SPEED UP YOUR BUSINESS

Q2

Interim Report January–June 2009

NOTE™

YOUR BUSINESS PARTNER

Change towards upscaled market offensive

FINANCIAL PERFORMANCE, JANUARY-JUNE

- Sales reduced by 28% to SEK 641,2 (896,5) m
- Operating profit of SEK -26.7 (29.9) m, including non-recurring costs of just over SEK 8 m relating to the change of CEO in June.
- The operating margin was -4.2% (3.3%)
- The profit after financial items was SEK -31.0 (24.0) m
- The profit after tax was SEK -24.5 (15.7) m, or SEK -2.54 (1.63) per share.
- Cash flow after investments was SEK -4.5 (29.4) m, or SEK -0.47 (3.05) per share.

SIGNIFICANT EVENTS IN JANUARY-JUNE

- **New CEO and President of NOTE**—Knut Pogost was appointed CEO and President of NOTE on 3 June.
- **Continued strategic realignment**—measures implemented to transfer labour-intensive production and sourcing services to the group's units in cost-efficient countries. In accordance with previously decided restructuring measures, staffing in Sweden reduced by 135 people, or 24%.
- **New funding facility**—new funding facility arranged with NOTE's bank connection.
- **Market breakthrough for Nearsourcing**—Kongsberg Defence & Aerospace of Norway decided to utilise the NOTEfied preferred parts database when developing new products, building on its collaboration with the Nearsourcing centre in Oslo.
- **Nearsourcing secures new customers**—new collaboration agreements signed with companies including OTRUM, Telespor, Tour & Andersson and Radiocrafts.

FINANCIAL PERFORMANCE, APRIL-JUNE

- Sales reduced by 33% to SEK 312,1 (469,2) m
- Operating profit of SEK -18.1 (16.2) m, including non-recurring costs of just over SEK 8 m relating to the change of CEO in June.
- The operating margin amounted to -5.8% (3.4%)
- The profit after financial items was SEK -19.8 (12.5) m
- The profit after tax was SEK -16.0 (8.2) m.
- Cash flow after investments was SEK 10.8 (5.4) m.

CEO's comments

NOTE'S STRATEGY REMAINS UNCHANGED

At the beginning of June this year, I accepted the Board of Directors' challenge to take on responsibility as CEO and President of NOTE. The intention now is to upscale our market offensive, and our focus on sales. However, I am far from new to NOTE or the EMS sector. With primary focus on sales and business development, I have held executive positions within Kitron of Norway and Canadian component distributor Future Electronics. Additionally, since 2006, I have been involved in building the new NOTE—from a traditional contract manufacturer of electronics-based products to a unique services provider on the EMS market.

Our work on realigning NOTE has been methodical and for the long term. By building the group's central sourcing function in Gdansk, we cut our sourcing costs significantly. Our previous expansion of production capacity in China and Poland has enabled the large-scale transfer of labour-intensive services to cost-efficient countries. Thus we have achieved notable success in improving our cost structure. Most of our former electronics plants close to customers in the Nordic region and in the UK have been reformatted as Nearsourcing centres, and here, we are now conducting sophisticated, cost-efficient development work close to our customers geographically.

Simultaneous with the root-and-branch strategic realignment of the group, due to a deteriorating business cycle, we have taken resolute measures to cut our costs.In addition to our ongoing cost-cutting programs, in June further initiatives were taken to refine our organisation and reduce our corporate staff costs.

PROGRESS IN THE FIRST HALF-YEAR

The first half-year featured the sharply deteriorated demand that we and many of our customers noticed at the end of last year. In the short term, the recession is exerting an adverse effect on our volumes. Accordingly, year-to-date sales were down 28% year on year. In the second quarter, sales were somewhat weaker than expected, due partly to a generational changeover brought forward in Telecom, and partly to destocking ahead of extended vacation stoppages by many of our customers. However, there are wide variations in demand between sectors. The biggest sales downturn was to customers in Telecom, down 49% year on year. With support from newly acquired Nearsourcing centres, the sales reduction to industrial customers were limited to a level 18% lower than the previous year.

Our forward-looking Nearsourcing initiative has gained a positive market reception. In our new business activities, in the period, we paved the way for a raft of new customer partnerships, with contributors being our proactive initiative on new working methods and methods to cut our customers' time to market. Our proprietary preferred parts database NOTEfied and associated PLM tool is making a contribution to unique value-added services for our customers. Accordingly, we view our new collaborations, with customers such as Kongsberg, Telespor, Tour & Andersson and Radiocrafts as a market breakthrough for Nearsourcing. These collaborations will be highly significant to our future sales growth. But because it often takes 6-18 months before new products ramp up to full volume on the market in our sector, this is not yet visible in our Income Statement for the second quarter.

Our realignment of NOTE is extensive. Our counter-measures to the recession are consistent and resolute. Overall, these measures imply major strains and cutbacks for our organizational resources, especially in our Swedish business. Compared to the midpoint of last year, we have reduced staffing in Sweden by over 230 people or 36%. Accordingly, in like-for-like terms, production costs in the first half-year were down 20% year on year. The effects of our savings package will be gradual—in the second quarter, production costs were down 23% year on year.

