

# Framtidsfabriken AB (publ)

## Interim report 1 January – 30 June 2000

### Positioning for broadband opportunities

- Sales during the first six months of 2000 increased to SEK 840.5 million (112.0), including SEK 111.0 million from the conversion of the additional purchase price in Bredbandsbolaget and the divestment of companies during the first half of 2000, and SEK 3.5 million from the sale of Bredbandsbolaget in May 1999.
- Operating profit after depreciation of tangible fixed assets (EBITA) amounted to SEK 131.2 million (22.8) for the first six months of 2000, including SEK 111.0 million and SEK 3.5 million as above, as well as the effects of surplus funds from SPP to the amount of SEK 49.4 million.
- The number of employees as per 24 August amounted to approximately 2 570. Of these, approximately 800 persons are employed outside of Sweden. Excluding acquisitions, the number of employees rose by 162 during the first quarter, by 353 during the second quarter and so far by approximately 300 during the third quarter.
- Framfab is successfully building up new operations in parallel with the rapidly expanding consulting business. The table below shows the EBITA result and adjustments to show the result for the consulting business.

SEK millions	Jan-June 2000	Q2 2000	Q1 2000
Net sales	727.0	409.4	317.6
Other operating income	113.5	2.2	111.3
<b>Sales</b>	<b>840.5</b>	<b>411.6</b>	<b>428.9</b>
<b>EBITA for the consulting business</b>	<b>19.8</b>	<b>-15.5</b>	<b>35.3</b>
Initiatives in new entities and development of software	-49.0	-29.1	-19.9
Income from Bredbandsbolaget, SPP and from divestment of companies	160.4	49.8	110.6
<b>EBITA</b>	<b>131.2</b>	<b>5.2</b>	<b>126.0</b>

- The company has continued its initiatives in Framfab Innovation and Driftbolaget during the first six months of the year. In addition, the company has intensified its efforts to develop software, in particular the portal software Brikks and the Content Management system CM.
- The development of the UMTS network provides an opportunity for Framfab to benefit from its portal product and its expertise of mobile Internet. As part of the initiatives in mobile Internet, the company is taking part in consortia that are applying for UTMS licenses in Sweden and Norway.
- The consulting business has stepped up its recruitment drive during the first six months of the year and has worked to integrate new employees, acquired companies and existing operations. The strong recruitment as well as the integration have been successful but have generated costs and required internal resources. A limited negative effect has also resulted from the fact that the market for traditional IT services has been weaker than expected during the second quarter.

# Earnings and financial position

## January - June 2000

The Group's sales during the first six months of 2000 amounted to SEK 840.5 million (112.0). During the period, other operating income was generated through the conversion of the additional purchase price in Bredbandsbolaget, SEK 104.0 million, and the divestment of certain parts of Communicator AB, SEK 6.6 million, as well as Erda Link and Front End, SEK 0.4 million. In May 1999, 80 per cent of Bredbandsbolaget was sold, generating other operating income of SEK 3.5 million. Adjusted for this, total growth compared with the same period in 1999 amounted to 572 per cent, of which organic growth accounted for 228 per cent.

In connection with the sale of 80 per cent of the shares in Bredbandsbolaget in May 1999, an agreement was signed for a turnover-related additional purchase price. This was converted in March 2000 to shares in Bredbandsbolaget, which resulted in other operating income of SEK 104.0 for Framfab.

The Group's operating profit after depreciation of tangible fixed assets (EBITA) amounted to SEK 131.2 million (22.8) during the first half of 2000, an increase of 475 per cent. The result includes the effects of surplus funds from SPP amounting to SEK 49.4 million. The EBITA margin was 15.6 per cent (20.4).

Initiatives within new entities (Framfab Innovation and Driftbolaget etc.) and the development of software (Brikks and CM) (see below) has had a negative effect on the EBITA margin amounting to SEK 49,0 million in the first half of the year.

