



Nolato AB (publ) three-month interim report 2011

Weak demand for Nolato Telecom's existing product portfolio

Strong improvement for other business areas

■ First quarter of 2011 in brief

- Sales was SEK 759 million (746)
- Operating income (EBITA) was SEK 44 million (63)
- Net income was SEK 28 million (45)
- Earnings per share was SEK 1.06 (1.71)
- Cash flow after investments was SEK 111 million (0)
- Component shortages affect market conditions for Nolato Telecom

■ Group highlights

SEK millions unless otherwise specified	Q1 2011	Q1 2010	Rolling 12 months	Full year 2010
Net sales	759	746	3,388	3,375
Operating income (EBITDA) ¹⁾	79	100	386	407
Operating income (EBITA) ²⁾	44	63	243	262
EBITA margin, %	5.8	8.4	7.2	7.8
Income after financial items	38	57	224	243
Net income	28	45	170	187
Earnings per share before and after dilution, SEK*	1.06	1.71	6.46	7.11
Adjusted earnings per share, SEK ³⁾ *	1.10	1.79	6.68	7.37
Cash flow after investments, excl. acquisitions and disposals	111	0	341	230
Net investments affecting cash flow, excl. acquisitions and disposals	24	24	140	140
Return on capital employed, %	17.6	16.1	—	18.4
Return on shareholders' equity, %	14.6	14.9	—	16.5
Equity/assets ratio, %	54	54	—	50
Net receivable (+) / debt (-)	80	- 44	—	- 34

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

¹⁾ Operating income (EBITDA): Earnings before interest, taxes, depreciation and amortisation.

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

³⁾ Adjusted earnings per share: Net income, excluding amortisation of intangibles assets arising from acquisitions, divided by the average number of shares.

This document is a translation from Swedish. In the event of any difference between this version and the Swedish original, the Swedish original shall govern.

First quarter 2011

- Sales was SEK 759 million (746)
- Weak demand for Nolato Telecom's existing product portfolio
- Strong improvement for other business areas
- Operating income (EBITA) was SEK 44 million (63)

Sales

The Group's sales totalled SEK 759 million (746), representing an increase of 2% compared with the corresponding period during the previous year. The acquired unit within Nolato Medical, Contour Plastics, accounted for SEK 39 million. Currency exchange rate differences had an adverse impact on sales of around 5%.

Nolato Medical's sales rose by 25% to SEK 232 million (186). Organic growth was 10% excluding currency effects. Including currency conversion effects, sales rose by 4%.

Nolato Telecom's sales dropped by 19% to SEK 259 million (320). Excluding currency conversion effects, sales fell by 13%.

Nolato Industrial's sales rose by 11% to SEK 268 million (241). Excluding currency conversion effects, sales rose by 14%.

Income

The Group's operating income (EBITA) was SEK 44 million (63).

Nolato Medical's operating income (EBITA) was SEK 28 million (23), Nolato Telecom's was SEK -4 million (32) and Nolato Industrial's was SEK 25 million (17).

Overall, the Group's EBITA margin was 5.8% (8.4%).

Currency effects (transaction effects and currency conversion effects) had no impact on earnings, SEK 0 million (-4).

Operating income (EBIT) was SEK 42 million (61).

Income after net financial items was SEK 38 million (57). These net financial items included currency exchange rate effects of SEK -2 million (-1) during the first quarter.

Net income was SEK 28 million (45). Earnings per share before and after dilution stood at SEK 1.06 (1.71). Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions were SEK 1.10 (1.79). The effective tax rate was 26% (21). The higher tax rate is due to a change in earnings between the countries in which the Group operates, as well as new taxes for operations in China.

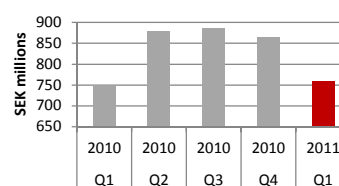
The return on capital employed was 17.6% for the last twelve months (18.4 for the 2010 calendar year). The return on operating capital was 20.6% for the last twelve months (21.6 for the 2010 calendar year).

