



## AVTECH Sweden AB (publ)

### INTERIM REPORT

January – June 2012

#### AVTECH Sweden AB (publ) presents Q2 Interim Report 2012.

- The AVTECH-group turnover for the second quarter of 2012 totaled MSEK 1,6 (1,8). The turnover for the six month period totaled MSEK 2,9 (3,3).
- Operating income (profit/loss) for the second quarter of 2012 was MSEK -3,5 (-0,1) and MSEK -5,8 (-0,1) for the six month period. Net profit/loss for the second quarter of 2012 totaled MSEK -3,6 (-0,1) or MSEK -6,0 (-0,1) or SEK -0,47 (-0,43) per share.
- Cash flow from operating activities during the first quarter totaled MSEK -2,4 (1,3) or MSEK -3,7 (2,5) for the six month period or SEK -0,29 (10,96) per share. The group's cash balance totaled MSEK 0,3 (4,1 by the end of 2011) at the end of the financial period, which is equivalent to SEK 0,02 (0,32) per share.
- Equity totaled MSEK 9,7 (15,8 by the end of 2011) at the end of the financial period or SEK 0,76 (1,23) per share. The group's equity/assets ratio totaled 52,2 (56,4) percent.
- AVTECH Sweden AB (publ) was listed on NASDAQ OMX First North on 20<sup>th</sup> February 2012 and recruited for key positions in finance, marketing and business development in January and February.
- In April 2012 AVTECH received a grant of 3.0 MSEK in research funding from VINNOVA under the program "Research and Grow", thereby enabling a larger effort in the field of Wake Vortex. Wake Vortex is one of AVTECH's most important research areas in Performance Based Operations.
- In May AVTECH received a contract with Emirates airline regarding a key-project within Performance Based Operations. The agreement was rewarded through the Sales- and Marketing Company AVTECH Middle East LLC, and has an estimated contract value of USD 150 000. In June AVTECH also entered into a commercial agreement with Emirates airline regarding delivery of of Aventus NowCast, as part of the ongoing FLOW-project in the Middle East.
- During the financial period, AVTECH experienced administrative delays on part of the European Commission in paying for services already provided by AVTECH, as well as delays on behalf of customers within its Business Unit Professional Services, regarding the initiation of a number of critical projects. As a consequence of the associated cash flow implications, AVTECH is now exploring solutions to finance the delays.

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*(Full report attached as pdf, in Swedish only)*

**About AVTECH Sweden AB (publ)**

AVTECH develops products and services for digital Air Traffic Management (ATM). Its customers include the global aviation industry; e.g. airlines, airports, aviation authorities, technology companies and airline manufacturers. By using AVTECH's products and services, each individual flight as well as the entire airline operation can be optimized in terms of cost, noise and emission, efficiency, punctuality and safety. The head office is in Stockholm, Sweden with subsidiaries in Toulouse, France and Dubai, U.A.E. AVTECH Sweden AB is listed on NASDAQ OMX First North and has appointed Thenberg & Kinde Fondkommission AB as Certified Adviser.