Initiatives within new entities and development of software are performed in parallel with the consulting business. In order to highlight the EBITA in the consulting business, the company's result is adjusted for conversion in Bredbandsbolaget and the divestment of companies SEK 111.0 million, surplus funds from SPP SEK 49.4 million and initiatives within new entities (Framfab Innovation and Driftbolaget etc.) and development of software (Brikks and CM) 49.0 MSEK. See table on first page. Adjusted in this way, EBITA in the consulting business amounted to SEK 19.8 million and the corresponding margin to 2.7 per cent. This margin is comparable to the EBITA margin in 1999 that amounted to 14.2 per cent, adjusted for income from the divestment of 80 per cent of Bredbandsbolaget in May 1999.

SEK millions	Group Jan-June 2000	Group Jan-June 1999	Group Q2 2000	Group Q2 1999
<b>Net sales</b>	<b>727.0</b>	<b>108.5</b>	<b>409.4</b>	<b>76.4</b>
Other operating income	113.5	3.5	2.2	3.5
<b>Sales</b>	<b>840.5</b>	<b>112.0</b>	<b>411.6</b>	<b>79.9</b>
<b>Operating profit after depreciation of tangible fixed assets (EBITA)</b>	<b>131.2</b>	<b>22.8</b>	<b>5.2</b>	<b>16.8</b>
Operating margin after depreciation of tangible fixed assets (EBITA margin)	15.6 %	20.4%	1.2 %	21.0 %
<b>Operating profit</b>	<b>81.6</b>	<b>18.6</b>	<b>-23.9</b>	<b>13.0</b>
Operating margin	9.7 %	16.6%	Neg	16.2 %
<b>Profit after financial items</b>	<b>95.5</b>	<b>19.0</b>	<b>-15.1</b>	<b>13.1</b>
Profit margin	11.4 %	16.9 %	Neg	16.4 %

Group SEK millions	1999 Q 1	1999 Q 2	1999 Q 3	1999 Q 4	2000 Q 1	2000 Q 2
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Sales	32.1	79.9	94.9	148.1	428.9	411.6
Adjusted sales*	32.1	76.4	94.9	148.1	318.3	411.2
Operating profit after depreciation of fixed tangible assets	6.1	16.8	13.7	17.1	126.0	5.2
Operating profit	5.6	13.0	8.3	9.3	105.5	-23.9
Profit after financial items	5.8	13.1	10.0	10.8	110.6	-15.1
Total growth, sequential*	N/A	138%	24%	56%	115%	29 %

\*Adjusted for conversion of the additional purchase price in Bredbandsbolaget and divestment of companies

The Group's liquid assets as of 30 June 2000 amounted to SEK 987.5 million (238.7). A new share issue in February contributed approximately SEK 1,112 million to Framfab after issue expenses. In addition, the company has gained a total of SEK 18.2 million during the first half of 2000 through the payment of warrants premiums and the exercise of warrants.

Shareholders' equity as of 30 June 2000 amounted to SEK 4,282.4 million (473.5), giving an equity/assets ratio of 91.4 per cent (86.3). Interest-bearing liabilities amounted to SEK 61.6 million (12.0).

The Group's cash flow from current operations amounted to SEK -77.8 million (19.8) for the first six months of 2000. Investments in tangible fixed assets have been undertaken to the amount of SEK 44.9 million (4.3) during the first half of the year. In March 2000, Framfab participated in a new share issue in Bredbandsbolaget with a capital contribution of approximately SEK 36 million. As per 30 June, Framfab's holdings in Bredbandsbolaget amounted to 11.3 per cent.

As per 24 August, the number of employees amounts to approximately 2 570, including Dimac and NettX Consult. Of these, approximately 800 are employed outside of Sweden. The number of employees rose during the first six months of 2000 from 727 to 2,063, an increase of 1,336 persons or 184 per cent. Excluding acquisitions, the number of employees rose by 162 during the first quarter, by 353 during the second quarter and so far by approximately 300 during the third quarter.

#### **April to June 2000**

The Group's sales during the second quarter of 2000 amounted to SEK 411.6 million (79.9). During the quarter, other operating income of SEK 0.4 million was generated through the sale of Front End and Erda Link (see below). In May 1999, 80 per cent of the shares in Bredbandsbolaget were sold, generating other operating income of SEK 3.5 million. Adjusted for this, total growth compared with the same period in 1999 amounted to 439 per cent, of which 182 per cent represented organic growth. Growth between the first and second quarters, adjusted for the conversion of the additional purchase price in Bredbandsbolaget and the divestment of companies, was 29 per cent, of which 10 per cent was organic growth.

