

Nolato AB (publ) year-end report 2008

Healthy earnings and a strong financial position

■ Fourth quarter 2008 in brief

- Sales rose by 18 percent to SEK 747 M (634)
- Operating income (EBITA) was SEK 56 M (65)
- Earnings per share were SEK 1.75 (2.43)
- Cash flow after investments was extremely strong, totalling SEK 152 M (71) excluding acquisitions and disposals
- A downward-adjusted outlook for the first six months of 2009 for Nolato Telecom is included in this report

■ Full-year 2008 in brief

- Sales rose by 17 percent to SEK 2,824 M (2,421)
- Operating income (EBITA) was up 18 percent to SEK 240 M (204)
- Earnings per share were SEK 6.77 (5.70)
- Cash flow after investments totalled SEK 296 M (227), excluding acquisitions and disposals
- The equity/assets ratio rose to 50 percent (46)
- The Board proposes a dividend of SEK 2.75 per share (3.00)

■ Group highlights

SEK M unless otherwise specified	Q4 2008	Q4 2007	Full year 2008	Full year 2007
Net sales	747	634	2,824	2,421
Operating income (EBITDA) excluding non-recurring items ¹⁾	95	105	399	357
Operating income (EBITA) excluding non-recurring items ²⁾	56	65	240	204
EBITA margin excluding non-recurring items, %	7.5	10.3	8.5	8.4
Income after financial items	47	58	216	171
Net income	46	64	178	150
Earnings per share, SEK *	1.75	2.43	6.77	5.70
Adjusted earnings per share, SEK ³⁾ *	1.82	1.71	6.99	5.32
Average number of shares, thousands	26,307	26,307	26,307	26,307
Cash flow after investm., excl. acquisitions and disp.	152	71	296	227
Net investm. affecting cash flow, excl. acquisitions and disp.	28	21	155	88
Return on capital employed, %	—	—	18.4	15.0
Return on shareholders' equity, %	—	—	18.4	18.3
Equity/assets ratio, %	—	—	50	46
Net liabilities	—	—	95	314

Sales, income and return figures for 2007 refer only to remaining operations.

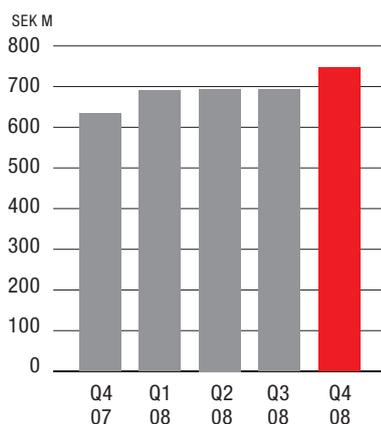
* Earnings per share before and after dilution. The company does not have any ongoing financial instrument programmes which involve any dilution in the number of shares.

¹⁾ Operating income (EBITDA): Earnings before interest, taxes, depreciation/amortisation and non-recurring items.

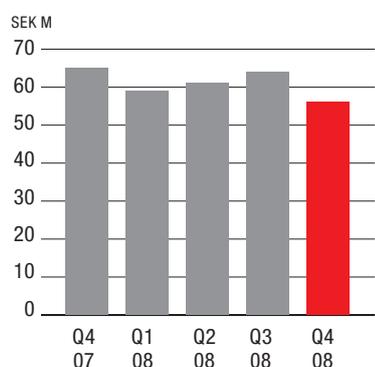
²⁾ Operating income (EBITA): Earnings before interest, taxes and amortisation of intangible assets from company acquisitions, excl. non-recurring items.

³⁾ Adjusted earnings per share: Net income, excluding amortisation of intangible assets from company acquisitions and non-recurring items, divided by average number of shares.

■ Sales by quarter



■ EBITA by quarter



Earnings before interest and taxes, excluding non-recurring items and amortisation of intangible assets arising from acquisitions.

Fourth quarter 2008

- Sales rose by 18 percent to SEK 747 M (634)
- Operating income (EBITA) was SEK 56 M (65)
- Strong growth for Nolato Medical and Nolato Telecom

■ Sales

Group sales during the fourth quarter totalled SEK 747 M (634), corresponding to organic growth of 18 percent. Currency exchange rate differences had a positive impact on sales of around 4 percent.

Nolato Medical saw sales grow to SEK 171 M (147), corresponding to organic growth of 16 percent compared with the same period during the previous year. Volumes were good during the quarter for most of the business area's customer segments.

Nolato Telecom's sales rose by 51 percent to SEK 364 M (241). Sales during the quarter were in line with normal seasonal patterns.

Nolato Industrial's sales dropped by 18 percent to SEK 212 M (258). Over the course of the quarter, both the automotive industry and other customer segments ordered successively smaller volumes. The majority of customers closed for an extended period over the Christmas and New Year holidays.

