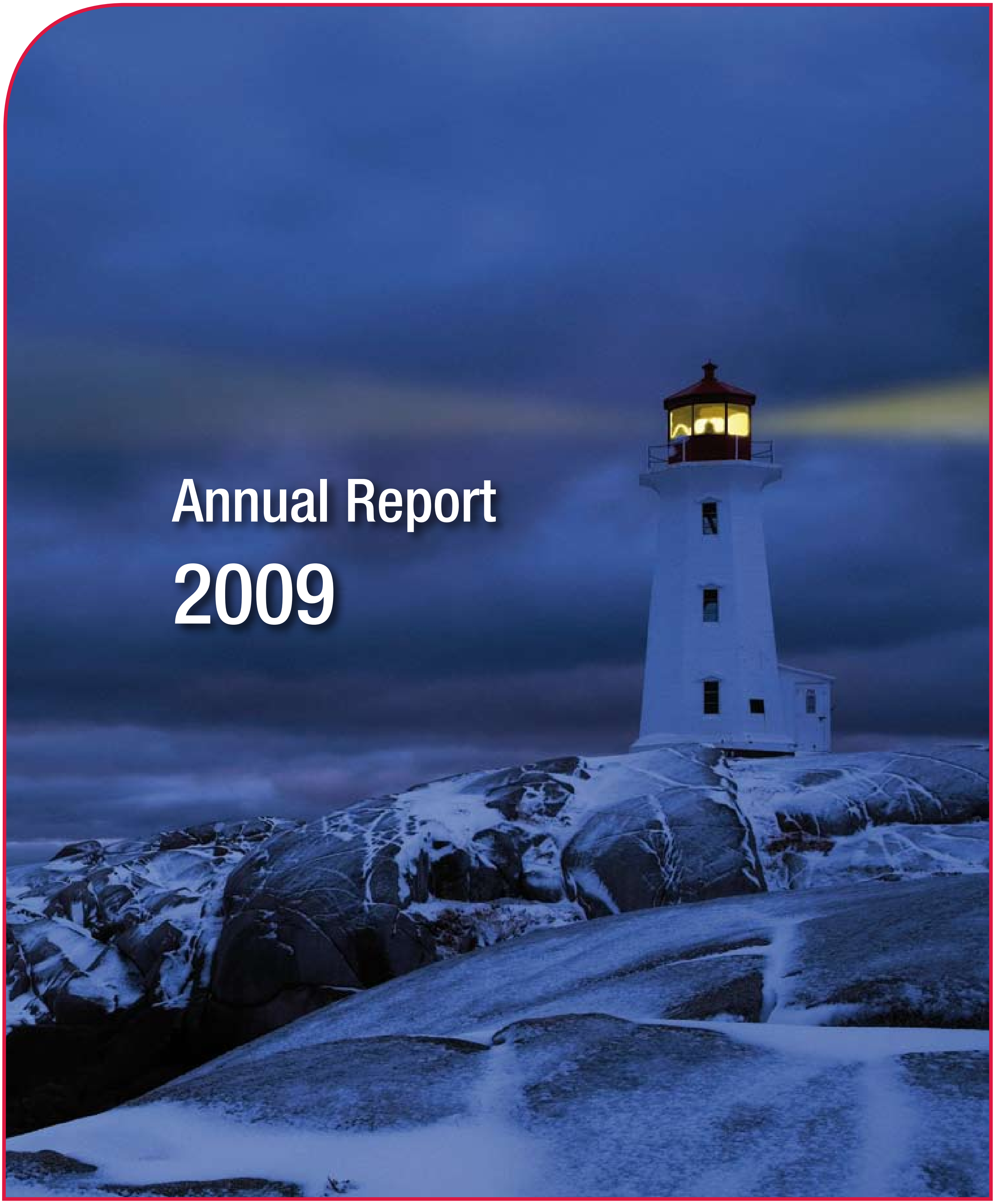
PROACT



Annual report 2009

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About Proact

Proact is a specialist in storage, archiving and securing large volumes of mission-critical information. As an independent integrator, Proact provides systems, support and consulting services within our focus area of data storage and archiving.

The Proact Group has more than 300 employees and conducts business in Denmark, Estonia, Finland, Latvia, Lithuania, The Netherlands, Norway and Sweden. Proact was founded in 1994 and its parent company, Proact IT Group AB (publ) has been listed on NASDAQ OMX Stockholm since 1999 under the symbol PACT.

For information on what Proact has to offer, client references, the company's history and employees, etc. see our website at www.proact.eu.

Annual General Meeting 2010

The Annual General Meeting will take place at 6 pm on Tuesday, 18 May 2010 at the company's premises at Isafjordsgatan 35 in Kista.

Shareholders who are registered in the share register kept at the Swedish Securities Register Centre, at Euroclear Sweden, by Tuesday 11 May 2010 are entitled to participate in the General Meeting. Therefore, shareholders who have registered their shares in trust must have registered such shares in their own names to be entitled to participate in the General Meeting themselves or through a representative. Such re-registration must be completed by Tuesday, 11 May 2010 at the latest.

Notification of participation in the Annual General Meeting must have been received by the company by 4 pm on Friday, 14 May 2010 at the latest. Notifications may be submitted as follows:

Address:
Proact IT Group AB
FAO: Annual General Meeting
Box 1205
SE-164 28 KISTA, Sweden
Tel: +46 (0) 8 410 667 11
E-mail: arsstamma@proact.se

Forthcoming reports

28 April 2010	Interim report January - March
12 July 2010	Interim report January - June
20 October 2010	Interim report January - September
16 February 2011	Year-end report 2010

President's statement

Photographer: T.Busch-Christensen

As 2009 approached, there was major uncertainty as to how the financial markets would develop, and how the general financial downturn would affect Proact's opportunities for continuing growth and profitability. Now, with hindsight, it is very satisfying to state that the company's turnover and also its profit before tax grew by 20% to SEK 1 253 million and SEK 60 million respectively, which is the company's best result ever. And this on a market which, according to independent research company IDC, contracted by 1% in economic terms. In other words, Proact has reinforced its position on the markets in which the company is active and has taken market shares. This growth is coming about as an effect of cooperation with clients both new and old, mainly in the telecoms, banking/finance and public sectors. Over the year, the latter has become the company's biggest market.

One explanation for the positive development for Proact is that what the company has to offer allows clients to save money. The vast majority of solutions supplied by Proact involve Return On Investment (ROI) times of less than 12 months. The value of the high percentage (one-third or so of total sales) of contracted income, consisting of multi-year contracts for support, operation and finance, has been confirmed during the 2009 year of economic downturn.

Digital business information is one of the most important assets to today's companies. Information growth is continuing unabated, the greatest growth over the past year being seen in the field of e-mail. There are still a lot of companies and organisations that have not made the requisite investments in archive solutions for digital information. This is evident from an independent survey of 100 listed companies and authorities which was carried out on behalf of Proact in December 2009. According to the survey, 45% of companies reckon that if their most important business-critical systems were to crash, it would take at least one day or more to completely restore them.

The fact that so few have an IT-based archive solution to protect their information and guarantee access to it, plus the fact that restore times would be so long in the event of a crash, are evidence of the major potential offered in Proact's specialist fields of storage and archiving. In its role as an independent integrator, Proact has established processes, methods and procedures concerning these fields. Therefore, Proact is continuing to focus on the services it offers and to offer its clients transparent opportunities to both enhances their security and reduce their storage management expenses.

Establishment on new markets is vital for continuing growth. The planned expansion in Northern Europe is focusing on Poland, Germany, Belgium and the United Kingdom. The schedule and priorities among the various markets are subordinate to the most important factor of all; finding the right people around whom the company can build its operations. The company's expansion can take place either through acquisition of existing companies or by establishing new ones. The company believes that the Proact business model can function on any of the markets, given the right people.

As Proact grows, the opportunity for further internal efficiency is created by means of synergies and benefits of scale. With an extended range of selective services, Storage-on-demand (where clients pay according to how much capacity they use), financial services, etc., Proact wants to meet its clients' demands for flexibility and cost-effective solutions.

Technical development is proceeding quickly in Proact's field, and this is why it is important area for the company to be able to offer its clients the latest and best technology. The top skills of the staff, and their ability to take on board new innovations, ensure that the company always remains at the cutting edge of technology. Proact's services are developed through close contact with both world-leading suppliers of storage and archiving systems and interesting new, innovative startup companies.

Finally, I would like to thank all the clients who entrust Proact with the task of being their partner. The demands made by Proact's clients form the basis for our development.

I would also like to thank all our staff. Their hard work, executed very professionally, has made it possible for us to achieve these results in 2009.

Olof Sand
CEO, Proact IT Group AB (publ)

Administration report for 2009

The Board of Directors and the Managing Director of Proact IT Group AB (publ), company registration number 556494-3446, hereby submit the annual financial statement and group financial statement for the 2009 financial year, the company's fifteenth year of operation. The consolidated balance sheet and income statement and the balance sheet and income statement for the parent company will be ratified at the Annual General Meeting on 18 May 2010.

General information

The name of the company is Proact IT Group AB (publ) and the company's registered address is in the municipality of Stockholm. The address of Head Office is: Isafjordsgatan 35, SE-164 28 Kista, Sweden. The company has been listed since 1999 on NASDAQ OMX Stockholm among smaller companies under the symbol PACT.

Focus of operations

PROACT specialises in storing, securing and archiving large volumes of business-critical information. As an independent integrator, Proact provides consultancy services, operating services, support and systems in the company's specialist field of storage and archiving.

The group employs 328 staff and has a presence in Denmark, Estonia, Finland, Latvia, Lithuania, the Netherlands, Norway and Sweden.

The parent company, Proact IT Group AB (publ), is responsible for issues pertaining to the group.

The past year

2009 has been characterised by strong growth in terms of both turnover and profits. The profit before tax has been better than the corresponding quarter of the previous year for the 20th consecutive quarter.

In 2009, Proact has started its own finance company, named Proact Finance. The company offers to the market financing solutions incorporating everything Proact has to offer, which includes both systems (hardware and software) and services (consultancy, support, operation and "Storage-on-demand").

Recruitment of new staff is an important factor for continuing growth. Despite the prevailing economic downturn, Proact has taken on 38 new members of staff.

Proact has managed to handle the financial crisis in 2009 effectively. Clients' purchasing behaviour has changed; from having been driven by investments in new technology in order to handle greater complexity and increasing storage volumes, to focusing mainly on opportunities to reduce costs.

Over the year, Proact has acquired the client base and existing support contracts from Orchestra Nordic in Denmark.

Group turnover and results

Turnover per geographic area	Jan-Dec 2009	Jan-Dec 2008	Jan-Dec 2007
Sweden	516.7	431.5	368.3
Norway	275.7	254.4	219.1
Finland	216.9	190.8	162.8
Denmark	130.0	96.9	63.1
Lithuania	70.8	43.0	37.4
The Netherlands	53.8	18.7	–
Latvia	15.5	20.2	25.1
Estonia	7.0	2.8	–
Intra-Group trading	–33.7	–14.1	–11.0
Sales	**1 252.7**	**1 044.2**	**864.8**

Over the year, the group's operating revenues amounted to SEK 1 253 (1 044) million, equivalent to growth of 20% compared to 2008. Growth adjusted for currency effects amounted to 13%. Net sales increased for all countries except Latvia in 2009. This growth in net sales is due mainly to clients in the fields of telecoms, banking/finance and the public sector.

Over the year, the group's operating revenues amounted to SEK 803 (642) million, equivalent to growth of 25% compared to 2008. Turnover from service operations in respect of consultancy services, agreed client support and operating services is continuing to increase, amounting to SEK 447 (400) million for the full year; an increase of 12%.

Operating income per geographic area	Jan-Dec 2009	Jan-Dec 2008	Jan-Dec 2007
Sweden	26.9	25.4	16.8
Norway	22.9	14.0	14.8
Finland	8.9	7.4	1.6
Lithuania	7.6	4.9	4.7
Denmark	2.6	1.9	2.3
Latvia	1.2	1.5	2.5
The Netherlands	0.8	–3.5	–
Estonia	–2.6	–0.8	–
Elimination	–8.3	–4.0	–3.3
Operating income	**60.0**	**46.8**	**39.4**
Net financial items	0.1	3.3	1.3
Income before tax	**60.1**	**50.1**	**40.7**

The results for Sweden – the biggest market – are good despite the fact that the market for consultancy services has been under a lot of pressure over the year. In the autumn, the Swedish profit was affected by staff-related non-recurring items amounting to SEK –2.7 million. The positive earnings performance in Norway can be linked mainly with good system and support sales. This year's results also include a non-recurring item of SEK +3.4 million, relating to actuarial profit attributable to staff-related long-term benefits. Investments in the sales organisations in Finland and Denmark have paid off over the second six months of 2009. The acquisition of Orchestra Nordic in Denmark has had an effect by broadening the company's range and increasing its support/client base. The earnings performance in Lithuania can be linked primarily with a number of strategically important deals with a major Nordic bank. Business in the Netherlands is showing a positive result in its second year of trading. The earnings performance in Estonia and Latvia has been affected over the entire year by the exceptionally low levels of economic activity in these countries. Despite this, earnings in Latvia have developed well – mainly thanks to multi-year support contracts which provide stability even in times of economic downturn.

Profit before tax amounted to SEK 60.1 (50.1) million for the 2009 accounting year.

Earnings per share amounted to SEK 5.22 (3.68).

Financial position and cash flows

The Group's cash and equivalents amounted to SEK 97.4 (84.5) million on 31 December 2009. The Group also has an unused overdraft facility with a limit of SEK 42.0 (41.4) million.

The company's equity ratio amounted to 24.1% (24.8%) as at 31 December 2009.

Cash flow from operations amounted to SEK 62.8 million. Cash flow from financial operations amounted to SEK –28.3 million (of which SEK –21.2 million relates to buy-back of the company's own shares and SEK –13.1 million relates to dividends to its shareholders and minority owners in subsidiaries).

The group's investments in tangible fixed assets over the year amounted to SEK 22.5 (11.5) million. This increase relates largely to the newly launched business within the wholly-owned subsidiary Proact Finance AB.

The total goodwill for the Group amounts to SEK 77.4 (75.3) million and is mainly attributable to the Swedish enterprise. Other intangible assets amount to SEK 21.7 (24.6) million and are depreciated over the assets' useful life of a maximum of 10 years.

The company's accumulated deductions for losses amount to SEK 126 (150) million; it is thought that SEK 122 (116) million of this can be utilised against future profits, and the tax effect has been included as deferred tax claims.

As at 31 December 2009, a total of SEK 33.5 (30.7) million has been recorded as deferred tax claims pertaining to unutilised deductions for losses and temporary differences. Income tax for the year amounts to SEK 7.8 (11.4) million, of which SEK 7.6 (2.8) million has been paid.

Employees

The average number of staff employed over the year amounted to 315 (299) people. On 31 December, the company employed 328 (321) people.

Parent Company

The parent company's turnover amounted to SEK 33.6 (26.6) million and relates to invoiced, groupwide expenses. Over the year, the parent company has received SEK 32.6 (39.3) million in dividends from subsidiaries. The profit/loss before tax amounted to SEK 28.4 (36.8) million. Tax for the year amounts to SEK 8.4 (–1.0) million and can be attributed to capitalised loss carryforwards.

Cash flow over the year amounted to SEK 0.0 (0.0) million, of which cash flow from the business amounted to SEK 33.1 (44.3) million. The parent company's buy-back of its own shares amounted to SEK 21.2 (25.9) million. Over the year, dividends of SEK 11.7 million were given to the company's shareholders.

5 (5) people were employed at the parent company at year end.

Environment

The company runs no operations falling within the scope of environmental authority permits or anything that is subject to reporting.

Research and development (R&D)

The company does not have its own research and development department.

The company's research and development operations are run by means of close contact with leading suppliers of storage and archiving systems. Participation in trade fairs and seminars also allows the company to monitor technical development in the field. This skills development for the staff is used for ongoing development of what the company has to offer.

Risks and uncertainty factors

The group's financing and management of financial risks are controlled on the basis of a financial policy laid down by the Board of Directors. The group's operating risks are assessed and handled primarily by the group executive and reported to the Board of Directors at Proact.

The company has managed to handle the financial crisis in 2009 effectively. However, what effects the economic downturn will have on the company's clients and suppliers in 2010 is unclear.