Operating profit after depreciation of tangible fixed assets (EBITA) amounted to SEK 5.2 million (16.8) during the second quarter of 2000. This includes the effects of surplus funds from SPP amounting to SEK 49.4 million. Framfab's share of SPP's surplus funds amounts to SEK 56.2 million. The company intends to use a significant portion of the surplus funds to future pension payments. Against this background, and the fact that the rest of the surplus funds can be used in coming years, SEK 49.4 million has been taken up as income during the second quarter, after discounting has been taken into account. During the autumn, a final decision will be made as to how the funds will be used. This decision may involve the funds being used quickly, which would have a further effect on the result in 2000.

During the quarter, initiatives within new entities (Framfab Innovation and Driftbolaget etc) and the development of software (Brikks and CM) has had a negative effect on the EBITA result amounting to SEK 29.1 million.

Initiatives within new entities and development of software are performed in parallel with the consulting business. In order to highlight the EBITA in the consulting business in the second quarter, the result is adjusted for income from the sale of Front End and Erda Link SEK 0.4 million, surplus funds from SPP SEK 49.4 million and initiatives within new entities (Framfab Innovation and Driftbolaget etc.) and the development of software (Brikks and CM) 29.1 MSEK. See table on front page. Adjusted in this way, EBITA in the consulting business amounted to SEK –15.5 million and the corresponding margin to –3.8 per cent. In the first quarter, this margin was 11.1 per cent.

The EBITA margin was squeezed during the second quarter by the very high net recruitment. The company is pursuing active recruitment in all units, with both direct costs and start-up effects on the income side as a result. During the quarter, the company invested resources in integrating recruited employees, acquired companies and existing units in order to render the organisation more efficient. Furthermore, the market for traditional IT services has turned out to be weaker than expected during the second quarter. Less than 200 consultants are currently employed in Framfab's operations in this area.

The Group's cash flow from current operations amounted to SEK –61.2 million (14.7) in the second quarter. Investments in tangible fixed assets have been undertaken to the amount of SEK 25.8 million (3.1) during the second quarter.

During the second quarter, Framfab has acquired Tecma in Gothenburg, a company with cutting-edge knowledge in vehicle-related Internet services. Tecma had 12 employees at the time of the acquisition, and was consolidated as per 1 April 2000. The acquisitions of the Dutch Internet consultancy NetlinQ and the advertising agency Halbye Kaag & Partners in Copenhagen (with 135 and 11 employees respectively) are now complete and will be consolidated as per 1 July 2000. In July, Framfab acquired Dimac in Helsingborg with 30 employees specializing in software development. In August, NettX Consult in Oslo was acquired (26 employees). NettX Consult is a supplier of Internet services and has an experienced team of management consultants..

## **Driftbolaget**

The business concept of Driftbolaget ("the Hosting Company") is to manage the overall running of clients' hardware and software by offering hosting services that provide clients with scaleable, flexible and secure solutions. Driftbolaget has specialist knowledge in the areas of server technology, hosting, surveillance, database administration, broadband communications, e-commerce solutions and IT security.

As per August 24 Driftbolaget had approximately 100 employees. Driftbolaget's business volumes increased during the first six months of the year. A high level of recruitment and the establishment of operations in Stockholm, Gothenburg and Copenhagen have negatively affected profit during the period. The company's operations are more capital-intensive than other consulting activities within Framfab.

## **Business Area Investments**

An important part of Framfab's strategy is to actively support and develop Internet-related business ideas through Framfab Ventures and Framfab Innovation. Framfab believes that its experience of being an Internet entrepreneur and its broad and dynamic network constitute a good basis for these activities.

Framfab Innovation supports entrepreneurs to commercialise innovative business ideas, primarily ideas within the D3 segment – digital products/services with digital sales and digital distribution. During the second quarter, Framfab Innovation has both worked on developing the companies it has invested in, and has continued to evaluate new business ideas. In addition, Framfab Innovation has expanded and intensified its collaboration in partnership networks and has recruited several top calibre employees. Framfab Innovation has in a short

space of time built up a very interesting portfolio. In order to secure the company's expansion, Framfab's board of directors has decided to inject an additional SEK 40 million into Framfab Innovation.

