

RaySearch Laboratories AB (publ)
Interim Report, January 1 – June 30, 2006

- Net sales for the period amounted to SEK 28.6 M (33.7)
- Profit after tax totaled SEK 8.3 M (14.2)
- Earnings per share after tax amounted to SEK 0.72 (1.26)
- Operating profit amounted to SEK 11.3 M (19.7)
- Cash flow from operating activities amounted to SEK 19.2 M (15.4)

Johan Löf, President and CEO of RaySearch Laboratories AB, comments on the first six months of the year as follows:

“The strong rate of growth in RaySearch abated during the second quarter of the year and, naturally, we are not pleased with the situation. Two thirds of the downturn in sales can be attributed to OM-Optimizer. The product was launched during the second quarter of 2005 and generated positive revenues during that quarter, which had an effect on comparative figures. Sales of OM-Optimizer have not performed as desired. As we previously announced, Nucletron has taken extensive measures and the impact on sales is expected during the second half of the year. The remaining third of the downturn in sales during the second quarter is attributable to RayOptimizer. This product continues to possess great potential because more than half of all Pinnacle-systems still lack RayOptimizer.

RaySearch already has an established research cooperation with Princess Margaret Hospital in Toronto, Canada, within adaptive radiation therapy. Within the framework of this successful cooperation a plenary presentation was made at ASTRO 2005 and a presentation will also be made at ASTRO 2006. It is pleasing that this cooperation is now being intensified and moving into the next phase. In three new projects, we will finance expanded research in prevailing new methods and adaptive treatment strategies for other forms of cancer than those studied to date. This increased cooperation is of great importance for RaySearch’s continued development of systems for adaptive radiation therapy.

Negotiations regarding the long-term agreement with Philips within adaptive radiation therapy have been prolonged much later in time than we could have foreseen. As we view the situation currently, only the final detailed issues remain to be resolved before the agreement is fully finalized. Adaptive radiation therapy will be the major development area in the future and our ambition is to be among the leading players.

RaySearch is now entering a new phase with a considerably broader product portfolio and we are optimistic about the future. Two new products, OM-Machine and OM-Machine+ were launched last month within the framework of the Nucletron partnership. These are supplementary modules to OM-Optimizer and make the system even more powerful, which will contribute to increasing revenues toward the end of the year. The agreement with Scanditronix-Wellhöfer for the quality assurance of IMRT will result in two new products in the market in 2007. These will be presented in the autumn at ASTRO in Philadelphia. We now cooperate with three commercial partners, a series of leading research institutions and have an attractive range of products. During the second quarter of 2006 RaySearch had four products on the market. As of the third quarter this year, we are selling six products and in 2007 we are planning to introduce another four products.

Summary of financial results

	2006	2005	2006	2005	2005
	Jan-June	Jan-June	Apr-June	Apr-June	Jan-Dec
	(6 mths.)	(6 mths.)	(3 mths.)	(3 mths.)	(12 mths.)
Amounts in SEK 000s					
Net sales	28,575	33,729	13,026	20,607	69,855
Operating profit	11,321	19,677	4,013	13,475	39,607
Operating margin, %	39.6	58.3	30.8	65.4	56.7
Profit margin, %	41.4	58.8	33.0	66.0	57.3
Net profit	8,250	14,247	2,923	9,756	29,142
Equity/Assets ratio, %	78.8	75.8			76.4
Adjusted equity per share in SEK	7.88	5.86			7.16
Share price in SEK at the end of period	134.00	105.00			177.00

Sales and earnings

In the first six months of 2006, total sales reduced by 15 percent compared with the corresponding period in the preceding year and amounted to SEK 28.6 M (33.7). The number of licenses sold totaled 340 (420), of which 113 (160) pertained to RayOptimizer, 179 (184) to RayMachine, 26 (9) to RayBiology and 22 (67) to OM-Optimizer. License revenues for the first six months of 2006 decreased to SEK 22.4 M (29.8). Sales largely comprise license revenues from RayOptimizer and RayMachine as well as support revenues. Sales of OM-Optimizer began during the second quarter of 2005. A pent-up demand prevailed prior to the launch of OM-Optimizer. This resulted in the sale of 67 OM-Optimizers during the second quarter of 2005, resulting in a high comparative figure for this quarter. In the second quarter of 2006, 14 OM-Optimizers were sold. Sales of OM-Optimizer have not developed as desired. Two thirds of the decline in sales in the second quarter is attributable to the reduced sales of OM-Optimizer. The cooperation partner Nucletron has taken extensive operational measures to improve sales. The impact on sales is expected first during the second half of 2006. The remaining one third of the decline in sales is due to RayOptimizer. This product continues to have great potential because more than half of all Pinnacle-systems still lack RayOptimizer. Customer support revenues amounted to SEK 6.2 M (3.9).