Despite significant cost savings, reduced volumes on the market meant a reduction in our capacity utilisation and downward pressure on margins. Thus our year-to-date profit performance is weak, but consistent with our internal plans. Second-quarter profits were also adversely affected by non-recurring costs relating to the change of CEO in June, all of which was posted to second-quarter profits.

The deteriorated business cycle has also raised a major challenge for our cash flow. Alongside our customers and suppliers, we have done substantial work in balancing stocks. Year to date—and essentially in the second quarter—we succeeded in cutting stock by over SEK 70 m (21%). This was a contributor to us achieving positive cash flow of over SEK 10 m in the second quarter.

Against the background of turbulence on the credit market, it's pleasing that we also got our new funding facility in place in the second quarter as planned, which we signed with our bank connection early in the year.

OUR FUTURE

Market conditions remain challenging. In the short term, we are closely monitoring the progress of demand and will be taking more savings measures if necessary. We are retaining a sharp focus on strengthening our cash flow.

The outsourcing trend in industry remains strong and despite weak market conditions, we note significant opportunities to develop our business.

Our strategy and forward-looking initiative in Nearsourcing remains unchanged. In the longer term, we also see strong evidence suggesting recovery and growth on the EMS market. Based on our strong market position, and with our unique business model, we will play an active part in this progress.

Knut Pogost

President and CEO

Sales and profits

SALES, JANUARY-JUNE

Demand in the first half-year was characterised by the deteriorated manufacturing cycle apparent back at the end of last year. Reduced activity in manufacturing and destocking had a negative effect on NOTE's ongoing production and deliveries. In the first half-year, sales reduced by 28% to SEK 641.2 (896.5) m. Extra sales from newly acquired units were SEK 38 m, or some 6% of sales. Thus in like-for-like terms, sales were down 33%.

Demand in NOTE's largest customer segment, Industrial, is usually fairly stable. However, in like-for-like terms, Industrial saw a 24% sales downturn. Major contributors to this reduction include sharply reduced demand from investment-intensive sectors like the mining and raw materials industries.

Demand from customers in the Telecom business segment is inherently more volatile, due to factors including short product life-cycles in this sector. Sales in Telecom have performed weakly in the past three quarters. This is due partly to the recession, and partly to a generational changeover in key product groups. In the first half-year, sales to customers in Telecom reduced by 49%.

PROFIT, JANUARY-JUNE

After the methodical, long-term build-up of the group-wide sourcing function in Gdansk, sourcing co-ordination has improved significantly. This completed strategic initiative made the planned contribution to cutting the cost of purchasing operations and reduced the costs of electronic components and other production materials.

The transfer of labour-intensive production to the group's units in cost-efficient countries began last year. This generated substantial staffing changes and downsizing of organisational resources, primarily in our Swedish business. Compared to the midpoint of last year, staffing in Sweden reduced by 230, or 36%. This initiative has made a significant positive change to the group's cost structure. In like-for-like terms, costs in the period were down 20% year on year. Approximately SEK 8 m (26%) of the restructuring provision, created in the fourth quarter of last year largely for staff downsizing, was utilised.

Shorter working hours have been introduced at several units as another savings measure against reducing production and sales volumes.

Capacity utilisation in several production plants was lower than last year. Despite extensive cost-cutting, volume reductions meant that gross margins weakened to 5.9% (10.1%).

Continued rationalization and firm cost control reduced overheads by over 12%, but as a result of non-recurring costs associated with the change of CEO in June, overall, they were somewhat above the previous year's level.

Against the backdrop of an increasing share of value-added being generated in foreign units, and because sourcing electronic components and other production materials is largely denominated in foreign currencies (EUR/USD), NOTE has fairly extensive currency management. With the aim of limiting its currency risk, trading is conducted using currency forwards and options. NOTE has applied hedge accounting pursuant to IAS 39 since the fourth quarter of the previous year, with implications including the market-valued currency forward contracts of forecast cash flows being reported directly to equity.

Exchange rate fluctuations of the EUR and USD were significant in the second half-year last year. Progress this year has been more stable. Other operating income/costs include negative currency effects of SEK 1.6 m.

Mainly due to lower sales, operating profit became a deficit of SEK -26.7 (29.9) m, equating to an operating margin of -4.2% (3.3%).

The net financial income/expense for the period was positively affected by generally lower market interest rates. Despite somewhat increased net debt, the net financial income/expense was SEK -4.3 (-5.9) m. The profit after financial items was SEK -31.0 (24.0) m, equating to a profit margin of -4.8% (2.7%). However, the loss and cost savings were in line with our internal plans for this year.

The profit after tax was SEK -24.5 (15.7) m, or SEK -2.54 (1.63) per share.

SALES AND PROFITS, APRIL-JUNE

Sales in the second quarter reduced by 33% to SEK 312.1 (469.2) m. Extra sales from newly acquired units were SEK 13 m, or some 4% of sales. Thus, in like-for-like terms, sales fell by 36%. Please note that the number of working days in the second quarter of this year was somewhat fewer than last year, as well as the first quarter of the year.