■ Income

The Group's operating income (EBITA) was SEK 56 M (65).

Nolato Medical's operating income (EBITA) was SEK 28 M (25), Nolato Tele-

com's was SEK 33 M (27) and Nolato Industrial's was SEK 1 M (19).

Nolato Medical's EBITA margin was 16.4 percent (17.0). High levels of capacity utilisation, combined with a favourable product mix, resulted in the high margin for the quarter. The corresponding period during the previous year saw a positive impact of around 2 percentage points from project operations.

Nolato Telecom's EBITA margin was 9.1 percent (11.2). High levels of capacity utilisation resulted in this margin remaining healthy. During the previous year, the margin was even higher due to a favourable product mix.

Nolato Industrial's EBITA margin stood at 0.5 percent (7.4). The margin was affected by low levels of invoicing, combined with costs of approximately SEK 8 M associated with staff cut-backs.

Overall, the Group's EBITA margin stood at 7.5 percent (10.3).

The prices of plastic raw materials were up to 20 percent lower in euros during the fourth quarter compared with the corresponding quarter in 2007. However, the decrease was only marginal when recalculated to take currency effects into account. Prices for plastic raw materials are continuing to fall, but this is being countered by the relative weakness of the Swedish krona.

Currency effects, i.e. conversion effects and transaction effects, had a positive impact on operating income of SEK 6 M (3) during the fourth quarter.

Operating income (EBIT) was SEK 54 M (63).

Income after financial items was SEK

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

SEK M	Sales Q4/2008	Sales Q4/2007	Op. income (EBITA) Q4/2008	Op. income (EBITA) Q4/2007	EBITA margin Q4/2008	EBITA margin Q4/2007
Nolato Medical	171	147	28	25	16.4%	17.0%
Nolato Telecom	364	241	33	27	9.1%	11.2%
Nolato Industrial	212	258	1	19	0.5%	7.4%
Intra-Group adj, Parent Co.	0	-12	-6	-6	—	—
Group total	747	634	56	65	7.5%	10.3%

Op. income (EBITA): Earnings before interest, taxes and amortisation of intangible assets from company acquisitions, excluding non-recurring items.

47 M (58). Net financial items included SEK -3 M (-2) in currency exchange rate difference effects during the fourth quarter, most of which related to translation differences for loans in foreign currencies for operations outside Sweden.

Net income was SEK 46 M (64). A change in the method of determining the value of group contributions to foreign subsidiaries had a positive effect of SEK 8 M on tax expenses, while a change in tax rates had a positive effect of SEK 3 M.

Full year 2008

Sale and earnings

Consolidated sales for the Nolato Group during 2008 totalled SEK 2,824 M (2,421), thus exceeding the corresponding figure for the previous year by 17 percent. Organic growth was 15 percent. Currency effects had a positive impact of around 1 percent on sales. The Group's operating income (EBITA) was up 18 percent to SEK 240 M (204). Earnings for the previous year were affected by non-recurring items totalling SEK 7 M during the first quarter, relating to the acquisition of the Cerbo Group. The EBITA margin was 8.5 percent (8.4 excluding non-recurring items).

Operating income (EBIT) was SEK 232 M (190).

Earnings after net financial items grew by 26 percent to SEK 216 M (171). Net financial items included SEK 2 M (-1) in currency exchange rate difference effects, most of which related to translation differences for loans in foreign currencies for operations outside Sweden.

Net income was SEK 178 M (150). Earnings per share were SEK 6.77 (5.70). Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions and non-recurring items were SEK 6.99 (5.32). The effective tax rate excluding non-recurring items was 23 percent (24).

The return on capital employed was 18.4 percent in 2008 (15.0), while the

Earnings per share were SEK 1.75 (2.43). Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions and non-recurring items stood at SEK 1.82 (1.71). The effective tax rate excluding non-recurring items was 25 percent (24).

Nolato has been awarded a special tax status in China, which means that the tax rate will be 15 percent for a period of three years beginning in 2008 (18 percent in 2007).

return on operating capital was 19.7 percent (15.8).

Nolato Medical

Sales and earnings (SEK M)		
Full year	2008	2007
Sales	632	526
Operating income (EBITA)	92	76
EBITA margin (%) excl. non-rec. items	14.6	14.4
Operating income (EBIT)	87	64

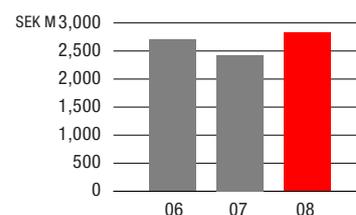
Nolato Medical saw sales grow to SEK 632 M (526). This corresponds to a 20 percent increase for remaining operations compared with the same period during the previous year. Of this, 15 percent was organic growth. Sales accounted for 22 percent (22) of the Group's entire sales.

