



# INTERIM- REPORT

January – June

# 1999



Celsius

- **The restructure of the European defence industry continues at a high tempo. Celsius is working proactively to utilize the strong position represented by its several units.**
- **Rationalization measures affecting some 400 employees within business area Defence have been implemented during the period. Furthermore, notice has been given to an additional group of employees, numbering slightly more than 300 persons.**
- **Income after financial income/ expenses amounted to SEK 78 M (270)<sup>1</sup> for the first six months of the year. Income was positively affected by non-recurring items amounting to SEK 53 M (159).**
- **Operating income for the first six months amounted to SEK 92 M (274). This includes non-recurring items amounting to SEK 53 M (159).**
- **The level of orders received increased somewhat compared with the same period last year, amounting to SEK 4,917 M (4,863).**

*1) Figures in parentheses refer to 1998*

The first six months of 1999 have been affected by the considerable uncertainty surrounding the future focus of the Swedish Defence Forces and the consequent scale of Sweden's future defence materiel requirements. This has led to delays and postponements in order inflow, which has had a negative effect on earnings for the period.

The low level of orders received by business area Defence has resulted – and will continue to result – in poor capacity utilization at some of Celsius' defence units. This will require further cost efficiencies and rationalization in the Company's joint defence operations. Redundancy notices affecting more than 300 employees have been issued during the period. The long drawn-out debate on Swedish defence policy has further complicated and delayed on-going international structuring on Celsius' part.

The restructure of the European defence industry continues at a high tempo. Celsius is working proactively to utilize the strong position represented by its several units. Celsius policy is to secure marketing and industrial advantages for the company and to create value for the shareholders.

Celsius is an integrated industrial concern, with four business areas: Defence, Commercial Aviation Services, Business Development and Niche Companies, each comprising a number of business units, which act as independent profit centres and which report directly to Group management.

Since autumn 1997, the Group has been engaged in comprehensive restructuring with a view to concentrating operations to a number of selected core business areas, in both the defence and commercial sectors. This work has continued in the first half of 1999 too, involving acquisitions as well as divestments. Parallel to this, the Group is engaged in a number of structural discussions at the international level.

During the period, Celsius formed a joint venture company with Grintek Group in South Africa, a company that will be a leading player in the field of electronic warfare, a field that is gaining increasing importance in the context of the high-tech defence forces of the future. Celsius has a 49-percent holding in the newly formed company, Avionics, while Grintek controls the outstanding 51 percent.

At the beginning of the year, Celsius and Saab each acquired a 50-percent joint interest in GP&C Sweden AB from the Swedish Space Corporation. The company develops and markets a system which transmits position and identity between ships and aircraft. With this acquisition, the companies establish a solid platform for continued development, manufacturing and marketing in a segment that is expected to expand sharply over the next few years.

Celsius Metech AB, which is part of business unit Celsius Aerotech, established operations in Denmark and Germany by acquiring the calibration division of Danish Aerotech.

To secure the most advanced competence in software- and systems development, inside and outside the Group, Celsius formed a new subsidiary during the period, Celsius Consultants.

Celsius has sold its wholly-owned subsidiary GVA Consultants to British-based British Maritime Technology. This divestment is part of the Celsius Group's consolidation strategy, and will have only a modestly favourable effect on Group earnings.

Furthermore, Kockums Computer Systems (KCS) was sold to 6:e AP-fonden (The Sixth Pension Insurance

Fund), having only a marginal effect on Group earnings. This also constituted part of the Group's consolidation strategy.

During the report period, a dispute with the tax authorities concerning an earlier corporate divestment was ruled in favour of Celsius, permitting the realization of reserves totalling SEK 53 M.

Income after financial income/expenses for the first six months amounted to SEK 78 (270). Excluding non-recurring items, income amounted to SEK 25 M (111). As well as the above mentioned impact of the delays in orders received, increased development costs in the Infomatics field, deriving mainly from the first quarter, have also been charged against income for the period.

