

Cision AB (publ)  
Interim report January–June 2010, July 22, 2010

## Continued improvement in profitability

### Organic growth in the US

#### April–June

- The Group's operating revenue amounted to SEK 285 million (377). Organic growth was negative at 5 percent, compared with negative 8 percent for January–March 2010 and negative 12 percent for April–June 2009. Exchange rate effects decreased revenue by SEK 11 million compared with the same period last year.
- Operating profit excluding restructuring costs amounted to SEK 35 million (30). Exchange rate effects had a negative impact on operating profit of SEK 1 million compared with the same period last year.
- Following mainly the successful divestment of loss-making businesses in Europe, Cision's operating margin excluding restructuring costs continued to strengthen in the second quarter, reaching 12.2 percent compared with 10.4 percent in the first quarter of 2010 and 7.9 percent in the second quarter last year.
- Cision US returned to organic growth of 3% in the second quarter, following negative organic growth of 4% in the first quarter of 2010 and negative 10% for 2009.

#### January–June

- The Group's operating revenue amounted to SEK 599 million (837). Organic growth was negative at 7 percent (–10). Exchange rate effects decreased revenue by SEK 45 million.
- Operating profit excluding restructuring costs amounted to SEK 68 million (48) and the operating margin excluding restructuring costs was 11.3 percent (5.7). Exchange rate effects had a negative impact on operating profit of SEK 6 million compared with the same period last year.
- Operating profit including restructuring costs amounted to SEK 62 million (33) and profit before tax was SEK 39 million (–14). Earnings per share were SEK 0.20 (–0.28).
- For the period January–June, operating cash flow amounted to SEK –3 million (19) and free cash flow amounted to SEK –71 million (–56).

#### KEY FINANCIAL DATA

SEK in millions	2010		2009	2010		2009	2009/10	2009
	Apr–June	Jan–March	Apr–June	Jan–June	Jan–June	July–June	Jan–Dec	
Total revenue, SEK million	285	314	377	599	837	1,238	1,476	
Organic growth, %	–5	–8	–12	–7	–10	–11	–13	
Operating profit, SEK million	32	31	24	62	33	–230	–260	
Operating profit <sup>1)</sup> , SEK million	35	33	30	68	48	116	96	
Operating margin <sup>1)</sup> , %	12.2	10.4	7.9	11.3	5.7	9.4	6.5	
EBITDA <sup>2)</sup>	49	48	51	97	94	183	180	
EBITDA margin <sup>2)</sup> , %	17.4	15.2	13.5	16.2	11.2	14.8	12.2	
Net Debt/EBITDA 12MR <sup>2)</sup>	3.1	4.0	3.7	3.1	3.7	3.1	4.0	
Operating cash flow, SEK million	–14	11	–8	–3	19	68	90	
Free cash flow, SEK million	–55	–17	–48	–71	–56	–64	–49	
Earnings per share <sup>3)</sup> , SEK	0.09	0.12	0.01	0.20	–0.28	–2.64	–3.47	
Operating cash flow per share <sup>3)</sup> , SEK	–0.09	0.14	–0.11	–0.02	0.26	0.57	1.20	
Free cash flow per share <sup>3)</sup> , SEK	–0.37	–0.22	–0.64	–0.55	–0.75	–0.54	–0.65	

<sup>1)</sup> Excluding goodwill impairment, restructuring expenses and other one-off costs

<sup>2)</sup> Excluding restructuring expenses and other one-off costs

<sup>3)</sup> Data per share after full dilution

### Comment by Cision CEO Hans Gieskes:

“In the second quarter of 2010, we were pleased to see continued improvement in profitability. Our EBITDA margin exceeded 17 percent, up from 15 percent in the first quarter of 2010, indicating that we are on track toward achieving our financial target of an EBITDA margin exceeding 20 percent by 2012 at the latest. The improvement in profitability was mainly driven by stronger performance in Cision Europe, where the EBITDA margin increased significantly from 5 percent in the first quarter to 11 percent in the second quarter of 2010. Our North American business also continued to do well, delivering a very solid 25 percent EBITDA margin in the second quarter.

In the second quarter, we continued to see positive effects from the launch of CisionPoint as our most important business, Cision US, returned to organic growth. The share of customers on the CisionPoint platform in the US has now reached 78 percent as of June 30, 2010, compared with 48 percent one year ago. As we continue to roll out CisionPoint in our other markets, we remain confident in the long-term growth prospects for Cision.”

### Market outlook

Cision believes that the long-term growth prospects for software and services for the PR industry are good. The value of brands is increasing, making it more important for companies to manage their image across a broad spectrum of traditional and new media. At the same time, the information available to PR professionals is increasing in volume, complexity, and urgency, as consumers increasingly share opinions instantly using the internet and social media. Consequently, Cision believes that the demand for integrated PR software solutions, such as CisionPoint, will become increasingly essential for PR and communication professionals to help them manage their daily tasks. High-quality PR software solutions are complex and expensive to develop; therefore Cision expects its market to consolidate over the next few years. The structural decline of information available in print and broadcast media will continue, while supply and demand for information only available online is rapidly growing. In the shorter term, the recent economic recession has had a negative impact on demand for Cision’s services.