Operating income (EBITA) increased to SEK 92 M (76 excluding operations disposed of and non-recurring items). The EBITA margin was 14.6 percent (14.4).

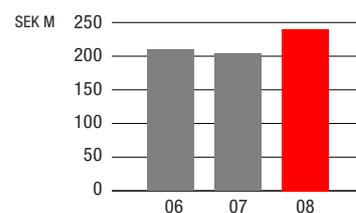
Since Asia is becoming an increasingly important market for Nolato Medical's customers, there is a demand for Nolato Medical's presence and production resources in the region. A decision was taken during the first quarter to start production in China. Production and deliveries began according to plan during the fourth quarter.

The outsourcing project announced in the 2007 nine-month interim report made only small-scale deliveries dur-

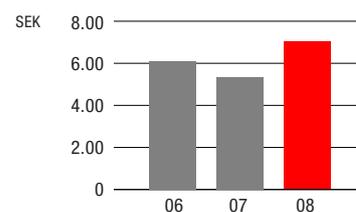
Sales full year



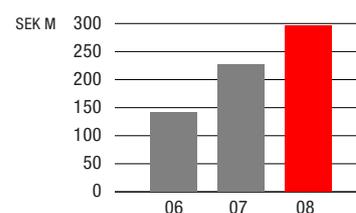
Operating income (EBITA) full year ¹⁾



Adjusted earnings per share full year ²⁾



Cash flow after investments full year ³⁾

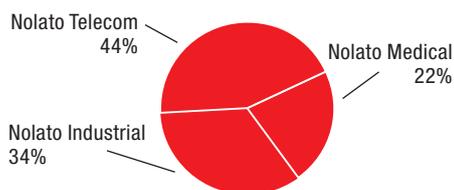


¹⁾ EBITA – Earnings before interest, taxes and amortisation of intangible assets from company acquisitions, excluding non-recurring items.

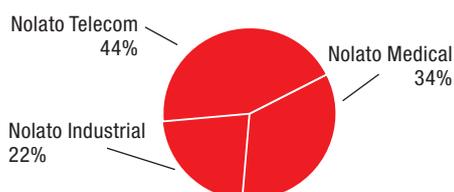
²⁾ Adjusted earnings per share – Net income excluding amortisation of intangible assets from company acquisitions and non-recurring items, divided by average number of shares.

³⁾ Excluding acquisitions and disposals.

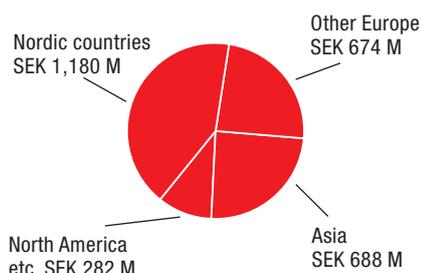
■ Sales by business areas 2008



■ EBITA by business areas 2008



■ Sales per geographic region 2008



■ Consolidated performance analysis

SEK M	Q4 2008	Q4 2007	Full year 2008	Full year 2007
Net sales	747	634	2,824	2,421
Gross income excl. amortisation and non-recurring items	154	155	595	537
<i>As a percent of net sales</i>	20.6	24.4	21.1	22.2
Costs ¹⁾	-59	-50	-196	-180
<i>As a percent of net sales</i>	7.9	7.9	6.9	7.4
EBITDA excluding non-recurring items	95	105	399	357
<i>As a percent of net sales</i>	12.7	16.6	14.1	14.7
Amortisation and writedowns	-39	-40	-159	-153
EBITA excluding non-recurring items	56	65	240	204
<i>As a percent of net sales</i>	7.5	10.3	8.5	8.4
Amortisation of acquisition goodwill	-2	-2	-8	-7
Non-recurring items ²⁾	—	—	—	-7
EBIT	54	63	232	190
Financial items	-7	-5	-16	-19
Income after financial items	47	58	216	171
Tax excluding non-recurring items	-1	-14	-38	-43
<i>As a percent of income after financ. items excl. non-recurring items</i>	2.1	24.1	17.6	24.2
Lump-sum tax income ³⁾	—	20	—	22
Operations disposed of, net	—	—	—	1
Net income	46	64	178	151

1) Excluding non-recurring items.

2) SEK 7 M in 2007 pertains to termination costs for management at Cerbo Group in connection with the acquisition.

3) SEK 20 M in Q4 2007 pertains to changes in the tax situation for foreign subsidiaries.