### ORDERS RECEIVED

Orders received in the first six months of 1999 increased by more than SEK 50 M, amounting to SEK 4,917 M (4,863). Business area Defence accounted for some 58 (63) percent of the total order inflow, Commercial Aviation Services for approximately 29 (24) percent, Business Development for approximately 8 (6) percent, and Niche Companies for 5 (7) percent.

### ORDER BACKLOG

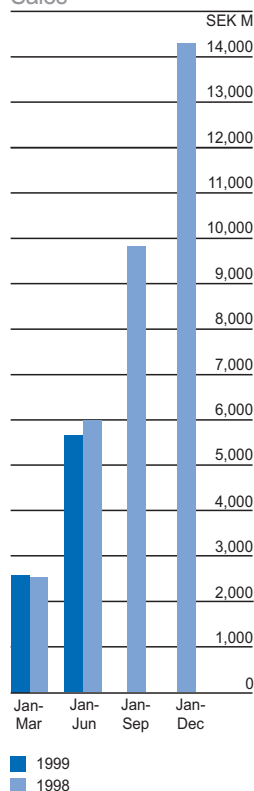
The Group's order backlog declined by approximately SEK 800 M during the period, amounting to approximately SEK 13.2 billion at the end of the first half year. Business area Defence accounts for about 90 percent of the order backlog. The other business areas have shorter throughput times and, therefore, lower order backlogs.

### SALES AND INCOME

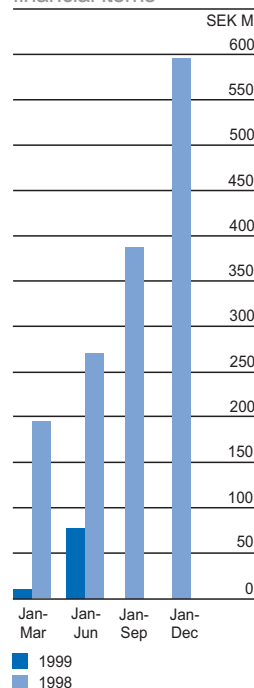
Group sales in the first six months of the year declined by approximately SEK 340 M compared with the same period last year, amounting to SEK 5,650 M (5,993). Commercial Aviation Services reports a sales increase of approximately SEK 250 M and business area Defence a decline of approximately SEK 550 M. Business area Business Development noted an increase of about SEK 50 M, while Niche Companies reported a decline of approximately SEK 100 M, in connection with a number of corporate divestments.

Operating income for the period amounts to SEK 92 M (274). Excluding non-recurring items, the decline in income amounts to SEK 76 M. Business area Defence accounts for approximately half this decline in earnings, deriving mainly from a lower level of sales and reduced capacity utilization, attributable to postponement of expected order inflow. Business area Commercial Aviation Services reports an operating income somewhat higher than that for the same period last year. The decline in income posted by Business area Development is primarily attributable to development costs incurred in the Infomatics field during the first quarter. The result reported by Niche Companies remains essentially unchanged compared with the same period last year, excluding non-recurring items.

### Sales



### Income after financial items



### FINANCIAL POSITION

Celsius Group liquid funds, which amounted to SEK 1,172 M at the close of the period, have declined by SEK 262 M since year-end 1998 (1,434).

Investments in property, machinery and equipment amounted to SEK 131 M (115) for the period. Depreciation totalled SEK 168 M (212).

Total assets have increased by SEK 60 M since year-end 1998, amounting to SEK 12,598 M by the close of the report period. Total assets amounted to SEK 12,538 M at year-end 1998.

The equity/assets ratio at the close of the period was 27 percent, unchanged compared with year-end 1998.

Group equity amounted to SEK 3,293 M at the close of the period, compared with SEK 3,382 M at the start of the year.

### NUMBER OF EMPLOYEES

The number of Group employees declined during the period by some 500 persons, totalling approximately 10,380 persons at the close of the period. This reduction in personnel, although deriving mainly from business area Defence, was also partly attributable to corporate divestments by business area Niche Companies.

