporate Governance as of July 1, 2008.

The corporate governance report for 2009 has not been examined by the company's auditors.

CORPORATE GOVERNANCE BODIES

Responsibility for management and control of Intoi is divided between the General Meeting of Stockholders, the Board of Directors and the CEO in accordance with the Swedish Companies Act and the Articles of Association.

Annual General Meeting

The Annual General Meeting is the highest decision-making body through which the stockholders exercise their influence over Intoi. The responsibilities of the Annual General Meeting include adoption of the income statements and balance sheets of the Parent Company and the Group and resolutions regarding appropriation of profits, principles for remuneration to the company's senior executives and discharge from liability for the members of the Board of Directors and the CEO.

Nominating committee

The Annual General Meeting appoints a nominating committee whose tasks are to propose candidates for election of Board members by the Annual General Meeting and recommend the amount of fees to these, as well as election of auditors and recommendation of auditing fees.

Board of Directors

RESPONSIBILITIES OF THE BOARD

The Board of Intoi has adopted rules of procedure that contain instructions for the division of responsibilities between the Board and CEO and the framework for financial reporting. The Board is also responsible for ensuring that Intoi's organization is suitably structured so that the company's accounting, cash management and other financial circumstances can be controlled satisfactorily. The Board continuously monitors the Group's financial situation.

Before calling a meeting of the Board, the Board Chairman, in consultation with the CEO, prepares an agenda and determines the necessary decision data and documentation for the business at hand. The Board is called to attend a statutory meeting following the AGM and at least five scheduled meetings per year.

Four of the scheduled meetings coincide with the dates for publication of external financial reports. The fifth scheduled meeting is held in December and is devoted primarily to a review of the budget and business plan. At the Board meeting where the annual accounts are presented, the auditors participate in order report their observations from the audit. Aside from scheduled meetings, the Board is called to additional meetings as needed.

The Board supervises the work of the CEO and ensures that the organization is suitably structured. The Board adopts the budgets and annual financial statements of the Parent Company and the Group and continuously monitors their development during the year.

CHAIRMAN

The Chairman oversees the work of the Board and is responsible for ensuring that its members are continuously provided with the information required to carry out their duties with consistently high quality and in accordance with the Swedish Companies Act. The Chairman represents the company in matters related to the stockholders.

MEMBERS OF THE BOARD

Name	Elected in	Dependency status	Remuneration committee	Audit committee	Stockholdings
Trygve Angell, Chairman	2005	No	Chairman	Chairman	26,700 B shares (via company)
Björn Abild	2008	No	Member	Member	0 shares
Lisbeth Gustafsson	2006	No	Member	Member	0 shares
Stefan Skarin	2002	Yes			100,000 A shares and 250,000 B shares (via company)

BOARD COMPOSITION

In 2009, the number of Board members elected by the Annual General Meeting was four. Board member Stefan Skarin has a dependent status in relation to the company, while Board Chairman Trygve Angell and the two regular Board members Lisbeth Gustafsson and Björn Abild have an independent status. For more information about the individual Board members, see page 52.

REMUNERATION COMMITTEE

The tasks of the remuneration committee are to handle and decide on matters related to salary, other terms of employment, pension benefits and incentive schemes for the CEO. The committee also decides on the corresponding terms for other senior executives and is responsible for preparing general principles for remuneration.

AUDIT COMMITTEE

The main responsibilities of the committee are to monitor the company's internal control, the routines for financial reporting, compliance with the related laws and regulations and the audit in the Group. The audit committee is provided with continuous information and decision data from the CEO and the company's independent auditors, among others.

CEO

The CEO supervises operations according to the instructions adopted by the Board. He is responsible for ensuring that the Board members are supplied with the necessary information and decision data ahead of Board meetings, presents reports and submits well founded proposals for decision. The CEO provides the members of the Board monthly with the information needed to monitor the financial position, business and development of the Parent Company and the Group and keeps the Board Chairman continuously informed about operations. The CEO takes the necessary measures to ensure that the company's financial accounting and reporting are carried out in compliance with law and that financial management is handled in a satisfactory manner. A more detailed description of the division of responsibilities between the Board and the CEO is provided in written instructions to the CEO, which are regularly updated.

AUDITORS

The independent auditors are appointed by the Annual General Meeting. Öhrlings PricewaterhouseCoopers AB, represented by Auditor in Chief Lars Kylberg, has been appointed to serve as the company's independent auditor until the end of the 2012 AGM.

