



eWork Scandinavia AB (publ.)

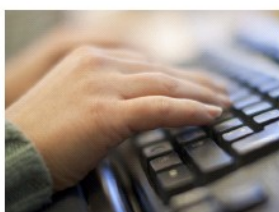
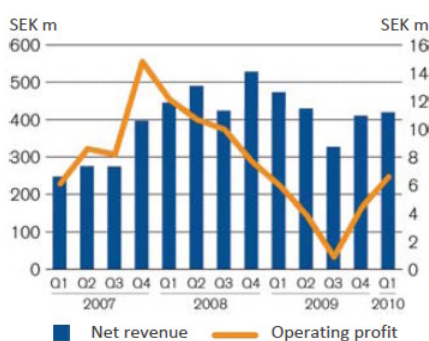
Interim report for first quarter 2010



First quarter 2010

- Sales down by 11.1%
- Operating profit improved by SEK 6.6 million (6.0) as a result of successful cost reductions
Operating margin increased to 1.6% (1.3)
- Order intake was SEK 498.2 million (433.6)
- eWork opened branch offices in Linköping and launched a new outsourcing service called Single Sourcing
- Several framework agreements were signed with major customers such as Hertz, Vägverket, Linköpings Kommun and Sjöfartsverket
- Earnings per share after tax were SEK 0.33 (0.29)
- eWork shares were listed for trading on NASDAQ OMX Stockholm

SEK million	Jan-Mar 2010	Jan-Mar 2009	Whole year 2009
Net sales	420.4	473.1	1,640.1
Operating profit	6.6	6.0	15.2
Profit before tax	5.9	6.5	15.5
Profit after tax	5.5	4.8	11.9
Cash flow, operating activities	-21.0	-9.4	14.1
Operating margin, %	1.6	1.3	0.9
Equity/assets ratio, %	18.4	18.3	18.4



Comments by the CEO

During the first quarter of 2010, eWork noted that the market was stabilising. The order intake was showing an encouraging trend, and the number of enquiries coming in under our framework agreements increased, particularly in the area of project management skills. This can be seen as an indication that new projects are being started -- something we regard as a positive signal. It confirms our cautiously optimistic view, previously communicated, for 2010.

eWork's invoicing is still at a lower level than in the corresponding period in the previous year. However, we are now seeing that our cost savings are having the planned effects, and this has made it possible to increase the profit margin. During the period, the number of consultants on assignment increased, which could be said to be equivalent to eWork's order book.

During the quarter, eWork launched new long-term financial objectives, called 5-5-15. By 2015, we aim to achieve a turnover of SEK 5 billion with a 5% profit margin. This indicates that profitability must be substantially increased, while at the same time we recognise continuing growth opportunities.

The objectives are primarily internal, and we have made it clear that they should not be regarded as a forecast. One important aim of the objectives is to be able to demonstrate to our own people and to our customers our business development opportunities and the way forward. It is all about continuing to develop our existing core business, to expand our role in existing assignments, and to broaden our business through new offerings, new markets and new skills areas.

Some steps in that direction were taken in the last quarter. We opened a new branch office in the city of Linköping. This will increase our visibility, and facilitate customer contacts and continuing sales in one of Sweden's most IT-intensive localities. During the period, we also launched a new concept -- Single Sourcing. This could be described as the next step in the long-term consolidation of our customers' purchasing of consultancy services.

If eWork's role today is primarily a matter of efficiently managing the companies' procurement of consultancy services from specialists in one-man firms or smaller consultancies, then Single Sourcing means that we are going substantially further. As a company's only point of contact, we are in a position to rationalise the entire procurement of consultants -- in a competitive environment. While making this process more efficient, we are also removing from the customer the burden of a number of administrative tasks -- thus further reducing costs. With initiatives like this, we are gradually expanding eWork's core business. This in turn makes us an increasingly valuable partner to both customers and consultants.

Stockholm, 10 May 2010
Claes Ruthberg, CEO



Net sales

Net sales for the first quarter of 2010 totalled SEK 420.4 million (473.1), a decrease of 11.1%. The first quarter of 2009 remained strong, thanks to a good order intake during the fourth quarter of 2008.

In Sweden, net sales during the period were down by 10.7% at SEK 304.8 million, in Finland down by 10.9% at SEK 66.0 million, and in Denmark down by 37.4% at SEK 15.9 million. The substantial decline in sales in Denmark is primarily due to an almost total staff reorganisation between the periods. About half the current personnel were employed during the first quarter of 2010. They are not expected to generate any income until the second quarter of 2010. In Norway, net sales increased by 4.9% to SEK 33.7 million.