### COMMENTS BY BUSINESS AREA

#### Defence

The inflow of orders for business area Defence declined during the first six months of the year by approximately

SEK 150 M, amounting to SEK 2,969 M (3,123). Sales declined sharply during the period to SEK 3,760 M (4,312). Consequently, the order backlog has decreased by slightly more than SEK 700 M since year-end 1998. Operating income declined, amounting to SEK 53 M (95). As well as the lower level of sales, income has been adversely affected by delays and postponements of procurement orders from the Swedish armed forces. Business area Defence numbered 7,026 (8,129) employees at the close of the period. During the report period, notice was given to slightly more than 300 defence employees.

Large orders during the period included one from Brazil, received by Bofors Underwater Systems, for the Torpedo 2000 weapon system. The order is worth in the region of SEK 500 M. As the first export order for this system, it is of crucial significance to future export efforts. A number of other countries have expressed keen interest in Torpedo 2000.

Celsius received orders from the Venezuelan Army to a combined value of approximately SEK 375 M. These comprised an export order for deliveries of the RBS 70 man-portable air-defence missile and additional missile equipment from Bofors Missiles, and orders for ammunition for the Carl Gustaf multi-role weapon and the AT4 anti-armour weapon from Bofors Anti Armour Systems.

Furthermore, business unit Kockums Naval Systems received an order for two KBV 201 "multi-role" vessels for the Swedish Coast Guard. The order is worth approximately SEK 240 M, and the vessels will be built in Karlskrona. A new type of multi-role vessel, their primary mission will be year-round surveillance, focused on the protection of Swedish territorial waters. The vessels will also be designed to conduct advanced environmental protection and search-and-rescue missions.

During the period, Bofors Weapon Systems received a modest order for spares for the Indian Army. The order is the first from India since 1989, and means that Celsius can resume operations on the Indian market. The order is a follow-on order that falls within the framework of the original FH (Field Howitzer) 77B export contract, signed in 1986.

Celsius also received an order from FMV (Swedish Defence Materiel Administration) for the development and supply of a computerized command-and-control support system for mechanized battalions. Bofors Weapon Systems will be acting as primary supplier within the Celsius Group, and the project will be conducted in collaboration with CelsiusTech Systems and Celsius Aerotech. The order is valued at approximately SEK 50 M.

Bofors Weapon Systems also received an order from FMV for an upgrade of the CV 9040A combat vehicle. The order is worth about SEK 34 M. The first deliveries of upgraded vehicles are scheduled for November of this year, with final deliveries scheduled for the beginning of 2001. In addition to the above, Bofors Missiles has received an order from the Norwegian armed forces for spares, support equipment and simulator units for the RBS COND IR (infrared) night device. The order is

worth approximately SEK 19 M.

During the report period, industrial representatives from Denmark, Norway and Sweden signed a Letter of Intent concerning cooperation between the three countries, and formed an industrial consortium with a view to collaborating on the Viking submarine project, with the intention of developing the next generation of submarines. The companies that form the Viking Industrial Group are Danyard Aalborg AS (Denmark); Kongsberg Defence & Aerospace AS (Norway) and Celsius, via Kockums Naval Systems. The Project Viking concept has been established to coordinate procurement of next-generation submarines for these three Nordic countries, thereby reducing costs for each country. Feasibility studies are currently in progress.

Celsius has also been selected to supply radar warning receivers (RWRs) for Germany's Tornado combat aircraft, an important step forward for CelsiusTech Electronics, which now enters the export market with its warner know-how. Contract negotiations are expected to start in the late summer.

Also notable during the report period, the consortium Systems Engineering Consortium of Australia (SECA) – including Celsius, the National Australia Bank and Visy Industries – decided not to bid for Australian defence contractor ADI. The decision was made on strictly commercial grounds. Australia nevertheless remains one of Celsius' domestic markets, with operations at the Australian Submarine Corporation (ASC), CelsiusTech Australia and Hawker Pacific Pty.