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

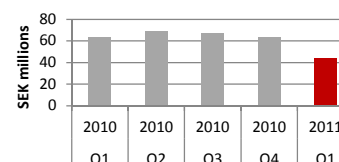
SEK millions	Sales Q1/2011	Sales Q1/2010	Operating inc. EBITA Q1/2011	Operating inc. EBITA Q1/2010	EBITA margin Q1/2011	EBITA margin Q1/2010
Nolato Medical	232	186	28	23	12.1%	12.4%
Nolato Telecom	259	320	- 4	32	- 1.5%	10.0%
Nolato Industrial	268	241	25	17	9.3%	7.1%
Intra-Group adj., Parent Co	—	- 1	- 5	- 9	—	—
Group total	759	746	44	63	5.8%	8.4%

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

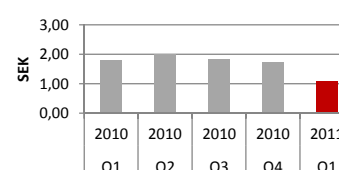
Sales



Operating income (EBITA)



Adjusted earnings per share



■ Nolato Medical

Sales and income Q1 (SEK millions)	2011	2010
Sales	232	186
Operating income (EBITA)	28	23
EBITA margin (%)	12.1	12.4
Operating income (EBIT)	27	22

Nolato Medical saw sales rise to SEK 232 million (186), corresponding to growth of 25%. Organic growth was 10% excluding currency conversion effects. Including currency conversion effects, sales excluding acquisitions rose by 4%. The majority of the business area's customer segments experienced strong growth in volumes, and operations have developed very much in line with market growth.

Operating income (EBITA) rose to SEK 28 million (23). The EBITA margin was 12.1% (12.4). This margin was affected by the acquisition.

The transfer of silicone technology to Nolato Contour is progressing according to plan, and the expanded facility in Hörby is now gradually being brought into use.

■ Nolato Telecom

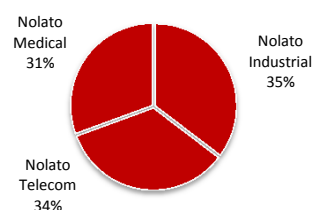
Sales and income Q1 (SEK millions)	2011	2010
Sales	259	320
Operating income (EBITA)	-4	32
EBITA margin (%)	-1.5	10.0
Operating income (EBIT)	-4	32

Nolato Telecom's sales dropped by 19% to SEK 259 million (320), of which onward sales of components (touchscreens) are included at approximately SEK 55 million (10). Excluding currency conversion effects, sales fell by 13%. As announced in the year-end report, there was an older product mix at the end of the year. Following a strong start to the year ahead of the Chinese New Year in early February, demand for the existing product portfolio dropped dramatically, as announced in a press release on 23 March.

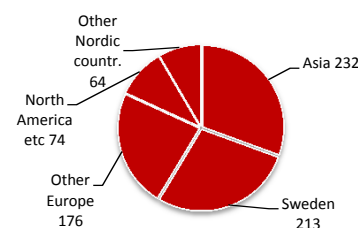
New customer project start-ups are underway as planned, and these will gradually replace the older product portfolio. However, there is a general sense of uncertainty in the market in relation to access to electronic components as a result of the natural disasters in Japan, and this may have an impact on volumes and the start-up time for new projects during 2011.

Operating income (EBITA) fell to SEK -4 million (32). The EBITA margin was -1.5% (10.0). A predominant older product mix and weak consumers demand at the end of the quarter have had a negative impact on the margin.

■ Business areas' share of sales Q1 2011



■ Sales by geographic markets Q1 2011 (SEK millions)



■ Nolato Industrial

Sales and income Q1 (SEK millions)	2011	2010
Sales	268	241
Operating income (EBITA)	25	17
EBITA margin (%)	9.3	7.1
Operating income (EBIT)	24	16

Nolato Industrial's sales rose by 11% to SEK 268 million (241). Strong demand, market position gains and new products have all contributed towards higher sales. Excluding currency conversion effects, sales rose by 14%.

Operating income (EBITA) totalled SEK 25 million (17), with a strong EBITA margin of 9.3% (7.1). High levels of capacity utilisation have had a beneficial effect on the margin.

As previously announced, the business area has decided to set up a small-scale production unit in Romania. Production will take place in rented premises, and is expected to begin at the end of the second quarter. A rental agreement has been signed, and installations and recruitment are currently underway.

■ Cash flow

Cash flow before investments totalled SEK 135 million (24). The change in working capital was a positive SEK 75 million (–52). Cash flow after investments was SEK 111 million (0). The strong cash flow compared with the corresponding period during the previous year is mainly due to a reduced need for working capital. Net investments affecting cash flow totalled SEK 24 million (24).