Sales in Industrial were down somewhat quarter on quarter and 26% below the previous year's level. Sales in Telecom were a record high in the second quarter last year. Sales in the period were at a comparable level as the first quarter, but down 54% on the previous year.

In line with the current restructuring process, NOTE's employee headcount continued to reduce. Compared to the end of the first quarter, staffing in the Swedish business was down by 9% or over 40 staff. As a result of the current restructuring, ongoing costs for the period were down 23% year on year.

Operating profit for the period was charged with non-recurring costs of just over SEK 8 m relating to the change of CEO in June. Additionally, lower sales were the prime contributor to the operating profit of SEK -18.1 (16.2) m, equivalent to an operating margin of -5.8% (3.4%).

The net financial income/expense for the period was positively affected by lower market interest rates and the new funding facility, which was in place in the second quarter. Additionally, the positive cash flow for the period contributed to the slight decrease in net debt. Accordingly, the net financial income expense improved to SEK -1.7 (-3.7) m. The profit after financial items was SEK -19.8 (12.5) m, equating to a profit margin of -6.3% (2.7%).

Operating segments

As part of the Nearsourcing business model, operations are conducted as an integrated process through Nearsourcing centres that are responsible for customers in each local market. Increasingly, volume production is being transferred to foreign Industrial Plants. Development, management and coordination of operations is conducted in the parent company, and sourcing operations in NOTE Components.

Significant key ratios for NOTE's business segments are stated in the following table, pursuant to IFRS 8.

Essentially, these consist of Nearsourcing centres and Industrial Plants. Nearsourcing centres include the selling units in Sweden, Norway, Finland and the UK, where development-oriented work is conducted close to customers. Industrial Plants are the production units in Estonia, Lithuania, Poland and China. Other units are business-supporting, group-wide operations.

	2009 Q2	2008 Q2	**2009 Q1-Q2**	2008 Q1-Q2	**Rolling 12 mth.**	2008 Full yr.
NEARSOURCING CENTRES						
EXTERNAL SALES	**304.5**	460.4	**627.7**	880.2	**1,425.9**	1,678.3
MANUFACTURING, SELLING AND ADMINISTRATIVE EXPENSES	**-102.3**	-130.3	**-209.6**	-251.3	**-469.3**	-511.0
OPERATING PROFIT/LOSS	**-1.0**	26.2	**-4.7**	44.2	**-15.9**	33.1
TANGIBLE FIXED ASSETS	**67.6**	68.9	**67.6**	68.9	**67.6**	75.5
STOCK	**163.4**	263.7	**163.4**	263.7	**163.4**	250.5
TOTAL ASSETS	**597.9**	757.3	**597.9**	757.3	**597.9**	711.2
AVERAGE NUMBER OF EMPLOYEES	**514**	691	**540**	682	**588**	659
INDUSTRIAL PLANTS						
EXTERNAL SALES	**7.6**	8.9	**13.5**	16.4	**28.3**	31.2
MANUFACTURING, SELLING AND ADMINISTRATIVE EXPENSES	**-27.2**	-24.5	**-56.1**	-45.9	**-113.5**	-103.3
OPERATING PROFIT/LOSS	**-4.6**	-5.6	**-9.1**	-9.6	**-15.1**	-15.6
TANGIBLE FIXED ASSETS	**64.8**	57.3	**64.8**	57.3	**64.8**	64.1
STOCK	**106.3**	75.3	**106.3**	75.3	**106.3**	92.3
TOTAL ASSETS	**251.2**	196.2	**251.2**	196.2	**251.2**	236.5
AVERAGE NUMBER OF EMPLOYEES	**408**	504	**471**	499	**502**	516
OTHER UNITS AND ELIMINATIONS						
EXTERNAL SALES	**-**	-	**-**	-	**-**	0.0
MANUFACTURING, SELLING AND ADMINISTRATIVE EXPENSES	**-9.3**	-7.3	**-10.7**	-9.7	**-28.1**	-27.2
OPERATING PROFIT/LOSS	**-12.5**	-4.4	**-12.9**	-4.7	**-29.4**	-21.3
TANGIBLE FIXED ASSETS	**2.1**	1.2	**2.1**	1.2	**2.1**	2.3
STOCK	**0.1**	2.4	**0.1**	2.4	**0.1**	0.1
TOTAL ASSETS	**-13.3**	29.7	**-13.3**	29.7	**-13.3**	0.6
AVERAGE NUMBER OF EMPLOYEES	**22**	24	**22**	27	**23**	26

Financial position, cash flow and investments

CASH FLOW

Like other medium-sized companies on the EMS market, NOTE is facing a big challenge in developing business models, in terms of stock control and logistics. This challenge is particularly clear in rapid demand fluctuations and is mainly associated with the complexity of electronics production and the long lead-times for electronics components.