### Commercial Aviation Services

The aviation market shows signs that the boom has peaked which has led to a temporary break in the current trend of growth. This has resulted in a somewhat slowed down trend in the good organic growth earlier noted by Celsius Aviation Services. In the asset management sector (i.e. the leasing and sale of, mainly, aero engines), the market situation has become much tougher for Celsius' 1998 acquisition Amtec, resulting in increased price competition. Furthermore, the market is changing its emphasis towards longer-term leasing contracts, thereby distributing earnings over a more extended period.

The level of orders received in the first half year rose by 21 percent to SEK 1,451 M (1,195). The greater part of this increase derives from Hawker Pacific in Australia, which was acquired in May last year. The level of orders generated by the business area's other activities noted a modest improvement compared with the same period last year. Approximately the same applies to sales as to orders received. Sales increased to SEK 1,445 M (1,190). Operating income is at approximately the same level as for the same period last year, and amounted to SEK 100 M (97). The divestment of used aircraft, taken over in conjunction with the acquisition of Hawker Pacific, in parallel with a sharp reduction in tied-up capital, has adversely affected operating margin. Commercial Aviation Services numbered 1,618 employees at the close of the period (1,676).

## Business Development

Business area Business Development comprises business units Celsius Infomatics, Nexplo Industries and Celsius Materials Technology. These business units are based on the Group's joint technological competence, but differ widely in terms of products and markets.

Orders received in the first six months of the year increased by some 40 percent to SEK 396 M (285). This increase derives primarily from Nexplo Industries and Celsius Materials Technology. During the latter part of 1998, Bofors Explosives and Finland's Patria formed a joint venture company – Nexplo Industries. Celsius has a 60-percent holding, Patria the remaining 40 percent, whereby the whole company has been included in Celsius' consolidated accounts as a subsidiary. The merger of the two companies led to the formation of a significantly larger company. At the end of 1998, Celsius Materials Technology acquired the German surface-engineering company Nussbaum GmbH. This company is therefore included in net income for the year, but not for the corresponding period last year.

Sales for the first half of 1999 rose by approximately 15 percent to SEK 377 M (328), while there was a sharp decline in operating income during the period, which fell to SEK -46 M (-9). This decline is attributable to increased investment in development by business unit Infomatics. One Infomatics project involves the development of an advanced automotive radar, which is the key component of a "smart" speed control/collision-alert system. The business area numbered 1,057 (609) employees at the close of the report period. The increase derives mainly from the consolidation of Nexplo Industries and the acquisition of Nussbaum GmbH.

## Niche Companies

Business area Niche Companies consists of a number of companies with a strictly commercial focus. The business area is engaged in the offshore, engineering and shipyard sectors.

Orders received during the first half year decreased to SEK 256 M (341). Slightly more than SEK 70 M of this decrease is attributable to the divestment of operations. At the same time, Kockums Industrier, which at the start of the year received an order for 120 heavy goods wagons from Swedish State Railways (SJ), posted a sharp increase in sales. Including an option for a further 60 goods wagons, the total order is worth SEK 86 M. The new heavy goods wagons will be used by SJ and the Swedish forest company Stora Enso to transport reels of paper. Kockums Industrier has also received an order from the Swedish National Rail Administration for 12 rail-borne service vehicles. The order is worth approximately SEK 64 M. A contract for an option on a further 14 vehicles, worth SEK 75 M, was signed at the same time. After the end of the reporting period, Kockums Industrier also received an order for heavy goods wagons from SJ, which exercised an option on a further 30 wagons, worth SEK 21 M.

Sales for the period amounted to SEK 238 M (359). This decline is mainly attributable to the sale of KCS and

GVA Consultants. Operating income amounted to SEK 40 M (41). The result includes non-recurring capital gains of SEK 53 M (59). The business area numbered a total of 550 (752) employees at the close of the period.