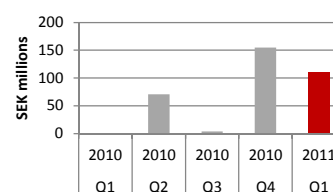
■ Financial position

Interest-bearing assets totalled SEK 254 million (124), and interest-bearing liabilities and provisions totalled SEK 174 million (168). Financial net assets thus totalled SEK 80 million (–44). Shareholders' equity stood at SEK 1,182 million (1,129). The equity/assets ratio was 54% (54). Adjusted to take the proposed dividend of SEK 158 million into account, the equity/assets ratio was 50% (52).

■ Personnel

The average number of employees during the period was 5,240 (7,448). The reduction in the number of employees is attributable to Nolato Telecom in China. Staff numbers have been reduced due to lower volumes at the end of the quarter.

■ Cash flow after investments



Excluding acquisitions and disposals

Consolidated performance analysis

SEK millions	Q1 2011	Q1 2010	Full year 2010
Net sales	759	746	3,375
Gross income excl. depreciation/amortisation	127	155	627
<i>As a percentage of net sales</i>	<i>16.7</i>	<i>20.8</i>	<i>18.6</i>
Costs	- 48	- 55	- 220
<i>As a percentage of net sales</i>	<i>6.3</i>	<i>7.4</i>	<i>6.5</i>
Operating income (EBITDA)	79	100	407
<i>As a percentage of net sales</i>	<i>10.4</i>	<i>13.4</i>	<i>12.1</i>
Depreciation and amortisation	- 35	- 37	- 145
Operating income (EBITA)	44	63	262
<i>As a percentage of net sales</i>	<i>5.8</i>	<i>8.4</i>	<i>7.8</i>
Amortisation of intang. assets arising from acquisitions	- 2	- 2	- 9
Operating income (EBIT)	42	61	253
Financial items	- 4	- 4	- 10
Income after financial items	38	57	243
Tax	- 10	- 12	- 56
<i>As a percentage of income after financial items</i>	<i>26.3</i>	<i>21.1</i>	<i>23.0</i>
Net income	28	45	187

Financial position

SEK millions	31/03/2011	31/03/2010	31/12/2010
Interest-bearing liabilities, credit institutions	- 82	- 76	- 180
Interest-bearing pension liabilities	- 92	- 92	- 93
Total borrowings	- 174	- 168	- 273
Cash and bank	254	124	239
Net receivable (+) / debt (-)	80	- 44	- 34
Working capital	64	202	145
<i>As a percentage of sales (avg.) (%)</i>	<i>3.9</i>	<i>5.2</i>	<i>4.1</i>
Capital employed	1,356	1,297	1,452
<i>Return on capital employed (avg.) (%)</i>	<i>17.6</i>	<i>16.1</i>	<i>18.4</i>
Shareholders' equity	1,182	1,129	1,179
<i>Return on shareholders' equity (avg.) (%)</i>	<i>14.6</i>	<i>14.9</i>	<i>16.5</i>

The tax situation in China

With effect from 2011, China has introduced new taxes and charges for foreign companies, which are expected to increase Nolato's tax expenses by around SEK 5 – 10 million each year. During the period 2008 – 2010, Nolato was entitled to a 15% tax rate in China, thanks to its high-tech status. The process of applying for this status for 2011 – 2013 is currently underway and final decision is estimated to be received during second or third quarter this year. The tax rate for the first quarter has been calculated on the basis that Nolato receives a high-tech status (15% tax rate in China), but from year 2011 with addition of the new non-profit based taxes.

Significant risks and uncertainty factors

The business risks and risk management of the Group and the Parent Company, along with the management of financial risks, are described in the 2010 Annual Report on pages 32 – 33, and in Note 4 on pages 49 – 50.

No significant events have occurred during the period that would significantly affect or change these descriptions of the Group's and the Parent Company's risks or the management thereof.

■ Ownership and legal structure

Nolato AB (publ), Swedish corporate identity number 556080-4592, is the Parent Company of the Nolato Group.

Nolato's B shares are listed on the NASDAQ OMX Nordic Exchange, since 1 January 2011 in the Stockholm Mid Cap segment, where they are included in the information technology sector.