The operational risks are that demand for the company's products and services will fall, and that the time from tender to order will increase due to caution among clients when making investments. Price pressure in the field of service operations is another risk significant to Proact.

The financial risks include exchange rate risk, credit risk, interest risk and liquidity risk. For Proact, the exchange rate risk is the most significant of the above financial risks.

A major contracted agreement base – accounting for around one-third of total income – means that the company's susceptibility to changes is limited.

See note 2 for a detailed description of risks and risk management.

Board and senior executives

Olof Sand has acted as both Managing Director for the Swedish companies and as Group President over the year.

Other senior executives for 2009 were Omar A Lien (COO of Proact IT Group AB), Jonas Persson (CFO of Proact IT Group AB), Carsten Egeberg (MD of Proact Systems A/S), Karel Kannel (MD of Proact Estonia AS), Osmo Laita (MD of Proact Finland Oy), Dimitri Scharafutdinov (MD of Proact IT Latvia SIA), Richardas Pivoriunas (MD of Proact Lietuva UAB), Lucas den Os (MD of Proact Netherlands B.V.), Marit Fagervold (MD of Proact IT Norge AS), Lena Eskilsson (Regional Manager, Sweden North) and Martin Ödman (Regional Manager, Sweden South)

Over the period September to October, Olof Sand took part in management training in the USA, and over this period Marit Fagervold was the acting Managing Director and Group President.

Anders Hultmark was re-elected to the Board and appointed Chairman of the Board at the Annual General Meeting on 13 May 2009. Christer Holmén, Eva Elmstedt, Mikael Gottschlich and Roger Bergqvist were elected as new Board members. Over the period up to the 2009 Annual General Meeting, the Board consisted of the following members: Anna Lindström, Dag Sehlin, Terje Thon, Staffan Ahlberg and Anders Hultmark. Staffan Ahlberg was the Chairman of the Board at that time.

The Board annually decides upon an agenda for the Board, as well as an instruction for the MD. This agenda determines – among other things – which issues are to be discussed, the forms of Board meetings, minutes and reports, as well as the distribution of work between the Board and the MD.

The Board met ten times in 2009. At all the regular Board meetings, the Board has dealt with Proact's operations, as well as with its financial position, divided across areas of operation and financial administration. The Board has also discussed strategic issues such as financial targets, establishment of business and operational plans, acquisitions and disposals, issues concerning personnel and organisation, and legal matters and more significant policies. Individual members of the Board assisted the group executive team with various issues of a strategic nature. The Board has appointed two Board members to make up an auditing committee, two to make up a remuneration committee, and three to make up an acquisition committee. The company's auditor participates in Board meetings at least once a year and on such occasions reports on observations from the inspection.

Guidelines concerning remuneration to leading officials

The Board of Directors made a decision at the Annual General Meeting for 2009 regarding the following guidelines for remuneration to leading officials, to remain in force until the time of the next Annual General Meeting.

Remuneration to the Managing Director and other leading officials shall be made up of a set salary, any variable remuneration, other normal benefits and a pension. "Other leading officials" refers to the Chief Operations Officer, Managing Directors at the respective subsidiaries, the group's Chief Financial Officer and the regional managers in Sweden. The total remuneration to officials must be in line with the market and competitive on the labour market in which these officials operate; and significant performance must be reflected in the total remuneration.

The set salary and variable remuneration must be related to the responsibilities and authorisations of officials. The variable remuneration for all leading officials must be maximised (to an amount corresponding, on average, to seven monthly salaries), based on results in relation to targets set, and coincide with the interests of shareholders.

Pension conditions must be in line with market conditions in relation to the situation in the country in which the official in question is permanently domiciled. The issue of remuneration to the Managing Director will be discussed by the Board of Directors, and this will be dealt with by the Managing Director in respect of other leading officials.

The Board of Directors is entitled to ignore the above guidelines if the Board of Directors is of the opinion in individual cases that there are special reasons to justify doing so. In the opinion of the company, the above guidelines have been followed for 2009.

The Board of Directors will propose to the Annual General Meeting 2010 that the above guidelines shall continue to apply.

Corporate governance

Corporate governance at Proact IT Group AB (publ) is based on the Companies Act, the Articles of Association, the listing agreement with NASDAQ OMX in Stockholm and the Swedish Code of Corporate Governance. The corporate governance report with the Board of Directors' report on internal control for 2009 are included as a separate section in this annual report: see page 28. The report is also published on the company's website. The report has not been scrutinised by the company auditor.

Ownership

Proact shares have been listed on the NASDAQ OMX Stockholm under the symbol PACT since July 1999. Proact had 3 801 (3 879) shareholders as at 31 December 2009, more than half of whom were private individuals with small holdings. Major shareholders were Skandia Liv with 10.4% (6.6%), IGC Industrial Growth Co. AB 10.1% (11.5%), Skagen Fonder 8.1% (8.6%), Swedbank Robur Småbolagsfonder 7.1% (1.7%), Thyra Hedge 7.0% (5.0%), Öresund Investment AB 5.1% (–), and Didner & Gerge Småbolag with a 4.9% (-) participating interest.

To the best of the Board of Directors' knowledge there are no agreements between shareholders requiring specific information in accordance with the Swedish Annual Accounts Act.

The share

The company's share capital amounts to SEK 10 618 837, distributed over 9 734 886 shares at a quotient value of SEK 1.09. All shares entitle the holder to an equal share of the company's assets and profits and entitle the holder to one vote at the general meeting. At the annual general meeting, every individual entitled to a vote may vote with the full number of votes he or she owns and represents in shares, without limitation as to voting rights. There were 333 000 shares in own keeping as at 31 December 2009.

Buy-back of own shares

The buy-back of shares was implemented with the aim of optimising the company's capital structure. According to a decision made at the Annual General Meeting on 13 May 2009, the 514 200 shares bought back over the period May 2008 – May 2009 have been withdrawn and invalidated.

At the Annual General Meeting, the Board of Directors was also authorised to acquire up to 10% of the company's shares by the next Annual General Meeting. From this point onwards, and up to and including 31 December 2009, 333 000 shares – approximately 3.4% – have been acquired at an average price of SEK 63.38. Shares totalling SEK 21.2 million have been acquired.

Significant events after the end of the financial year

There have been no significant events.

Expectations with regards to the future

In 2010, Proact is expected to continue its profitable growth within the specialist fields of storage and archiving. The company feels that what it has to offer the market is strong and its business model is effective, and these factors can be utilised on additional geographical markets. The company's strategy – to be an established specialist over the next few years on additional submarkets in Northern Europe in the field of storage and archiving – remains firm. With a larger overall market, the company will have the opportunity to scale up the initiatives it is developing, to exploit the leading-edge expertise of the organisation more effectively, to assist clients on a number of markets and to further enhance efficiency through larger purchase volumes.

To meet clients' demands for cost reductions, the company is continuing to develop additional packages services such as selective operating services, "Storage-on-demand", finance, etc. Development of industry-specific solutions is continuing. Proact offers new solutions which give clients access to specialist expertise, in combination with cost-effective supply. For Proact as an independent integrator, this means major potential in respect of service supply.

Proact's contracted service income and increasing business volume in respect of the public sector (due to Verva's framework agreement for servers, storage and services to the public sector in Sweden), along with the fact that many decisions are based on legal and regulatory requirements, has the effect of balancing out fluctuations in general market conditions.

Dividend policy

The dividend policy of the company will be adapted to the level of group profits, its financial position and the investment required. Proposed dividends must be weighed against shareholder demands for a reasonable direct return and the company's need for self-financing. In the long term, Proact intends to issue dividends of 25-35% of profits after tax.

Proposed dividend and proposal for allocation of profit

The Board of Directors and Managing Director will propose a dividend of SEK 1.35 (1.20) per share to the Annual General Meeting for the 2009 business year.

At the disposal of the Annual General Meeting are:

Retained earnings	SEK 42 320 995
Profit for the year	SEK 36 848 977
Total non-restricted equity	SEK 79 169 972

The Board and the Managing Director propose that the profit brought forward be dealt with as follows:

Dividend, SEK 1.35 per share	SEK 12 600 746
To balance in new account	SEK 66 569 226
Total	SEK 79 169 972

There are 9 734 886 registered shares within the company, of which 401 000 shares, as at 28 February 2010, are bought-back own shares not entitled to dividends. The total of the suggested share dividend proposed above of SEK 12 600 746 may be changed, although only to a maximum of SEK 13 142 096 if the number of bought-back own shares changes before the reconciliation date for distribution.

The Board submits the following statement of motivation in accordance with Chapter 18, § 4 of the Companies Act in respect of the proposed dividend payment:

"The proposed dividend constitutes 11% of the company's equity and 7% of the Group's equity. At the end of the 2009 accounting year, non-restricted equity in the parent company amounted to SEK 79 169 972. The annual report states - among other things - that the Group's equity ratio amounts to 24.1%. The proposed dividend does not jeopardise completion of the investments which have been deemed to be necessary.

In the opinion of the Board, the company has relatively high equity in relation to the scope of the company's enterprise and the risks associated with the running of the business. Furthermore, it may be stated that the Group has liquid assets of around SEK 97 million."

For the company's accounted profit/loss for the financial year and its situation as at 12-31-2009, please see the income statement and balance sheet below, the equity report and the cash flow analyses, as well as the notes pertaining to these.

Consolidated statement of comprehensive income

Amounts in SEK 000	Note	2009	2008
System income	3,4	802 859	641 978
Service income		447 188	399 964
Other revenue		2 649	2 232
Net sales	5, 28	**1 252 696**	**1 044 174**
Cost of goods and services sold	6,9,14,19	–925 796	–758 853
Gross profit/loss	5, 28	**326 900**	**285 321**
Sales and marketing expenses	9	–161 849	–145 141
Administration expenses	6,8,9	–105 087	–93 392
Operating income	3,7,8,13,14,27	**59 964**	**46 788**
Financial income	10	1 427	4 765
Financial expenses	11	–1 268	–1 455
Profit/loss before tax	14	**60 123**	**50 098**
Income tax	12	–7 754	–11 357
Income for the year		**52 369**	**38 741**
Other comprehensive income			
Translation differences		2 489	3 535
Total comprehensive income for the year		**54 858**	**42 276**
Profit/loss for the year attributable to:			
Parent Company's shareholders		50 514	37 398
Minority interest		1 855	1 343
		52 369	**38 741**
Comprehensive income for the year attributable to:			
Parent Company's shareholders		53 265	40 545
Minority interest		1 593	1 731
		54 858	**42 276**
EARNINGS PER SHARE			
Earnings per share for profit/loss attributable to the parent company's shareholders after buyback, SEK	31	5.22	3.68
Weighted average number of shares after buy-back		9 675 410	10 163 221

Income statement for parent company

Amounts in SEK 000	Note	2009	2008
Net sales	3,5,28	33 617	26 551
Gross profit/loss	5, 28	**33 617**	**26 551**
Administration expenses	6, 9	–37 847	–29 913
Operating income	3,8,7	**–4 230**	**–3 362**
Financial income	10	34 102	42 526
Financial expenses	11	–1 436	–2 343
Profit/loss before tax	14	**28 436**	**36 821**
Income tax	12	8 413	–1 000
Income for the year		**36 849**	**35 821**

Consolidated balance sheet

Amounts in SEK 000	Note	12-31-2009	12-31-2008
ASSETS			
Fixed assets			
Goodwill	6, 15	77 359	75 319
Other intangible fixed assets	6, 15	21 713	24 554
Tangible fixed assets	6, 16	26 864	15 748
Pension receivables	13	1 267	–
Other long-term receivables	18	6 396	6 374
Deferred tax receivables	12	33 473	30 748
Total fixed assets		**167 072**	**152 743**
Current assets			
Inventories	19	7 326	8 412
Accounts receivable	2, 20	317 851	281 717
Current tax receivables		3 124	3 492
Other receivables		5 133	1 006
Prepaid expenses and accrued income	21	152 915	112 409
Cash and cash equivalents	26	97 423	84 531
Total current assets		**583 772**	**491 567**
TOTAL ASSETS		**750 844**	**644 310**
EQUITY AND LIABILITIES			
EQUITY	30		
Equity pertaining to the Parent Company's shareholders			
Share capital (9 734 886 shares at a quotient value of 1.091)		10 619	10 619
Other capital contributions		297 964	297 964
Other reserves		6 752	4 001
Retained earnings including profit/loss for the year		–138 502	–156 145
Equity pertaining to the Parent Company's shareholders		**176 833**	**156 439**
Equity pertaining to the minority		**3 820**	**3 615**
TOTAL EQUITY		**180 653**	**160 054**
LIABILITIES			
Long-term liabilities			
Provisions for pensions	13	–	1 953
Bank loans	24	6 000	–
Other long-term liabilities	26, 32	2 520	3 508
Deferred tax liabilities	12	6 498	6 624
Total long-term liabilities		**15 018**	**12 085**
Current liabilities			
Accounts payable		185 442	184 831
Current tax liabilities	12	9 779	7 276
Other liabilities	22	44 871	32 414
Accrued expenses and prepaid income	23	315 081	247 650
Total current liabilities		**555 173**	**472 171**
TOTAL LIABILITIES		**570 191**	**484 256**
TOTAL EQUITY AND LIABILITIES		**750 844**	**644 310**
Assets pledged	25	32 891	33 283

Balance sheet for parent company

Amounts in SEK 000	Note	12-31-2009	12-31-2008
ASSETS			
Fixed assets			
Tangible fixed assets	6, 16	462	428
Financial fixed assets			
Shares in Group companies	17	148 505	147 102
Other long-term receivables	18	4 599	4 599
Deferred tax receivables	12	8 413	–
Total fixed assets		**161 979**	**152 129**
Current assets			
Current receivables from Group companies	18	19 464	13 894
Other receivables		798	938
Prepaid expenses and accrued income	21	1 882	1 479
Cash and cash equivalents	26	–	–
Total current assets		**22 144**	**16 311**
TOTAL ASSETS		**184 123**	**168 440**
EQUITY AND LIABILITIES			
EQUITY	30		
Restricted equity			
Share capital (9 734 886 shares at a quotient value of 1.091)		10 619	10 619
Reserve fund		28 236	28 236
Total restricted shareholders' equity		**38 855**	**38 855**
Non-restricted equity			
Retained earnings		42 321	39 371
Profit/loss for the year		36 849	35 821
Total non-restricted equity		**79 170**	**75 192**
TOTAL EQUITY		**118 025**	**114 047**
LIABILITIES			
Long-term liabilities			
Current liabilities to Group companies	18	7 857	7 857
Current liabilities			
Accounts payable		1 493	1 029
Current liabilities to Group companies	18, 26	51 188	41 632
Other liabilities	22, 24	563	232
Accrued expenses and prepaid income	23	4 997	3 643
Total current liabilities		**58 241**	**46 536**
TOTAL LIABILITIES		**66 098**	**54 393**
TOTAL EQUITY AND LIABILITIES		**184 123**	**168 440**
Securities pledged and contingent liabilities			
Assets pledged	25	4 599	4 599
Contingent liabilities	25	51 573	44 438

Statement of changes in equity

GROUP		Attributable to the parent company's shareholders					Attributable to minority	Total equity
Amounts in SEK 000	Note 30	Share capital	Other capital contributions	Translation of foreign operations	Retained earnings	Total		
Opening balance as at 1 January 2008		**10 619**	**297 964**	**854**	**–155 353**	**154 084**	**3 842**	**157 926**
Total comprehensive income		–	–	3 147	37 395	40 542	1731	42 273
Acquisition of minority		–	–	–	–	–	–261	–261
Dividend to minority shareholders		–	–	–	–	–	–1 697	–1 697
Reduction of share capital		–370	–	–	370	–	–	–
Bonus issue		370	–	–	–370	–	–	–
Buyback of own shares		–	–	–	–25 887	–25 887	–	–25 887
Dividends		–	–	–	–12 300	–12 300	–	–12 300
Closing balance as at 31 December 2008		**10 619**	**297 964**	**4 001**	**–156 145**	**156 439**	**3 615**	**160 054**
Total comprehensive income		–	–	2 751	50 514	53 265	1593	54 858
Dividend to minority shareholders		–	–	–	–	–	–1 388	–1 388
Reduction of share capital		–533	–	–	533	–	–	–
Bonus issue		533	–	–	–533	–	–	–
Buyback of own shares		–	–	–	–21 189	–21 189	–	–21 189
Dividends		–	–	–	–11 682	–11 682	–	–11 682
Closing balance as at 31 December 2009		**10 619**	**297 964**	**6 752**	**–138 502**	**176 833**	**3 820**	**180 653**