## PARENT COMPANY

The Parent Company, Celsius Corp., posted sales amounting to SEK 36 M (56) for the first six months of the year, to produce a result before allocations and taxes of SEK -36 M (-30). Capital expenditures for the period were booked in an amount of SEK 0.5 M (3.3). Liquid funds amounted to SEK 411 M (1,049) for the period.

## OWNERSHIP STRUCTURE

The number of shareholders has remained unchanged since year-end 1998, amounting to approximately 13,500 as of June 30 this year. As before, the Swedish State retains 25 percent of the share capital. Swedish investment funds and insurance companies held approximately 35 percent, while other Swedish investors accounted for about 13 percent. The percentage held by foreign investors, which amounted to 27 percent of the share capital at year-end 1998, was unchanged at the close of the period.

## THE MILLENNIUM CHANGEOVER

The extensive programme to ensure that intra-Group systems, as well as those supplied to customers, will continue to operate reliably through and beyond the millennium changeover in the year 2000 is in all essential respects completed. Necessary Y2K modification and verification of priority areas of operation had been completed on schedule by the end of June, 1999. A limited number of non-business-critical activities remain, but will be completed before October. Operationally, implementation of Y2K measures is delegated to individual business units, under the supervision of specially appointed "millennium" managers, who report to a central working committee, under the direction of an IT board, at Group level.

## FORECAST FOR THE CURRENT YEAR

Operating income for the full twelve months, excluding non-recurring items, is expected to be lower than last year. As in 1998, the majority of income will be generated towards the end of the year. However, the market situation confronting the Group's defence-sector operations remains highly uncertain.

## NEXT FINANCIAL REPORT

The interim report for the period January-September 1999 will be published on Wednesday, November 3, 1999.

*Stockholm, August 12, 1999.*

  
Lars G. Josefsson  
President and CEO

<b>Key indicators SEK M</b>	<b>Jan-June 1999</b>	<b>Jan-June 1998</b>	<b>Full year 1998</b>
Sales	5,650	5,993	14,293
Operating income	92	274	580
Income after financial items	78	270	595
Total assets	12,598	12,841	12,538
Liquid funds	1,172	1,796	1,434
Equity	3,293	3,097	3,382
Return on average capital employed ( %)	- <sup>1)</sup>	- <sup>1)</sup>	12
Return on average equity after taxes ( %)	- <sup>1)</sup>	- <sup>1)</sup>	16
Equity/assets ratio ( %)	27	24	27
No. of employees on closing day	10,383	11,310	10,902

#### **Sales by business area SEK M**

Defence	3,760	4,312	9,513
Commercial Aviation Services	1,445	1,190	2,829
Business Development	377	328	685
Niche Companies	238	359	1,653
Eliminations	-170	-196	-387
<i>Group</i>	<b>5,650</b>	<b>5,993</b>	<b>14,293</b>

#### **Operating income, by business area SEK M**

Defence	53	95	376
Commercial Aviation Services	100	97	209
Business Development	-46	-9	-53
Niche Companies	40 <sup>2)</sup>	41 <sup>3)</sup>	116 <sup>3)</sup>
Joint Group income/expenses and eliminations	-55	50 <sup>4)</sup>	-68 <sup>5)</sup>
<i>Group</i>	<b>92</b>	<b>274</b>	<b>580</b>

1) reported for full year only

2) including dissolution of a reserve in an amount of SEK 53 M, subsequent to a favourable ruling on a disputed tax claim by the administrative court of appeal.