### The Group’s development

SEK in millions	2010		2009	2010		2009	2009/10	2009
	Apr–June	Jan–March	Apr–June	Jan–June	Jan–June	July–June	Jan–Dec	
Total revenue	285	314	377	599	837	1,238	1,476	
Organic growth, vs last year, %	–5	–8	–12	–7	–10	–11	–13	
Currency effect on revenue, vs last year	–11	–34	60	–45	122	–34	136	
Operating profit <sup>1)</sup>	35	33	30	68	48	116	96	
Operating margin <sup>1)</sup> , %	12.2	10.4	7.9	11.3	5.7	9.4	6.5	
Currency effect on operating profit, vs last year	–1	–5	10	–6	20	–3	22	
EBITDA <sup>2)</sup>	49	48	51	97	94	183	180	
EBITDA margin <sup>2)</sup> , %	17.4	15.2	13.5	16.2	11.2	14.8	12.2	
Net profit	13	13	1	26	–30	–312	–368	
Employees, end of period	1,336	1,343	1,966	1,336	1,966	1,336	1,629	

<sup>1)</sup> Excluding goodwill impairment, restructuring expenses and other one-off costs

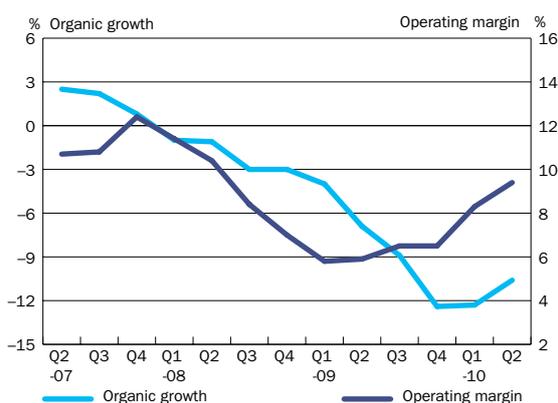
<sup>2)</sup> Excluding restructuring expenses and other one-off costs

Revenues in the second quarter of 2010 decreased compared with the same period last year due to the divestments made in the past 12 months (impact of about SEK 70 million), negative organic growth, and a negative currency impact mainly from a weaker USD/SEK. Organic growth continued to be negative in the second quarter primarily due to the recession, although to a lesser extent compared with the previous quarter. Revenues in the second quarter of 2010 compared with the first quarter of 2010 decreased largely due to the divestment of the vast majority of Cision’s German business on March 30, 2010, which had revenues of about SEK 40 million during January–March 2010.

Operating profit in the second quarter of 2010 improved compared with the same period last year mainly due to improved performance in the UK and Germany as well as lower restructuring costs, following the divestment of the loss-making Monitor businesses in these countries.

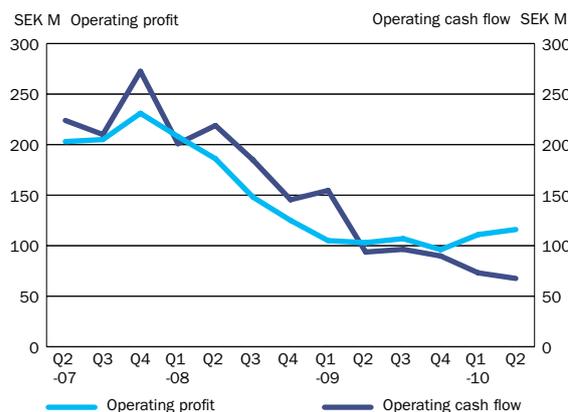
In the first half of 2010, Cision recorded a capital gain of SEK 12 million, related to the divestment of Cision’s German legal entities, as opposed to a capital loss of SEK 12 million for the first half of 2009,

### ORGANIC GROWTH & OPERATING MARGIN<sup>1)</sup> (rolling 12 months)



<sup>1)</sup> Excluding goodwill impairment, restructuring expenses, and other one-off costs

### OPERATING PROFIT & OPERATING CASHFLOW<sup>1)</sup> (rolling 12 months)



<sup>1)</sup> Excluding goodwill impairment, restructuring expenses, and other one-off costs

from the divestment of Nordic subsidiaries. The Group's financial net for the first half of 2010 amounted to SEK 35 million (35), of which 16 million was one-off charges related to Cision's new syndicated loan. In the second quarter of 2010, the financial net amounted to SEK 10 million (18), an improvement compared with last year due to lower costs for financial fees, lower debt resulting from the net proceeds from Cision's rights issue, as well as certain one-off currency effects. The tax charge for the first half of 2010 amounted to SEK 13 million (15).