The company is dependent on the development of the USD and the EUR against the SEK, since invoicing to Philips is in USD and invoicing to Nucletron is in EUR. During the first six months of 2006, revenues from Philips were booked at an average USD rate of SEK 7.52, compared with SEK 7.18 in the corresponding year-earlier period. During the first six months of 2006, revenues from Nucletron were booked at an average EUR rate of SEK 9.28, compared with SEK 9.20 in the corresponding year-earlier period. A sensitivity analysis of the currency exposure shows that the effect on operating profit for the first six months of 2006 of a change in the average exchange rate for the USD of ± 10 percent is \pm SEK 2.5 M and that the corresponding effect of a change in the average exchange rate for EUR of ± 10 percent is \pm SEK 0.3 M.

Operating profit amounted to SEK 11.3 M (19.7), which corresponds to an operating margin of 39.6 percent (58.3). During the first six months of 2006, operating profit decreased by 42 percent compared with the corresponding year-earlier period.

Compared with the year-earlier period, operating expenses, excluding currency effects in the first half of 2006, increased by SEK 1.3 M to SEK 16.2 M, up 9 percent. This increase was attributable primarily to increased expenses for research, primarily in adaptive radiation therapy, increased amortization of capitalized development costs and the development of a new website for RaySearch. Other operating income and other operating expenses pertain to exchange profit/loss and during the first six months of 2006, the total of these amounted to a loss of SEK 0.7 M (1.3).

Effective June 30, 2006, 23 persons (24) worked with research and development. Research and development costs include, among other items, costs for payroll, computer equipment and premises. Research and development expenses before capitalization and amortization of development costs amounted to SEK 13.0 M (12.5) and are expected to represent a considerable portion of future costs.

In the first six months of 2006, amortization and depreciation amounted to SEK 2.7 M (2.3) on intangible assets and SEK 0.1 M (0.1) on tangible assets. Total amortization for the first six months of 2006 amounted to SEK 2.8 M (2.4). Amortization and depreciation are mainly included in the research and development expenses.

Profit after tax for the first six months of 2006 amounted to SEK 8.3 M (14.2), which means that earnings per share after tax amounted to SEK 0.72 (1.26).

During the second quarter of 2006, sales declined by 37 percent, compared with the year-earlier period, to SEK 13.0 M (20.6). Operating profit declined during this quarter to SEK 4.0 M (13.5), corresponding to an operating margin of 30.8 percent (65.4). Profit after tax during the second quarter amounted to SEK 2.9 M (9.8).

Geographic distribution of sales

The majority of RaySearch's customers are in the US. Sales during the first six months of 2006 were distributed as follows: North America 80 percent (73), Asia 9 percent (5), Europe and the rest of the world 11 percent (22).

Capitalization and amortization of development costs

During the first six months of 2006, development costs amounting to SEK 7.2 M (7.1) were capitalized. Amortization for the first six months of 2006 totaled SEK 2.7 M (2.3).

Liquidity and financing

Cash flow for the first six months of 2006 amounted to SEK 11.5 M (21.8). Cash flow from operating activities amounted to SEK 19.2 M (15.4).

At June 30, 2006, the value of cash and cash equivalents amounted to SEK 65.1 M, compared with SEK 35.3 M at June 30, 2005. At June 30, 2006, current receivables amounted to SEK 8.4 M, compared with SEK 18.9 M at June 30, 2005. RaySearch has no interest-bearing liabilities.

Investments

Fixed assets mainly comprise capitalized development costs. Investments in intangible fixed assets for the first six months of 2006 amounted to SEK 7.5 M (7.1) and investments in tangible fixed assets amounted to SEK 0.2 M (0.1).

Employees

At the end of the first six months of 2006, the number of employees at RaySearch totaled 28 persons (28). The average number of employees from January to June 2006 amounted to 29 (26).

Parent Company

The Group's Parent Company is RaySearch Laboratories AB (publ). This company did not conduct any operating activities during the period.

The Parent Company's shares in the subsidiary RaySearch Medical AB are reported at SEK 233.7 M (233.7).