Net profit for the year

Operating profit for the first quarter of 2010 totalled SEK 6.6 million (6.0), an increase of 11%. Net profit after financial items was SEK 5.9 (6.5) million for the first quarter of 2010. Profit after tax was SEK 5.5 (4.8) million for the first quarter of 2010.

The improved operating profit was due to cost savings made by the company during 2009 that started to take effect. The costs for permanent staff and other overhead costs during the first quarter of 2010 were reduced by about SEK 5 million compared to the corresponding period in 2009. The proportion of consultants who receive their remuneration as project staff with eWork has increased during the first quarter of 2010 compared to 2009, resulting in a higher gross margin but also higher staff costs.

The trend in profits in the subsidiaries has by and large paralleled the expected trend (see note 1) with the exception of Norway. Norway's profit for the first quarter was somewhat worse, compared to 2009. The reason was that the number of takeover deals, where eWork takes over existing consultancy contracts, was substantially greater during the first quarter of 2010 than during the corresponding period in 2009. In most cases, such takeover deals require less administration and fewer resources from eWork, and can therefore justify a lower gross margin.

Financial position

The equity/assets ratio was 18.4% (18.4) as at 31 Mar 2010.

Cash flow from operating activities in the fourth quarter was SEK -21.0 (-9.4) million. The large variations in working capital at the various reporting intervals are mainly due to the fact that all payments from customers and to consultants take place at the month-end. For that reason, a small timing difference in out-payments and in-payments can result in a large effect on cash flow at a particular point in time. The large negative cash flow in the first quarter of 2010 was mainly due to one large in-payment in Finland of about SEK 10 million which was made at the end of the fourth quarter of 2009 instead of the first quarter of 2010, when the corresponding out-payment was made.

The group's net interest-bearing assets totalled SEK 81.0 (100.6) million at the end of the reporting period.

Market

The first quarter of 2010 saw a continuing stabilisation of demand on the Nordic IT consultancy market. Greater activity was evident in the form of more enquiries. Prices were stable after the downturn in 2009.

Signs of cautiously growing demand could be seen, above all in Sweden, Norway and Denmark. In these countries, the economy as a whole has stabilised, and the consultancy market parallels the general pattern of economic activity. Finland deviated from this positive pattern and saw instead a decrease in demand. That matches relatively closely with eWork's expectation that Finland is lagging behind in the economic cycle. For eWork, this meant that the decrease in demand was expected, and could be countered by better forward planning than during 2009 in the other Nordic countries.

eWork and industry observers such as IDC believes that the consulting brokers' proportion of the IT consultancy market will continue to grow. The growing number of enquiries during the quarter can be partly



seen as a sign of this. Particularly in Denmark, Finland and Norway the market penetration and eWork's market share are substantially lower than in Sweden. As the market leader in the Nordic countries, eWork's objective is to continue to be in the lead in order to increase the consulting brokers' share of the total consultancy market.

Developing the business

During the reporting period, there was a healthy upward trend in the group's sales. The order intake was SEK 498.2 million (433.6). The number of consultants on assignment was 1,438, the highest figure since the first quarter of 2009 when the corresponding figure was 1,463. The number of consultants on assignment gives an indication of future invoicing opportunities. However, this key performance figure should be used with caution. The connection with future invoicing is not absolute, as the number of invoiced hours per consultant on assignment varies over time.

In Sweden, sales to new customers remained good and several framework agreements were signed with customers like Hertz, Vägverket, Sjöfartsverket and Linköpings kommun. In particular, a focus on the public sector continued to pay dividends. During the period, a new branch office was opened in the city of Linköping, which arranged two of the framework agreements mentioned. The total reduction in invoicing compared with the first quarter of 2009 is due, as previously, to a small number of major customers in industries particularly sensitive to economic fluctuations.

In Finland, sales declined because of a general reduction in demand. However, operating profit improved slightly. The Finnish business also benefited from cost reductions implemented in 2009. The operating margin before group-wide costs was 5.1% despite the prevailing weak market.

The business in Denmark exhibited continuing stabilisation, though at a low level compared with the corresponding period in the previous year. The business continued to be loss-making, though the result was better than in any individual quarter in 2009. The new organisation that was set up in 2009 is working well, and we are determined to acquire new business and to generate a positive sales trend.

The business in Norway turned round the negative sales trend and reported a small increase. The loss in the last quarter of 2009 was turned round into a small profit. However, a relatively large proportion of the sales were for what are known as takeover deals, where gross margins are lower. This explains why the profit was lower than in the corresponding quarter of the previous year, despite increased sales.