Accordingly, the sharp decline in demand since the end of last year has entailed extensive efforts alongside customers and suppliers to adapt stock to a lower sales level. This work was simultaneous with the transfer of labour-intensive production to cost-efficient countries, which temporarily, raises the demands on capital tied-up, primarily in the form of buffer stocks to ensure high delivery capacity during the ongoing transfer process.

Since the end of the first quarter of the year, capital tied up in stock has gradually reduced. Year to date, stock has reduced by over SEK 70 m, or 21%. Compared to the midpoint of last year, stock is down 21%. NOTE perceives good prospects of continuing to reduce stock during the third quarter.

Accounts receivable—trade fell by 5% in the second quarter, and due to lower sales, were down 32% on the midpoint of last year. NOTE has been able to maintain credit terms at an unchanged level compared to the previous quarter, and in year-on-year terms.

Accounts payable—trade, which relate mainly to sourcing electronic components and production materials, were down 37% on year-end and down 48% on the end of the corresponding period of the previous year.

In the first half-year, cash flow (after investments) was SEK -4.5 (29.4) m, equivalent to SEK -0.47 (3.05) per share. Mainly as a result of destocking, cash flow in the second quarter improved to SEK 10.8 (5.4) m.

EQUITY TO ASSETS RATIO

The equity to assets ratio was 32.2% (32.2%) at the end of the period, up 1.1 percentage points since year-end.

LIQUIDITY

NOTE arranged a new funding facility with its bank connection in the first quarter. The new funding facility is a combination of debt factoring and traditional overdraft facilities. As planned, this new solution became effective early in the second quarter, when factoring credits were successively built up and replaced previous loans. As a consequence of the new funding solution, at the midpoint of the year pledged accounts receivables amounted just over SEK 175 m.

During the period, a focused work has been performed to improve the liquidity and cash flow in the group. As a result, the liquidity at the end of the period was satisfying. Available cash and cash equivalents including unutilised overdraft facilities were SEK 73.4 (87.3) m.

INVESTMENTS

NOTE's realignment over the past two years has involved relatively large-scale investments, for initiatives including start-ups of Nearsourcing centres on new geographical markets and expanding production capacity in foreign plants.

Total investments in the period were SEK 11.1 (28.8) m, corresponding to 1.7% (3.2%) of sales. Depreciation and amortisation was SEK 18.3 (15.8) m.

The investments for 2009 will reach a lower level than previous year and essentially relate to the plants in Krakow, Poland and Tangxia, China.

Significant events in the period

NEW CEO AND PRESIDENT

On 3 June 2009, Knut Pogost was appointed NOTE's CEO and President. Knut has been active with NOTE for over three years, most recently as Executive Vice President of Strategic Development.

Knut has many years' senior executive experience of the electronics industry, with Norwegian EMS provider Kitron and Canadian component distributor Future Electronics.

After the new Board of Directors took over in spring 2007, extensive development work has being done to realign NOTE's business model and improve its cost structure. Sizeable staff changes have been implemented and a significant portion of production is now being conducted at the group's units outside Sweden. Mr. Pogost has solid experience of international sales and marketing in the electronics industry, and the intention now is to upscale NOTE's market offensive.

AGM 2009—NEW BOARD MEMBERS

The AGM (Annual General Meeting) of 21 April elected Bo Andersson, Göran Gezelius and Göran Sigfridsson as Board members of NOTE.

The other Board members are Bruce Grant (Chairman), Göran Jansson (Deputy Chairman), Håkan Gellerstedt and Per-Arne Sandström.

The Board of Directors will also include employee representatives after the summer, Christoffer Skogh from trade union Unionen and Hans Westin from IF Metall.

STRATEGIC CHANGE CONTINUES

NOTE is in the final phase of its methodical realignment—from a traditional role of a contract manufacturer of electronics-based products to a unique services provider on the EMS market.

Expanding production capacity in cost-efficient countries, conducted in 2007 by acquiring electronics plants in Poland and China, and building a joint, centralised sourcing operation in Gdansk, Poland, were important pre-conditions for this process. This created the possibility of focusing on sophisticated, development-oriented services close to the customer, while transferring labour-intensive production and sourcing services to units whose cost base benefits customers and NOTE.

Accordingly, back in the first half-year 2008, NOTE started downsizing the staff in its Swedish operation.

Against a background of declining demand, in the fourth quarter last year, NOTE took a decision on further resolute restructuring measures, which are fully consistent with the new Nearsourcing business model and are gradually resulting in a significantly improved cost structure for the group. In the second quarter, like-for-like costs were down 23% on the previous year.

NEW FUNDING FACILITY

Early in the year, NOTE arranged a new funding facility with its bank connection. The previous funding facility was a combination of long-and short-term borrowings. As planned, this new funding facility became effective on 1 April 2009 and includes a combination of traditional borrowings (overdrafts) and debt factoring. As a result of the new funding facility, most interest-bearing liabilities will consist of, and be reported as, current liabilities. Compared to the previous arrangement, the total credit facility has been increased, while funding is more closely linked to volumes.