The Parent Company had no sales and made no investments in the first six months of 2006. Pretax loss amounted to SEK 554,000 (loss: 802,000). At June 30, 2006, the Parent Company had cash and cash equivalents amounting to SEK 0 (0).

A merger process is under way in which the subsidiary RaySearch Medical AB will be combined within the Parent Company RaySearch Laboratories AB (publ). The aim of the merger is to simplify administration.

Key events during second quarter of 2006***Annual General Meeting***

At the Annual General Meeting on June 29, 2006 in RaySearch Laboratories AB (publ) decisions included the following items. The number of Board members shall be four (4) and the number of deputy Board members one (1). Johan Löf, Erik Hedlund, Carl Filip Bergendal and Hans Wigzell, were re-elected Board members, with Erik Hedlund as Chairman. Thomas Pousette was re-elected deputy member. In accordance with the proposals of the Board and the President, the Annual General Meeting decided to carry the year's earnings forward and that no dividend be paid. The Board and the President were discharged from liability for fiscal year 2005.

Key events after the closing date

RaySearch and Nucletron launch advanced IMRT products

RaySearch and Nucletron launched two new products in July within IMRT: OM-Machine and OM-Machine+. The products, which are used in radiation treatment, will be sold as supplemental modules to OM-Optimizer under the name Direct Step-and-Shoot (OM-Machine) and Angle Optimization (OM-Machine+). The products facilitate direct optimization of the treatment machine's settings in various ways, as a result of which the user can more rapidly carry out high-quality IMRT treatment planning with fewer segments. This can significantly reduce the total treatment time with IMRT. Oncentra Optimizer, Nucletron's market name for OM-Optimizer, was launched in April 2005 and is fully integrated in Oncentra MasterPlan.

"These new functions for IMRT planning in version 1.5 of MasterPlan have considerably reduced that time required to develop a good IMRT plan. The new Optimizer, with Direct Step-and-Shoot, is very user-friendly and makes IMRT planning easy and quick," says Ulf Isacson, hospital physicist at the Academic Hospital in Uppsala, Sweden.

RaySearch expands clinical research cooperation

During and after the reporting period, RaySearch has worked with intensifying and expanding some of its existing research cooperation programs with leading research clinics. Methods for biological optimization and so-called multi-objective-optimization is studied in collaboration with the University Medical Centre Nijmegen, the Netherlands. A new agreement is in place and RaySearch will contribute certain financing and primarily customized further development of research software to facilitate Nijmegen's research. The already established and successful cooperation with Princess Margaret Hospital (PMH), Canada, will be intensified with a number of new projects that are based on the earlier research on strategies for adaptive radiation therapy for cancer in the head and neck region. The parties will now expand cooperation to new cancer forms in which RaySearch is financing a number of research positions at PMH.

Market

RaySearch is active in intensity modulated radiation therapy (IMRT), an advanced method of radiation therapy for cancer. IMRT makes it possible to treat tumors with higher dose than is possible with conventional methods, while reducing the risk of injury to surrounding healthy tissues. Planning IMRT requires advanced methods of optimization, since radiation treatment must be adapted to the anatomy of the individual patient.

Treatment planning and IMRT

Currently, there are an estimated 5,800 clinics worldwide that treat patients using radiation therapy. An estimated 2,800 of these are advanced facilities in the sense that their treatment planning systems are able to perform complete three dimensional dose calculations with high accuracy. It is these advanced clinics that are the target group for RaySearch's modern software solutions. The market for treatment planning systems is growing by 7–8 percent annually. Globally, there are four companies, Philips, CMS, Varian and Nucletron, that together account for about 75 percent of sales of treatment planning systems. In collaboration with its cooperation partners, Philips and Nucletron, RaySearch reaches a market share of 55-60 percent. Through these partnerships, RaySearch's IMRT solutions are included in a full 95 percent of these partners' new sales of treatment planning systems.

In the US and Canada, RaySearch's products are installed in about 700 of the 1,800 advanced clinics. The market for IMRT is growing faster in the US than elsewhere in the world, which is due in part to the fact that compensation levels from insurance companies are three to four times higher for IMRT treatments than for conventional treatments. Sales of treatment planning systems for IMRT also began to gain momentum in Europe during 2005. Scientific evidence of the clinical benefits of IMRT, which the leading European clinics have been waiting for, is now being presented more widely. Clinics that have already purchased treatment equipment with IMRT capacity are beginning to use this functionality to an increasingly greater extent.