During the period, we also launched a new outsourcing service -- eWork Single Sourcing. The service has additional stages which make it possible for eWork to expand its commitments to customers. Single Sourcing means that the entire management of consultants is outsourced to eWork, which is in line with customers' perennial and continuing consolidation of consultancy purchasing among an ever smaller number of suppliers.

Workforce

The company's workforce is now better adapted to the prevailing situation. Our efforts to strengthen and motivate our members of staff have continued as previously. Finding and retaining the right people will continue to be one of the most important tasks if the company is to achieve its long-term goals.

The average number of employees in the group during the current reporting period was 101 (132). These figures include consultants employed on particular projects, totalling 11 (3) people.

The gender distribution between women and men was 59/41%.

Parent company

The parent company's net sales for the first quarter were SEK 304.8 (341.4) million. The net profit before financial items was SEK 3.3 (3.2) million, and the profit before tax was SEK 1.9 (3.2) million. The reason for the worse profit after tax compared with 2009 was a lower net financial income/expense due to the sharp drop in the Euro in the first quarter.

The parent company's equity at the end of the quarter was SEK 76.9 (79.7) million, and the equity/assets ratio was 21.2% (20.3).



Material risks and uncertainty factors

In general, eWork's material business risks, for the group as well as the parent company, consist of reduced demand for consultancy services, difficulties in attracting and retaining skilled staff, credit risks and to a lesser extent currency risks. The company does not see any new material business risks in the next six months.

Events after the end of the reporting period

There were no events of a material character after the end of the reporting period.

Prospects

The company considers that the market situation is somewhat more positive than previously. The trend that customers impose costs-reduction measures, such as consolidating the number of suppliers, is continuing this year. Price pressure on existing contracts, plus a switch to cheaper suppliers in existing projects, has continued, though on a smaller scale than previously.

We continue to believe that eWork is in a position to develop well during 2010. One reason for this is eWork's structure capital in the form of a large and growing number of framework contracts. eWork is gradually extending its product portfolio with a number of supplementary offers with the aim of improving competitiveness and strengthening its relationships with existing customers. The effect of the cost-cutting programme we have implemented is expected to be a reduction in costs during 2010 by more than SEK 20 million compared with 2009.

eWork's priorities are quality, profitability and growth, in that order. The board believes that a gradually improving market, together with the operational improvements already made, will enable eWork to grow, and will create the preconditions needed for improved profitability of the company during 2010 compared to 2009.

This assessment means a marginal upward adjustment of the prospects compared with the assessment made in the previous quarter.

Financial calendarium

23 July 2010	Interim report April – June 2010
22 October 2010	Interim report July – September 2010
11 February 2011	Year-end report 2010

Stockholm, 10 May 2010

Claes Ruthberg, CEO

This report has not been reviewed by the company's auditor.

Addresses and contact details

eWork Scandinavia AB (publ). (org. no. 556587-8708)
Office address: Klarabergsgatan 60, SE-111 21 Stockholm, Sweden.
E-mail: info@ework.se
www.ework.se

For more information contact:

Claes Ruthberg, President and CEO, +46 8 50 60 55 00
Ulf Henning, CFO, eWork Scandinavia AB, +46 8 50 60 55 12



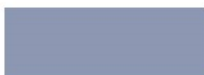
Statement of comprehensive income for the group

SEK thousand	Note	Jan-Mar 2010	Jan-Mar 2009	Full year 2009
Operating income				
Net sales	1	420,434	473,062	1,640,123
Other operating income		-	529	3,257
Total operating income		420,434	473,591	1,643,381
Cost of services sold	.	-382,078	-432,605	-1,488,928
Gross profit		38,356	40,986	154,452
Operating expenses				
Other external costs		-7,181	-7,040	-34,025
Staff costs		-24,296	-27,789	-104,255
Write-offs on tangible and intangible fixed assets		-240	-174	-929
Total operating expenses		-31,717	-35,003	-139,209
Operating profit	1	6,639	5,983	15,243
Profit/loss on financial items				
Net financial income/expense		-720	496	249
Profit/loss after financial items		5,919	6,479	15,492
Tax on profit/loss for the period.		-381	-1,710	-3,591
Profit for the period		5,538	4,769	11,901
Other comprehensive income				
Translation differences for the period when translating foreign business activities		-1,718	807	-724
Other comprehensive income for the period		-1,718	807	-724
Comprehensive income for the period		3,820	5,576	11,177
Earnings per share				
before dilution (SEK)		0,33	0,29	0,71
after dilution (SEK)		0,33	0,29	0,71
Number of shares outstanding at the end of the reporting period				
before dilution (thousands)		16,725	16,725	16,725
after dilution (thousands)		16,725	16,725	16,725
Average number of shares outstanding				
before dilution (thousands)		16,725	16,725	16,725
after dilution (thousands)		16,725	16,725	16,725