SEK 2 M in 2007 pertains to the tax effect of termination costs in connection with the acquisition of Cerbo Group.

ing the first six months. Delivery volumes from the Hungarian unit rose steadily during the second half of the year, reaching full speed at the end of the fourth quarter. Annual sales for the project have been estimated at SEK 20–25 M at full speed.

■ Nolato Telecom

Sales and earnings (SEK M)		
Full year	2008	2007
Sales	1,243	920
Operating income (EBITA)	119	73
EBITA margin (%)	9.6	7.9
Operating income (EBIT)	119	73

Nolato Telecom saw sales grow to SEK 1,243 M (920), an increase of 35 percent compared with the same period during the previous year. Sales accounted for 44 percent (37) of the Group's entire sales.

Sales consisted largely of products launched during the year, for which volumes have been excellent. Start-up problems experienced by a co-supplier in a project resulted in a temporary volume surplus of approximately SEK

40 M during the first quarter. Relationships with the business area's biggest customers have been strengthened over the course of the year.

Operating income (EBITA) was SEK 119 M (73). The EBITA margin was 9.6 percent (7.9). A large proportion of the deliveries for new mobile phone projects had a beneficial effect on the margin, and capacity utilisation has been high.

Certain Nolato customers have questioned the use of Malaysia as a production country, and the Board decided in July to focus on operations in China, winding down and closing the production unit in Malaysia. Customer deliveries and operations ceased as planned during the fourth quarter.

Outlook for Nolato Telecom

Nolato Telecom has a strong product portfolio. As announced in the nine-month interim report, one of the business area's main customers has made significant changes to its future product range, leading to Nolato Telecom having to revise its production start-up

times for these products. As a result, it is now thought that the business area will record markedly lower sales for the first six months of 2009 compared with the corresponding period for 2008, resulting in an operating income of around zero for the first six months of 2009.

■ Nolato Industrial

Sales and earnings (SEK M)		
Full year	2008	2007
Sales	950	1,000
Operating income (EBITA)	59	78
EBITA margin (%)	6.2	7.8
Operating income (EBIT)	56	76

Sales totalled SEK 950 M (1,000). This corresponds to a drop of 5 percent compared with the same period during the previous year. Sales accounted for 34 percent (41) of the Group's entire sales.

In line with the industry market trend, Nolato Industrial has experienced a drop in demand from the automotive industry since the end of the first quarter. During the second half of the year, demand continued to decline even further, with extremely low volumes to this and other industrial segments towards the end of the year. A number of orders were received during the period for major projects for future deliveries, including within the automotive and hygiene segments.

Operating income (EBITA) was SEK 59 M (78). The EBITA margin was 6.2 percent (7.8).

■ Cash flow

Cash flow before investments totalled SEK 451 M (315). The change in working capital was a positive SEK 86 M (-10).

Cash flow after investments totalled SEK 296 M (227 excluding acquisitions and disposals of operations). Net investments affecting cash flow amounted to SEK 155 M (88), excluding SEK 12 M (-70) net in acquisitions and disposals.

■ Financial position

Interest-bearing assets totalled SEK 168 M (62) and interest-bearing liabilities and provisions totalled SEK 263 M (386). Net debt thus totalled SEK 95 M (314). Shareholders' equity was SEK 1,058 M (881). The equity/assets ratio was 50 percent (46). During the second quarter, dividends totalling SEK 79 M (63) were paid to shareholders.

At the end of the year, Nolato extended and increased loan agreements with credit institutions by SEK 350 M, with a two-year term. Nolato therefore has total loan agreements of approximately SEK 800 M, of which SEK 350 M has a two-year term and the remainder runs until December 31, 2009.

■ Personnel

The average number of employees in the Nolato Group during the period was 4,531 (3,760). Compared with 2007, the number of employees rose mainly in China.

■ 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 2007 Annual Report on pages 30-31, and in note 4 on pages 52-53. No significant events have occurred during the period which would significantly affect or change these descriptions of the Group 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 under the Stockholm Small Cap index, where the shares are included in the IT sector.

Nolato had 6,562 shareholders as at December 31, 2008. The largest shareholders were the Paulsson family with 12 percent of the share capital, the Jorlén family with 11 percent, and the Bostrom family with 9 percent. The next largest shareholders were seven institutional investors, who together owned an additional 29 percent of the capital, with Skandia Liv, Svolder and If Skadeforsakring being the largest. The ten largest shareholders hold 61 percent of the share capital and 80 percent of the votes.