In the most rapidly growing segment – IMRT – Philips has the greatest global market share. The business partner Philips has long been dominant in the North American market and is expected to increase its installed base by 7-8 percent, which is the same rate as in previous years. In addition to this increase, RaySearch's supplementary modules RayMachine and RayBiology are also sold to existing customers who previously purchased the main product RayOptimizer. In Europe, RaySearch's partners together have about 30 percent of the installed base, with Nucletron accounting for the major share of this. Through its many established customer contacts and large installed base, Nucletron has a strong position in the European market.

Adaptive radiation therapy

IMRT is a major breakthrough in radiation therapy. At present, to be sure that the radiation does not miss the tumor due to changes in the patient's geometry during the six weeks that the treatment normally takes, a technique is employed in which a treatment area is defined with a sufficiently large margin around the tumor. Another alternative is instead to track the change in the tumor's position and shape and use this information to adapt the treatment accordingly. This is why demand is increasing for treatment planning systems and accelerators that can detect deviations during treatment and correct for them. IGRT (image-guided radiation therapy) and the more refined method of adaptive radiation therapy are intended to handle these changes in the patient's anatomy that can occur during treatment and to correct any errors that could occur during the treatment process. RaySearch signed a letter of intent last year with Philips to reach a long-term development and license agreement for a suite of products within adaptive radiation therapy. Only the final detail issues remain to be resolved before the conclusive agreement is complete.

Quality assurance of IMRT

Quality assurance is a matter of measurement and reducing the difference between the treatment plan and the dose actually administered to the patient. In this manner, assurance is obtained that deviations are within specified tolerance limits. This is currently a very costly and time-consuming task for clinics. Since IMRT is a more complex treatment method than conventional radiation therapy and higher doses are administered, quality assurance also becomes more extensive. With RaySearch's technology, the quality assurance process can be made more effective. This was noted by the market-leading company Scanditronix-Wellhöfer, which signed a partnership agreement with RaySearch in February 2006. Scanditronix-Wellhöfer is the world leader in advanced dosimetry and quality assurance for clinical and industrial radiation solutions.

Commercial partners

RaySearch's commercial partners are leading medical-technology companies. Through these partnerships, the company's products become more rapidly available to clinics around the world. The commercial partner is responsible for sales and service to the end customer. RaySearch thus does not need to build a global sales and support organization, but can instead retain its focus on advanced and innovative research and development.

A partnership agreement was signed with Philips in 2000. The agreement covers the three products RayOptimizer, RayMachine and RayBiology. A partnership agreement was signed with Nucletron during 2004 that includes six products. The first product through this partnership, OM-Optimizer, was launched in April 2005. Two additional products – OM-Machine and OM-Machine+ were launched in July this year. The partnership agreement with Scanditronix-Wellhöfer was signed in February 2006. This agreement covers three products. The first two within this cooperation are planned for launch during 2007. The first product will be presented already this autumn at ASTRO in Philadelphia, Pennsylvania, in the US.

Products

RaySearch develops software that improves the treatment planning systems currently used in radiation therapy for cancer. RaySearch's ORBIT platform is a general framework for resolving optimization problems in radiation therapy and the result of many years of research by Karolinska Institutet and

RaySearch. Development of the platform involved the use of object-oriented techniques and advanced software design methods. With its sophisticated architecture, ORBIT is a highly suitable platform for innovative products in radiation therapy, where new treatment methods, more exact biological models and more efficient calculation models are constantly being developed.

RayOptimizer – in partnership with Philips

RayOptimizer is a product that provides solutions for advanced optimization of IMRT that allow the user to specify the desired dose distribution to be administered to the patient. The user has very great freedom in defining various targets and conditions for treatment and can therefore create an optimal treatment plan for each individual patient. RayOptimizer has been sold to more than 900 clinics all over the world, and more than one hundred thousand patients have received improved radiation therapy with this system. Many of the RaySearch's customers are prominent radiation therapy clinics, such as Princess Margaret Hospital in Canada and the M.D. Anderson Cancer Center in the US.

RayBiology and RayMachine – in partnership with Philips

In conventional IMRT, it is the doctor who, based on clinical experience, determines the dose with which the tumor will be treated, as well as the highest permissible dose to which healthy tissue may be exposed. In radiobiological optimization with RayBiology, it is instead the system that identifies the optimal balance between the dose to the tumor and surrounding healthy tissue. Using models of how the tumor and the healthy tissue respond to radiation, the doctor is able to formulate the treatment goal directly in clinical terms. As an example, the probability for tumor control can be maximized or the risk for radiation-induced complications minimized.