Statement of group financial position

SEK thousand	Note	31 Mar 10	31 Mar 09	31 Dec 09
Assets				
Fixed assets				
Intangible fixed assets		2,248	2,174	2,400
Tangible fixed assets		852	899	903
Long-term receivables		382	413	394
Deferred tax assets		3,886	2,349	3,909
Total fixed assets		7,368	5,835	7,606
Current assets				
Tax asset		8,660	-	3,170
Accounts receivable - trade		365,406	395,157	323,880
Prepaid expenses and accrued income		3,612	4,564	3,891
Other receivables		380	4,885	1,923
Cash and cash equivalents		81,016	100,584	104,269
Total current assets		459,074	505,190	437,133
Total assets		466,442	511,025	444,739
Equity and liabilities				
Equity				
Share capital		2,174	2,174	2,174
Other paid-up capital		53,932	53,252	53,932
Reserves		-1,404	1,845	314
Profit brought forward including profit for the year		31,075	36,802	25,537
Total equity		85,777	94,073	81,957
Current liabilities				
Accounts payable		348,294	384,353	333,097
Tax liabilities		-	3,307	-
Other liabilities		16,054	14,553	9,258
Accrued expenses and deferred income		16,317	14,739	20,427
Total current liabilities		380,665	416,952	362,782
Total equity and liabilities		466,442	511,025	444,739



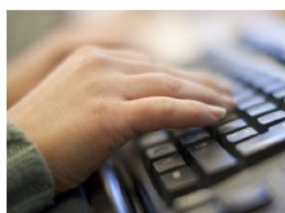
Statement of changes in group equity

SEK thousand	Share capital	Other paid-up capital	Translation reserve	Profit brought forward including profit/loss for the year
Equity brought forward 1 Jan 2009	2,174	53,252	1,038	32,033
Comprehensive income for the period			807	4,769
Equity carried forward 31 Mar 2009	2,174	53,252	1,845	36,802
Equity brought forward 1 Apr 2009	2,174	53,252	1,845	36,802
Comprehensive income for the period			-1,531	7,132
Dividends				-18,397
Share-based payments premiums paid		680		
Equity carried forward 31 Dec 2009	2,174	53,932	314	25,537
Equity brought forward 1 Jan 2010	2,174	53,932	314	25,537
Comprehensive income for the period			-1,718	5,538
Equity carried forward 31 Mar 2010	2,174	53,932	-1,404	31,075



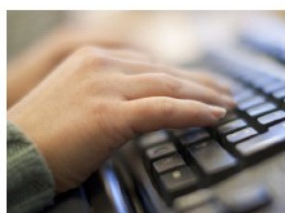
Cash flow statement for the group

SEK thousand	Note	Jan-Mar 2010	Jan-Mar 2009	Full year 2009
Operating activities				
Profit/loss after financial items		5,919	6,479	15,492
Adjustments for non-cash items		150	333	1,238
Income taxes paid		-5,245	-10,203	-20,323
Cash flow from operating activities before changes in working capital		824	-3,391	-3,593
Cash flow from changes in working capital				
Increase (-)/Decrease (+) in operating receivables		-39,704	1,272	72,724
Increase (+)/Decrease (-) in operating liabilities		17,882	-7,329	-55,017
Cash flow from operating activities		-20,998	-9,448	14,114
Investing activities				
Acquisition of tangible fixed assets		-38	-49	-377
Acquisition of intangible fixed assets		-	-235	-520
Divestments of financial assets		34	-	26
Cash flow from investing activities		-4	-284	-871
Financing activities				
Option program		-	-	680
Dividends paid to the owners of the parent company		-	-	-18,397
Cash flow from financing activities		0	0	-17,717
Cash flow for the period		-21,002	-9,732	-4,474
Cash and cash equivalents at the start of the period		104,269	109,765	109,765
Exchange rate differences		-2,251	551	-1,022
Cash and cash equivalents at the end of the period		81.016	100.584	104.269



Key ratios

	Jan–mar 2010	Jan–mar 2009	Full year 2009
Trend in sales	-11.1%	6.3%	-13.0%
Operating margin	1.6%	1.3%	0.9%
Return on equity	6.6%	5.2%	14.0%
Equity/assets ratio	18.4%	18.4%	18.4%
Acid test ratio	121%	121%	120%
Average number of employees	101	132	127
Sales per employee	4,163	3,584	12,914