3) of which a capital gain of SEK 59 M

4) of which compensation amounting to approximately SEK 100 M in settlement of a claim against Förvaltnings AB Statum concerning pension obligations

5) of which compensation amounting to approximately SEK 100 M in settlement of a claim against Förvaltnings AB Statum concerning pension obligations, as well as a capital gain of approximately SEK 35 M on the sale of shares in BPA

<b>Funds statement SEK M</b>	<b>Jan-June 1999</b>	<b>Jan-June 1998</b>
Income after tax	35	230
Depreciation added back	208	249
Other items not affecting liquidity	65	-356
Change in working capital	-88	53
Funds generated by operations	220	176
Investments, net	-478	-415
<b>Funds generated after investments</b>	<b>-258</b>	<b>-239</b>
Financing	120	96
Dividend to shareholders	-140	-95
<b>Change in liquid funds, excluding translation differences</b>	<b>-278</b>	<b>-238</b>
Translation differences	16	14
<b>Change in liquid funds</b>	<b>-262</b>	<b>-224</b>



<b>Consolidated income statement SEK M</b>	<b>Jan-June 1999</b>	Jan-June 1998	Full year 1998
Sales	<b>5,650</b>	5,993	14,293
Cost of sales	<b>-4,633</b>	-4,908	-11,898
Gross profit	<b>1,017</b>	1,085	2,395
Selling, administrative expenses and R&D costs	<b>-987</b>	-945	-2,022
Other operating income/expenses, net	<b>67</b>	78	136
Share of income in associated companies	<b>-5</b>	56	71
Operating income	<b>92</b>	274	580
Financial income and expenses, net	<b>-14</b>	-4	15
Income after financial items	<b>78</b>	270	595
Minority participations in net income	<b>-3</b>	-1	-5
Income before taxes	<b>75</b>	269	590
Taxes	<b>-40</b>	-39	-78
<i>Net income</i>	<b>35</b>	230	512

<b>Key share data</b>	<b>June 30, 1999</b>	<b>Dec 31, 1998</b>
Number of shares (thousands)	<b>28,066</b>	28,066
Profit per share after taxes (SEK)	<b>1.20</b>	18.20
– of which non-recurring items	<b>1.90</b>	6.90
Equity per share (SEK)	<b>117</b>	120
Dividend per share (SEK)	<b>–</b>	5.00

## Quarterly data

<b>Order inflow by business area SEK M</b>	<b>Q1 1999</b>	<b>Q2 1999</b>	<b>Jan-June 1999</b>	<b>Q1 1998</b>	<b>Q2 1998</b>	<b>Jan-June 1998</b>
Defence	1,596	1,373	<b>2,969</b>	2,159	964	<b>3,123</b>
Commercial Aviation Services	631	820	<b>1,451</b>	517	678	<b>1,195</b>
Business Development	254	142	<b>396</b>	170	115	<b>285</b>
Niche Companies	218	38	<b>256</b>	137	204	<b>341</b>
Joint Group income/expenses and eliminations	-68	-87	<b>-155</b>	-92	11	<b>-81</b>
<i>Group</i>	2,631	2,286	<b>4,917</b>	2,891	1,972	<b>4,863</b>

<b>Sales by business area SEK M</b>	<b>Q1 1999</b>	<b>Q2 1999</b>	<b>Jan-June 1999</b>	<b>Q1 1998</b>	<b>Q2 1998</b>	<b>Jan-June 1998</b>
Defence	1,725	2,035	<b>3,760</b>	1,683	2,629	<b>4,312</b>
Commercial Aviation Services	629	816	<b>1,445</b>	532	658	<b>1,190</b>
Business Development	181	196	<b>377</b>	152	176	<b>328</b>
Niche Companies	133	105	<b>238</b>	208	151	<b>359</b>
Joint Group income/expenses and eliminations	-84	-86	<b>-170</b>	-52	-144	<b>-196</b>
<i>Group</i>	2,584	3,066	<b>5,650</b>	2,523	3,470	<b>5,993</b>

<b>Operating income by business area SEK M</b>	<b>Q1 1999</b>	<b>Q2 1999</b>	<b>Jan-June 1999</b>	<b>Q1 1998</b>	<b>Q2 1998</b>	<b>Jan-June 1998</b>
Defence	5	48	<b>53</b>	13	82	<b>95</b>
Commercial Aviation Services	47	53	<b>100</b>	49	48	<b>97</b>
Business Development	-37	-9	<b>-46</b>	1	-10	<b>-9</b>
Niche Companies	-10	50 <sup>1)</sup>	<b>40</b>	53 <sup>2)</sup>	-12	<b>41</b>
Joint Group income/expenses and eliminations	10	-65	<b>-55</b>	78 <sup>3)</sup>	-28	<b>50</b>
<i>Group</i>	15	77	<b>92</b>	194	80	<b>274</b>

1) including dissolution of a reserve in an amount of SEK 53 M, subsequent to a favourable ruling on a disputed tax claim by the administrative court of appeal.