■ Financial position

SEK M	Dec 31, 2008	Dec 31, 2007
Interest-bearing liabilities to credit institutions	174	300
Interest-bearing pension liabilities	89	86
Market value of derivatives	—	-10
Total borrowings	263	376
Cash, bank balances and short-term investments	-168	-62
Net financial liabilities	95	314
Working capital	103	189
<i>As a percent of sales (avg.) (%)</i>	5.2	7.4
Capital employed	1,321	1,267
<i>Return on capital employed, excl. non-recurring items (avg.) (%)</i>	18.4	15.5
Shareholders' equity	1,058	881
<i>Return on equity (avg.) (%)</i>	18.4	18.3

■ Dividend

At the Annual Meeting, the Board of Directors and the President will propose a dividend of SEK 2.75 per share (3.00). This represents a total dividend of SEK 72 M (79), and corresponds to 41 percent of the earnings per share.

■ The Parent Company

Sales totalled SEK 22 M (17). The increase in sales is a result of higher costs levied on subsidiaries. Income after financial items was SEK -122 M (64). This drop is due to lower dividends from subsidiaries and fixed asset writedowns.

■ 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 2007 Annual Report on pages 49-52.

This year-end report has been prepared in accordance with IAS 34 (Interim Financial Reporting), the Swedish Financial Accounting Standards Council recommendation RR 31 (Interim Group Financial Reporting) and the Swedish Annual Reports Act.

The Parent Company accounts have been prepared in accordance with the Swedish Annual Reports Act and the

Swedish Financial Reporting Board recommendation 2.1 (Accounting for Legal Entities). The new or revised IFRS standards or IFRIC interpretations which entered into force on January 1, 2008 have not had any material effect on the Group's income statements or balance sheets.

The EU has approved and amended certain IASB and IFRIC standards and statements for the coming year, 2009. IFRS 8 Operating Segments will affect Nolato primarily through a larger proportion of joint Group costs being distributed among operating segments, i.e. Nolato's business areas. In accordance with this standard, corresponding comparison figures for 2008 must also be recalculated in line with the new principles. The recalculated comparison figures for 2008 are therefore included in this report, in accordance with the new principles which will apply from 2009 onwards, in the table on page 12.

■ Annual Meeting

The Annual Meeting of Nolato AB will be held on April 27 at 5 pm at Idrottsparken in Grevie. Any shareholders who wish to submit proposals to the Nomination Committee can contact one of the Nomination Committee members by e-mail:

- henrik.jorlen@bjarenet.com
- gunbostrom@gmail.com
- erik.paulsson@hansan.se
- erik.sjostrom@skandia.se
- magnus.molin@svolder.se

■ Financial information schedule

- Three-month interim report 2009: April 27, 2009
- 2009 Annual Meeting: April 27, 2009
- Six-month interim report 2009: July 21, 2009
- Nine-month interim report 2009: October 27, 2009

*Torekov, January 29, 2009
Nolato AB (publ)
The Board of Directors*

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 January 29 at 2:30 pm.

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

For further information please contact:

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

Income statement (summary)

SEK M	Q4 2008	Q4 2007	Full year 2008	Full year 2007
Net sales	747	634	2,824	2,421
Cost of goods sold	- 633	- 518	- 2,385	- 2,033
Gross income	114	116	439	388
Selling expenses	- 18	- 16	- 59	- 54
Administrative expenses	- 40	- 35	- 140	- 137
Other operating costs	- 2	- 2	- 8	- 7
Operating income	54	63	232	190
Financial items	- 7	- 5	- 16	- 19
Income after financial items	47	58	216	171
Tax	- 1	6	- 38	- 21
Net income before operations disposed of	46	64	178	150
Net income from operations disposed of	—	—	—	1
Net income	46	64	178	151
All earnings are attributable to the Parent Company's shareholders				
Total amortisation and writedowns charged to income	41	42	167	160
Earnings per share (SEK) *	1.75	2.43	6.77	5.74
Earnings per share, remaining operations (SEK) *	1.75	2.43	6.77	5.70
Number of shares at the end of the period (thousands)	26,307	26,307	26,307	26,307
Average number of shares (thousands)	26,307	26,307	26,307	26,307

* Earnings per share before and after dilution. The company does not have any ongoing financial instrument programmes which involve any dilution in the number of shares.

Balance sheets (summary)

SEK M	Dec 31, 2008	Dec 31, 2007
Intangible assets	377	383
Tangible assets	767	752
Other financial assets	2	—
Deferred tax asset	20	14
Total fixed assets	1,166	1,149
Inventories	238	201
Accounts receivable	513	462
Other current assets	41	44
Cash, bank balances and short-term investments	168	62
Total current assets	960	769
Total assets	2,126	1,918
Shareholders' equity	1,058	881
Long-term liabilities ¹⁾	200	449
Short-term liabilities ¹⁾	868	588
Total shareholders' equity and liabilities	2,126	1,918
¹⁾ Interest-bearing/non-interest-bearing liabilities and provisions		
Interest-bearing liabilities and provisions	263	386
Non-interest-bearing liabilities and provisions	805	651
Total liabilities and provisions	1,068	1,037