PARENT COMPANY

Amounts in SEK 000	Note 30	Number of shares	Share capital	Reserve fund	Retained earnings	Profit/loss earnings	Total equity
Opening balance as at 1 January 2008		**10 618 837**	**10 619**	**28 236**	**64 046**	**13 511**	**116 412**
Transfer of previous year's profit			–	–	13 511	–13 511	–
Dividends			–	–	–12 300	–	–12 300
Reduction of share capital			–370	–	370	–	–
Bonus issue			370	–	–370	–	–
Buyback of own shares			–	–	–25 886	–	–25 886
Income for the year			–	–	–	35 821	35 821
Closing balance as at 31 December 2008		**10 249 086**	**10 619**	**28 236**	**39 371**	**35 821**	**114 047**
Transfer of previous year's profit			–	–	35 821	–35 821	–
Dividends			–	–	–11 682	–	–11 682
Reduction of share capital			–533	–	533	–	–
Bonus issue			533	–	–533	–	–
Buyback of own shares			–	–	–21 189	–	–21 189
Income for the year			–	–	–	36 849	36 849
Closing balance as at 31 December 2009		**9 734 886**	**10 619**	**28 236**	**42 321**	**36 849**	**118 025**

Cash flow statements

Amounts in SEK 000	Note	Group 2009	Group 2008	Parent Company 2009	Parent Company 2008
CASH FLOW FROM OPERATIONS FOR THE YEAR	26				
Income for the year		**52 369**	**38 741**	**36 849**	**35 821**
Adjustment for items not affecting cash flow:					
Depreciation and writedowns	15, 16	16 709	12 787	240	63
Writedowns of inventories		996	28	–	–
Financial items		281	–5 601	504	–1 278
Other adjustments	26	–1 581	–1 625	–	–
Changes in provisions	13	–3 402	1 264	–	–
Income tax	12	179	8 532	–8 413	1 000
Cash flow from current operations before changes in working capital		**65 551**	**54 126**	**29 180**	**35 606**
Cash flow from changes in working capital:					
Inventories		90	10 003	–	–
Operating receivables		–86 013	–93 397	–7 740	–11 834
Operating liabilities		83 182	109 110	11 705	20 540
Cash flow from operations		**62 810**	**79 842**	**33 145**	**44 312**
INVESTMENT ACTIVITIES					
Acquisitions from operations	17,26,32	–938	–14 635	–	–5 739
Capital expenditure on tangible fixed assets	16, 26	–22 497	–11 475	–274	–473
Changes in long-term receivables		–42	345	–	87
Cash flow from investment activities		**–23 477**	**–25 765**	**–274**	**–6 125**
FINANCING ACTIVITIES					
Dividend to minority shareholders	26	–1 388	–1 697	–	–
Dividends		–11 680	–12 300	–11 682	–12 300
Buy-back of own shares		–21 189	–25 887	–21 189	–25 887
Borrowing		6 000	–	–	–
Other		–	157	–	–
Cash flow from financing activities		**–28 257**	**–39 727**	**–32 871**	**–38 187**
CASH FLOW FOR THE YEAR		**11 076**	**14 350**	**–**	**–**
Cash and cash equivalents, January 1	26	84 531	67 017	–	–
Translation difference in cash and cash equivalents		1 816	3 164	–	–
CASH AND CASH EQUIVALENTS AT YEAR-END		**97 423**	**84 531**	**–**	**–**

Notes to the accounts

Amounts in SEK 000

Note 1 - Accounting principles

Company information

The consolidated financial statements relating to the 2009 financial year for Proact IT Group AB have been compiled by the Board of Directors and Managing Director. These annual accounts will be submitted to the Annual General Meeting on 18 May 2010 for approval and adoption. The parent company is a Swedish limited company (publ) listed on NASDAQ OMX Stockholm and has its registered office in Stockholm, Sweden. The primary operations of the Group involve offering specialist skills in the field of storage and archiving of large volumes of business-critical information.

General accounting principles

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB), and interpretation pronouncements from the International Financial Reporting Interpretations Committee (IFRIC) as assumed by the EU. In addition, the Swedish Financial Reporting Board's recommendation RFR 1.2 (Supplementary accounting rules for groups) has been applied.

The annual accounts for Proact IT Group AB have been compiled in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2.2 (Accounting for Legal Entities). Differences between the parent company's and the Group's applied accounting principles stem from the limited opportunities for applying IFRS to the parent company as a consequence of the Annual Accounts Act, and in some cases because of applicable tax regulations. The most significant differences are described below under "Significant differences between the Group's and the parent company's accounting policies".

Changes to accounting principles and information

The Group applies the same accounting principles as those described in the annual report for 2008, with the following exceptions due to new or revised standards, interpretations and improvements which have been endorsed by the EU and are to be applied as of 1 January 2009. Only the changes which have affected the company are described below.

Over the year, the Group has introduced the following new and amended standards from IASB and statements from IFRIC as of 1 January 2009.

IFRS 8 (Operating segments) came into force on 1 January 2009 and replaces IAS 14. The new standard requires information on the Group's operating segments and replaces the need to determine primary and secondary segments within the Group. IFRS 8 requires the segment information to be presented from an executive perspective, which means that it is presented in the manner applied in internal reporting. Group operations are controlled and reported to the executive teams by geographical area; see also Note 3. Implementation has had no effect on the Group's financial position or results. Implementation of IFRS 8 has not given rise to any segments other than those reported as primary in accordance with IAS 14.

Furthermore, the revised IAS 1 (Presentation of Financial Statements) came into force on 1 January 2009. This standard divides up changes in equity as a consequence of transactions with owners and other changes. The list of changes in equity includes only details relating to owner transactions. Changes other than owner transactions, such as translation differences, in equity are presented on the line for total comprehensive income for the period in the table. In addition, this standard introduces the term "Statement of comprehensive income", which shows all items of income and expense either in a separate table or in two interlinked tables. Proact has opted to present its statement of comprehensive income in a separate table.

One aim of the new tables is to distinguish more clearly transactions with owners from other items previously reported in the equity calculation. The components included in "Other total comprehensive income" may no longer be presented in changes in equity, but are included in "Total comprehensive income for the period".

IFRS 7 Financial instruments: Disclosures – Improving Disclosures about Financial Instruments came into force in 2009. These changes are based on the fact that more information is required, among other things as regards how the fair value of financial instruments has been calculated and what information has been used. This information must be based on – among other things – the information hierarchy developed by IASB relating to fair value (level 1 – level 3), level 1 consisting of listed prices and level 3 consisting of information which is not based on observable information. If a fair value has increased, and this increase has been entered in the income statement, it must be made clear how the value change has been calculated; that is to say, whether or not this involves observable prices. The proposed changes apply only to financial instruments valued at fair value. For financial instruments for which the fair value has been calculated on the basis of level 3 information, the company must submit information on the value change. The difference between opening and closing balance, and what the change is due to, must be specified clearly. That is to say, the change must be analysed by the company. As far as Proact is concerned, the changes have resulted in new, more extensive information on fair value: see note 24.

Standards, amendments and interpretations which have not yet come into force or have been approved by the EU, and which have not been applied by the Group in advance.

The Group has opted to comment only on such IFRS and IFRIC interpretation as may affect the Group's financial results and position as of 2010.

The most important effects of these changes are outlined below.

IFRS 3R Business Combinations and IAS 27R Consolidated and Separate Financial Statements. These revised standards were issued in January 2008 and is to be applied for financial years commencing 1 July 2009 or later. IFRS 3R introduces a number of changes to the reporting of business combinations executed after this date, which will affect the scale of reported goodwill, reported profit for the period in which the acquisition took place and future reported profits.

IAS 27R requires changes to participating interests in a subsidiary, where the majority shareholder does not lose controlling influence, to be recognised as equity transactions. As a consequence of this, these transactions will no longer give rise to goodwill, or lead to any profit or loss. In addition, IAS 27R changes the reporting of losses occurring in subsidiaries, as well as loss of control of a subsidiary. As a consequence of these additions, subsequent changes have also been made to IAS 7 Cash Flow Statements, IAS 12 Income Taxes, IAS 21 The Effects of Changes in Foreign Exchange Rates, IAS 28 Investments in Associates, and IAS 31 Financial Reporting of Interests in Joint Ventures.

The changes to IFRS 3R and IAS 27R will affect the reporting of future acquisitions, loss of control and transactions with minority shareholders.

Consolidated financial statements

Scope of the Group

Subsidiaries are included in the consolidated financial statements from the day on which controlling influence passes to the Group and are excluded when controlling influence ceases. The effects of all internal Group transactions such as income, expenses, receivables and liabilities, as well as unrealised gains and Group contributions have been eliminated. The Group has no associated companies.

The acquisition method

The Group's financial statements are prepared according to the acquisition method. The Group's equity includes – besides the parent company's equity – only the profits/losses of the subsidiaries after the time of acquisition. Equity in acquired companies is established by means of a purchase analysis based on a market valuation of the assets and liabilities at the time of acquisition, which also involves identification and evaluation of intangible assets. If the acquisition value exceeds the value of net assets estimated during the purchase analysis, the difference is reported as goodwill. If the acquisition cost is less than the fair value of the acquired subsidiary's net assets, the difference is recognised directly in the income statement.

Translation of foreign subsidiaries

The consolidated financial reports are presented in Swedish kronor (SEK), which is the parent company's functional and presentation currency.

The income statements and balance sheets, including goodwill, of companies with functional currencies other than SEK are translated into SEK. As a result, assets and liabilities are translated at the rate on the balance sheet date and the income statements at the average rate over the period. Translation differences are recognised in equity as a separate item in the comprehensive income for the period. When investments are divested, the previous translation differences are recognised in the income statement as part of capital gains.

Minority interests

Minority interests comprise the part of subsidiary results and net assets which are not directly or indirectly owned by the parent company. In the consolidated income statement, minority interests constitute a part of the result. Minority interests in the equity of subsidiaries are reported as a separate item under equity in the balance sheet.

Revenue recognition

Goods

The Group's income mainly comes from the sale and installation of hardware and software, maintenance and support services and independent IT consultancy services. Income from the sale of hardware and software is recognised when Proact has transferred all material risks and benefits associated with ownership of the product. In most cases this is at the time of transferring legal ownership or when the goods are physically handed over to the purchaser. In cases where material risks associated with the ownership of the goods remain, the sale has not been completed and thus income is not recognised.

Services

Maintenance and support income stems mainly from fixed price service agreements and is recognised linearly over the term of the agreements. Consultancy services are normally recognised in income as currently invoiced, i.e. as the work is completed. Fixed price consultancy projects or currently invoiced consultancy projects with caps are recognised in income as they are confirmed. Of the estimated total income for a project, during each period the proportion settled corresponds to the share of estimated total costs accumulated during the period.

Rental income
Income from leasing operations is generated on an ongoing basis and rental income is entered on a straight-line basis over the rental period.

Tangible fixed assets
Property, plant and equipment are recognised at acquisition value less depreciation and writedown. Expenditure that can be directly attributed to the acquisition of the asset is included in the historical cost. Depreciation of property, plant and equipment is based on the acquisition value of the assets and the estimated useful life. In this regard, a depreciation time of three years is applied for computers, five years for machinery and equipment and three years for spare parts. The residual value and useful life of the assets are tested on every balance sheet date and adjusted where required. The book value of assets is written down to recovery value if the asset's book value exceeds its assessed recovery value. Profits and losses during disposal are determined through comparison between the sales income and reported value, and are reported in the income statement.

Intangible fixed assets

Goodwill
Goodwill comprises the amount by which the acquisition value exceeds the fair value of the Group's participation in the acquired subsidiary's identifiable net assets on the acquisition date. A writedown test is carried out each year, as well as when there is an indication that an asset has fallen in value. Goodwill is allocated to cash generating units for the purposes of writedown testing. Each of these cash generating units constitutes the Group's business in each of the countries where this business is done. In instances where the carrying amount of an asset exceeds its estimated recoverable amount, the asset is written down to its recoverable amount.

Client-related assets and support contract
Client-related assets and support contracts which are identified upon the acquisition of companies are recognised as intangible assets at acquisition value. Client-related assets are depreciated linearly over a maximum of 10 years. In each case a useful life is set over which the support contracts are depreciated linearly according to plan. If there are indications of impairment, the asset's recoverable amount is assessed. In instances where the carrying amount of an asset exceeds its estimated recoverable amount, the asset is written down to its recoverable amount.

Writedowns
Assets of indeterminate useful life are not depreciated but tested each year for possible writedown needs. Assets which are depreciated/amortised are assessed in terms of decrease in value whenever an event or a change in circumstances indicates that the carrying amount may not be recoverable. An item is written down to the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value minus sales expenses and the utilisation value. During impairment testing, assets are grouped at the lowest levels at which there are separately identifiable cash generating units.

Financial assets
The Group classifies financial assets into the following categories: financial assets valued at fair value via the income statement, loan receivables and trade receivables, financial instruments held to maturity and available-for-sale financial assets. Classification depends on the purpose for which the instruments were acquired. The Group establishes the classification of the instruments on initial reporting. Below only the instruments relevant to the Group are described.

Financial assets at fair value through profit or loss
Assets and liabilities in this category are constantly valued at fair value with value changes recorded in the income statement. This category consists of two subgroups: financial assets and liabilities held for trading and other financial assets and liabilities which the company has initially opted to value at fair value in the income statement. A financial asset is classified as held for trading if it is acquired for the purpose of being sold in the short term. Derivatives are always valued at fair value in the income statement.

Loans receivable and accounts receivable
Loans receivable and accounts receivable are non-derivative financial assets with determined or determinable payments which are not listed on an active market. It is noteworthy that they are incurred when the Group supplies money, products or services directly to a client without the intention of purchasing with the accrued claim. These are included in current assets, except in instances where the date of maturity falls more than 12 months after the balance sheet date, in which case they are classified as fixed assets. Loans receivable and accounts payable are included in the Accounts receivable item in the balance sheet.

Assets in this category are valued at accrued acquisition value after the acquisition date. Accrued historical cost is determined from the effective interest that is calculated at the date of acquisition. Accounts receivable are recognised at the amount expected to be paid following individual assessment. The expected maturity of accounts receivable is short, and so the value has been recognised at a nominal amount without discount. Impairments of trade receivables are reported in operating expenses.

Financial liabilities
Accounts payable have short expected maturities and are valued at nominal value without discounting.

Borrowing is initially recognised at fair value, net of transaction expenses. Borrowing is then recognised at accrued cost and any difference between the amount received (net of transaction expenses) and the repayment amount is recognised in the income statement, distributed over the loan period, with the application of the effective interest method.

Inclusion of derivative financial instruments and hedges
Derivatives are included in the balance sheet on contract date and are valued at fair value, both at first inclusion and when subsequently revalued. All derivatives are recognised continuously at fair value with changes in value reported in the income statement.

Calculation of fair value
The fair value of financial instruments traded in an active market (e.g. market listed derivatives and financial assets held for trading and financial assets held for sale) are based on listed market prices on the balance sheet date. Listed market prices used for the Group's financial assets are the relevant purchase price, the applied listed market price of financial liabilities is the relevant sale price.

The fair value of forward exchange contracts is established through use of market prices for foreign exchange forwards on the balance sheet date. The fair value of financial instruments such as forward exchange contracts which are not traded on an active market, for example, is established through use of valuation techniques. Such methods may include an analysis of recently executed transactions of similar instruments or discounting of anticipated cash flows.

The nominal value less any assessed credits, for accounts receivable and liabilities to suppliers, are assumed to correspond to their fair value. The fair value of financial liabilities is calculated for disclosure in a note by discounting the future contracted cash flow at the current market rate of interest available to the Group for similar financial instruments.

Liquid assets and short-term investments
Liquid assets are deposited in bank accounts or invested in Swedish interest-bearing securities. The maturity of investments included in liquid assets is three months at the most.

Leasing
In Proact's enterprise, the Group acts as both lessor and lessee.

Leasing agreements are classified as financial leasing agreements if the financial benefits and financial risks associated with ownership of the leased object are materially transferred from the lessor to the lessee. If this is not the case, the leasing agreement is recognised as an operational leasing agreement.