2) of which a capital gain of SEK 59 M

3) of which compensation amounting to approximately SEK 100 M in settlement of a claim against Förvalmings AB Stattum concerning pension obligations

This interim report has not been subject to examination by the Company's auditors.



## THE CELSIUS GROUP

*Celsius is an international advanced-technology and knowledge based corporation, which in close interaction with its customers develops, manufactures and maintains advanced systems, products and services within core areas Defence and Aviation Services.*

*Based on a platform of comprehensive competence, new businesses with strong growth potential are developed for the military and commercial markets.*

*Celsius, with sales of about SEK 14 billion, has some 11,000 employees.*

*The Celsius "B" share has been listed on the Stockholm Stock Exchange since June 1993. In June 1999, the Company had about 13,500 shareholders.*





**Press information**  
**August 12, 1999**

## **Celsius half-year report, January-June 1999**

**Celsius President and CEO Lars G. Josefsson comments:**

**Celsius reports consolidated income after financial income/expenses of SEK 78 M (270) for the first six months of the year. Income was positively affected by non-recurring items amounting to SEK 53 M (159). Operating income amounted to SEK 92 M (274). This includes non-recurring items amounting to SEK 53 M (159). Sales declined by approximately SEK 340 M compared with the same period last year. The level of orders received increased somewhat compared with the same period last year.**

“Income for the first half of the year has been adversely affected by the long drawn-out debate on Swedish defence policy, leading to continuing uncertainty about Sweden’s future defence materiel requirement. The proposals for future orders as contained in the Supreme Commander’s defence procurement plan, published in June, will not favourably affect Celsius’ earnings until next year at the earliest. These proposals must now be processed as a matter of urgent political priority, for rapid transformation into concrete orders, thereby ensuring that the defence industry retains its competence in advanced technology,” says Lars G. Josefsson, President and CEO, Celsius Corp.

“The earlier established margins for Group operations still apply, which assumes a balance between business volume and capacity. Consequently, cutbacks affecting 400 personnel have already been implemented within Celsius’ defence operations, and a further 300 personnel have been given notice. Celsius’ net reduction in defence-sector personnel over the past 24 months totals more than 2,000 employees.”

We shall continue to implement efficiency and structural measures within our defence-sector operations, to ensure that production capacity remains consistent with market conditions. Any costs hereby incurred will, as earlier, be charged as an operating expense.”

“The restructure of the European defence industry continues at a high tempo, and an increasing interest in transatlantic relationships can be noted. Celsius is working proactively to utilize the strong position represented by its several units. The earlier prediction that we shall have achieved some result before the end of the year still stands.”

“Celsius’ commercial aviation services are developing as planned, with a temporary decline in the current growth trend, now that the peak of the current aviation market cycle is behind us.”

“The earlier forecast for the full year, predicting a reduction in operating income compared with 1998, still stands,” concludes Lars G. Josefsson.

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For those requiring further information, a telephone conference will be held on August 12<sup>th</sup>, at 14:30 hours CET (Central European Time) 13.30 UK time – 08.30 US EST. Celsius’ CEO Lars G. Josefsson and Celsius’ Executive Vice President, Nils-Ove Andersson, will be available to answer questions. To participate in the conference, call +44 (0) 181 781 0577 (if calling from Europe) or 334 323 4002 (if calling from the US). The full interim report, with a selection of presentation materials, will be available on the Celsius website at [www.celsius.se](http://www.celsius.se).

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