The number of shareholders has risen by 6%, totalling 8,348 on 31 March 2011. The largest shareholders were the Paulsson family with 12% of the share capital, the Jorlén family with 10%, and the Boström family with 9%. The ten largest shareholders include financial institutions which own an additional 28% of the share capital, with Lannebo Fonder, Svolder and Skandia Fonder being the largest. The ten largest shareholders hold 59% of the share capital and 79% of the votes.

■ The Parent Company

Sales totalled SEK 7 million (5). The increase in sales is a result of higher costs levied on subsidiaries. Income after financial items was SEK 42 million (13). The rise in income is mainly due to higher dividends from subsidiaries.

■ Accounting and valuation principles

Nolato's consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU.

The consolidated accounts have been prepared in accordance with the same principles as those applied to the Annual Report, which are described in the 2010 Annual Report on pages 45–48.

The consolidated year-end report has been prepared in accordance with IAS 34 (Interim Financial Reporting). The applicable provisions of the Swedish Annual Accounts Act and the Swedish Securities Market Act have also been applied.

The Parent Company year-end report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, in line with the provisions of RFR 2, Accounting for Legal Entities.

The new or revised IFRS standards or IFRIC interpretations that entered into force on 1 January 2011 have not had any material effect on the Group's income statements or balance sheets.

■ Financial information schedule

- Six-month interim report 2011: 20 July 2011
- Nine-month interim report 2011: 26 October 2011

Torekov, 27 April 2011

Nolato AB (publ)

Hans Porat, President and CEO

■ Contact:

- Hans Porat, President and CEO, phone +46431 442294.
- Per-Ola Holmström, CFO, phone +46431 442293.

The information contained in this interim report is the information which Nolato must make public in accordance with the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. This information was made public on 27 April 2011 at 14:00 pm.

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

Consolidated income statement (summary)

SEK millions	Q1 2011	Q1 2010	Rolling 12 months	Full year 2010
Net sales	759	746	3,388	3,375
Cost of goods sold	- 665	- 627	- 2,927	- 2,889
Gross profit	94	119	461	486
Other operating income	2	0	7	5
Selling expenses	- 17	- 18	- 75	- 76
Administrative expenses	- 37	- 38	- 159	- 160
Other operating expenses	0	- 2	0	- 2
	- 52	- 58	- 227	- 233
Operating income	42	61	234	253
Financial items	- 4	- 4	- 10	- 10
Income after financial items	38	57	224	243
Tax	- 10	- 12	- 54	- 56
Net income	28	45	170	187
All earnings are attributable to the Parent Co.'s shareholders				
Depreciation/amortisation	37	39	152	154
Earnings per share before and after dilution (SEK)	1.06	1.71	6.46	7.11
Number of shares at the end of the period	26,307,408	26,307,408	26,307,408	26,307,408
Average number of shares	26,307,408	26,307,408	26,307,408	26,307,408

Consolidated comprehensive income

SEK millions	Q1 2011	Q1 2010	Rolling 12 months	Full year 2010
Net income	28	45	170	187
Other comprehensive income				
Translation differences for the period	- 27	- 2	- 42	- 17
Cash flow hedges	2	0	4	2
Tax attributable to cash flow hedges	0	0	0	0
Other comprehensive income, net of tax	- 25	- 2	- 38	- 15
Total comp. income for the period attributable to the Parent Co.'s shareholders	3	43	132	172

■ Consolidated balance sheet (summary)

SEK millions	31/03/2011	31/03/2010	31/12/2010
Assets			
Fixed assets			
Intangible fixed assets	433	372	441
Tangible fixed assets	684	676	718
Other securities held as fixed assets	2	2	2
Other long-term receivables	1	1	1
Deferred tax assets	29	30	30
Total fixed assets	1,149	1,081	1,192
Current assets			
Inventories	219	261	222
Accounts receivable	484	561	616
Other current assets	94	76	81
Cash and bank	254	124	239
Total current assets	1,051	1,022	1,158
Total assets	2,200	2,103	2,350
Shareholders' equity and liabilities			
Shareholders' equity	1,182	1,129	1,179
Long-term liabilities and provisions ¹⁾	203	195	203
Short-term liabilities and provisions ¹⁾	815	779	968
Total liabilities and provisions	1,018	974	1,171
Total shareholders' equity and liabilities	2,200	2,103	2,350
¹⁾ Interest-bearing/non-interest-bearing liabilities and provisions:			
Interest-bearing liabilities and provisions	174	168	273
Non-interest-bearing liabilities and provisions	844	806	898
Total liabilities and provisions	1,018	974	1,171