Parent company's income statement

SEK thousand

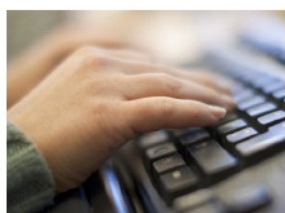
Note

Jan-Mar 2010

Jan-Mar 2009

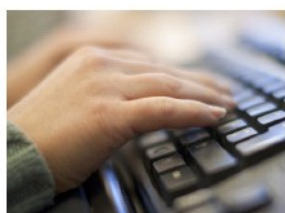
Full year 2009

Operating income			
Net sales	304,824	341,410	1,185,139
Other operating income	114	529	8,240
Total operating income	304,938	341,939	1,193,379
Cost of services sold	-277,089	-315,000	-1,079,962
Gross profit	27,849	26,939	113,417
Operating expenses			
Other external costs	-5,267	-4,289	-24,397
Staff costs	-19,099	-19,302	-74,917
Write-offs and write-downs on tangible and intangible fixed assets	-212	-135	-777
Total operating expenses	-24,578	-23,726	-100,091
Operating profit	3,271	3,213	13,326
<i>Profit/loss on financial items</i>			
Participations in group companies	-	-	5,588
Other interest income and similar profit/loss items	262	845	2,086
Interest expense and similar profit/loss items	-2,159	-43	-1,687
Total financial items	-1,897	802	5,987
Profit/loss after financial items	1,374	4,015	19,313
Tax on profit/loss for the period	479	-831	-3,081
Profit/loss for the period	1,853	3,184	16,232



Parent company's balance sheet

SEK thousand	Note	31 Mar 10	31 Mar 09	31 Dec 09
Assets				
Fixed assets				
Intangible fixed assets		2,248	2,174	2,400
Tangible fixed assets		518	382	522
Participations in group companies		2,067	2,067	2,067
Other long-term receivables		51	51	51
Total fixed assets		4,884	4,674	5,040
Current assets				
Accounts receivable - trade		263,906	290,351	240,716
Receivables from group companies		27,071	22,858	31,455
Tax asset		9,100	-	3,558
Other receivables		101	4,019	1,252
Prepaid expenses and accrued income		3,091	3,720	3,177
Cash and bank balances		55,005	67,445	65,847
Total current assets		358,274	388,393	346,005
Total assets		363,158	393,067	351,045



SEK thousand	Note	31 Mar 10	31 Mar 09	31 Dec 09
Equity and liabilities				
Equity				
<i>Restricted equity</i>				
Share capital		2,174	2,174	2,174
Statutory reserve		6,355	6,355	6,355
Total restricted equity		8,529	8,529	8,529
<i>Non-restricted equity</i>				
Share premium reserve		47,971	47,291	47,971
Profit/loss brought forward		18,520	20,687	2,290
Profit/loss for the period		1,853	3,184	16,230
Total non-restricted equity		68,344	71,162	66,491
Total equity		76,873	79,691	75,020
Current liabilities				
Accounts payable		268,348	299,782	258,049
Tax liabilities		-	2,677	-
Other liabilities		6,661	1,005	4,629
Accrued expenses and deferred income		11,276	9,912	13,347
Total current liabilities		286,285	313,376	276,025
Total equity and liabilities		363,158	393,067	351,045

Parent company's pledged assets and contingent liabilities

SEK thousand	Note	31 Mar 10	31 Mar 09
Pledged assets		None	None
Contingent liabilities		None	None



Notes to the financial statements

Accounting policies

The interim report for the group has been prepared in accordance with IAS 34 Interim Financial Reporting as well as appropriate provisions in the Annual Accounts Act, The interim report for the parent company has been prepared in accordance with the Annual Accounts Act, For the group and the parent company, the same accounting policies and basis of calculation as in the 2009 Annual Report have been applied,

Note 1 Operational segments

Group operational segment

	Sweden		Finland		Norway		Denmark		Total	
SEK thousand	Jan-Mar 2010	Jan-Mar 2009	Jan-Mar 2010	Jan-Mar 2009	Jan-Mar 2010	Jan-Mar 2009	Jan-Mar 2010	Jan-Mar 2009	Jan-Mar 2010	Jan-Mar 2009
Income from customers	304,825	341,939	66,030	74,069	33,652	32,137	15,927	25,447	420,434	473,592
Profit/loss for the segment	4,730	4,393	3,383	2,919	635	803	- 650	- 952	8,098	7,163
Group-wide expenses									- 1,459	- 1,180
Operating profit									6,639	5,983
Net financial items									- 720	496
Profit before tax for the period									5,919	6,479