The recognition of financial leasing agreements means that the lessee recognises the fixed asset as an asset in the balance sheet and that a corresponding liability is recognised at first recognition. At first recognition, the leased asset is valued at an amount corresponding to its fair value or the current value of the minimum lease charge, whichever is the lower. Fixed assets utilised in accordance with financial leasing agreements are depreciated over an estimated useful life, while the lease charges are recognised as interest and amortisation of the leasing liability.

In the case of operational leasing agreements, the lessee does not recognise the leased asset in the balance sheet. In the income statement, the lease charge for operational leasing agreements is distributed on a straight-line basis over the lease period.

In instances where Proact is the lessor in accordance with an operational leasing agreement, the asset is classified as a tangible fixed asset. The asset is covered by the Group's depreciation principles. The lease charges are recognised on a straight-line basis over the lease period in the income statement. In the case of financial leasing agreements, when the Group is the lessor, the transaction is registered as a sale and a lease receivable is recognised, consisting of the future minimum lease payments and any residual values guaranteed to the lessor. Lease charges are recognised as interest income and repayment of the lease receivable.

The Group is currently deemed to have no significant financial leasing agreements.

Inventories
Stock is valued to the lowest of the acquisition value and the net selling price. The net realisable value is the estimated sales price in operating activities, after deductions for estimated completion expenses and in order to bring about a sale.

The acquisition value for inventories is based on the first-in first-out principle (FIFO) and includes costs arising upon acquisition of the inventories and their transport to their current location and condition.

Eget kapital
Costs attributable to the new issue of shares or options are included in equity as a reduction in liquid assets. Buyback of own shares is classified as own shares and recognised as a deduction under equity.

Dividends
Dividends proposed by the Board of Directors reduce distributable funds and are recognised as liabilities once the Annual General Meeting has approved the dividend.

Taxes
Deferred taxes are calculated according to the balance sheet method for all temporary differences that arise between the carrying value and the tax-related value of assets and liabilities. Deferred tax assets including as yet unexercised tax loss carryforwards are recognised only if it is deemed that they can be exercised. Deferred tax liabilities/tax assets are reassessed each year at the current tax rate and reported in the consolidated income statement as part of tax for the year. Tax liabilities/tax assets are assessed at nominal amounts and in accordance with the applicable tax rules and rates. Net deferred tax assets and deferred tax liabilities are recognised if they relate to the same tax authority.

Provisions

A provision is recognised in the balance sheet when there is a commitment as a consequence of an event that has occurred, and it is likely that an outflow of resources will be required to settle the obligation, and that a reliable estimate of the amount can be made. Where the time at which payment is made is material, provisions must be set at the net present value of the payments which are expected to be required to settle the liability.

Contingent liabilities

A contingent liability is present when there is a possible commitment that stems from events that have occurred and its existence is confirmed only by one or more uncertain future events or when there is a commitment that is not recognised as a liability or provision, because it is not likely that an outflow of resources will be required or the size of the commitment cannot be calculated in a reliable manner. Thus information is provided unless the likelihood of outflow of resources is extremely low.

Employee benefits

Pensions

Defined contribution plans

In defined contribution plans the Group pays contributions to a separate legal entity. The contributions are charged to income as they arise. The Group has no legal obligations other than paying anything above the ongoing contributions.

Defined benefit plans

A defined benefit plan is a pension scheme which defines the amount of pension employees receive upon retirement. The factors which are normally decisive are age, number of years of service and salary. The company makes actuarial assumptions each year to calculate the liability and cost. Such assessment is carried out by independent actuaries. Liabilities are estimated at discounted values and reported in pension provisions. Actuarial gains and losses outside what is known as the 10% corridor are reported over employees' average remaining estimated employment time.

Severance pay

The Group reports expenses for severance pay in the income statement when it is demonstrably obliged either to give notice to employees in accordance with a detailed formal plan without the option of recall, or to provide compensation as a result of an offer made to encourage voluntary resignation from employment. Benefits due more than 12 months after the balance sheet date are discounted to net present value.

Bonus schemes

Where there are legal commitments the Group recognises a liability and a cost for bonuses based on a formula that allows for sales and/or gains in accordance with the company's bonus models.

Other benefits after termination of employment

Some Group companies provide other long-term benefits to their employees. The entitlement to these benefits is normally based on the employee having remained in their job until retirement and on the employment period lasting for a certain number of years. The anticipated cost of these benefits is allocated over the employment period using the same accounting method as for defined-benefit plans. Actuarial gains and losses as a consequence of experience-based adjustments and changes in actuarial assumptions are recognised in the income statement over the period in which they occur. These obligations are valued annually by independent actuaries.

Cash flow statement

The indirect method has been applied when drawing up the cash flow statement. When applying the indirect method, net payments to and from current operations are calculated by adjusting the net result for changes in operating income and expenses during the period, items which are not included in the cash flow and items which are included in the cash flow of investment and financing business. Liquid assets include investments with maximum maturities of three months, which are included at accrued acquisition value.

Uncertain assessments and estimates

The balance sheet includes asset items: goodwill, intellectual rights and deferred tax receivables, which are tested each year for writedown needs. This test is based on assumptions on the future on the basis of circumstances which are known at the time of testing.

In addition, each year the book value of deferred tax assets is reviewed based on an examination of expected taxable income.

When calculating utilisation value of assets assumptions are made about future earnings evolution. Future earnings may not accord with the assumptions made if conditions in the market change without the company executive adapting the organisation and business in accordance with the changed market conditions; in which case future earnings may be worse and thus the need for major adjustments to recorded amounts may arise.

Significant differences between the Group's and parent company's accounting policies

The parent company is compliant with the same accounting principles as the Group, with the following exceptions.

Shares in subsidiaries are reported in the parent company in accordance with the cost method.

Layouts

The balance sheet and income statement for the parent company are laid out in accordance with the provisions of the Swedish Annual Accounts Act. Moreover, the parent company's total profit is not specified, but the layout for the Swedish Annual Accounts Act is used; unlike in the case of the Group, which states the total comprehensive income for the Group.

Note 2 - Financial risk management

Exchange rate risk
Exchange rate risk is the risk of changes in currency exchange rates having an adverse impact on cash flow. Proact is particularly subject to exchange rate risks in USD and EUR, as most of its purchases are from suppliers which invoice in these currencies. Exchange rate risks which may arise are partly managed through exchange rate clauses with clients which cover any exchange rate risks which may arise between the time of the tender and delivery to the client, and partly by the forward hedging (financial hedging) of major purchases in foreign currencies. Under Proact's exchange rate policy, all exposure in excess of EUR 200 thousand/USD 250 thousand must be hedged. The maturities of forward exchange contracts must not exceed three months. The market value of outstanding forward contracts is SEK –655 thousand, which has affected the income statement by an equivalent amount as hedge accounting is not applied. Net assets in foreign subsidiaries and permanent financing of foreign subsidiaries are not hedged. The purchase and sale of foreign currencies is reported in note 14

Sensitivity analysis
The following sensitivity analysis describes how Proact's earnings are affected by changes in some of the group's important variables. The impact on earnings has been calculated based on circumstances in 2009 and the events must be viewed in isolation without measures being taken to compensate for any drop-off in earnings.

Important factors	Change	Effect on earnings before depreciation 2009 (SEK m)	Effect on equity (after 27% tax) 2009 (SEK m)
Sales volume	+/–5%	+/–24.7	+/–18
Gross margin	+/–2 percentage points	+/–25.1	+/–18
Personnel expenses	+/–5%	–/+16.4	–/+12
Exchange rate, SEK/USD	+/–10%	+/–19.9	+/–15
Exchange rate, SEK/EUR	+/–10%	+/–5.4	+/–4

Credit risk/counterparty risk
The credit risk is the risk that the counterparty to a transaction will fail to fulfil its financial obligations in compliance with agreements and that any securities will not cover the debts of the company. Most of the credit risk to which Proact is exposed relates to receivables from clients. Proact's sales are divided over a large number of end-clients spread over a wide geographical area, which limits the credit risk concentration. The group's credit risk must be minimised by establishing a credit limit for each and every client and partner and, where deemed necessary, the group must enter agreements intended to minimise credit risks.

The company's biggest clients are found in the sectors oil/energy, telecoms, banking and industry, as well as the public sector. The ten most important clients account for 31 (32)% of sales and no single client is responsible for more than 5 (5)%. Below is a time analysis of accounts receivable as at 31 December:

	SEK m 2009	% 2009	SEK m 2008	% 2008
Note due	285.1	89.7	255.6	90.7
< 30 days	27.6	8.7	20.8	7.4
31-60 days	2.7	0.8	4.3	1.5
61-90 days	1	0.3	0.2	0.1
>90 days	1.5	0.5	0.8	0.3
Total	**317.9**	**100**	**281.7**	**100**

Customer losses in 2009 amount to SEK 31 thousand.

Under the company investment policy, the parent company manages placements of the group's excess liquidity. Excess liquidity must be placed in bank accounts or in Swedish interest-bearing securities. Securities must include government bonds or certificates issued by banks or brokers owned by banks. Monies must only be placed in certificates with K1 ratings or certificates issued by finance companies under the supervision of the Swedish Financial Supervisory Authority. No monies must be placed for terms in excess of six months. There were only minor cash placements over the year as the interest level has been exceptionally low.

Interest rate risk
The interest rate risk is the risk of changes in market interest rates having an adverse impact on cash flow or the actual value of financial assets and liabilities. The group's income and cash flow from operations have in all essentials been independent of changes in market interest rate levels. However, the interest rate risk will increase as financing activities increase in scope. The main risk of increasing interest rates is that this may reduce the willingness to invest among clients in general. The Group's total borrowing amounted to SEK 6 million as at 31 December 2009.

Liquidity risk
Liquidity risks are managed with great caution, which means maintaining adequate liquid funds and available financing through the agreement of adequate credit facilities.

The company's financial position is strong. At the end of the year, Proact had liquid assets of SEK 97.4 (84.5) million, an equity/assets ratio of 24.1% (24.8%) and unutilised overdraft facilities of SEK 42.0 (41.4) million.

This strong financial position guarantees the sustainability of the company and puts Proact in a good position to continue exploiting its opportunities for growth.

There is no guarantee that the need for capital will not arise. Failure to generate profits or resolve future financing needs could substantially affect the company's market value. Current liquidity needs are today provided for by overdraft facilities.

Note 3 - Operating segments

On 1 January 2009, the Group implemented IFRS 8 (Operating segments) to replace IAS 14 Segment reporting. This standard requires the information to be presented from an executive perspective, which means that it is presented in the manner applied in internal reporting. Reportable segments are identified on the basis of internal reporting to the highest executive decision-maker. The Group has identified the Managing Director as the highest executive decision-maker, and operations are controlled and reported by geographical market. Compared with previously, the Group has no new reportable operating segments, and the segments are shown in tables below. These segments are consolidated in accordance with the same principles as the Group as a whole. Transactions between segments take place under market conditions.

2009 financial year	Sweden	Norway	Finland	Denmark	Lithuania	The Netherlands	Latvia	Estonia	Elim.	Group
REVENUE										
External sales	493 427	270 161	214 882	127 180	70 789	53 759	15 542	6 956		1 252 696
Internal sales	23 308	5 536	2 049	2 809	0	0	0	46	–33 748	–
Total revenues	**516 735**	**275 697**	**216 931**	**129 989**	**70 789**	**53 759**	**15 542**	**7 002**	**–33 748**	**1 252 696**
PROFIT/LOSS										
Operating profit/loss	**26 914**	**22 947**	**8 871**	**2 570**	**7 646**	**774**	**1 218**	**–2 649**	**–8 327**	**59 964**
Financial income										1 427
Financial expenses										–1 268
Tax										–7 754
Profit/loss for the year										**52 369**

2008 financial year	Sweden	Norway	Finland	Denmark	Lithuania	The Netherlands	Latvia	Estonia	Elim.	Group
REVENUE										
External sales	421 826	250 601	190 394	96 677	42 997	18 720	20 150	2 809		1 044 174
Internal sales	9 670	3 849	446	207	0	0	0	0	–14 172	–
Total revenues	**431 496**	**254 450**	**190 840**	**96 884**	**42 997**	**18 720**	**20 150**	**2 809**	**–14 172**	**1 044 174**
PROFIT/LOSS										
Operating profit/loss	**25 360**	**14 027**	**7 442**	**1 851**	**4 931**	**–3 454**	**1 465**	**–783**	**–4 051**	**46 788**
Financial income										4 765
Financial expenses										–1 455
Tax										–11 357
Profit/loss for the year										**38 741**

Note 4 - Sales per sector

	Group	
	12-31-2009	12-31-2008
Public sector	262 266	179 698
Telecoms	257 528	180 148
Retail and wholesale trade and services	220 309	221 708
Oil, energy	166 706	146 826
Manufacturing industry	156 436	158 113
Banking, finance	111 099	80 222
Media	31 766	38 533
Other	46 586	38 926
Total income	**1 252 696**	**1 044 174**

Note 5 - Intragroup purchasing and sales

Of the parent company's total purchasing costs and sales income, 72% (52%) refers to purchasing and 100% (100%) to sales to other Group companies.

Note 6 - Depreciation and writedowns

	Group		Parent Company	
	2009	2008	2009	2008
Depreciation included in expenses for sold goods and services				
- Spare parts and demonstration equipment	3 093	2 983	–	–
Depreciation included in administration expenses				
- Tangible assets	8 289	5 088	240	63
- Intangible assets	5 327	4 716	–	–
Total	**16 709**	**12 787**	**240**	**63**

Note 7 - Research and development costs

No research and development costs were charged to income or activated during the year.

Note 8 - Operating expenses and information on auditors' fees

Fees and remuneration	Group 2009	Group 2008	Parent Company 2009	Parent Company 2008
Ernst & Young				
Auditing and audit-related work	1 041	1 026	176	170
Other engagements	553	406	521	301

Auditing work refers to the scrutiny of the annual report, bookkeeping and administration by the Board of Directors and Managing Director. Other tasks incumbent upon the company's auditor to perform, plus provision of advice due to observations arising during the audit. All other work comes under other assignments.

Cost of goods sold, selling costs and marketing costs plus administrative costs include depreciation of SEK 16 709 (12 787) thousand, and payroll expenses of SEK 310 531 (281 435) thousand.

Note 9 - Average number of employees, salaries, other remuneration and social costs, etc.

Average number of employees	Average number, 2009	Average number, 2008	of whom men 2009	of whom men 2008
Parent Company				
Sweden	5	5	4	4
Subsidiaries				
Sweden	135	136	119	118
Norway	65	62	57	46
Finland	37	36	32	31
Denmark	31	23	27	22
Latvia	10	10	6	6
Lithuania	18	17	13	13
Estonia	6	3	5	3
Netherlands	9	7	8	6
Total subsidiaries	**310**	**294**	**267**	**245**
Group, total	**315**	**299**	**271**	**249**

Members of the Board of Directors and senior executives	Number 2009	Number 2008	of whom men 2009	of whom men 2008
Group and parent company				
Members of the Board of Directors and MD/Group President	6	6	5	5
Other senior executives	11	11	9	9

Salaries, remuneration and social costs	Salaries and remuneration to the Board of Directors and MD, COO (of which bonuses, etc.) 2009	2008	Salaries and remuneration to other employees 2009	2008	Salaries and remuneration Total 2009	2008	Social costs (of which pension expenses) 2009	2008
Parent Company								
Sweden	4 819	4 848	3 498	3 202	8 317	8 050	4 344	4 264
	(1 560)	(1 445)					(1 391)	(1 316)
Subsidiaries								
Sweden	–	–	86 432	85 611	86 432	85 611	39 238	39 970
	(–)	(–)					(10 155)	(10 144)
Norway	1 434	1 721	63 710	56 578	65 144	58 299	9 099	12 903
	(446)	(493)					239	(4 144)
Finland	1 634	1 123	31 639	25 476	33 273	26 599	8 032	6 563
	(467)	(116)					(5 910)	(4 907)
Denmark	2 481	2 347	30 149	19 851	32 630	22 198	2 144	1 468
	(748)	(945)					(1 904)	(1 306)
Latvia	496	372	1 982	1 665	2 478	2 037	541	482
	(105)	–					–	–
Lithuania	630	569	4 244	3 179	4 874	3 748	1 506	1 152
	(194)	(121)					–	–
Estonia	399	191	1 990	889	2 389	1 081	807	359
	(58)						–	–
Netherlands	1 623	1 307	6 652	4 559	8 275	5 866	1 008	784
	–	(97)					(297)	(271)
Total subsidiaries	**8 697**	**7 629**	**226 798**	**197 809**	**235 495**	**205 439**	**62 375**	**63 682**
	(2 018)	(1 772)	–	–	–	–	(18 027)	(20 773)
Group, total	**13 516**	**12 477**	**230 296**	**201 011**	**243 812**	**213 489**	**66 719**	**67 946**
	(3 578)	(3 217)					(19 418)	(22 089)

Note 9 continued - Average number of employees, salaries, other remuneration and social costs, etc.