Framfab Ventures is a venture capital company focusing on the new economy in Europe. The company is 75 per cent owned by Framfab and 25 per cent owned by Ikano. Framfab has invested SEK 75 million in the company. Framfab Ventures functions as an advisor and a manager of risk capital. Operations are focused mainly on (i) telecom with an emphasis on products and services related to wireless and broadband communication and infrastructure, (ii) E-commerce/ portals and other contextual products and services and (iii) wireless and broadband media content. Framfab Ventures will invest in companies currently in a phase between start-up and stock exchange listing.

## Business Area Software

Framfab has created an internal organisation for development of software. The research and development efforts are currently focused on Brikks and CM.

Brikks is a meta software application for multi-access portals which enables the user to configure the portal according to his or her preferences. With Brikks the user can create a portal with a variety of broadband and mobile services that can be accessed from different kinds of connections: Internet, mobile phone, broadband, hand-held computers, etc.

The Content Management tool CM enables companies or organisations to manage their large and complex web sites. CM enables clients to create new web sites for different units, countries or regions within the organisation while at the same time retaining mutual control of brand names and content.

## Clients

During the second quarter of 2000, sales increased through first-time sales to Kellogs Norden, BHW, Hydro Texaco, Gore Fabrics, and others, as well as through continued efforts directed at existing clients, such as AXA, Bredbandsbolaget, Electrolux, Ericsson, Ikano, IKEA, Nike Europe, AB Volvo, Volvo Car Corporation, etc. Framfab has also initiated cooperation with SAS, Viag Intercom, Carlsberg and J.P. Morgan.

In August, the IKEA e-commerce venture ([www.IKEA.se](http://www.IKEA.se)) developed by Framfab was launched. The web site is the first in a series which will ultimately cover most of IKEA's 25 international markets. The web system is based partly on Framfab Software's Content Management System CM. Already in its first month, [www.IKEA.se](http://www.IKEA.se) was ranked as one of the most visited web sites in Sweden.

At the international advertising festival in Cannes in June, Framfab and Nike Europe won the prestigious Grand Prix in the Cyber Lions category with the web site [www.nikefootball.com](http://www.nikefootball.com). The motivation given was that the web site is a committed, absorbing, well-designed and extremely creative site.

A major project during the quarter was the work on the simultaneous launch of the new Volvo S60 on web sites in 18 countries and in 14 languages. Our volume of business with Volvo Car Corporation and the Volvo Group has continued to grow during the second quarter.

## Organisation

During the period, Framfab has undertaken several major acquisitions and has recruited a large number of new employees. The company has worked intensively to create an

organisation that develops and makes optimal use of expertise and that has a strong client focus.

Consultants from the former Guide have reinforced Framfab's resources, both with heavy technical competence and experienced project leaders. For all major client projects, work is now being undertaken jointly. Efforts to streamline operations have continued with the divestment of Erda Link and Front End. At the time of the acquisition, Guide had 734 employees. Since then, Framfab has sold units with around 69 employees in total. As per 30 June, around 702 people were employed in operations stemming from the former Guide. The planning for a fully integrated organisation with extended delivery capacity is complete. Some implementation work and further reorganisation of the legal structure remain. Some pressure on margins will remain until the implementation is finalised.

## **3G Mobil communications**

The development of the UMTS network provides an opportunity for Framfab to benefit from its expertise of services within mobile telephony and mobile Internet. As part of its initiatives in mobile Internet, Framfab, together with Bredbandsbolaget and other strategic partners, is applying for UMTS licenses in Sweden and Norway. By actively participating in the development of terrestrial broadband and third generation mobile telephony, Framfab has a unique opportunity to test on a full scale and learn about technology and content before other players. Framfab's globally integrated organisation then functions as the tool for conveying knowledge and services to the international market more rapidly than any other player.

Framfab participates through Bredband Mobil AB in consortia that apply for UMTS-licenses. Bredband Mobil AB is jointly owned by Framfab (15 per cent) and Bredbandsbolaget (85 per cent). Framfab also owns 11.3 per cent of the shares in Bredbandsbolaget. Bredband Mobil AB owns approximately 34 per cent of the consortium which is applying for a UMTS licence in Sweden. Other partners in the consortium are Orange/France Telecom, Skanska and Schibsted. Framfab is also participating in the application for a UMTS license in Norway through Bredband Mobil AB, which currently owns approximately 20 per cent of the consortium that is applying for a licence.