ACTIVITIES IN 2009

2009 Annual General Meeting

The Annual General Meeting of Intoi was held on May 5, 2009.

The AGM resolved, among other things:

- to pay a dividend of SEK 0.60 per share for 2008
- to elect Trygve Angell as the Board Chairman (re-elected)
- to elect Lisbeth Gustafsson, Björn Abild and Stefan Skarin as Board members (all re-elected)

Nominating committee

The AGM on May 5, 2009, decided to set up a nominating committee according to the following principles. By September 30, 2009, at the latest, the Board Chairman shall convene the three largest stockholders in the company in terms of voting power, each of which shall then appoint a member to the nominating committee. In addition, the Board Chairman can be appointed as a member of the nominating committee.

The composition of the nominating committee shall be made public not later than six months prior to the 2010 AGM.

In accordance with this decision, the company's largest stockholders have appointed a nominating committee consisting of Göran Espelund (re-elected), Ulf Strömsten (re-elected) and Tedde Jeansson Jr. (newly elected). In his simultaneous role as stockholder and CEO, Stefan Skarin has been co-opted to participate in meetings of the nominating committee.

In 2009 the nominating committee held two minuted meetings.

NOMINATING COMMITTEE AHEAD OF THE 2010 AGM

Members	Co-opted
Ulf Strömsten, Catella, Chairman	Stefan Skarin, Boda Invest AS
Göran Espelund, Lannebo Fonder	
Tedde Jeansson Jr.	

Board of Directors

Trygve Angell was Board Chairman during the year.

The statutory meeting of the Board of Directors on May 5, 2009, dealt with the customary decision on appointment of authorized signatories. Aside from the members of the Board – signatory authority is held by members of the Board, two jointly, or by one member of the Board jointly with the CEO or COO. In addition, the CEO is entitled to sign for the company in matters concerning day-to-day management.

In 2009 the Board held five meetings and one statutory meeting, for a total of six (ten) meetings. The COO Stefan Ström also took part in all Board meetings during the year in order to present reports.

ATTENDANCE AT BOARD MEETINGS IN 2009

Name	Board meetings	Remuneration committee	Audit committee
Trygve Angell, ordförande	6/6	3/3	3/3
Björn Abild	5/6	3/3	3/3
Lisbeth Gustafsson	6/6	3/3	3/3
Stefan Skarin	6/6		

In its work, the Board has devoted time to monitoring of performance against the budget, forecast och strategic plan. Two important tasks for the Board during the year have been analysis evaluation of potential corporate transactions. In addition, the Board has been involved in the process of change in IAR Systems.

Remuneration committee

The remuneration committee consists of Trygve Angell, Björn Abild and Lisbeth Gustafsson. The committee has handled matters related to salary and other terms of employment of the CEO and other members of the Executive Management. In 2009 the remuneration committee held three minuted meetings to prepare recommendations for candidates for election of the Board of Directors and auditors.

Audit committee

The audit committee consists of Trygve Angell, Björn Abild and Lisbeth Gustafsson. In the 2009 the committee held three meetings. On these occasions, the committee dealt with the auditors' reporting from their audit of the semi-annual report and the annual accounts, the company's relationship to the Swedish Code of Corporate Governance and internal control issues in the subsidiaries.

CEO and Executive Management

In 2009 the Executive Management consisted of Chief Executive Officer Stefan Skarin and Chief Operating Officer Stefan Ström.

REMUNERATION

Remuneration to the Board

The Board Chairman and other members of the Board are paid fees according to the decision of the Annual General Meeting. No special fees are paid for work on the Board's committees. The members of the Board who receive salary from companies in the Intoi Group receive no Board fees. In 2009 this rule applied to Stefan Skarin.

REMUNERATION TO THE BOARD

SEK thousand	2009	2008
Trygve Angell, Chairman 1)	150	144
Björn Abild 2)	100	58
Lisbeth Gustafsson	100	100
Alexander Oker-Blom 3)	–	42
Stefan Skarin	–	–

1) Chairman since February 14, 2008. Board member prior to this date.
2) For the period May 7 – December 31, 2009.
3) For the period January 1 – May 6, 2008.

See also Note 10.

Remuneration to the CEO and COO

Remuneration to the CEO and COO consists of basic fixed salary, variable salary, other benefits and pension. The maximum amount of variable salary for the CEO and COO is 50 percent of basic salary. Pension and other benefits are paid as part of the total remuneration package.