Remuneration to the Board of Directors and senior executives

	Directors' fees		Committee fees	
	2009	2008	2009	2008
Staffan Ahlberg, Chairman of the Board	107	320	13	40
Anders Hultmark[1], Board member	257	130	36	40
Anna Lindström, Board member	43	130	13	40
Dag Sehlin, Board member	43	130	13	40
Terje Thon, Board member	43	130	–	–
Roger Bergqvist, Board member	87	–	36	–
Eva Elmstedt, Board member	87	–	13	–
Christer Holmén, Board member	87	–	27	–
Mikael Gottschlich, Board member	87	–	9	–
Total	**840**	**840**	**160**	**160**

1) As of the 2009 Annual General Meeting, Anders Hultmark was appointed Chairman of the Board.

	MD		Other senior executives	
	2009	2008	2009	2008
Set salaries	2 220	2 220	10 130	9 683
Performance-related pay	1 521	1 350	3 003	2 924
Benefits	102	101	786	583
Pension costs	669	667	1 510	1 394

All group companies except for the Norwegian company follow the principle of defined contribution pension plans. The MD's pension premium is equivalent to 30 per cent of his ordinary annual salary but as a maximum the amount deductible by the company plus health insurance. The variable element of the salary provides no entitlement to a pension. The retirement age is 65.

The MD's pensionable salary for the year amounts to SEK 2 220 (2 220) thousand. There are no other pension liabilities besides the paid-in pension contributions.

The company must give the MD up to 3 months' notice of termination, and the MD must give the company 3 months' notice. Should the company give notice to quit, the MD is entitled to severance pay of 12 months' salary plus pension costs.

The Managing Director's performance-related element of his salary is based on the company's growth and profit.

In 2009, other senior executives consisted of eleven persons, of whom one was the Deputy Managing Director. In 2008, other senior executives consisted of eleven persons. Of the other senior executives, one is employed by the parent company and the rest are employed by subsidiaries.

Other senior executives are subject to the same Proact pension terms as under a defined-contribution pension scheme. The variable element of the salary entitles the incumbent to a pension, and retirement age is 65. Remuneration to other senior executives entitling them to a pension amounted to SEK 8 412 (7 511) thousand. There are no other pension liabilities besides the paid-in pension contributions.

The company must give other senior executives 3-9 months' notice of termination of employment, and other senior executives must give the company 3-6 months' notice. Should the company give notice to quit, other senior executives are entitled to severance pay of 0-12 months' salary.

The performance-related element of the salaries of other senior executives is based on growth and profits both locally and within the Group.

Matters pertaining to the remuneration to be paid to the Managing Director and other senior executives are dealt with by the Board.

Options

There are no option programmes.

Proact shareholdings of the Board of Directors, the MD and other senior executives

Board of Directors	Shareholding in Proact 12-31-2009
Anders Hultmark (through company)	978 764
Roger Bergqvist	125
Eva Elmstedt	–
Christer Holmén	–
Mikael Gottschlich (through company)	571 214

MD and other senior executives:	Shareholding in Proact 12-31-2009
Olof Sand (MD)	91 974
Omar A. Lien (Deputy MD)	–
Jonas Persson	5 825
Martin Ödman	19 000
Osmo Laita	47 850
Carsten Egeberg	–
Marit Fagervold	210 000
Dimitri Scharafoutdinov	57
Richardas Pivoriunas	–
Karel Kannel	–
Lena Eskilsson	–
Lucas den Os	–

Note 10 - Financial income

	Group		Parent Company	
	2009	2008	2009	2008
Interest income	1 056	3 217	406	1 214
Interest income from Group companies	–	–	1 114	692
Income from participations in Group companies	–	–	32 582	39 341
Translation differences	–	1 279	–	1 279
Other items	371	269	–	–
Total	**1 427**	**4 765**	**34 102**	**42 526**

All of the Group's financial income is attributable to loans and receivables.

Note 11 - Financial expenses

	Group		Parent Company	
	2009	2008	2009	2008
Interest expenses	401	1 194	253	894
Interest expenses to Group companies	–	–	678	1 452
Translation differences	764	162	504	–
Other items	103	99	1	–3
Total	**1 268**	**1 455**	**1 436**	**2 343**

All of the Group's financial expenses are attributable to other liabilities.

Note 12 - Income tax

Tax expense (–) / tax income (+)	Group		Parent Company	
	2009	2008	2009	2008
Current tax for the year	–11 199	–7 694	–	–
Deferred tax	3 445	–3 663	8 413	–1 000
Tax expense recognised in the income statement	**–7 754**	**–11 357**	**8 413**	**–1 000**

During the year, the Group paid tax of SEK 7 575 (2 825) thousand, and SEK – (–) thousand for the parent company.

	Group		Parent Company	
Reconciliation of effective tax	2009	2008	2009	2008
Reported profit/loss before tax	60 123	50 098	28 436	36 821
Tax as per Swedish tax rate for the parent company 26.3%	–15 812	–14 027	–7 479	–10 310
Difference attributable to foreign tax rates	323	1 091	–	–
Non-deductible expenses	–1 177	–1 966	–83	–77
Non-taxable income	45	180	8 569	11 017
Adjustment of deferred tax due to a changed tax rate in Sweden	–	–1 753	–	–
Losses for the year for which no deferred tax claims have been reported	–730	–1 669	–	–669
Tax effect for the year relating to non-capitalised loss carryforwards from previous years	8 988	6 500	7 424	–
Other adjustments relating to deferred tax	610	287	–18	–961
Tax expense (–) / tax income (+)	**–7 754**	**–11 357**	**8 413**	**–1 000**

Deferred tax assets and tax liabilities

There are temporary differences in cases of differences between the reported tax values of assets or liabilities. The group's temporary differences and loss carryforwards have resulted in deferred tax liabilities and tax assets regarding the following items:

Group

Deferred tax assets	Opening balance	Deferred tax	Exchange rate differences	Closing balance
Unused tax carryforwards	30 171	1 863	–149	31 885
Goodwill	119	–142	–1	–24
Tangible fixed assets	1 571	627	115	2 313
Other	1 306	524	168	1 998
Provisions	772	–898	78	–48
Offsetting	–3 191	540		–2 651
Total deferred tax assets	**30 748**	**2 514**	**211**	**33 473**

Deferred tax liability	Opening balance	Deferred tax	Exchange rate differences	Closing balance
Other intangible fixed assets	–6 737	1 347	–433	–5 823
Goodwill	–3 078	125	–373	–3 326
Offsetting	3 191	–540		2 651
Total deferred tax liabilities	**–6 624**	**932**	**–806**	**–6 498**

Net deferred tax assets and tax liabilities are reported when there is a legal set-off right for current tax assets and liabilities. Deferred tax assets have been recognised for loss carryforwards relating to losses in previous years within the subsidiaries in which the company has made the assessment that these loss carryforwards could be utilised against future taxable profits. Expected taxable profits have been calculated assuming positive growth in the forthcoming years in the data storage markets and 3-5% profitability growth has been assumed for the future.

Deferred tax is not reported on temporary differences attributable to participations in subsidiaries. Future effects are reported when Proact can no longer control the time of charging back the temporary differences.

The positive profit development over the year has resulted in the Group being able to report a tax expense of SEK –7 754 (–11 357) thousand equalisation of profits between the countries has not been possible.

Parent Company

	Opening balance	Deferred tax	Closing balance
Unused tax carryforwards	–	8 413	8 413
Total deferred tax assets	–	**8 413**	**8 413**

Unutilised loss carryforwards

Unutilised loss carryforwards are reported as deferred tax assets when it is likely that these can be utilised to offset future taxable excesses. The parent company's unutilised loss carryforwards amount to SEK 31 989 (28 227) thousand. The entire tax effect of SEK 8 413 thousand has been recognised as tax assets in 2009.The group's unutilised loss carryforwards amount to SEK 125 727 (149 737) thousand, of which SEK 121 749 (115 222) thousand has been non-capitalised.

Can be utilised at the latest by:

Year	12-31-2009
2011	0
2012	0
2013	0
2014	0
2015	0
Not subject to time limit[1)]	125 727
Total unutilised loss carryforwards	**125 727**

1) of which unutilised loss carryforwards which it is assessed cannot be utilised within the next five years SEK 3 978 (34 515) thousand in total.

Note 13 - Pensions and other long-term remuneration to employees

	Group	
Pension and other long-term remuneration to employees	2009	2008
Provisions – opening balance	–1 953	–818
Provisions/writebacks for the period	3 402	–1 264
Exchange rate differences for the year	–182	129
Receivables/provisions at end of period	**1 267**	**–1 953**

All group companies except for the Norwegian company follow the principle of defined contribution pension plans. Until 2003, the Norwegian companies in principle operated a defined benefit pension plan. This collective pension plan mainly depends on the number of years of service, salary level at pensionable age and the size of the state participation. The pension plan has been financed through payments to funds in insurance companies.

In 2004, the Norwegian company changed to a new pension plan (ITP) except for a few people born before 1947, for whom the previous defined benefit plan continues to apply. The new pension plans are mostly defined contribution plans but a small proportion has been classified as defined benefit plans.

Long-term remuneration to employees consists of benefits which are based on the employee remaining in his/her position with the company until retirement and on his/her employment lasting a certain number of years.

The following assumptions have been used in actuarial calculations of defined benefit pension plans:	2009	2008
Discount rate	4,4%	3,8%
Expected return on pension assets in funds	5,6%	5,8%
Future annual salary increases	4,3%	4,0%
Future annual pension increases	1,3%	1,5%
G adjustment	4,0%	3,8%
Employee turnover	0,0%	3,0%
Payroll tax	14,1%	14,1%

Managed assets	2009	2008
Shares	9,9%	5,7%
Real estate	20,0%	23,2%
Long-term interest-bearing securities	43,0%	48,4%
Short-term interest-bearing securities	26,7%	22,2%
Other	0,4%	0,5%

No part of the managed assets is invested in the company's equity instruments or other assets.

Note 13 continued - Pensions and other long-term remuneration to employees

	Defined benefit pension plan		Other long-term remuneration to employees	
The amount reported in the consolidated income statement is as follows:	2009	2008	2009	2008
Costs regarding service during the current year	–202	–176	–1 431	–1 169
Interest expenses	–346	–402	–187	–194
Expected return on pension assets in funds	549	544	390	391
Administration expenses	–125	–114	–47	–39
Payroll taxes	–28	–56	–177	–157
Actuarial gains and losses	0	–98	3 436	–1 031
Net pension expenses for the year are included in pension expenses	**–153**	**–302**	**1 985**	**–2 198**

Provisions, pension and other long-term remuneration to employees	2009	2008	2009	2008
Net present value of pension liabilities	–8 712	–8 778	–6 610	–5 344
Minus pension assets in funds	10 058	9 326	7 766	6 909
Calculated surplus (+) / deficit (–)	**1 345**	**547**	**1 156**	**1 564**
Payroll taxes	–	–2	–13	–123
Actuarial gains and losses	–1 222	–425	–	–3 422
Other	–	–93	–	–
Receivables/provisions for pensions, net liability	**124**	**28**	**1 143**	**–1 981**

Current value of defined benefit pension obligations	2009	2008	2009	2008
Amount at start of year	–8 383	–8 842	–4 486	–4 229
Benefits earned over the year	–202	–176	–1 431	–1 169
Benefits paid	327	312	94	87
Interest expenses	–346	–402	–187	–194
Actuarial gains/losses	937	–329	–4	–223
Translation differences	–1 046	659	–597	383
Amount at end of year	**–8 712**	**–8 778**	**–6 610**	**–5 344**

Change of pension assets in funds	2009	2008	2009	2008
Amount at start of year	8 667	9 502	5 628	6 422
Premiums paid by the employer	212	401	1 163	729
Return on pension funds	549	544	390	391
Benefits paid from pension assets in funds	–471	–312	–154	–87
Actuarial gains and losses	–	–109	–	–35
Translation differences	1 102	–701	739	–510
Amount at end of year	**10 058**	**9 326**	**7 766**	**6 909**

Note 14 - Foreign currencies

Exchange rate differences affecting net result for the year	Group 2009	Group 2008	Parent Company 2009	Parent Company 2008
Cost of sold product	361	–809	–	–
Net financial items	–764	1 117	–504	1 279

Invoicing and goods purchases in foreign currencies

Most goods are purchased from the USA and Europe, and therefore the company is affected by changes to the dollar and euro exchange rates.

	Group 2009	Group 2008	Parent Company 2009	Parent Company 2008
USD 000				
Invoicing, USD	17 272	13 945	–	–
Share of sales	11%	9%		
Goods purchases, USD	44 890	47 281	–	–
Share of goods purchases	45%	52%		
EUR 000				
Invoicing, EUR	10 686	3 345	–	–
Share of sales	9%	3%		
Goods purchases, EUR	15 899	12 285	–	–
Share of goods purchases	22%	20%		

Hedges as at 31 December 2009

As at balance sheet date the Group's forward hedges amounted to USD 3 540 (2 440) thousand and EUR 200 (250) thousand in the Group and relate to accounts payable.

As at 31 December, accounts receivable in foreign currencies amounted to SEK 38 517 (44 199) thousand, and accounts payable to SEK 76 844 (127 780) thousand. Of accounts payable, SEK 27 603 (21 650) thousand has been hedged by forward foreign exchange contracts. The market value of forward contracts as at 31 December 2009 meant an unrealised loss of SEK 655 (868) thousand, which has affected the income statement by an equivalent amount.

The parent company has no outstanding forward contracts.

Net investments in foreign subsidiaries	12-31-2009	12-31-2008
Equity in foreign subsidiaries divided by currency		
DKK 000	12 311	10 833
EUR 000	1 462	853
NOK 000	37 790	33 446
LVL 000	185	202
LTL 000	3 913	3 239
EEK 000	–2 919	–930

Note 15 - Intangible fixed assets

	Goodwill	Customer relationsr	Support contractst	Total
Acquisition value – opening balance as at 1 January 2009	192 048	33 832	3 808	229 688
Acquisitions for the year from acquisition of business	–	–	938	938
Translation differences	3 257	1 432	385	5 074
Closing accumulated acquisition value	**195 305**	**35 264**	**5 131**	**235 700**
Opening depreciation and writedowns	–116 729	–12 324	–762	–129 815
Depreciation for the year	–	–4 421	–906	–5 327
Translation differences	–1 217	–254	–15	–1 486
Year-end accumulated depreciations	**–117 946**	**–16 999**	**–1 683**	**–136 628**
Book value as at 31 December 2009	**77 359**	**18 265**	**3 448**	**99 072**
Acquisition value – opening balance as at 1 January 2008	181 449	21 227	–	202 676
Acquisitions for the year from acquisition of business	7 948	12 138	3 808	23 894
Translation differences	2 651	467	–	3 118
Closing accumulated acquisition value	**192 048**	**33 832**	**3 808**	**229 688**
Opening depreciation and writedowns	–113 922	–8 316	–	–122 238
Depreciation for the year	–	–3 909	–807	–4 716
Translation differences	–2 807	–99	45	–2 861
Accumulated depreciation and write-downs – closing balance	**–116 729**	**–12 324**	**–762**	**–129 815**
Book value as at 31 December 2008	**75 319**	**21 508**	**3 046**	**99 873**

	Group	
Allocation of goodwill	12-31-2009	12-31-2008
Sweden	39 357	39 357
Norway	22 777	19 832
Finland	745	787
Latvia	6 074	6 440
Lithuania	8 406	8 903
Total	**77 359**	**75 319**

The value of the intangible asset "Customer relations" is largely attributed to the acquisition of Dimension AB in 2004 and the acquisition of Xperion AS in 2008.