■ Non-recurring items

SEK M	Q4 2008	Q4 2007	Full year 2008	Full year 2007
Restructuring costs from aquisition of Cerbo	—	—	—	-7
Tax effect	—	—	—	2
Tax changes for foreign subsidiaries	—	20	—	20
Net income	—	20	—	15
Effect of non-recurring items on income statement				
Administrative expenses	—	—	—	-7
Tax	—	20	—	22
Net income	—	20	—	15

■ Earnings per share

SEK M	Q4 2008	Q4 2007	Full year 2008	Full year 2007
Net income	46	64	178	151
Earnings from operations disposed of	—	—	—	-1
Earnings from remaining operations	46	64	178	150
Adjusted earnings:				
Non-recurring items	—	—	—	7
Tax, non-recurring items	—	-20	—	-22
Amortisation of intangible assets arising from aquisitions	2	2	8	7
Tax on amortisations	0	-1	-2	-2
Adjusted earnings	48	45	184	140
Average number of shares, thousands	26,307	26,307	26,307	26,307
Earnings per share, SEK	1.75	2.43	6.77	5.74
Earnings per share, remaining operations, SEK *	1.75	2.43	6.77	5.70
Adjusted earnings per share, SEK	1.82	1.71	6.99	5.32

* Earnings per share before and after dilution. The company does not have any ongoing financial instrument programmes which involve any dilution in the number of shares.

■ Operations disposed of

SEK M	Q4 2008	Q4 2007	Full year 2008	Full year 2007
Net sales	—	—	—	33
Cost of goods sold	—	—	—	-27
Gross income	—	—	—	6
Selling expenses	—	—	—	-2
Administrative expenses	—	—	—	-1
Operating income	—	—	—	3
Financial items	—	—	—	-1
Income after financial items	—	—	—	2
Tax	—	—	—	-1
Net income from operations disposed of	—	—	—	1

■ Quarterly data

Consolidated financial results in brief		Q1	Q2	Q3	Q4	Full year
Net sales (SEK M)	2008	690	694	693	747	2,824
	2007	547	616	624	634	2,421
Operating income (EBITDA), excl. non-rec. items (SEK M)	2008	100	103	101	95	399
	2007	73	85	94	105	357
Operating income (EBITA), excl. non-rec. items (SEK M)	2008	59	61	64	56	240
	2007	37	46	56	65	204
EBITA margin, excl. non-recurring items (%)	2008	8.6	8.8	9.2	7.5	8.5
	2007	6.8	7.5	9.0	10.3	8.4
Operating income (EBIT) (SEK M)	2008	57	59	62	54	232
	2007	29	44	54	63	190
Operating income (EBIT), excl. non-rec. items (SEK M)	2008	57	59	62	54	232
	2007	36	44	54	63	197
Income after net financial items (SEK M)	2008	53	59	57	47	216
	2007	26	40	47	58	171
Net income, remaining operations (SEK M)	2008	41	46	45	46	178
	2007	19	31	36	64	150
Net income, operations disposed of (SEK M)	2008	—	—	—	—	—
	2007	1	0	—	—	1
Net income (SEK M)	2008	41	46	45	46	178
	2007	20	31	36	64	151
Cash flow after inv., excl. acq. and disposals (SEK M)	2008	47	19	78	152	296
	2007	23	81	52	71	227
Earnings per share (SEK)	2008	1.56	1.75	1.71	1.75	6.77
	2007	0.76	1.18	1.37	2.43	5.74
Earnings per share, remaining operations (SEK)	2008	1.56	1.75	1.71	1.75	6.77
	2007	0.72	1.18	1.37	2.43	5.70
Adjusted earnings per share (SEK)	2008	1.63	1.79	1.75	1.82	6.99
	2007	0.95	1.21	1.45	1.71	5.32
Average number of shares (thousands)	2008	26,307	26,307	26,307	26,307	26,307
	2007	26,307	26,307	26,307	26,307	26,307

Net sales per business area (SEK M)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2008	147	158	156	171	632
	2007	113	140	126	147	526
Nolato Telecom	2008	284	277	318	364	1,243
	2007	185	223	271	241	920
Nolato Industrial	2008	260	259	219	212	950
	2007	252	257	233	258	1,000
Group adjustments, Parent Company	2008	-1	0	0	0	-1
	2007	-3	-4	-6	-12	-25
Group total	2008	690	694	693	747	2,824
	2007	547	616	624	634	2,421