## **Outlook for 2000**

The market for Internet services showed continued strong growth in terms of volume and complexity in the first six months of 2000. Demand is expected to continue to remain strong during the rest of the year.

Framfab continues to focus both on global clients with strong brand names and on new clients of the future through the business area Framfab Innovation. This strategy has proved to be very successful during the first six months of the year and will be intensified further during the autumn.

Framfab's brand name has been strengthened internationally with the result that access to potential multinational clients has improved considerably. Framfab benefits from its international strength in several global projects that utilise resources and expertise from several countries. Framfab will continue its international expansion.

Framfab's goal is to become a leading supplier for services within mobile and broadband Internet. The company's initiatives in intelligent vehicles and intelligent homes will be expanded. The acquisitions undertaken during the first six months of the year have enhanced Framfab's range of products and services within these areas. During the year, the proportion of product-related income is expected to increase.

Framfab's focus is on becoming the best positioned player with a strong and globally integrated organisation. Initiatives within Framfab Innovation and Driftbolaget will affect the result for 2000. Continued work on creating an effective global structure will require internal resources, thus entailing some loss of income, but will also generate certain costs.

Framfab is well positioned as a strategic total supplier of Internet services. The company works with several major international clients and carries out increasingly large, more international and more business-critical projects, which is why it is important to recruit top-of-the-range employees. Framfab is currently the leading Internet consultancy in Europe and one of the largest in the world.

Against this background, Framfab believes that sales will continue to increase with profitability before amortisation of goodwill for the full year.

## Share data

Profit after standard tax amounted to SEK 64.0 million (12.4) for the first half-year of 2000, which corresponds to SEK 0.51 (0.19) per share. Shareholders' equity per share amounted to SEK 31.22 (4.91) as of 30 June 2000.

The parent company had 137 148 657 registered shares as of 30 June 2000. On 6 March, an 8:1 split was carried out. During the period 1 January to 30 June 2000, the number of shares increased (adjusted for the split) through a new share issue directed at institutional investors (5 200 000) attributable to the utilisation of warrants (1 753 000) and through non-cash issues in connection with acquisition of companies (25 375 217).

Upon fully exercising outstanding warrants the number shares can increase by a further 13 323 200.

## Scheduled reports

The interim report for the third quarter will be published on 31 October 2000.

The full year report 2000 will be published on 14 February 2001.

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Framfab's business concept is to create new business for the network economy through strategic advice and digital services. Framfab today has 2 570 employees in 58 offices in Denmark, France, Italy, the Netherlands, Norway, Great Britain, Sweden, Germany and USA. Our clients include 3M, AstraZeneca, AXA, Bosch, Electrolux, Ericsson, Expressen, France Telecom, IKEA, International Red Cross, le Groupe Pernod Ricard, Nike Europe, SAAB Group, Vattenfall, Volvo Car Corporation and Volvo Group. Framfab is listed on the Stockholm OM Stock Exchange "ATTRACT-40" list.

## Income statement in brief

<b>SEK millions</b>	<b>Group Jan-June 2000</b>	<b>Group Jan-June 1999</b>	<b>Group 1999</b>
<b>Net sales</b>	<b>727.0</b>	<b>108.5</b>	<b>350.8</b>
Other operating income	113.5	3.5	4.2
<b>Sales</b>	<b>840.5</b>	<b>112</b>	<b>355.0</b>
Operating expenses	-688.5	-87.9	-294.9
Result in associated companies	-3.4	-	-
<b>Operating profit before depreciation</b>	<b>148.6</b>	<b>24.1</b>	<b>60.1</b>
Depreciation of tangible fixed assets	-17.4	-1.3	-6.4
<b>Operating profit after depreciation of tangible fixed assets (EBITA)</b>	<b>131.2</b>	<b>22.8</b>	<b>53.7</b>
Amortisation of goodwill	-47.4	-4.1	-16.8
Depreciation of other intangible fixed assets	-2.2	-0.1	-0.7
<b>Operating profit</b>	<b>81.6</b>	<b>18.6</b>	<b>36.2</b>
Net financial items	13.9	0.4	3.5
<b>Profit after financial items</b>	<b>95.5</b>	<b>19.0</b>	<b>39.7</b>
Standard tax	-28.9	-6.5	-15.0
Minority shares in profit for the period	-2.6	-0.1	-0.4
<b>Profit for the period</b>	<b>64.0</b>	<b>12.4</b>	<b>24.3</b>