See also Note 10.

In the event of termination on the part of the company, the CEO and COO are entitled to a notice period of 12 months with full salary and additional termination benefits equal to six monthly salaries.

Remuneration to the auditors

In 2009 total fees of SEK 2.7m (2.2) were paid for auditing and consulting services.

REMUNERATION TO THE EXECUTIVE MANAGEMENT

SEK thousand		Fixed salary	Variable salary	Benefits	Pension costs	Total
Stefan Skarin, CEO	2009	2,512	300	110	820	3,742
	2008	2,628	–	116	762	3,506
Stefan Ström, COO	2009	1,967	–	95	876	2,938
	2008	1,980	–	100	850	2,930

INTERNAL CONTROL

The Swedish Companies Act and the Swedish Code of Corporate Governance state that the Board of Directors is responsible for ensuring that the company has satisfactory internal control, for staying informed about the company's internal control system and for evaluating the effectiveness of this system. This report has been prepared in accordance with Section 10.5 of the Swedish Code of Corporate Governance, and is thereby limited to internal control over financial reporting.

Control environment

The basis for internal control at Intoi is the control environment, which includes the organizational structure, decision-making paths, powers and responsibilities. This is documented and communicated in the form of normative documents such as internal policies, guidelines and instructions. These include the division of responsibilities between the Board of Directors and the CEO and instructions for signatory powers, accounting and reporting.

Risk assessment

The Board of Directors has ultimate responsibility for the company's risk management. Controlled risk-taking is achieved through a well defined organization and decision-making procedures that include a high level of risk awareness among the employees and the application of uniform definitions and principles within an established framework. The primary risk areas are the account closing process in connection with the financial reports, as well as operating and legal risks.

Control activities

The Group's business processes include financial controls that regulate approval and reporting of business transactions. The account closing and reporting process contains controls for aspects such as accounting, valuation and disclosure requirements and regarding the application of significant accounting policies and estimates both in the individual subsidiaries and at the Group level.

All subsidiaries in the Intoi Group have their own financial directors that take part in planning and evaluation of financial results in their units. Regular analysis of financial reporting in the respective units covers significant items such as assets, liabilities, revenue, expenses and cash flow. Together with the analysis performed at the Group level, this important aspect of internal control contributes to ensuring that the financial reports contain no material errors or deficiencies.

The quality of the external financial reports is safeguarded through a number of procedures and routines. Aside from careful auditing of the annual accounts, the auditor also reviews the interim report for the second quarter. All reports and press releases are posted on Intoi's website in connection with publication.

Information and communication

The Group has information and communication channels that are aimed at promoting complete and accurate financial reporting. Internal instructions and guidelines for financial accounting and reporting, as well as regular updates and messages about changes in accounting policies, reporting and disclosure requirements, are made available and known to the affected personnel. The subsidiaries regularly submit financial reports and reports on their business development to the Executive Management, including analyses and comments on financial results and risks.

The Board of Directors is provided with financial reports on a monthly basis.

Monitoring

The Group's financial results and position are discussed at each Board meeting. The Board examines all interim reports and the annual report prior to publication, and also receives regular reports from the auditors. The Board monitors all measures that are taken to improve or change the control routines.

The Group's process for financial reporting is reviewed yearly by the Executive Management and provides a basis for evaluation of the internal management system and internal control documents to ensure that these cover all areas of importance for the Group's financial reporting.

Board and Executive Management

BOARD OF DIRECTORS

Trygve Angell
Board member since 2005 and Board Chairman since February 2008.
Born in 1960, M.B.A and M.Acc.
Active in own business Pidell AS in Norway.
Extensive experience in the IT and telecom industries, including eight years at Oracle.
Stockholding: 26,700 class B shares (via company).

Björn Abild
Board member since 2008, born in 1955, M.B.A.
President of ICA Non Food AB since April 2009 and member of the Executive Management of ICA AB.
20 years of experience in the retail trade through a series of senior positions in both the specialized retail and grocery retail trades, among other things as President of Expert (2004–2009), President of TeamSportia (2001–2004), President of Dagab Närlivs and Sales and Marketing Director of the then listed company Sardus.
Stockholding: 0 shares.