A MARKET BREAKTHROUGH FOR NEARSOURCING

Kongsberg Defence & Aerospace of Norway decided to utilise NOTE's unique NOTEfied preferred parts database for developing new products building on its collaboration with the Nearsourcing centre in Oslo.

In the period, new collaboration agreements were signed with customers including the following:

- OTRUM: development and volume production of electronics for a new generation of hotel TV systems.
- Telespor: volume production of sophisticated tracking technology based on GSM and GPS technology.
- Tour & Andersson: developing and producing balancing valves for waterborne heating and cooling systems.
- Radiocrafts: production of complete modules for wireless data transmission of energy and water consumption, for example.

ACQUISITION FOR MORE GROWTH IN NORWAY

NOTE acquired all the shares of Norwegian electronics producer Norteam Electronics AS at year-end. This company focuses on services early in product lifecycles like producing prototypes and small-scale electronics production. Sales are some SEK 60 m and there were 40 staff at the time of the acquisition. These operations will be integrated with NOTE's Nearsourcing centre in Oslo, and in tandem with this process, there will be a relocation to joint premises in the third quarter of the year.

Parent company

Parent company NOTE AB (publ) is primarily focused on the management, coordination and development of the group. In the period, revenue was SEK 25.0 (24.5) m and mainly related to intra-group services. The profit after tax was SEK -6.4 (-8.4) m.

TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties were mainly intra-group sales of services to subsidiaries.

Significant operational risks

NOTE is a services company active in production and logistics relating to electronics-based products. NOTE's role involves it serving as a collaboration partner to its customers, although not a product owner.

The electronics manufacturing services (EMS) market is relatively young and usually considered fairly cyclical. Very few, if any, of the somewhat larger traditional EMS corporations have succeeded in maintaining good profitability over a business cycle.

This fact was important to NOTE's choice of future strategy. NOTE's forward-looking emphasis on Nearsourcing, intended to promote the combination of sales growth with low investment costs and overheads in high-cost countries, is one way of reducing its operational risks.

For a more detailed review of the risks in NOTE's operations, the reader is referred to the Report of the Directors in NOTE's Annual Report for 2008.

Certification

The Half-year Interim Report gives a true and fair view of the parent company's and group's operations, financial position and results of operations and reviews the significant risks and uncertainty factors facing the parent company and group companies.

The Board of Directors of NOTE AB (publ)

Danderyd, Sweden, 16 July 2009

Bruce Grant, Chairman

Göran Jansson, Deputy Chairman

Bo Andersson

Håkan Gellerstedt

Göran Gezelius

Per-Arne Sandström

Göran Sigfridsson

FOR MORE INFORMATION, PLEASE CONTACT

Knut Pogost, CEO & President
+46 (0)8 568 99006, +46 (0)70 552 3444

Henrik Nygren, CFO
+46 (0)8 568 99003, +46 (0)70 977 0686

FORTHCOMING FINANCIAL REPORTS

The Interim Report for January-September will be published on 20 October 2009.

AUDIT REVIEW

As in previous years, this Half-year Interim Report has not been subject to review by the company's auditors.

ACCOUNTING AND VALUATION PRINCIPLES

NOTE adopts International Financial Reporting Standards (IFRS) as endorsed by the European Union. Significant accounting and valuation principles are stated on pages 38-41 of the Annual Report for 2008. The group's Interim Report has been prepared pursuant to the Swedish Annual Accounts Act and IAS 34, Interim Financial Reporting. The parent company observes RFR 2.1 issued by the Swedish Financial Reporting Board.

At year-end, the group adopted reporting pursuant to IFRS 8 Operating Segments. The group's reported operating segments are Nearsourcing centres, Industrial Plants and Other Units.

All amounts are in millions of Swedish kronor (SEK m) unless otherwise stated.

NOTE in brief

NOTE is one of the Nordic region's leaders in manufacturing and logistics services for electronics-based products. NOTE is active on the EMS (electronics manufacturing services) market and offers electronics production services right through the value chain, from development and production to after-sales. Its customers are mainly in the Nordic region and the UK.

NEARSOURCING

NOTE has worked methodically to realign its business—from the traditional role of a contract electronics manufacturer to a unique services provider on the EMS market. Its new unique business model—Nearsourcing—was developed and tailored to meet customer needs to get their products on the market fast. The aim is to increase growth and profitability while reducing the risks of operations. Customers are now offered the model's three building-blocks:

- *Nearsourcing centres* close to customers, where cost-efficient development work is conducted close to the customer geographically, reducing time to market, the time from idea to the product reaching the final market.

- *Cost control through product lifecycles*, including:

▪ NOTEfied—an extensive preferred parts database that supports development processes and has functionality including direct links to customers' design systems. The database has technical and commercial data, helping increase efficiency and cut product development lead-times.

▪ A PLM (Product Lifecycle Management) tool for effective global documentation and version management, and support for sourcing processes. This tool acquires updated information on component useful lives from the NOTEfied preferred parts database. Several players involved in the production process—internal and external—can access the system.

▪ Sourcing functions in northern Europe, Central Europe and Asia, which source components at competitive prices.