<b>SEK millions</b>	<b>Group April-June 2000</b>	<b>Group April-June 1999</b>
<b>Net sales</b>	<b>409.4</b>	<b>76.4</b>
Other operating income	2.2	3.5
<b>Sales</b>	<b>411.6</b>	<b>79.9</b>
Operating expenses	-394.9	-62.2
Result in associated companies	-2.6	
<b>Operating profit before depreciation</b>	<b>14.1</b>	<b>17.7</b>
Depreciation of tangible fixed assets	-9.0	-0.9
<b>Operating profit after depreciation of tangible fixed assets</b>	<b>5.1</b>	<b>16.8</b>
Amortisation of goodwill	-28.3	-3.7
Depreciation of other intangible fixed assets	-0.7	-0.2
<b>Operating profit</b>	<b>-23.9</b>	<b>12.9</b>
Net financial items	8.8	0.2
<b>Profit after financial items</b>	<b>-15.1</b>	<b>13.1</b>
Standard tax	-1.7	-4.8
Minority shares in profit for the period	-0.8	-0.1
<b>Profit for the period</b>	<b>-17.6</b>	<b>8.2</b>

## Cash flow statement in brief

<b>SEK millions</b>	<b>Group Jan-June 2000</b>	<b>Group Jan-June 1999</b>	<b>Group 1999</b>
Cash flow from current operations before changes in working capital	147.3	18.4	56.7
Changes in working capital	-225.1	1.4	-74.4
<b>Cash flow from current operations</b>	<b>-77.8</b>	<b>19.8</b>	<b>-17.7</b>
Acquisition of subsidiaries*	-8.1	14.7	-22.4
Cash flow from other investment operations	-269.4	-6.1	-71.3
<b>Cash flow before financing</b>	<b>-355.3</b>	<b>28.4</b>	<b>-111.4</b>
Cash flow from financing operations	1 119.4	172.3	297.0
<b>Cash flow for the period</b>	<b>764.1</b>	<b>200.7</b>	<b>185.6</b>
Exchange rate differences in liquid assets	-0.3	0.0	0.1
<b>Liquid assets at the close of the period</b>	<b>987.5</b>	<b>238.7</b>	<b>223.7</b>

<b>SEK millions</b>	<b>Group April-June 2000</b>	<b>Group April-June 1999</b>
Cash flow from current operations before changes in working capital	16.1	17.7

Changes in working capital	-77.3	-4.3
<b>Cash flow from current operations</b>	<b>-61.2</b>	<b>14.7</b>
Acquisition of subsidiaries*	-36.1	-4.9
Cash flow from other investment operations	-129.3	23.2
<b>Cash flow before financing</b>	<b>-226.6</b>	<b>172.0</b>
Cash flow from financing operations	2.0	195.2
<b>Cash flow for the period</b>	<b>-224.6</b>	<b>195.2</b>
Exchange rate differences in liquid assets	0.0	0.0
<b>Liquid assets at the close of the period</b>	<b>987.5</b>	<b>238.7</b>

\*Net cash payments made (-) and acquired liquid assets (+). Non-cash issues in connection with acquisitions have not been taken into account in the cash flow statement since non-cash issues have no effect on liquid assets.