■ Changes in consolidated shareholders' equity

SEK millions	Q1 2011	Q1 2010	Full year 2010
Shareholders' equity at the beginning of the period	1,179	1,086	1,086
Total comprehensive income for the period	3	43	172
Dividends	—	—	— 79
Shareholders' equity at the end of period attrib. to Parent Co's shareholders	1,182	1,129	1,179

During 2010, a dividend totalling SEK 79 million was paid to the Parent Company's shareholders, corresponding to SEK 3.00 per share. The proposed dividend to be decided on at the Annual General Meeting on 27 April 2011 is SEK 158 million, corresponding to an ordinary of SEK 3.00 and extra of SEK 3.00, totalling SEK 6.00 per share. The Group does not have any incentive programmes resulting in a dilutive effect.

■ Consolidated cash flow statement (summary)

SEK millions	Q1 2011	Q1 2010	Rolling 12 months	Full year 2010
Cash flow from operating activities before changes in working capital	60	76	324	340
Changes in working capital	75	- 52	157	30
Cash flow from operations	135	24	481	370
Cash flow from investment activities	- 24	- 24	- 286	- 286
Cash flow before financing activities	111	0	195	84
Cash flow from financing activities	- 88	- 47	- 51	- 10
Cash flow for the period	23	- 47	144	74
Liquid funds at the beginning of the period	239	172	—	172
Exchange rate difference in liquid funds	- 8	- 1	—	- 7
Liquid funds at the end of the period	254	124	—	239

■ Earnings per share

SEK millions	Q1 2011	Q1 2010	Rolling 12 months	Full year 2010
Net income	28	45	170	187
Adjusted earnings:				
Amortisation of intangible assets arising from acquisitions	2	2	9	9
Tax on amortisation	- 1	0	- 3	- 2
Adjusted earnings	29	47	176	194
Average number of shares *	26,307,408	26,307,408	26,307,408	26,307,408
Earnings per share before and after dilution (SEK) *	1.06	1.71	6.46	7.11
Adjusted earnings per share (SEK) *	1.10	1.79	6.68	7.37

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

■ Five-year overview

	2010	2009	2008	2007	2006
Net sales (SEK millions)	3,375	2,602	2,824	2,421	2,702
Operating income (EBITA) (SEK millions)	262	166	240	197	79
EBITA margin (%)	7.8	6.4	8.5	8.1	2.9
Operating income (EBIT) (SEK millions)	253	158	232	190	78
Income after financial items (SEK millions)	243	148	216	171	69
Net income (SEK millions)	187	123	178	150	48
Return on capital employed (%)	18.4	12.1	18.4	16.3	7.4
Return on shareholders' equity (%)	16.5	11.5	18.4	18.0	5.9
Equity/assets ratio (%)	50	51	50	46	46
Earnings per share (SEK)	7.11	4.68	6.77	5.70	1.82
Adjusted earnings per share (SEK)	7.37	4.90	6.99	5.32	6.08

■ Quartely data

		Q1	Q2	Q3	Q4	Full year
Net sales (SEK millions)	2011	759	—	—	—	—
	2010	746	878	887	864	3,375
	2009	606	557	653	786	2,602
Operating income (EBITDA) (SEK millions)	2011	79	—	—	—	—
	2010	100	105	103	99	407
	2009	56	77	84	126	343
Operating income (EBITA) (SEK millions)	2011	44	—	—	—	—
	2010	63	69	67	63	262
	2009	16	39	48	63	166
EBITA margin (%)	2011	5.8	—	—	—	—
	2010	8.4	7.9	7.6	7.3	7.8
	2009	2.6	7.0	7.4	8.0	6.4
Operating income (EBIT) (SEK millions)	2011	42	—	—	—	—
	2010	61	67	65	60	253
	2009	14	37	46	61	158
Income after financial items (SEK millions)	2011	38	—	—	—	—
	2010	57	65	60	61	243
	2009	6	42	42	58	148
Net income (SEK millions)	2011	28	—	—	—	—
	2010	45	52	47	43	187
	2009	4	29	33	57	123
Cash flow after inv., excl. acq. and disp. (SEK millions)	2011	111	—	—	—	—
	2010	0	71	4	155	230
	2009	56	35	– 31	79	139
Earnings per share before and after dilution (SEK)	2011	1.06	—	—	—	—
	2010	1.71	1.98	1.78	1.64	7.11
	2009	0.15	1.10	1.26	2.17	4.68
Adjusted earnings per share (SEK)	2011	1.10	—	—	—	—
	2010	1.79	2.01	1.83	1.74	7.37
	2009	0.23	1.14	1.29	2.24	4.90
Return on total capital (%)	2011	10.9	—	—	—	—
	2010	10.2	11.3	11.5	11.3	11.3
	2009	9.4	8.8	7.1	7.5	7.5
Return on capital employed (%)	2011	17.6	—	—	—	—
	2010	16.1	18.4	18.6	18.4	18.4
	2009	14.7	13.7	11.3	12.1	12.1
Return on operating capital (%)	2011	20.6	—	—	—	—
	2010	18.0	20.8	20.5	21.6	21.6
	2009	16.5	14.4	12.7	13.9	13.9
Return on shareholders' equity (%)	2011	14.6	—	—	—	—
	2010	14.9	17.5	18.6	16.5	16.5
	2009	14.2	13.0	11.2	11.5	11.5