Operating income (EBITA) per business area (SEK M)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2008	21	22	21	28	92
	<i>EBITA margin (%)</i>	14.3	13.9	13.5	16.4	14.6
	2007	16	18	17	25	76
	<i>EBITA margin (%)</i>	14.2	12.9	13.5	17.0	14.4
Nolato Telecom	2008	27	23	36	33	119
	<i>EBITA margin (%)</i>	9.5	8.3	11.3	9.1	9.6
	2007	5	14	27	27	73
	<i>EBITA margin (%)</i>	2.7	6.3	10.0	11.2	7.9
Nolato Industrial	2008	20	22	16	1	59
	<i>EBITA margin (%)</i>	7.7	8.5	7.3	0.5	6.2
	2007	23	19	17	19	78
	<i>EBITA margin (%)</i>	9.1	7.4	7.3	7.4	7.8
Group adjustments, Parent Company	2008	-9	-6	-9	-6	-30
	2007	-7	-5	-5	-6	-23
Group total	2008	59	61	64	56	240
	<i>EBITA margin (%)</i>	8.6	8.8	9.2	7.5	8.5
	2007	37	46	56	65	204
	<i>EBITA margin (%)</i>	6.8	7.5	9.0	10.3	8.4

■ Group financial highlights

	Q4 2008	Q4 2007	Full year 2008	Full year 2007
Net sales (SEK M)	747	634	2,824	2,421
Sales growth (%)	18	5	17	- 10
Percentage of sales outside Sweden (%)	70	61	68	61
Operating income (EBITDA), excluding non-recurring items (SEK M)	95	105	399	357
Operating income (EBITA), excluding non-recurring items (SEK M)	56	65	240	204
EBITA margin, excluding non-recurring items (%)	7.5	10.3	8.5	8.4
Income after financial items (SEK M)	47	58	216	171
Profit margin (%)	6.3	9.1	7.6	7.1
Net income, remaining operations (SEK M)	46	64	178	150
Net income, operations disposed of (SEK M)	—	—	—	1
Net income (SEK M)	46	64	178	151
Return on total assets (%)	—	—	11.8	9.9
Return on capital employed (%)	—	—	18.4	15.0
Return on operating capital (%)	—	—	19.7	15.8
Return on shareholders' equity (%)	—	—	18.4	18.3
Equity/assets ratio (%)	—	—	50	46
Debt/equity ratio (%)	—	—	25	44
Interest coverage ratio (times)	17	12	11	8
Net investments affecting cash flow, excl. acq. and disp. (SEK M)	28	21	155	88
Cash flow after investments, excl. acquisitions and disposals (SEK M)	152	71	296	227
Net liabilities (SEK M)	—	—	95	314
Earnings per share (SEK)	1.75	2.43	6.77	5.74
Earnings per share, remaining operations (SEK)	1.75	2.43	6.77	5.70
Adjusted earnings per share (SEK)	1.82	1.71	6.99	5.32
Cash flow per share (SEK)	6.23	2.70	11.71	5.97
Shareholders' equity per share (SEK)	—	—	40	33
Number of shares at the end of the period (thousands)	26,307	26,307	26,307	26,307
Average number of shares (thousands)	26,307	26,307	26,307	26,307
Average number of employees	—	—	4,531	3,760

Definitions

Operating income (EBITDA)

Earnings before interest, taxes, depreciation/amortisation and non-recurring items.

Operating income (EBITA)

Earnings before interest and taxes, excluding non-recurring items and amortisation of intangible assets arising from acquisitions.

Operating income (EBIT)

Income before tax, financial items and expenses.

EBITA margin excluding non-recurring items

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

Profit margin

Income after financial items plus financial expenses as a percentage of net sales.

Return on total capital

Income after financial items plus financial expenses as a percentage of average total assets 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 assets 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 assets less non-interest-bearing liabilities and provisions, less interest-bearing assets.

Return on shareholders' equity

Net income as a percentage of average shareholders' equity.

Equity/assets ratio

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

Net liabilities

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

Debt/equity ratio

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

Interest coverage ratio

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

Earnings per share

Net income, divided by average number of shares.

Adjusted earnings per share

Net income, excluding non-recurring items and 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.

■ Cash flow (summary)

SEK M	Q4 2008	Q4 2007	Full year 2008	Full year 2007
Cash flow from operations before changes in working capital	94	90	365	325
Changes in working capital	86	2	86	- 10
Investment activities*	- 16	- 21	- 143	- 158
Cash flow before financing activities	164	71	308	157
Financing activities	- 143	- 122	- 215	- 231
Cash flow for the period	21	- 51	93	- 74
Liquid funds at beginning of period	140	109	62	131
Exchange rate difference in liquid funds	7	4	13	5
Liquid funds at end of period	168	62	168	62

* Full-year 2007 includes the acquisition of Cerbo Group at SEK 187 M.
 Full-year 2007 includes the sale of subsidiaries totalling SEK 117 M.
 Q4 2008 and full year 2008 include the sale of real property at SEK 12 M.