## Balance Sheet in Brief

SEK millions	Group 31 June 2000	Group 31 June 1999	Group 31 Dec 1999
<b>Assets</b>			
Goodwill	2 700.7	204.6	296.1
Other intangible fixed assets	13.1	1.4	5.3
Tangible fixed assets	131.9	12.8	35.3
Financial fixed assets	273.8	2.6	39.6
<b>Total fixed assets</b>	<b>3 119.5</b>	<b>221.4</b>	<b>376.3</b>
Accounts receivable	335.1	51.8	114.4
Other current assets excluding liquid assets	247.4	38.0	69.6
Liquid assets	987.5	238.7	223.7
<b>Total current assets</b>	<b>1 570.0</b>	<b>328.5</b>	<b>407.7</b>
<b>Total assets</b>	<b>4 689.5</b>	<b>549.9</b>	<b>784.0</b>
<b>Shareholders' equity and liabilities</b>			
Restricted equity	4 220.9	451.6	792.4
Non-restricted reserves	-2.5	9.5	-145.0
Profit for the period	64.0	12.4	24.3
<b>Total equity</b>	<b>4 282.4</b>	<b>473.5</b>	<b>671.7</b>
Minority interests	2.5	1.3	1.8
Provisions	53.0	7.0	9.0
Interest-bearing liabilities	61.6	12.0	6.4
Long-term non-interest bearing liabilities	0.0	0.0	0.0
Current non-interest bearing liabilities	290.0	56.1	95.1
<b>Total liabilities</b>	<b>407.1</b>	<b>76.4</b>	<b>112.3</b>
<b>Total shareholders' equity and liabilities</b>	<b>4 689.5</b>	<b>549.9</b>	<b>784.0</b>

# Keyratios

	Jan- June 2000	Jan- June 1999	April- June 2000	April- June 1999	1999
Sales growth	650.5 %	155.2 %	415.5 %	273.8 %	240.2 %
Adjusted sales growth (1)	572.4 %	147.2 %	438.6 %	257.4 %	236.5 %
Gross margin	17.7 %	21.5 %	3.4 %	22.1 %	16.9 %
Operating margin after depreciation of tangible fixed assets	15.6 %	20.4 %	1.2 %	21.0 %	15.1 %
EBITA margin in the consultancy(2)	2.7 %	17.8 %	-3.8 %	17.4 %	14.2 %
Operating margin	9.7 %	16.6 %	-5.8 %	16.2 %	10.2 %
Profit margin	11.4 %	16.9 %	-3.7 %	16.4 %	11.2 %
Equity/assets ratio	91.4 %	86.3 %	91.4 %	86.3 %	85.9 %
Return on capital employed (3)	5.8 %	14.6 %	5.8 %	14.6 %	10.6 %
Return on shareholders' equity (3)	3.8 %	9.9 %	3.8 %	9.9 %	6.5 %
Average number of employees	1 641	222	1 910	289	367
Number of employees at close of period	2 063	364	2 063	364	727
Sales per employee, in SEK thousands (3)	998	972	998	972	968
Adjusted sales per employee (1:3)	895	952	895	952	957
Profit per employees, in SEK thousands (3)	149	212	149	212	146
Shareholders' equity per share, SEK (4)	31.22	4.91	31.22	4.91	6.41
Profit per share, SEK(4)	0.51	0.19	-0.13	0.11	0.29

1 adjusted for the conversion in Bredbandsbolaget and divestment of companies

2 adjusted for the conversion in Bredbandsbolaget, divestment of companies, surplus funds from SPP and initiatives in new entities (Framfab Innovation and Driftbolaget), Brikks and CM

3 based on a rolling twelve-month period

4 corrected for split 8:1 in March 2000

## Definitions

Gross margin: Operating profit before depreciation as a percentage of sales.	Operating margin after depreciation of tangible fixed assets: Operating profit after depreciation of tangible fixed assets as a percentage of sales.
Operating margin: Operating profit as a percentage of sales.	Profit margin: Profit after financial items as a percentage of sales.
Equity/assets ratio: Shareholders' equity including minority interest as a percentage of total assets.	Capital employed: Total assets reduced by non-interest bearing liabilities including deferred tax liability.
Return on capital employed: Profit after financial items plus financial expenses divided by the average capital employed.	Return on shareholders' equity: Profit after financial items after full tax divided by average shareholders' equity.
Sales per employee: Sales divided by the average number of employees.	Profit per employee: Operating profit after depreciation of tangible fixed assets divided by the average number of employees per year.
Shareholders' equity per share: Shareholders' equity divided by the number of outstanding shares.	Profit per share: Profit for the period after full tax divided by the average number of shares.