Stefan Skarin
Board member since 2002, President and CEO 2001–2006 and since February 2008.
Born in 1962, IHM, programs on international sales, communication and leadership and courses in economics at Stockholm University.
Former positions such as Sales Director at Adobe Nordic, CEO of Interleaf Norden and several senior international positions at Oracle Corporation.
Stockholding: 100,000 class A shares (via company) and 250,000 class B shares (via company).

Lisbeth Gustafsson
Board member since 2006. Born in 1947, B.A. Social Studies, Stockholm University. Management training at INSEAD, France. Former Sales Director at Posten Sverige AB. Extensive experience in the IT industry including 13 years at Digital Equipment AB, of which four years as President.
Board assignments: Board member of SYSTeam AB, Karolinska University Hospital, Kitron AS, the Swedish Retail Institute (HUI) and Orre och Nyberg Capital AB.
Chairman of Trygga Hem Skandinavien AB, Aspecto AB and Orre och Nyberg.
Stockholding: 0 shares.

EXECUTIVE MANAGEMENT

Stefan Ström
Chief Operating Officer (COO), President and CEO from May 2006 to February 2008. Employed since 1997.
Born in 1958, M.B.A, Lund University.
Stockholding: 10,355 class B shares (own), and 100 class B shares (through family).

Stefan Skarin
President and Chief Executive Officer. Employed since 1999.
See Board of Directors at left.

AUDITORS

Öhrlings PricewaterhouseCoopers AB
Lars Kylberg, born in 1969, Authorized Public Accountant.
Auditor for Intoi since 2004.

Annual General Meeting

The Annual General Meeting of Intoi AB (publ) was will be held at 6 p.m. on Tuesday, May 4, 2010, at IVA, Grev Turegatan 16, in Stockholm. Intoi's complete annual report will be available starting in mid-April on Intoi's website and at the company's office in Kista Science Tower in Kista, Sweden.

NOTIFICATION

Stockholders who wish to participate in the Annual General Meeting ("AGM") must

- be recorded in the register of stockholders maintained by Euroclear Sweden AB not later than Tuesday, April 27, 2010,
- provide notification of their intention to participate in the AGM not later than Wednesday, April 28, 2010, in writing to Intoi AB (publ), Kista Science Tower, SE-164 51 Kista, Sweden, by telephone +46 8-410 920 00, by fax +46 8-410 920 01 or via the company's website www.intoi.se www.intoi.se

The notification should include name, address, telephone number, personal or corporate identity number and registered stockholding.

To be entitled to participate in the AGM, stockholders whose shares are registered in the name of a nominee should request that the shares be temporarily re-registered in their own name in good time prior to April 27, 2010. When applicable, proof of authorization, such as forms of proxy and certificates of registration should be sent to the company prior to the AGM. Stockholders who wish to be accompanied by one or two assistants must inform the company by the same date and in the same manner applicable to stockholders.

DIVIDEND

For the fiscal year 2009, the Board proposes a dividend of SEK 1.25 per share.
The proposed record date for dividends is May 7, 2010.

FINANCIAL CALENDAR

Interim report	January – March 2010	May 4, 2010
Interim report	January – June 2010	August 25, 2010
Interim report	January – September 2010	October 20, 2010

Intoi Annual Report 2009
Graphic design: Jonas Lindén/linden-design.com
Production and Project management: Intellecta Infolog
Copy: Niclas Lilja/Lilja Communication
Photos: Carl Dahlstedt
Translation: GH Language Solutions
Printing: Intellecta Infolog 2010 – 189
Stockholm 2010

Intoi AB (publ)
Corporate identity number 556400-7200
Phone: +46 8 410 920 00
Fax: +46 8 410 920 01
Address: Kista Science Tower, SE-164 51 Kista, Sweden
www.intoi.se

IAR Systems AB
Phone: +46 18 16 78 00
Fax: +46 18 16 78 38
Box 23051, 750 23 Uppsala, Sweden
Strandbodgatan 1, SE-750 23 Uppsala, Sweden
www.iar.com

Northern Parklife AB
Phone: +46 8 457 50 00
Fax: +46 8 457 50 50
Gävlegatan 18b, SE-113 30 Stockholm, Sweden
Axel Johanssons gata 4–6, 754 51 Uppsala, Sweden
www.northern.net

SweDeltaco AB
Phone: +46 8 555 76 210
Fax: +46 8 555 76 219
Alfred Nobels Allé 109, SE-146 48 Tullinge, Sweden
www.deltaco.se