■ Quartely data business areas

Net sales (SEK millions)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2011	232	—	—	—	—
	2010	186	185	202	235	808
	2009	178	177	159	178	692
Nolato Telecom	2011	259	—	—	—	—
	2010	320	434	444	377	1,575
	2009	226	183	309	372	1,090
Nolato Industrial	2011	268	—	—	—	—
	2010	241	259	241	253	994
	2009	206	197	185	236	824
Group adjustments, Parent Company	2011	—	—	—	—	—
	2010	– 1	—	—	– 1	– 2
	2009	– 4	—	—	—	– 4
Group total	2011	759	—	—	—	—
	2010	746	878	887	864	3,375
	2009	606	557	653	786	2,602

Operating income (EBITA) (SEK millions)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2011	28	—	—	—	—
	EBITA margin (%)	12.1	—	—	—	—
	2010	23	24	25	28	100
	EBITA margin (%)	12.4	13.0	12.4	11.9	12.4
	2009	24	23	20	22	89
	EBITA margin (%)	13.5	13.0	12.6	12.4	12.9
Nolato Telecom	2011	– 4	—	—	—	—
	EBITA margin (%)	– 1.5	—	—	—	—
	2010	32	34	32	24	122
	EBITA margin (%)	10.0	7.8	7.2	6.4	7.7
	2009	0	32	24	30	86
	EBITA margin (%)	0.0	17.5	7.8	8.1	7.9
Nolato Industrial	2011	25	—	—	—	—
	EBITA margin (%)	9.3	—	—	—	—
	2010	17	23	21	18	79
	EBITA margin (%)	7.1	8.9	8.7	7.1	7.9
	2009	– 1	– 7	9	18	19
	EBITA margin (%)	– 0.5	– 3.6	4.9	7.6	2.3
Group adjustments, Parent Company	2011	– 5	—	—	—	—
	2010	– 9	– 12	– 11	– 7	– 39
	2009	– 7	– 9	– 5	– 7	– 28
Group total	2011	44	—	—	—	—
	EBITA margin (%)	5.8	—	—	—	—
	2010	63	69	67	63	262
	EBITA margin (%)	8.4	7.9	7.6	7.3	7.8
	2009	16	39	48	63	166
	EBITA margin (%)	2.6	7.0	7.4	8.0	6.4

Depreciation/amortisation (SEK millions)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2011	14	—	—	—	—
	2010	12	12	13	16	53
	2009	11	11	11	12	45
Nolato Telecom	2011	13	—	—	—	—
	2010	16	14	14	13	57
	2009	18	16	15	40	89
Nolato Industrial	2011	10	—	—	—	—
	2010	11	12	11	10	44
	2009	13	13	12	13	51
Group total	2011	37	—	—	—	—
	2010	39	38	38	39	154
	2009	42	40	38	65	185