- *Cost-efficient production*. Production is located where it is optimal for the customer depending on factors including product lifecycle, volume and geographical final market. NOTE offers a range of alternatives for volume production in cost-efficient countries in Europe and Asia. For shorter runs with greater demands on flexibility, the most cost-efficient option may be production at a local Nearsourcing centre.

Consolidated Income Statement

	2009 Q2	2008 Q2	2009 Q1-Q2	2008 Q1-Q2	Rolling 12 mth.	2008 Full yr.
REVENUES	**312.1**	469.2	**641.2**	896.5	**1,454.2**	1,709.5
COST OF GOODS AND SERVICES SOLD	**-292.8**	-420.3	**-603.2**	-806.1	**-1,383.6**	-1,586.5
GROSS PROFIT/LOSS	**19.3**	**48.9**	**38.0**	**90.4**	**70.6**	**123.0**
SALES COSTS	**-13.7**	-14.5	**-24.3**	-26.4	**-54.7**	-56.8
ADMINISTRATIVE COSTS	**-22.3**	-18.1	**-37.1**	-34.5	**-78.3**	-75.7
OTHER OPERATING INCOME/COSTS	**-1.4**	-0.1	**-3.3**	0.4	**2.0**	5.7
OPERATING PROFIT/LOSS	**-18.1**	**16.2**	**-26.7**	**29.9**	**-60.4**	**-3.8**
NET FINANCIAL INCOME/EXPENSE	**-1.7**	-3.7	**4.3**	-5.9	**-8.9**	-10.6
PROFIT/LOSS AFTER FINANCIAL ITEMS	**-19.8**	**12.5**	**-31.0**	**24.0**	**-69.3**	**-14.4**
INCOME TAX	**3.8**	-4.3	**6.5**	-8.3	**16.0**	1.3
PROFIT/LOSS AFTER TAX FOR THE PERIOD	**-16.0**	**8.2**	**-24.5**	**15.7**	**-53.3**	**-13.1**

Earnings per share

	2009 Q2	2008 Q2	2009 Q1-Q2	2008 Q1-Q2	Rolling 12 mth.	2008 Full yr.
NUMBER OF OUTSTANDING SHARES (000)	**9,624**	9,624	**9,624**	9,624	**9,624**	9,624
EARNINGS PER SHARE, SEK	**-1.67**	0.85	**-2.54**	1.63	**-5.54**	-1,36

Consolidated statement of total recognised gains and losses

	2009 Q2	2008 Q2	2009 Q1-Q2	2008 Q1-Q2	Rolling 12 mth.	2008 Full yr.
NET PROFIT/LOSS	**-16.0**	**8.2**	**-24.5**	**15.7**	**-53.3**	**-13.1**
OTHER TOTAL GAINS AND LOSSES						
EXCHANGE RATE DIFFERENCES	**0.2**	1.1	**-1.2**	0.1	**5.6**	6.9
CASH FLOW HEDGES	**-0.1**	-	**-0.3**	-	**-**	0.3
OTHER TRANSACTIONS REPORTED DIRECT TO EQUITY	**-**	-	**-**	-	**-0.1**	-0.1
OTHER TOTAL GAINS AND LOSSES FOR THE PERIOD	**0.1**	**1.1**	**-1.5**	**0.1**	**5.5**	**7.1**
TOTAL GAINS AND LOSSES FOR THE PERIOD	**-15.9**	**9.3**	**-26.0**	**15.8**	**-47.8**	**-6.0**

Consolidated Balance Sheet

	2009 30 Jun	2008 30 Jun	2008 31 Dec
ASSETS			
GOODWILL	**67.5**	65.3	67.1
OTHER INTANGIBLE FIXED ASSETS	**10.3**	7.8	9.2
TANGIBLE FIXED ASSETS	**134.5**	127.4	141.9
DEFERRED TAX ASSET	**28.1**	6.0	24.0
OTHER FINANCIAL FIXED ASSETS	**7.0**	1.4	4.9
FIXED ASSETS	**247.4**	**207.9**	**247.1**
STOCK	**269.8**	341.4	342.9
ACCOUNTS RECEIVABLE—TRADE	**244.9**	362.5	272.7
OTHER CURRENT RECEIVABLES	**50.3**	49.1	49.7
CASH AND CASH EQUIVALENTS	**23.4**	22.3	35.9
CURRENT ASSETS	**588.4**	**775.3**	**701.2**
TOTAL ASSETS	**835.8**	**983.2**	**948.3**
EQUITY AND LIABILITIES			
EQUITY	**268.9**	316.7	294.9
LONG-TERM INTEREST-BEARING LIABILITIES	**20.7**	106.0	62.1
DEFERRED TAX LIABILITY	**19.3**	20.0	19.6
OTHER LONG-TERM PROVISIONS	**12.6**	12.6	12.1
OTHER LONG-TERM LIABILITIES	**0.0**	-	4.6
LONG-TERM LIABILITIES	**52.6**	**138.6**	**98.4**
CURRENT INTEREST-BEARING LIABILITIES	**244.0**	147.9	209.0
ACCOUNTS PAYABLE—TRADE	**130.5**	253.2	208.6
OTHER CURRENT LIABILITIES	**102.8**	120.3	96.2
SHORT-TERM PROVISIONS	**37.0**	6.5	41.2
CURRENT LIABILITIES	**514.3**	**527.9**	**555.0**
TOTAL EQUITY AND LIABILITIES	**835.8**	**983.2**	**948.3**