New acquisitions for the year relates to the acquisition of support contracts from the Danish company Orchestra Nordic, see also note 32.

Writedown test

Any goodwill writedown needs are tested each year by calculating the future utilisation value of each cash-generating unit. Cash-generating units are the individual countries in which investment was made. When estimating the future utilisation value, the future cash flows of the respective cash-generating units have been calculated based on the forthcoming 5 budget years assuming an eternal growth of 3-5%. A discount rate of 14% before tax (10% after tax) has been applied to calculations. The discount rate is based on the 10-year bond rate plus a risk factor which varies between the different cash-generating units.

Testing writedown needs also comprises a sensitivity analysis where future growth in profitability has been calculated for 0% and 3-5% growth respectively and the discount rate is altered by +/– 3 percentage points.

Writedown needs are present if the reported value of goodwill exceeds the calculated future utilisation value. For 2009, no such need is deemed to exist.

For 2008, no such need existed either.

Note 16 - Tangible fixed assets

	Group		Parent Company	
	12-31-09	12-31-08	12-31-09	12-31-08
Computers and machinery				
Opening balance, historical cost	43 465	35 705	989	516
Acquisitions for the year	18 174	6 773	275	473
Sales / disposals	–1 487	–874	–	–
Translation differences	–299	1 861	–	–
Closing accumulated acquisition value	**59 853**	**43 465**	**1 264**	**989**
Opening balance, depreciation	–34 914	–29 882	–561	–498
Depreciation for the year	–6 984	–4 080	–241	–63
Sales / disposals	1 435	815	–	–
Translation differences	279	–1 767	–	–
Year-end accumulated depreciations	**–40 184**	**–34 914**	**–802**	**–561**
BOOK VALUE	**19 669**	**8 551**	**462**	**428**
Equipment				
Opening balance, historical cost	17 562	16 309		
Acquisitions for the year	1 208	1 003		
Sales / disposals	–175	–351		
Translation differences	–84	601		
Closing accumulated acquisition value	**18 511**	**17 562**		
Opening balance, depreciation	–14 741	–13 139		
Depreciation for the year	–1 305	–1 384		
Sales / disposals	146	246		
Translation differences	51	–464		
Year-end accumulated depreciations	**–15 849**	**–14 741**		
BOOK VALUE	**2 662**	**2 821**		
Spare parts				
Opening balance, historical cost	33 831	28 204		
Acquisitions for the year	3 115	3 701		
Sales / disposals	–66	–67		
Translation differences	–213	1 993		
Closing accumulated acquisition value	**36 667**	**33 831**		
Opening balance, depreciation	–29 455	–24 988		
Depreciation for the year	–3 093	–2 607		
Sales / disposals	33	61		
Translation differences	381	–1 921		
Year-end accumulated depreciations	**–32 134**	**–29 455**		
BOOK VALUE	**4 533**	**4 376**		
TOTAL BOOK VALUE, PROPERTY, PLANT AND EQUIPMENT	**26 864**	**15 748**		

Note 17 - Shares in group companies

Shares in group companies	Company registration number	Registered office	Number of shares	Capital participation, %	Book value 12-31-2009 SEK 000	Book value 12-31-2008 SEK 000
Proact IT Sweden AB	556328-2754	Stockholm, SE	47 456 047	100%	59 257	59 257
Proact IT Norge AS	971 210 737	Oslo, NO	2 407 500	100%	49 523	49 523
Proact Finland OY	1084241-2	Esbo, FI	20 000	100%	15 519	15 519
Proact Systems A/S	18 803 291	Bröndby, DK	600	100%	3 085	3 085
Proact Finance AB	556396-0813	Sollentuna, SE	500 000	100%1)	5 000	5 000
Proact IT Latvia SIA	LV40003420036	Riga, LV	850	85%	4 432	4 432
Proact Lietuva UAB	BI01-66	Vilnius, LT	7 386	74%	7 845	7 845
Proact Netherlands B.V.	20136449	Baarn,NL	9 180	51%	2 271	2 271
Proact Estonia AS	115131151	Tallinn, EE	29 716	70%2)	1 573	170
					148 505	**147 102**
Indirect shares in Group companies						
Shares in Proact IT Sweden AB						
Dimension NetAssist AB	556578-0961	Stockholm, SE	10 000	100%	1 000	1 000
Kipling Holding AB	556537-6414	Stockholm, SE	4 122 800	100%	3 385	3 385
					4 385	**4 385**
Shares in Kipling Holding AB						
Dimension Telecom AB	556527-1219	Stockholm, SE	5 000	100%	3 377	3 377
Kip-Tel Latin America Ltda	35.216.363.356	São Paolo, BR	50 000	100%	40	40
					3 417	**3 417**

Any goodwill writedown needs on shares in subsidiaries are examined each year by calculating the future utilisation value for each subsidiary, as commented on in Note 15. No writedown needs have been identified.

1) In 2009, Proact i Sollentuna AB has changed its name to Proact Finance AB.
2) In 2009, 1 716 preference shares were issued which are held by the parent company.

	Parent Company	
Shares in subsidiaries	12-31-09	12-31-08
Opening book value	147 102	141 363
Acquisitions for the year	1 403	5 739
Closing accumulated acquisition value	**148 505**	**147 102**
BOOK VALUE	**148 505**	**147 102**

	Group		Parent Company	
Income from participations in Group companies	2009	2008	2009	2008
Dividends, earned	–	–	32 582	39 341
Total	**–**	**–**	**32 582**	**39 341**

Note 18 - Receivables and liabilities with Group companies and Other long-term receivables

	Parent Company		
	<1 year	1–5 year	>5 year
Receivables with Group companies due within	19 464	–	–
Liabilities with Group companies due within	51 188	–	7 857

There are no subordinated loans to foreign subsidiaries.

	Group		Parent Company	
Other long-term receivables	12-31-09	12-31-08	12-31-09	12-31-08
Frozen accounts of tenancy agreements	5 623	5 623	4 599	4 599
Other long-term receivables	773	751	–	–
Total	**6 396**	**6 374**	**4 599**	**4 599**

Note 19 - Inventories

Stock is valued to the lowest of the acquisition value and the net selling price. The recognised value of goods in stock may need to be written down if they are exposed to damage, if all or some of them become too old or if their sale prices decline.

During the year, the Group wrote down inventories for SEK 996 (28) thousand.

Note 20 - Accounts receivable

	Group	
	12-31-09	12-31-08
Accounts receivable	317 851	281 717
Provisions for impairment of accounts receivable	–	–
Accounts receivable - net	**317 851**	**281 717**

The Group is recognising a writedown of accounts receivable amounting to SEK 31 (45) thousand in 2009. This loss has been included in the item Sales and marketing expenses in the income statement.

Note 21 - Prepaid expenses and accrued income

	Group		Parent Company	
	12-31-09	12-31-08	12-31-09	12-31-08
Prepaid rental costs	3 112	1 351	8	8
Prepaid insurance premiums	4 173	3 090	345	377
Prepaid maintenance charges	107 576	60 852	–	–
Accrued agreement income	23 376	32 327	–	–
Other items	14 678	14 789	1 529	1 094
Total	**152 915**	**112 409**	**1 882**	**1 479**

Note 22 - Other liabilities

	Group		Parent Company	
	12-31-09	12-31-08	12-31-09	12-31-08
Personnel withholding tax	8 312	6 659	563	232
VAT liabilities	33 109	21 630	–	–
Other items	3 450	4 125	–	–
Total	**44 871**	**32 414**	**563**	**232**

All liabilities are due for payment within one year.

Note 23 - Accrued expenses and prepaid income

	Group		Parent Company	
	12-31-09	12-31-08	12-31-09	12-31-08
Accrued salaries	25 331	18 876	938	629
Accrued holiday pay liabilities	23 638	21 537	1 094	1 054
Accrued social costs	15 082	14 893	1 481	1 162
Prepaid service income	206 496	166 260	–	–
Restructuring reserve	–	178	–	–
Other items	44 534	25 906	1 484	798
Total	**315 081**	**247 650**	**4 997**	**3 643**

Note 24 - Financial assets and liabilities

	Group	
Other financial liabilities	12-31-09	12-31-08
Currency derivatives	655	868
Bank loans	6 000	–
Total other financial liabilities	**6 655**	**868**

Interest-bearing liabilities	Interest	Maturity	Book valuee
Bank loans	NSSu + 1,2%[1)]	10-31-2012	6 000
Used overdraft facility	–[2)]	–	–

1) Interest runs over one month.

2) The limit for the Group overdraft facility is SEK 42 047 thousand, and for the parent company SEK – thousand.

Financial assets and liabilities per valuation category

Group 2009	Financial liabilities held for trade	Loans and trade receivables	Other liabilities	**Total recognised value**	**Fair value**
Rent deposits	–	5 623	–	5 623	5 623
Accounts receivable	–	317 851	–	317 851	317 851
Cash and cash equivalents	–	97 423	–	97 423	97 423
Total financial assets	**–**	**420 897**	**–**	**420 897**	**420 897**
Accounts payable	–	–	185 442	185 442	185 442
Bank loans	–	–	6 000	6 000	6 000
Currency derivatives	655	–	–	655	655
Total financial liabilities	**655**	**–**	**191 442**	**192 097**	**192 097**

Group 2008	Financial liabilities held for trade	Loans and trade receivables	Other liabilities	**Total recognised value**	**Fair value**
Rent deposits	–	5 623	–	5 623	5 623
Accounts receivable	–	281 717	–	281 717	281 717
Cash and cash equivalents	–	84 531	–	84 531	84 531
Total financial assets	**–**	**371 871**	**–**	**371 871**	**371 871**
Accounts payable	–	–	184 831	184 831	184 831
Bank loans	–	–	–	–	–
Currency derivatives	868	–	–	868	868
Total financial liabilities	**868**	**–**	**184 831**	**185 699**	**185 699**

Calculation of fair value

As of 1 January 2009, the Group is applying the amendment of IFRS 7 for financial instruments valued at fair value in the balance sheet. This required information on valuing at fair value per level in the following fair value hierarchy:

Listed prices (unadjusted) on active markets for identical assets or liabilities (level 1).

Observable data for assets or liabilities other than listed prices included in level 1, either directly (i.e. as price notes) or indirectly (i.e. derived from price notes) (level 2).

Data for assets or liabilities which is not based on observable market data (i.e. non-observable data) (level 3).

Of the Group's assets and liabilities, only currency derivatives are valued at fair value with value changes recorded in the income statement. All currency derivatives have been classified at level 2 in accordance with the above value hierarchy.

Note 25 - Assets pledged, contingent liabilities and commitments

Assets pledged

	Group		Parent Company	
	12-31-09	12-31-08	12-31-09	12-31-08
Chattel mortgages [1]	27 268	27 660	–	–
Frozen accounts [2]	5 623	5 623	4 599	4 599
Total pledged assets	**32 891**	**33 283**	**4 599**	**4 599**

1) Chattel mortgages refer to security placed for overdraft facilities in Sweden and Finland, amounting to SEK 27 928 (28 222) thousand.
2) Security for rental contracts SEK 5 623 (5 623) thousand. In the parent company corresponding security amounts to SEK 4 599 (4 599) thousand. Frozen liquid funds are included in the item Other long-term receivables.

Contingent liabilities
The parent company has contingent liabilities relating to bank guarantees and other guarantees and other business arising during normal business operations. No significant liabilities are expected to stem from these contingent liabilities.

	Group		Parent Company	
	12-31-09	12-31-08	12-31-09	12-31-08
Guarantees for				
subsidiaries' overdraft facilities	–	–	42 047	41 454
bank loans	–	–	6 000	–
other guarantees, subsidiaries	–	–	3 526	2 984
Total contingent liabilities	**–**	**–**	**51 573**	**44 438**

Commitments
As at 31 December 2009, the company had no contracted undertakings which had not yet been reported in the financial statements which would result in significant future disbursements, except for commitments relating to operating and support activities. For leasing commitments, see note 27.

Note 26 - Supplementary information on the cash flow statement

Information concerning interest paid
During the period, interest received in the Group amounted to SEK 1 297 (3 544) thousand and SEK 406 (1 214) thousand in the parent company.

During the period, interest paid in the Group amounted to SEK 247 (1,198) thousand and SEK 252 (890) in the parent company.

	Group	
Restructuring reserve	12-31-09	12-31-08
Opening balance	178	2 320
Provision	–	–
Payment	–	–2 096
Verification	–178	–
Translation difference	–	–46
Closing balance	**–**	**178**

Other adjustments
With the acquisition of Norwegian company Xperion AS, the purchase price amounted to SEK 17 361 thousand, of which SEK 12 699 thousand was paid in cash and the difference, SEK 4 662 thousand, is made up of a long-term liability which is attributable to undertakings for future services at market value. In 2009, SEK 1 404 (1 625) thousand of this debt was regulated.

Acquisition of subsidiaries and activities
In 2009, the company acquired the client base and existing support contracts from the Danish company Orchestra Nordic.

Additional participations in the Latvian subsidiary and all participations in Xperion AS were acquired in 2008.

Divestment of subsidiaries and activities
No subsidiaries or activities were divested in 2009.

Acquisition of tangible fixed assets
Tangible fixed assets worth SEK 22 497 (11 475) thousand were acquired during the year.

Dividend to minority shareholders
During the year, dividends amounting to SEK 1 388 (1 697) thousand were paid out to minority participations in partly-owned subsidiaries in the Baltic region.

	Group		Parent Company	
Cash and cash equivalents	12-31-09	12-31-08	12-31-09	12-31-08
Cash and cash equivalents	97 423	84 531	–[1]	–[1]

1) The parent's company's liquid assets relate to the balance of the Group account and are booked as liabilities to Group companies. As at 31 December 2009, this amounted to SEK –36 095 (–24 245) thousand.

Of Group liquid assets, SEK 23 225 (19 762) thousand relate to partly-owned companies in the Baltic region and the Netherlands.

Frozen liquid assets
The Group has total frozen liquid assets of a total of SEK 5 623 (5 623) thousand. Of these, SEK 5 623 (5 623) thousand are included in Other long-term receivables and refer to security for tenancy agreements.

Transactions not settled in liquid assets
In 2009, there have been no significant transactions regulated by payment means other than cash and cash equivalents.

Note 27 - Leasing

Leasing undertakings

Lessor
In 2009, the company started its own leasing operations (hiring) via the wholly-owned subsidiary Proact Finance AB. All leasing contracts entered into in 2009 have been deemed to be operational leasing contracts as Proact is of the view that the significant risks and financial benefits have not been transferred to the lessee.

In most of the deals entered into, agreements have been signed concerning both the hire of hardware and the supply of support services over a three-year period. The future assessed leasing income is distributed as follows:

	Group operational leasing
Within 0-1 year	5 209
Within 1-5 years	10 718
After more than 5 years	–
	15 927

The income for operational leasing agreements within the Group in 2009 amounted to SEK 1 485 (–) thousand.

Lessees
The group has leasing undertakings mainly for tenancy agreements and the hire of office inventory and vehicles. As at 31 December 2009, future leasing undertakings in the Group and parent company for leasing contracts were distributed as follows:

	Group operational leasing	Parent Company operational leasing
Within 0-1 year	27 295	90
Within 1-5 years	36 278	44
After more than 5 years	365	–
	63 938	**134**

In 2009, the cost of leasing assets in the Group amounted to SEK 29 468 (25 075) thousand of which variable charges for financial leasing amounted to SEK – (–). In 2009, the cost of leasing assets in the parent company amounted to SEK 210 (245) thousand.

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Note 28 - Information on related parties

Besides those reported in Notes 5 and 9, the following transactions were made between related parties:

Of operating costs SEK 93 thousand were paid out to related parties during the year in respect of rental costs. All prices were on market terms.

Related parties refer to the company's MD and companies in which any of the members of the Board of Directors of Proact are active.

Note 29 - Events subsequent to balance sheet date

Since balance sheet date there have been no material events which would affect financial figures for 2009.

Note 30 - Equity

Share capital

The share capital item refers to the parent company's share capital. A reduction in share capital of SEK 533 thousand has taken place in 2009 due to the fact that 514 200 shares have been cancelled. In addition, share capital has been increased by means of a bonus issue of SEK 533 thousand, and a transfer took place with a corresponding amount from non-restricted equity.