■ Change in shareholders' equity

SEK M	Full year 2008	Full year 2007
Amount at beginning of period	881	789
Translation differences	80	4
Change in revaluation reserve hedge accounting	- 2	—
Total shareholders' equity after changes in net asset value rep. dir. against shareholders' equity, excluding transactions with the company's shareholders	959	793
Earnings for the year	178	151
Total shareholders' equity after changes in net asset value, excluding transactions with the company's shareholders	1,137	944
Dividend	- 79	- 63
Amount at end of period	1,058	881

■ Five-year overview

	2008	2007	2006	2005	2004
Net sales (SEK M)	2,824	2,421	2,702	2,256	2,401
Operating income (EBITA), excluding non-recurring items (SEK M)	240	204	209	221	201
EBITA margin, excluding non-recurring items (%)	8.5	8.4	7.7	9.8	8.4
Operating income (EBIT) (SEK M)	232	190	78	221	201
Operating income (EBIT), excluding non-recurring items (SEK M)	232	197	208	221	201
Income after financial items (SEK M)	216	171	69	208	185
Net income (SEK M)	178	150	48	181	136
Return on capital employed (%)	18.4	15.0	7.4	21.0	18.9
Return on capital employed excl. non-recurring items (%)	18.4	15.5	19.4	21.0	18.9
Return on shareholders' equity (%)	18.4	18.3	5.9	24.2	22.1
Equity/assets ratio (%)	50	46	46	50	41
Earnings per share (SEK)	6.77	5.70	1.82	6.88	5.15
Adjusted earnings per share (SEK)	6.99	5.32	6.08	6.31	5.15

■ Effects of comparison figures for 2008 due to changed segment reporting for 2009

Operating income (EBITA) per business area (SEK M)

			Q1	Q2	Q3	Q4	Full year
Nolato Medical	Reported 2008	2008	21	22	21	28	92
	<i>EBITA margin (%)</i>		14.3	13.9	13.5	16.4	14.6
	New accounting principle	2008	21	21	20	27	89
	<i>EBITA margin (%)</i>		14.3	13.3	12.8	15.8	14.1
Nolato Telecom	Reported 2008	2008	27	23	36	33	119
	<i>EBITA margin (%)</i>		9.5	8.3	11.3	9.1	9.6
	New accounting principle	2008	25	22	35	32	114
	<i>EBITA margin (%)</i>		8.8	7.9	11.0	8.8	9.2
Nolato Industrial	Reported 2008	2008	20	22	16	1	59
	<i>EBITA margin (%)</i>		7.7	8.5	7.3	0.5	6.2
	New accounting principle	2008	19	21	15	0	55
	<i>EBITA margin (%)</i>		7.3	8.1	6.8	0.0	5.8
Group adj., Parent Company	Reported 2008	2008	- 9	- 6	- 9	- 6	- 30
	New accounting principle	2008	- 6	- 3	- 6	- 3	- 18
Group total	Reported 2008	2008	59	61	64	56	240
	<i>EBITA margin (%)</i>		8.6	8.8	9.2	7.5	8.5
	New accounting principle	2008	59	61	64	56	240
	<i>EBITA margin (%)</i>		8.6	8.8	9.2	7.5	8.5

■ The Parent Company's income statements

SEK M	Q4 2008	Q4 2007	Full year 2008	Full year 2007
Net sales	3	5	22	17
Selling expenses	-4	-3	-9	-6
Administrative expenses	-8	-10	-39	-36
Operating income	-9	-8	-26	-25
Income from shares in Group companies	-91	-28	-91	93
Financial income	3	9	12	21
Financial expenses	-3	-5	-17	-25
Income after financial items	-100	-32	-122	64
Appropriations	-42	-30	-42	-30
Tax	12	9	18	16
Net income	-130	-53	-146	50

■ The Parent Company's balance sheets (summary)

SEK M	Dec 31, 2008	Dec 31, 2007
Financial fixed assets	839	992
Deferred tax assets	2	2
Current assets	245	173
Cash and bank balances	53	6
Total assets	1,139	1,173
Shareholders' equity	713	783
Untaxed reserves	72	30
Other provisions	2	2
Long-term liabilities	21	247
Current liabilities	331	111
Total shareholders' equity and liabilities	1,139	1,173
Collateral pledged	—	—
Contingent liabilities	144	136

Transactions with related parties:

Related parties	Period	Services sold	Services purchased	Interest income	Interest expenses	Inc. from shares in Group companies	Rec. from related parties on the balance sheet day	Liab. from related parties on the balance sheet day
Subsidiary	2008	22	-13	11	-5	-91	378	181
Subsidiary	2007	17	0	14	-7	93	377	84

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.