Consolidated change in equity

	2009 Q2	2008 Q2	2009 Q1-Q2	2008 Q1-Q2	Rolling 12 mth.	2008 Full yr.
OPENING EQUITY	**284.8**	333.9	**294.9**	327.4	**316.7**	327.4
TOTAL GAINS AND LOSSES AFTER TAX FOR THE PERIOD	**-15.9**	9.3	**-26.0**	15.8	**-47.8**	-6.0
DIVIDENDS PAID	**-**	-26.5	**-**	-26.5	**-**	-26.5
CLOSING EQUITY	**268.9**	**316.7**	**268.9**	**316.7**	**268.9**	**294.9**

Consolidated cash flow

	2009 Q2	2008 Q2	**2009 Q1-Q2**	2008 Q1-Q2	**Rolling 12 mth.**	2008 Full yr.
PROFIT/LOSS AFTER FINANCIAL ITEMS	**-19.8**	12.5	**-30.9**	24.0	**-69.3**	-14.4
REVERSED DEPRECIATION AND AMORTISATION	**8.8**	8.0	**18.3**	15.8	**34.8**	32.3
OTHER NON-CASH ITEMS	**3.7**	-5.6	**0.4**	1.6	**34.5**	35.7
TAX PAID	**-2.6**	-6.3	**-8.4**	-19.0	**-15.2**	-25.8
CHANGE IN WORKING CAPITAL	**21.3**	4.0	**27.2**	35.8	**46.8**	55.4
CASH FLOW FROM OPERATING ACTIVITIES	**11.4**	**12.6**	**6.6**	**58.2**	**31.6**	**83.2**
CASH FLOW FROM INVESTING ACTIVITIES	**-0.6**	-7.2	**-11.1**	-28.8	**-40.4**	-58.1
CASH FLOW FROM FINANCING ACTIVITIES	**-18.1**	-17.9	**-7.8**	-46.5	**8.6**	-30.1
CHANGE IN CASH AND CASH EQUIVALENTS	**-7.3**	**-12.5**	**-12.3**	**-17.1**	**-0.2**	**-5.0**
CASH AND CASH EQUIVALENTS						
AT START OF PERIOD	**30.8**	33.8	**35.9**	38.5	**22.3**	38.5
CASH FLOW BEFORE FINANCING ACTIVITIES	**10.8**	5.4	**-4.5**	29.4	**-8.8**	25.1
FINANCING ACTIVITIES	**-18.1**	-17.9	**-7.8**	-46.5	**8.6**	-30.1
EXCHANGE RATE DIFFERENCE IN CASH AND CASH EQUIVALENTS	**-0.1**	1.0	**-0.2**	0.9	**1.3**	2.4
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**23.4**	**22.3**	**23.4**	**22.3**	**23.4**	**35.9**
UN-UTILISED CREDITS	**50.0**	65.0	**50.0**	65.0	**50.0**	48.7
AVAILABLE CASH AND CASH EQUIVALENTS	**73.4**	**87.3**	**73.4**	**87.3**	**73.4**	**84.6**

Consolidated six-year summary

	Rolling 12 mth	2008	2007	2006	2005	2004
SALES	**1,454.2**	1,709.5	1,743.8	1,741.5	1,504.1	1,103.1
GROSS MARGIN	**4.9%**	7.2%	12.9%	11.9%	3.6%	11.4%
OPERATING MARGIN	**-4.2%**	-0.2%	6.4%	5.9%	-4.3%	2.7%
PROFIT MARGIN	**-4.8%**	-0.8%	6.0%	5.5%	-4.9%	1.8%
CASH FLOW (BEFORE FINANCING ACTIVITIES)	**-8.8**	25.1	-0.5	24.8	-9.7	-14.4
EQUITY PER SHARE, SEK	**27.94**	30.64	34.02	27.86	21.31	27.61
CASH FLOW PER SHARE, SEK	**-0.91**	2.61	-0.05	2.58	-1.01	-1.60
RETURN ON OPERATING CAPITAL	**-11.4%**	-0.7%	21.4%	22.5%	-14.3%	6.6%
RETURN ON EQUITY	**-18.2%**	-4.2%	26.3%	29.0%	-23.7%	6.6%
EQUITY TO ASSETS RATIO	**32.2%**	31.1%	34.5%	30.2%	25.3%	36.1%
AVERAGE NUMBER OF EMPLOYEES	**1,113**	1,201	1,171	1,127	1,097	887
SALES PER EMPLOYEE, SEK 000	**1,307**	1,423	1,489	1,545	1,371	1,239