A critical factor in modern radiation therapy is the trade off that clinics must make between administering as exact a treatment as possible and the time that it takes for the accelerator to deliver the treatment. It is also important, particularly for clinics with a lack of staff, to minimize the planning time for each individual patient. RayMachine is a product that allows clinics to shorten the delivery time for their treatments with retained or improved quality of the treatment plan. RayMachine increases the user's ability to define as early as in the treatment planning's initial phase the parameters that will determine final treatment time and quality. The process also consists of fewer steps than with classic IMRT planning. This fact, and the fact that a clinically acceptable treatment plan is obtained directly that does not need to be re-planned or adjusted later, makes the planning process both time-efficient and user-friendly.

OM-Optimizer – in partnership with Nucletron

OM-Optimizer is the first product developed as part of the partnership with Nucletron. A total of six products will be integrated into Nucletron's treatment planning product, Oncentra MasterPlan. The combination of IMRT optimization and image processing in Oncentra MasterPlan with organ contour calculation and radiation dose calculation gives the users access to an extremely powerful system. The reception among Nucletron's customers was positive, and 147 licenses had been sold by the end of the second quarter of 2006 from the launch in April 2005.

OM-Machine and OM-Machine+ – in cooperation with Nucletron

OM-Machine and OM-Machine+ facilitate direct optimization of the treatment equipment settings in various ways, as a result of which the user can conduct high-quality IMRT planning quicker, with fewer segments. This can significantly reduce the total treatment time with IMRT. The products will be sold as supplementary modules to OM-Optimizer under the names Direct Step-and-Shoot (OM-Machine) and Angle Optimization (OM-Machine+).

Accounting principles in accordance with IAS/IFRS

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, which corresponds to the requirements contained in the Swedish Financial Accounting Standards Council's RR31 recommendation, Interim Reports for Groups. The accounting principles have not changed in relation to 2005. For a description of the accounting principles, see the year-end report for 2005.

Future reports

Interim Report for the third quarter
Year-end Report

November 16, 2006
February 2007

Stockholm, August 29, 2006

RaySearch Laboratories AB
Johan Löf, CEO

Review Report

To the Board of Directors of RaySearch Laboratories AB

Introduction

I have reviewed the accompanying interim report of RaySearch Laboratories AB (publ), Corp.Id.No. 556322-6157, for the period January 1, 2006—June 30, 2006. The Board of Directors and the President are responsible for the preparation and fair presentation of the interim financial information in accordance with IAS 34 and the Annual Accounts Act. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I have conducted my review in accordance with the Swedish standard for such reviews, SÖG 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by FAR, the institute for the accountancy profession in Sweden. A review of interim financial information consists of making inquiries, primarily of, persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Swedish generally accepted auditing standards and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Therefore, a review does not enable me to express a conclusion with the same degree of assurance that an audit would do.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34 and the Annual Accounts Act.

Stockholm, August 29, 2006

Anders Linér
Authorized Public Accountant
KPMG

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About RaySearch

RaySearch develops and markets software for radiation therapy of cancer. The products are specially designed to optimize radiation therapy with the aim of adapting the radiation dose to the contour of the tumor, which then allows high doses to be delivered to the tumor while minimizing the dose to surrounding healthy tissue.

RaySearch, a spin-off from Karolinska Institutet, was formed in 2000. Since 2001, the company has sold its product, RayOptimizer, to more than 900 hospitals internationally through a licensing agreement with Philips, thus enabling more than one hundred thousand patients to receive improved radiation therapy. Sales through Philips of the products RayBiology and RayMachine began in 2004. The partnership with Philips continues and RaySearch signed a licensing agreement with Nucletron at the beginning of 2004. The latter agreement made RaySearch's products available to a large number of additional clinics worldwide and, consequently, increased the number of potential end-customers sharply. Delivery to clinics of OM-Optimizer, the first product based on the partnership with Nucletron, began in April 2005. A letter of intent was signed with Philips in 2005 regarding development of products within adaptive radiation therapy. Only the final detail issues remain to be resolved before the conclusive agreement is complete. In February 2006 an agreement was signed with Scanditronix-Wellhöfer regarding development of products for improved quality assurance for IMRT.