■ Group financial highlights

	Q1 2011	Q1 2010	Rolling 12 months	Full year 2010
Net sales (SEK millions)	759	746	3,388	3,375
Sales growth (%)	2	23	24	30
Percentage of sales outside Sweden (%)	72	73	76	76
Operating income (EBITDA) (SEK millions)	79	100	386	407
Operating income (EBITA) (SEK millions)	44	63	243	262
EBITA margin (%)	5.8	8.4	7.2	7.8
Income after financial items (SEK millions)	38	57	224	243
Profit margin (%)	5.0	7.6	6.6	7.2
Net income (SEK millions)	28	45	170	187
Return on total capital (%)	10.9	10.2	—	11.3
Return on capital employed (%)	17.6	16.1	—	18.4
Return on operating capital (%)	20.6	18.0	—	21.6
Return on shareholders' equity (%)	14.6	14.9	—	16.5
Equity/assets ratio (%)	54	54	—	50
Debt/equity (%)	15	15	—	23
Interest coverage ratio (times)	19	28	16	25
Net investments affecting cash flow, excl. acq. and disposals (SEK millions)	24	24	140	140
Cash flow after investments, excl. acq. and disposals (SEK millions)	111	0	341	230
Net receivable (+) / debt (-) (SEK millions)	80	- 44	—	- 34
Earnings per share before and after dilution (SEK)	1.06	1.71	6.46	7.11
Adjusted earnings per share (SEK)	1.10	1.79	6.68	7.37
Cash flow per share (SEK)	4.22	0.00	12.96	8.74
Shareholders' equity per share (SEK)	45	43	—	45
Average number of employees	5,240	7,448	—	7,563

Definitions

Return on total capital

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

Return on capital employed

Income after financial items plus financial expenses as a percentage of average capital employed. Capital employed consists of total capital less non-interest-bearing liabilities and provisions.

Return on operating capital

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

Return on shareholders' equity

Net income as a percentage of average shareholders' equity.

EBITA margin

Operating income (EBITA) as a percentage of net sales.

Adjusted earnings per share

Net income, excluding amortisation of intangible assets arising from acquisitions, divided by the average number of shares.

Cash flow per share

Cash flow before financing activities, divided by average number of shares.

Net debt

Interest-bearing liabilities and provisions less interest-bearing assets.

Earnings per share

Net income, divided by average number of shares.

Interest coverage ratio

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

Operating income (EBITDA)

Earnings before interest, taxes and depreciation/amortisation.

Operating income (EBITA)

Earnings before interest, taxes and amortisation of intangible assets arising from acquisitions.

Operating income (EBIT)

Income before tax, financial income and expenses.

Debt/equity ratio

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

Equity/assets ratio

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

Profit margin

Income after financial items as a percentage of net sales.

■ Parent Company income statement

SEK millions	Q1 2011	Q1 2010	Rolling 12 months	Full year 2010
Net sales	7	5	25	23
Other operating income	2	0	6	4
Selling expenses	-2	-3	-14	-15
Administrative expenses	-10	-11	-42	-43
Other operating expenses	—	0	-0	—
Operating income	-3	-9	-25	-31
Result from shares in Group companies	48	20	127	99
Financial income	2	3	8	9
Financial expenses	-5	-1	-8	-4
Income after financial items	42	13	102	73
Appropriations	—	—	-32	-32
Tax	1	2	13	14
Net income	43	15	83	55
Depreciation/amortisation	0	0	0	0

■ Parent Company balance sheet (summary)

SEK millions	31/03/2011	31/03/2010	31/12/2010
Assets			
Tangible fixed assets	0	0	0
Financial fixed assets	951	943	877
Deferred tax assets	7	4	6
Total fixed assets	958	947	883
Other receivables	244	197	251
Cash and bank	80	12	105
Total current assets	324	209	356
Total assets	1,282	1,156	1,239
Shareholders' equity and liabilities			
Shareholders' equity	879	774	837
Untaxed reserves	125	93	125
Other provisions	3	4	2
Long-term liabilities	17	17	17
Current liabilities	258	268	258
Total shareholders' equity and liabilities	1,282	1,156	1,239
Collateral pledged	—	—	—
Contingent liabilities	92	92	92

Transactions with related parties:

Related party	Period	Services sold	Services bought	Interest income	Interest expenses	Res. from shares in Group comp.	Rec. fr. rel. part. on bal. sh. date	Liab. to rel. part. on bal. sh. date
Subsidiary	Q1 2011	7	-2	2	-0	48	687	251
Subsidiary	Q1 2010	5	-3	2	—	20	401	197

None of the company's Board members or senior executives currently has, or has previously had, any direct or indirect involvement in any business transaction with the company which is, or was, of an unusual character in terms of its conditions. Nor has the Group issued any loans, pledged any guarantees or entered into any surety arrangements for any of the company's Board members or senior executives.