Consolidated quarterly summary

	2009 Q2	2009 Q1	2008 Q4	2008 Q3	2008 Q2	2008 Q1	2007 Q4	2007 Q3
SALES	**312.1**	329.1	414.5	398.5	469.2	427.3	458.6	389.9
GROSS MARGIN	**6.2%**	5.7%	-2.8%	11.1%	10.4%	9.7%	12.9%	13.2%
OPERATING MARGIN	**-5.8%**	-2.6%	-11.6%	3.6%	3.4%	3.2%	6.2%	7.2%
PROFIT MARGIN	**-6.3%**	-3.4%	-12.2%	3.0%	2.7%	2.7%	5.8%	6.6%
CASH FLOW BEFORE FINANCING ACTIVITIES	**10.8**	-15.3	-6.2	1.9	5.4	24.0	-34.8	-39.1
EQUITY PER SHARE, SEK	**27.94**	29.59	30.64	34.04	32.91	34.69	34.02	31.67
CASH FLOW PER SHARE, SEK	**1.12**	-1.59	-0.64	0.20	0.56	2.49	-3.61	-4.06
EQUITY TO ASSETS RATIO	**32.2%**	31.4%	31.1%	33.7%	32.2%	35.2%	34.5%	33.2%
AVERAGE NUMBER OF EMPLOYEES	**944**	1,121	1,185	1,203	1,219	1,197	1,188	1,199
SALES PER EMPLOYEE, SEK 000	**331**	294	350	331	385	357	386	325

Parent Company Income Statement

	2009 Q2	2008 Q2	**2009 Q1-Q2**	2008 Q1-Q2	**Rolling 12 mth.**	2008 Full yr.
NET SALES	**12.4**	12.0	**25.0**	24.5	**65.4**	64.9
COST OF GOODS SOLD	**-9.0**	-6.5	**-18.7**	-11.7	**-37.9**	-30.9
GROSS PROFIT/LOSS	**3.4**	**5.5**	**6.3**	**12.8**	**27.5**	**34.0**
SALES COSTS	**-3.7**	-5.5	**-7.4**	-10.9	**-19.4**	-22.9
ADMINISTRATIVE COSTS	**-12.2**	-7.1	**-15.7**	-12.2	**-30.0**	-26.5
OTHER OPERATING INCOME/COSTS	**-1.0**	0.0	**0.4**	0.0	**1.6**	1.2
OPERATING PROFIT/LOSS	**-13.5**	**-7.1**	**-16.4**	**-10.3**	**-20.3**	**-14.2**
FINANCIAL INCOME/EXPENSE	**5.0**	-0.9	**5.9**	-1.5	**15.8**	8.5
PROFIT/LOSS AFTER NET FINANCIAL ITEMS	**-8.5**	**-8.0**	**-10.5**	**-11.8**	**-4.5**	**-5.7**
APPROPRIATIONS	**-**	-	**-**	-	**-15.5**	-15.5
PROFIT/LOSS BEFORE TAX	**-8.5**	**-8.0**	**-10.5**	**-11.8**	**-20.0**	**-21.2**
INCOME TAX	**3.6**	2.3	**4.1**	3.4	**7.8**	7.0
PROFIT/LOSS AFTER TAX	**-4.9**	**-5.7**	**-6.4**	**-8.4**	**-12.2**	**-14.2**

Parent Company Balance Sheet

	2009 30 Jun	2008 30 Jun	2008 31 Dec
ASSETS			
INTANGIBLE FIXED ASSETS	**2.1**	4.4	3.8
TANGIBLE FIXED ASSETS	**2.3**	1.6	2.6
FINANCIAL FIXED ASSETS	**308.7**	352.1	293.0
FIXED ASSETS	**313.1**	**358.1**	**299.4**
RECEIVABLES FROM GROUP COMPANIES & JOINT VENTURES	**111.5**	140.5	276.5
OTHER CURRENT RECEIVABLES	**12.1**	12.8	2.7
CASH AND CASH EQUIVALENTS	**8.6**	7.7	13.0
CURRENT ASSETS	**132.2**	**161.0**	**292.2**
TOTAL ASSETS	**445.3**	**519.1**	**591.6**
EQUITY AND LIABILITIES			
EQUITY	**253.6**	213.9	260.0
UNTAXED RESERVES	**48.1**	**32.6**	**48.1**
LIABILITIES TO CREDIT INSTITUTIONS	**-**	82.3	35.0
LIABILITIES TO GROUP COMPANIES & JOINT VENTURES	**6.8**	6.8	6.5
LONG-TERM LIABILITIES	**6.8**	**89.1**	**41.5**
LIABILITIES TO CREDIT INSTITUTIONS	**96.3**	121.4	179.1
LIABILITIES TO GROUP COMPANIES & JOINT VENTURES	**20.9**	51.3	48.8
OTHER CURRENT LIABILITIES	**19.6**	10.8	14.1
CURRENT LIABILITIES	**136.8**	**183.5**	**242.0**
TOTAL EQUITY AND LIABILITIES	**445.3**	**519.1**	**591.6**