RaySearch was listed on the Stockholm Stock Exchange's O-List in November 2003 and as of July 1, 2005, RaySearch is listed in the Attract40 segment. RaySearch is based in Stockholm and currently has 28 employees.

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Consolidated income statement

Amounts in SEK 000s	2006	2005	2006	2005	2005
	Jan-June	Jan-June	Apr-June	Apr-June	Jan-Dec
	(6 mths.)	(6 mths.)	(3 mths.)	(3 mths.)	(12 mths.)
Net sales	28,575	33,729	13,026	20,607	69,855
Cost of goods sold	-420	-562	-153	-300	-1,121
Gross profit	28,155	33,167	12,873	20,307	68,734
Other operating income	335	1,580	38	905	1,956
Selling expenses	-1,521	-580	-1,060	-314	-1,415
Administrative expenses	-6,164	-6,494	-3,237	-3,509	-12,775
Research and development costs	-8,466	-7,758	-4,079	-3,909	-16,069
Other operating expenses	-1,018	-238	-522	-5	-824
Operating profit	11,321	19,677	4,013	13,475	39,607
Result from financial items	500	152	284	121	408
Profit before tax	11,821	19,829	4,297	13,596	40,015
Tax	-3,571	-5,582	-1,374	-3,840	-10,873
PROFIT FOR THE PERIOD	8,250	14,247	2,923	9,756	29,142
Earnings per share before full dilution (SEK)	0.72	1.26	0.26	0.85	2.56
Earnings per share after full dilution (SEK)	0.72	1.25	0.26	0.85	2.55
Number of shares outstanding before full dilution	11,427,591	11,427,591	11,427,591	11,427,591	11,427,591
Number of shares outstanding after full dilution	11,427,591	11,427,591	11,427,591	11,427,591	11,427,591
Average number of shares outstanding before full dilution	11,427,591	11,300,573	11,427,591	11,427,591	11,364,082
Average number of shares outstanding after full dilution	11,427,591	11,427,591	11,427,591	11,427,591	11,427,591

Consolidated balance sheet

Amounts in SEK 000s	June 30, 2006	June 30, 2005	Dec. 31, 2005
ASSETS			
Intangible fixed assets	39,528	30,390	34,876
Tangible fixed assets	1,127	1,566	1,200
Financial fixed assets	122	28	151
Deferred tax assets	-	2,130	-
	40,777	34,114	36,227
Current assets			
Current receivables	8,421	18,864	17,343
Cash and bank balance	65,124	35,346	53,611
	73,545	54,210	70,954
TOTAL ASSETS	114,322	88,324	107,181
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	90,104	66,958	81,854
Accounts payable, trade	3,730	1,848	1,931
Other current liabilities	20,488	19,518	23,396
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	114,322	88,324	107,181

Cash-flow statements, Group

Amounts in SEK 000s	2006 Jan-June (6 mths.)	2005 Jan-June (6 mths.)	2006 Apr-June (3 mths.)	2005 Apr-June (3 mths.)	2005 Jan-Dec (12 mths.)
Cash flow from operating activities before changes in working capital	9,400	21,702	4,435	14,800	45,266
Cash flow from changes in working capital	9,757	-6,344	2,544	-6,165	-3,873
Cash flow from operating activities	19,157	15,358	6,979	8,635	41,393
Cash flow from investing activities	-7,644	-6,870	-3,677	-3,544	-14,640
Cash flow from financing activities	-	13,279	-	783	13,279
Cash flow for the period	11,513	21,767	3,302	5,874	40,032
Cash and cash equivalents at the beginning of the period	53,611	12,294	61,822	29,472	12,294
Cash and cash equivalents added from RayIncentive	-	1,285	-	-	1,285
Cash and cash equivalents at the end of the period	65,124	35,346	65,124	35,346	53,611

Changes in consolidated shareholders' equity

Amounts in SEK 000s

	2006	2005	2005
	Jan-June	Jan-June	Jan-Dec
Opening balance	81,854	39,475	39,475
Change of accounting principle, Consolidated of RayIncentive	-	-188	-188
Transfer of own shares	-	13,424	13,425
Result for the period	8,250	14,247	29,142
Closing balance	90,104	66,958	81,854

Changes in number of shares

	2006	2005	2005
	Jan-June	Jan-June	Jan-Dec
Opening balance	11,427,591	10,513,061	10,513,061
Non-cash issue	-	914,530	914,530
Closing balance	11,427,591	11,427,591	11,427,591