Total number of shares	
Outstanding shares as at 01-01-2009	10 249 086
Invalidated	–514 200
Outstanding shares as at 12-31-2009	**9 734 886**

No. of shares bought back	
Opening balance, shares bought back in own keeping	512 500
Buyback	334 700
Invalidated	–514 200
No. of shares bought back, not invalidated, 31 December 2009	**333 000**

Other capital contributions

Other paid-up capital item consists of capital arising from transactions with shareholders, such as premium issues.

Translation of foreign subsidiaries

Other reserves consists of translation differences attributable to the translation of foreign subsidiaries.

Specification of translation differences	Group
Opening balance, 01-01-2008	854
Change, 2008	3 147
Change, 2009	2 751
Closing balance, 12-31-2009	**6 752**

Retained earnings

Retained earnings in the Group includes results for the year and previous year, the buy-back of own shares, dividends to shareholders and a bonus issue which took place over the year.

Attributable to minorities

This item refers to minority participations in Estonia, Latvia, Lithuania and the Netherlands.

Capital

Proact's managed capital is constituted by equity. The aim of the company is to prepare profits to shareholders by increasing the value of the managed capital. There are no external capital requirements other that those referred to in the Swedish Companies Act. Proact's policy on dividends is specified in the administration report.

Parent Company

Each share entitles the holder to one vote. All shares issued are fully paid up. A dividend of SEK 11 680 thousand, equivalent to SEK 1.20 per share, was issued in 2009. The Board of Directors will propose to the AGM on 18 May 2010 the distribution of a dividend of SEK 1.35 per share for the 2009 financial year. As of 1 January 2010 to 28 February 2010, a further 68 000 shares have been bought back. The total of the dividend will be SEK 12 601 thousand or a maximum of SEK 13 142 thousand if the number of own shares bought back changes before the reconciliation date for the dividend. The parent company has not issued any share options or conversion rights.

Note 31 - Earnings per share

Earnings per share are calculated by dividing the result attributable to the shareholders in the parent company by the "Weighted average number of shares".

	Group	
	12-31-09	12-31-08
Weighted average number of shares	9 949 136	10 421 636
Weighted average number of shares after buy-back	9 675 410	10 163 221

Note 32 - Acquisitions

Acquisitions, 2009

Proact's Danish subsidiary acquired the client base and existing support contracts from Danish company Orchestra Nordic as at 1 September 2009 for a preliminary total of DKK 975 thousand. Final payment will be made during the first six months of 2010. Staff were also taken over as part of the acquisition.

Acquisitions, 2008

As at 15 February 2008, Proact's Norwegian arm acquired all shares in Xperion AS for SEK 17 361 thousand, of which SEK 12 699 thousand was paid in cash. The company was merged legally with Proact's Norwegian arm in the fourth quarter of 2008. Below are details of net assets and goodwill acquired.

Acquisition calculation	kSEK
Cash payment	12 699
Long-term liabilities in connection with acquisition pertaining to undertakings concerning future services at market value	4 662
Total acquisition value	**17 361**
Real value of acquired assets	12 645
Goodwill	**4 716**

Goodwill is attributable to further future sales and marketing opportunities, cost savings and other synergy effects.

As an acquired company was operationally merged in March 2008, no result for the acquired company can be specially reliable manner.

The following assets and liabilities were included in the acquisition:

SEK 000	Fair value	Book value in the acquired company
Customer relations	12 820	–
Support contracts	4 022	–
Fixed assets	98	98
Current receivables	12 602	12 602
Cash and cash equivalents	1 367	1 367
Current liabilities	–13 548	–13 548
Deferred tax liability	–4 716	–
Acquired net assets	**12 645**	**519**
Goodwill	4 716	
Total purchase price	**17 361**	
Cash and cash equivalents in the acquired company	–1 367	
Long-term liabilities, future services at market value	–4 662	
Change to Group cash and cash equivalents on acquisition	**11 332**	

Change of minority interests

There were no acquisitions from the minority in 2009.

On 4 June 2008, a further 15 % of shares in subsidiary Proact IT Latvia SIA were acquired for SEK 3 298 thousand from senior executives within the company. The vendors were founders of the company. The company has developed well over the past few years and forms an integral part of the Group.

Proact's long-term aim is to have a 100% holding in all subsidiaries. The company's stake increased from 70% to 85% on account of the acquisition.

Acquired goodwill relates to future sales and marketing opportunities.

Acquisition calculation	kSEK
Cash payment	3 298
Acquired equity from minorities	261
Goodwill	**3 037**

The undersigned guarantee that the consolidated and annual accounts consolidated accounts have been prepared in accordance with the international financial reporting standards IFRSs as adopted by the EU and good accounting practice and give a true and fair view of the financial position and results of the Group and the parent company and that the administration report gives a true and fair view of the development of operations, position and results of the Group and the parent company, and describes significant risks and uncertainty factors faced by the companies that form part of the Group.

Kista, 25 March 2010

Anders Hultmark
Chairman

Roger Bergqvist
Board member

Eva Elmstedt
Board member

Mikael Gottschlich
Board member

Christer Holmén
Board member

Olof Sand
President and MD

Our audit report was submitted on 29 March 2010

Ernst & Young AB

Ola Wahlquist
Authorised Public Accountant

Auditor's report

To the Annual General Meeting of Proact IT Group AB (publ)
Company registration number 556494-3446

We have audited the annual accounts, the consolidated accounts, the accounting records and the administration of the Board of Directors and the Managing Director of Proact IT Group AB (publ) for the financial year 2009. The company's annual accounts and consolidated accounts are included in the published version of this document on page 4-26. The Board of Directors and the Managing Director are responsible for these accounts and the administration of the company as well as for the application of the Swedish Annual Accounts Act when preparing the annual accounts and the application of International Financial Reporting Standards IFRS as adopted by the EU and the Swedish Annual Accounts Act when preparing the consolidated accounts. Our responsibility is to express an opinion on the annual accounts, the consolidated accounts and the administration based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual accounts and the consolidated accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and their application by the Board of Directors and the President and Managing Director and significant estimates made by the Board of Directors and the President and Managing Director when preparing the annual accounts and consolidated accounts as well as evaluating the overall presentation of information in the annual accounts and the consolidated accounts. As a basis for our opinion concerning discharge from liability, we have examined significant decisions, actions taken and circumstances of the company in order to be able to determine the liability, if any, to the company of any Board member or the Managing Director. We have also examined whether any Board member or the Managing Director has, in any other way, acted in contravention of the Swedish Companies Act, the Swedish Annual Accounts Act or the Articles of Association. We believe that our audit provides a reasonable basis for our opinion set out below.

The annual accounts have been prepared in accordance with the Swedish Annual Accounts Act and give a true and fair view of the company's financial position and results of operations in accordance with generally accepted accounting principles in Sweden. The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the Swedish Annual Accounts Act, and give a true and fair view of the Group's financial position and results of operations. The administration report is in accordance with the annual accounts and other parts of the consolidated financial statements.

We recommend that the Annual General Meeting adopt the income statements and balance sheets for the parent company and the group, appropriate the profit of the parent company in accordance with the proposal in the administration report and discharge the members of the Board and Managing Director from liability for the financial year.

Stockholm, 29 March 2010
Ernst & Young AB

Ola Wahlquist
Authorised Public Accountant

Corporate governance report

Proact IT Group AB (publ) is a parent company in the Proact Group and consists of a number of subsidiaries as outlined in the annual report, Note 17.

The parent company and Group are governed via the Annual General Meeting, the Board of Directors and the Managing Director in accordance with the Companies Act, the company's Articles of Association, stock exchange rules from NASDAQ OMX Stockholm and – as of 1 January 2009 – also in accordance with the Swedish Code of Corporate Governance. Any deviations from the Code are explained in the relevant sections. The report has not been scrutinised by the company's auditor.

Annual General Meeting

The Annual General Meeting is the supreme governing body of Proact. The Annual General Meeting of Proact IT Group AB is held annual in April or May at the company's head office in Kista. The time and date of the meeting are published at the latest when the interim report for the third quarter is issued and published simultaneously on the company's website. The notice to attend the Annual General Meeting must be published at the earliest six weeks before the Annual General Meeting, and at the latest four weeks before it. The Annual General Meeting elects the Board of Directors for the company. The other tasks of the Annual General Meeting also include

- approving and adopting the company's income statements and balance sheets
- making decisions on disposal of profits from business
- making decisions on changes to the Articles of Association
- electing auditors
- making decisions on discharge from liability for Board members and the Managing Director
- making decisions on remuneration for the Board of Directors and auditors

Shareholders who do not have the opportunity to attend the General Meeting in person may instead participate via a representative.

Annual General Meeting 2009

17 shareholders, representing 48.6% of both the number of shares and the total number of votes in the company, participated in Proact's Annual General Meeting which took place in Kista on 13 May 2009. The Board of Directors, executive team and company's auditors were present at this meeting. Among other things, the following decisions were made:

- Lawyer Lars Hasp was appointed Chairman of the meeting
- The income statement and balance sheet, and the consolidated income statement and consolidated balance sheet were approved and adopted
- Establishment of a proposed dividend of SEK 1.20 per share
- The Board of Directors and Managing Director were granted discharge from liability for the 2008 business year
- Remuneration payable to the Board of Directors was set at a total of SEK 1 000 000
- Remuneration to the auditors will be paid in accordance with an approved invoice
- Anders Hultmark was re-elected as a Board member, as well as also being elected as Chairman of the Board. The following new Board members were elected:
  - o Christer Holmén
  - o Eva Elmstedt
  - o Mikael Gottschlich
  - o Roger Bergqvist
- Establishment of principles for remuneration to senior executives and other terms of employment for the same
- Establishment of principles for the appointment of a nomination committee for the 2010 Annual General Meeting
- Decision on reduction of the company's share capital by SEK 532 750 by means of withdrawal of 514 200 shares which have been bought back by the company in accordance with the authorisation given by the 2008 Annual General Meeting
- Decision on increasing the company's share capital through a bonus issue of SEK 532 750 by means of a transfer from non-restricted equity
- Authorisation for the Board of Directors to make decisions, for the period until the next annual meeting, on one or more occasions, on the issue of new shares without preferential rights for shareholders, of a total of no more than 973 000 shares against property other than cash or by set-off
- Authorisation for the Board of Directors to make decisions on acquisition of up to 10% of the number of outstanding shares in the company by the next Annual General Meeting

Nomination committee

At Proact's Annual General Meeting, held on 13 May 2009, it was decided that the nomination committee is to consist of representatives of the four biggest shareholders and the Chairman of the Board, and that the Chairman of the Board should contact the biggest shareholders in accordance with Euroclear Sweden's list of shareholders as at 30 September.

The names of the members of the nomination committee must be published as soon as the nomination committee has been appointed. If any of the biggest owners declines to appoint a representative on the nomination committee, the next shareholder in order of size must be given the opportunity to appoint such a representative. A representative of the shareholders will be appointed chairman of the nomination committee. The mandate period of the nomination committee extends up to the time a new nomination committee has been appointed.

If any significant change takes place to the ownership structure following the appointment of the nomination committee, the composition of the nomination committee must be amended in accordance with the principles above.

Where appropriate, the nomination committee must prepare and submit to the Annual General Meeting proposals for:

- election of a Chairman for the meeting
- election of a Chairman of the Board and other company directors
- directors' fees divided between the Chairman and other members, plus remuneration for committee work
- election of and payment to an auditor and deputy auditor (where appropriate)
- decisions on principles for the appointment of a nomination committee

Work of the nomination committee

The composition of the nomination committee was published on 22 October 2009 and consists of Chairman of the Board Anders Hultmark and Erik Sjöström (Skandia Liv) – Chairman of the nomination committee – plus Michael Gobitschek (Skagen Fonder) and Mikael Gottschlich (Thyra Hedge). The nomination committee represents in total around 36% of votes in Proact as at 30 September 2009.

All shareholders have the opportunity to consult the nomination committee with suggestions for Board members. The nomination committee has held three minuted meetings. Among other things, the nomination committee has assessed the overall suitability of the Board on the basis of an assessment of Proact's future development and challenges.

A report on the work of the nomination committee is published on the Proact website in connection with the publication of its proposal for the Board of Directors.

Board of Directors

Proact's Board of Directors makes decisions on issues relating to Proact's strategic focus, investments, finance, organisational issues, acquisitions and divestments and more important policies. The Board must also ensure that correct information is given to Proact's stakeholders in accordance with the governing regulations mentioned above.

According to the Articles of Association, the Board of Directors must consist of three to eight members, with at the most five deputy members. These members, and where appropriate their deputies, are elected each year at the Annual General Meeting for the period until the next Annual General Meeting. At the Annual General Meeting held on 13 May 2009, it was decided that the Board would consist of five members and no deputies for the period until the next Annual General Meeting.

The Board is deemed to be compliant with the stock exchange rules from NASDAQ OMX Stockholm and the Swedish Code of Corporate Governance in respect of requirements for independent Board members. Once per business year, the Board members discuss the following amongst themselves or with the assistance of external parties:

- Evaluation of the work of the Board
- Evaluation of the work of the Managing Director
- The Managing Director's view of the work of the Board

This review forms the basis for the Board's future working methods.

Board remuneration

The Annual General Meeting held on 13 May 2009 established the total remuneration to the Board at SEK 1 million. The Chairman of the Board will be paid a fee of SEK 320 000, while other members will be paid SEK 130 000 each, plus SEK 160 000 for committee work to be distributed SEK 80 000 to the audit committee and SEK 40 000 each to the remuneration committee and the acquisitions committee.

Board members are not included in any share or share price-related incentives schemes.

The Board's procedures

The work of the Board is governed by a set of procedures established annually which regulate the members' mutual division of work, decision-making arrangements, signing on behalf of the company, a meeting agenda for the Board and the tasks of the Chairman. The work of the Board follows a set agenda intended to ensure that the Board's information needs are satisfied and that there is an appropriate distribution of work between the Board and the Managing Director.

In 2009, the Board held nine meetings compared with ten in the previous year. The control issues arising at Board meetings are dealt

Composition of the Board and presence at Board meetings, 2009

Board for the time up to the Annual General Meeting:

Board member	Remuneration committee	Acquisitions committee	Audit committee	Presence at Board meetings
Staffan Ahlberg	X	X		100%
Anders Hultmark	X	X		90%
Anna Lindström			X	100%
Dag Sehlin			X	67%
Terje Thon				100%

Board for the time from the Annual General Meeting:

Board member	Remuneration committee	Acquisitions committee	Audit committee	Presence at Board meetings
Anders Hultmark	X	X		100%
Christer Holmén			X	100%
Eva Elmstedt	X			67%
Mikael Gottschlich		X		83%
Roger Bergqvist		X	X	83%

Independence of Board members

Board for the time up to the Annual General Meeting:

Board member	Function	Date of birth	Nationality	Elected	Independent	Shareholding
Staffan Ahlberg	Chairman	1944	Swedish	2005	Yes	N/A
Anders Hultmark	Member	1954	Swedish	2005	No	978 764
Anna Lindström	Member	1965	Swedish	2003	Yes	N/A
Dag Sehlin	Member	1945	Swedish	2000	Yes	N/A
Terje Thon	Member	1946	Norwegian	2003	Yes	N/A

Board for the time from the Annual General Meeting:

Board member	Function	Date of birth	Nationality	Elected	Independent	Shareholding
Anders Hultmark	Chairman	1954	Swedish	2005	No	978 764
Christer Holmén	Member	1960	Swedish	2009	Yes	0
Eva Elmstedt	Member	1960	Swedish	2009	Yes	0
Mikael Gottschlich	Member	1961	Swedish	2009	Yes	678 756
Roger Bergqvist	Member	1948	Swedish	2009	Yes	125

with by the Board where appropriate following preparation by the remuneration committee or audit committee. In addition, the company's auditors report directly at least once a year to the Board their observations from the review and their assessments of the company's internal accounting control.

Besides the ongoing follow-up and inspection of operations, the Board has discussed – among other things – strategies, expansion to new countries, capital structure and organisational issues over the year. The Board has also transferred one of its meetings to subsidiaries so as better to form a perception of local conditions.

Remuneration committee

The job of the remuneration committee is to examine the principles for remuneration, including performance-based remuneration and pension terms for the company's senior executive, and to give recommendations to the Board concerning these issues. Issues relating to the Managing Director's terms of employment, remuneration and benefits are prepared by the remuneration committee and decided upon by the Board of Directors. This committee also discusses the general starting points for setting salary levels within the Group.

At the Annual General Meeting on 18 May 2010, the Board will present for the approval of the Board proposals for principles for remuneration and other terms of employment for the corporate executive.

More information on remuneration to the Managing Director and other corporate executive staff can be found in the annual report, Note 9.

The remuneration committee has held one meeting over the year, as well as maintaining constant contact by telephone and e-mail.

Acquisitions committee

The job of the acquisitions committee is to work together with the Managing Director, and where appropriate the corporate executive, to analyse and prepare various alternative acquisitions/business startups prior to decisions by the Board.

The acquisitions committee has not held any physical meetings over the year, but it has maintained constant contact by telephone and e-mail.

Audit committee

The job of the audit committee is to prepare Board work on quality assurance of the company's financial reporting. This committee maintains constant contact with the company's external auditors in order to keep abreast of the focus and scope of the audit and to discuss views on the company's risks. Decisions by the Board are required for services other than auditing exceeding 10% of the budgeted audit fee. This committee is also tasked with providing its evaluation of the audit work to the nomination committee and with assisting the nomination committee with production of the nomination committee's proposals to the Annual General Meeting concerning the election of auditors and the size of the audit fee.

The audit committee consists of two Board members, which is a deviation from the recommendation in the Swedish Code of Corporate Governance for three Board members. With regard to the size and complexity of the company, the Proact Board of Directors has decided that two members are satisfactory for the task.

The company's Managing Director regularly participates in audit committee meetings, and the company's CFO prepares and convenes these meetings.

The audit committee has held three meetings over the year, as well as maintaining constant contact by telephone and e-mail.

External auditors

Proact's auditors are selected by the Annual General Meeting for a period of four years. The Annual General Meeting which was held on 5 April 2006 elected the firm of auditors Ernst & Young (E & Y), with Ola Wahlqvist as the primary auditor for the period up to the 2010 Annual General Meeting.

The auditors review the Board's and the Managing Director's management of the company and the quality of the company's accounts documentation.

The auditors' report on the results of their review to shareholders by means of the auditor's report, which is presented at the Annual General Meeting. In addition, the auditors submit detailed reports at the meetings of the audit committee with the committee and to the Board of Directors at least once a year.

The company's six-month and nine-month reports have not been examined by the auditors. This is a deviation from the recommendation in the Swedish Code of Corporate Governance. The Board is of the view that a review of this kind is not necessary from a cost perspective, given the company's complexity and business risks.

E & Y performs certain services for Proact in addition to audits. When E & Y is engaged to provide services other than auditing, this takes place in accordance with the rules decided upon by the audit committee for approval of the nature and scope of the services and remuneration for the same. Proact is of the opinion that execution of these services, which are marginal and within the guidelines, has not impacted upon E & Y's independence.

Further information on remuneration to the auditors can be found in the annual report, Note 8.

President and Group Management

Olof Sand is the Managing Director and President of Proact. Olof Sand was born in Örebro in 1963, is an engineer and has studied economics and marketing at Uppsala University. He has completed an MBA at Uppsala University and IFL training under the auspices of the Stockholm School of Business and Economics. He has previously held positions as the Managing Director of ABB Communications and Vice President of Tele2. He was one of the founders of consultancy company Acando AB, and its Senior Vice President. He took up his present position as Managing Director of Proact IT Group in January 2005. As at 31 December 2009, Olof Sand owned 91 974 shares and 200 000 purchase options in the company. These options are issued by SEB and have a redemption price of SEK 45.

Olof Sand has no significant shareholdings or co-ownership in companies with which Proact has significant business relationships.

The Managing Director manages operations in accordance with the instructions of the Board of Directors and the approved distribution of work between the Board and the Managing Director. The Managing Director is responsible for keeping the Board informed and for ensuring that the Board is provided with the requisite decision data. The Managing Director presents reports to the Board but is not a Board member. This is in accordance with applicable policy, in which either the Managing Director or another senior executive must be a Board member in the parent company. In ongoing contact, the Managing Director keeps the Chairman informed of the development and financial position of the company and the Group besides providing periodic reporting.

The Managing Director and other members of the corporate executive hold regular meetings in order to review results development, update forecasts and plans, and make decisions on various issues.

As at 31 December 2009, Proact's Group management consisted of the Managing Director and eleven other senior executives, one of whom is the Deputy Managing Director. Of the other senior executives, one person is employed by the parent company and the others by subsidiaries.

All subsidiaries running business report directly to the Managing Director. Reporting takes place on a monthly basis, with more in-depth quarterly reviews of the operations in question. The Boards of Directors of the subsidiaries principally consist of members of Proact's Group executive. All Chairmanships are held by the Managing Director of Proact IT Group AB.

Remuneration to senior executives

The Annual General Meeting held on 13 May 2009 assumed principles concerning remuneration to senior executives, which means that remuneration must be made up of a set salary, variable remuneration, other customary benefits and pension. The total remuneration to executives must be in line with the market and competitive on the labour market in which these executives operate; and significant performance must be reflected in the total remuneration.

The set salary and variable remuneration must be related to the responsibilities and authorisations of the executives. The total variable remuneration for all senior executives must be maximised (to an amount corresponding, on average, to seven monthly salaries), based on results in relation to targets set, and coincide with the interests of shareholders.

Provision of information

Proact strives to maintain communication with its shareholders and other stakeholders which is correct, clear, factual, reliable and quick. It must also be characterised by openness.

Proact regularly publishes interim reports and annual reports in Swedish and English. Events which are deemed to affect rates are published as press releases. The Proact website also includes a large amount of information which is updated regularly.

In addition, Proact communicates with the capital market and the media by means of meetings with analysts and journalists in connection with the publication of the interim reports and annual reports. Representatives of Proact also take part regularly in various meetings of shareholders.

The Board's report on internal controls

Review environment

Internal controls at Proact are based on a control environment which includes organisation, decision paths, authorisations and responsibilities. This is documented and communicated in steering documentation such as internal policies, guidelines and instructions. For example, this is applicable to the distribution of work between the Board of Directors and the Managing Director, and between the various units within the organisation, and also via instructions for rights of authorisation, accounting and reporting, etc. The Board follows up to ensure compliance with set principles for financial reporting and internal controls, and also maintains the appropriate relationships with the company's auditors.

The corporate executive reports to the Board based on established procedures. The corporate executive is responsible for the system of internal controls which is required for handling significant risks in ongoing operations. For example, guidelines and instructions for various executives are compiled in order to reinforce understanding and the importance of their respective roles, and hence also to contribute towards good internal control.

Risk assessment and control activities

The Board holds overall responsibility for risk management. Clear organisation and decision-making arrangements aim to create good awareness of risks among employees and well considered risk-taking. The risk assessment includes identification, charting and assessment of risks at all levels within the Group. Activities and reporting take place regularly in order to maintain good internal control, and hence to prevent and detect risks

Information and communications

Essential guidelines, manuals, etc. which affect financial reporting are updated and communicated regularly to the relevant personnel within the Group. There are both formal and informal information channels for the corporate executive and Board for essential information from employees. For external communication, the company complies with the governing rules discussed previously.

Follow-up

The Board receives monthly financial reports. The Board regularly evaluates the information submitted by the corporate executive. The work of the Board also includes ensuring that measures are implemented with regard to any shortcomings and proposals for measures which have arisen during external audits.

Proact has no internal auditing of its own due to the view that there are no special circumstances within the organisation or any other conditions which would justify this.

Shares and shareholders

Shares

Since July 1999, Proact shares have been listed on NASDAQ OMX Stockholm with ticker symbol PACT. Share capital amounts to SEK 10 618 837, divided into 9 734 886 shares, each with a quotient value of 1.09. All shareholders own an equal share in the company's assets and profits and are entitled to vote at the general meeting. At the general meeting, every individual entitled to a vote may vote with the full number of votes he or she owns and represents in shares, without limitation as to voting rights.

Stock market trading

4.7 million Proact shares to a value of SEK 240.2 million were traded in 2009 at an average price of SEK 50.99. The share price at the beginning of the year was SEK 30.40 and SEK 73.75 at the end.

Ownership structure

Proact had 3 801 shareholders as at 31 December 2009, most of whom were private individuals with small holdings. There were 36 shareholders with holdings in excess of 20 000 shares, the largest individual owners being Skandia Liv with a holding of 1 013 464 shares and IGC Industrial Growth Co. AB with 978,764 shares. The largest private shareholder was Marit Fagervold, with a holding of 210 000 shares.

Following buy-backs which took place between May and December 2009, the company owns 333 000 of its own shares which have been recorded at no value.

To the best of the Board of Directors' knowledge there are no agreements between shareholders requiring specific information in accordance with the Swedish Annual Accounts Act.

Shareholder value

Shareholder value arises when the company is positioned correctly and is profitable in the long term. Proact is proactive in creating long-term profitability for shareholders by constant focus on good business growth in order to both ensure improved profitability for the company and strengthen the company's market-leading position as a specialist and independent integrator in Northern Europe.

Information for shareholders

The complete annual report will be available for inspection at the company's office from the end of April and will be made publicly available on the company's website. Quarterly reports may be viewed on the company's website at www.proact.eu.

For further information about the company, please contact Proact IT Group AB on +46 (0) 8 410 666 00, e-mail: itgroup@proact.se.

Shareholders, 31 December 2009

	Number of shares	Percentage of capital and votes
Skandia Liv	1 013 464	10.4%
IGC Industrial Growth Co. AB	978 764	10.1%
Skagen fonder	784 670	8.1%
Swedbank Robur Småbolagsfonder	688 059	7.1%
Thyra Hedge	678 756	7.0%
Öresund Investment AB	495 000	5.1%
Didner & Gerge småbolag	479 219	4.9%
Nordea Fonder	341 063	3.5%
Unionen	294 071	3.0%
Marit Fagervold	210 000	2.2%
Other	3 771 820	38.7%
Total	**9 734 886**	**100.0%**

Number of shares per shareholder

Number of shares	Number of share-holders	Percentage of shareholders	Percentage of shareholders	Percentage of share capitall
1 – 500	3 094	81.4%	398 147	4.1%
501 – 1 000	313	8.2%	256 607	2.6%
1 001 – 5 000	295	7.8%	588 735	6.0%
5 001 – 10 000	46	1.2%	328 021	3.4%
10 001 – 15 000	10	0.3%	123 686	1.3%
15 001 – 20 000	7	0.2%	181 033	1.9%
20 001 –	36	0.9%	7 858 657	80.7%
Total 31 Dec. 2009	**3 801**	**100.0%**	**9 734 886**	**100.0%**

Changes in share capital

Year		Cash New share issue (SEK 000)	Non-cash issue (SEK 000)	Bonus issue (SEK 000)	Split	Invalidation of own shares (SEK 000)	No. shares	Share capital per share	Nominal value (SEK 000)
1994	Proact is established						500 000	1	500
1996	New issue, staff	30					530 000	1	530
1997	Issue in kind, Norway		150				679 500	1	680
1997	New issue, public	300					979 500	1	980
1998	Issues in kind		57				1 036 800	1	1 037
1999	Bonus issue and split			4 147	5:1		5 184 000	1	5 184
1999	New issue upon listing on the O-list of Stockholmsbörsen (SEK 48)	1 500					6 684 000	1	6 684
1999	Issue in kind (SEK 41)		121				6 805 325	1	6 805
1999	Issue in kind (SEK 43)		153				6 958 094	1	6 958
1999	Issue in kind (SEK 41)		33				6 990 894	1	6 991
2000	Issue in kind (SEK 73)		123				7 113 694	1	7 114
2000	Issue in kind (SEK 79)		13				7 127 094	1	7 127
2000	New issue, Option scheme 1998	150					7 277 094	1	7 277
2001	New issue (SEK 120)	154					7 431 094	1	7 431
2001	New issue, Option scheme 1998	100					7 531 094	1	7 531
2001	Preferential rights issue (SEK 55)	1 501					9 032 312	1	9 032
2002	Issue in kind (SEK 32)		400				9 432 312	1	9 432
2004	Issue in kind (SEK 24.90)		2 366				11 798 087	1	11 798
2007	Withdrawal of bought-back shares					–1 179	10 618 837	1	10 619
2008	Bonus issue and withdrawal of bought-back shares			370		–370	10 249 086	1.036	10 619
2009	Bonus issue and withdrawal of bought-back shares			533		–533	9 734 886	1.091	10 619

Five-year review

	2005	2006	2007	2008	2009
Income statement (SEK m)					
Net turnover	689.2	756.5	864.8	1 044.2	1 252.7
Operating result (EBIT) [1)]	–10.2	17.2	39.4	46.8	60.0
Profit/loss before tax	–10.1	18.0	40.7	50.1	60.1
Profit for the year	–9.9	24.2	31.9	38.7	52.4
Operating margin (EBIT), % [1)]	–1.5	2.5	4.7	4.5	4.8
Net result margin, %	–1.5	2.4	4.7	4.8	4.8
Result margin, %	–1.4	3.2	3.7	3.7	4.2
Equity, provisions and liabilities (SEK m)					
Total equity	161.0	158.0	157.9	160.1	180.7
Balance sheet total	439.0	474.5	515.5	644.3	750.8
Capital employed	161.0	158.0	157.9	160.1	186.7
Net cash	58.3	54.7	67.0	84.5	97.4
Financial key ratios					
Equity ratio, %	36.7	33.3	30.6	24.8	24.1
Capital turnover rate, times	1.5	1.7	1.7	1.8	1.8
Cash flow, SEK m	–7.1	–2.7	12.5	14.4	11.1
Investments in tangible fixed assets, SEK m	7.0	7.5	9.2	11.5	22.5
Return on equity, %	–6.1	15.2	20.2	24.4	30.7
Return on capital employed, %	–5.7	11.6	26.6	32.4	35.4
Key ratios per employee					
Average number of employees	265	241	262	299	315
Number of employees at year-end	257	258	273	321	328
Profit per employee, SEK 000 [1)]	–38	75	155	168	191
Data per share [2)]					
Result before dilution, SEK	–0.91	1.91	2.71	3.59	5.08
Result after dilution, SEK [3)]	–0.91	1.97	2.80	3.68	5.22
Equity before dilution, SEK	12.98	12.79	14.56	15.26	18.16
Equity after dilution, SEK [3)]	12.98	13.65	14.77	16.07	18.81
Cash flow from current operations before dilution, SEK	0.12	2.40	5.83	7.66	6.31
Cash flow from current operations after dilution, SEK [3)]	0.12	2.48	6.04	7.86	6.49
Number of shares at the end of the period	11 798 087	11 798 087	10 618 837	10 249 086	9 734 886
Number of shares at end of period after dilution [3)]	11 798 087	11 052 837	10 466 501	9 736 586	9 401 886
Weighted average number of shares before dilution, units	11 798 087	11 798 087	11 011 920	10 421 636	9 949 136
Weighted average number of shares after dilution [3)]	11 798 087	11 431 287	10 631 388	10 163 221	9 675 410
Number of share options at the end of the period	0	0	0	0	0

1) 2005 profit was affected by restructuring costs of SEK –11.4 million.
2) Calculated according to recommendation IAS 33 "Earnings per share" whereby adjustments has been made to comparative periods.
3) Proact has no options, conversion rights or other instruments in circulation which could give rise to dilution. However, the company has bought back own shares in its own keeping and this has affected the key ratios above. Account has only been taken off buy-backs carried out as at the balance sheet date.

Definitions

Capital employed
The balance sheet total minus non interest-bearing liabilities including deferred tax liabilities.

Capital turnover rate, times
Turnover divided by average balance sheet total.

Cash flow
Change in cash and equivalents.

EBIT, %
Operating result as a % of net sales.

Equity ratio, %
Equity including minorities as a % of the balance sheet total.

Net cash
Interest-bearing financial assets including liquid assets minus net interest-bearing provisions and liabilities.

Net result margin, %
Pre-tax result expressed as a percentage point of the turnover.

Profit/loss per employee
Result before tax divided by the average number of employees.

Result margin, %
Result for the year as a % of sales.

Return on capital employed, %
Result after net financial items, plus financial expenses as a % of average capital employed.

Return on equity, %
Result for the year as a % of average liabilities.

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