As of June 30, 2010, Cision had 1,336 employees, a decrease of 293 compared with 1,629 employees as of December 31, 2009. This decrease included about 235 positions related to the German divestment, as well as staff reductions in other countries to improve cost effectiveness.

### Development by region Cision North America

SEK in millions	2010		2009		2009/10		2009	
	Apr-June	Jan-March	Apr-June	Jan-June	Jan-June	July-June	Jan-Dec	Jan-Dec
Total revenue	203	193	208	396	432	773	809	
Organic growth, vs last year, %	-1	-4	-12	-2	-10	-6	-10	
Currency effect on revenue, vs last year	-4	-24	46	-29	95	-20	103	
Operating profit <sup>1)</sup>	39	41	43	80	85	156	161	
Operating margin <sup>1)</sup> , %	19.4	21.2	20.9	20.2	19.8	20.2	19.9	
Currency effect on operating profit, vs last year	-1	-5	10	-6	19	-5	21	
EBITDA <sup>2)</sup>	50	51	54	100	107	195	202	
EBITDA margin <sup>2)</sup> , %	24.5	26.1	25.8	25.3	24.8	25.2	25.1	

<sup>1)</sup> Excluding goodwill impairment, restructuring expenses and other one-off costs

<sup>2)</sup> Excluding restructuring expenses and other one-off costs

During the second quarter, organic growth was marginally negative in North America. Canada experienced negative organic growth whereas the US recorded positive organic growth of 3% compared with negative 4% in the first quarter of 2010 and negative 10% for 2009. The improvement in growth from the US relates to positive impact from sales of CisionPoint as well as stabilizing market conditions. Operating margins in the second quarter were slightly lower than the same period last year and the previous quarter mainly due to increased sales and marketing costs to drive continued growth.

### Cision Europe

SEK in millions	2010		2009	2010		2009	2009/10	2009
	Apr-June	Jan-March	Apr-June	Jan-June	Jan-June	Jan-June	July-June	Jan-Dec
Total revenue	91	129	169	219	403		494	678
Organic growth, vs last year, %	-14	-15	-16	-14	-14		-14	-12
Currency effect on revenue, vs last year	-7	-9	14	-16	27		-14	33
Operating profit <sup>1)</sup>	6	2	-2	8	-19		-5	-32
Operating margin <sup>1)</sup> , %	7.1	1.2	-0.9	3.7	-4.8		-1.0	-4.9
Currency effect on operating profit, vs last year	-	-	1	-	1		1	1
EBITDA <sup>2)</sup>	10	6	6	16	4		19	7
EBITDA margin <sup>2)</sup> , %	10.6	4.6	3.6	7.1	0.9		3.8	1.0

<sup>1)</sup> Excluding goodwill impairment, restructuring expenses and other one-off costs

<sup>2)</sup> Excluding restructuring expenses and other one-off costs

For the second quarter, Cision Europe improved profitability compared with the same period last year as well as the previous quarter, mainly due to the divestments of the loss-making businesses in Germany and the UK. Organic growth was negative in the second quarter of 2010 as recessionary impact and challenging market conditions prevailed in many markets, although the decline in organic growth decreased slightly in the second quarter compared with the previous quarter.

### Restructuring

Restructuring expenses for January-June were SEK 5 million (15), including SEK 3 million (6) in the second quarter, mainly related to costs for efficiency improvements in Germany and in the Nordics.

### Financial position

SEK in millions	2010	2010	2009	2009	2009
	30 June	31 March	31 Dec	30 Sep	30 June
Shareholders equity	988	679	681	691	1,068
Equity per share, SEK	6.62	9.05	9.14	9.27	14.33
Interest bearing net debt	567	746	724	701	770
Net Debt/EBITDA <sup>1)</sup>	3.1	4.0	4.0	3.4	3.7
Working Capital	-41	-86	-103	-77	-91
Liquid Assets	98	102	144	98	107

<sup>1)</sup> Excluding restructuring expenses and other one-off costs

As announced on February 15, 2010, Cision implemented a rights issue of SEK 253 million during the first half of 2010, which was fully subscribed. During the second quarter, the rights issue was completed, whereby equity increased by the net proceeds from the rights issue of SEK 238 million. For the first half of 2010, shareholders' equity also increased by SEK 26 million due to net profit and by SEK 37 million due to exchange rate effects.

Also as announced on February 15, 2010, Cision has secured a new loan with the banks behind Cisions syndicated loan, with a facility limit of USD 100 million and expiration of the facility in the second quarter of 2013, which became effective in the second quarter. The terms of the new loan include customary financial covenants as well as amortization and reduction of the facility by a total of USD 10 million during 2011–2012. The syndicated loan was amortized during the second quarter following the receipt of funds from the rights issue, whereby utilization in USD of the syndicated loan as of June 30, 2010, was approximately USD 87 million. Exchange rate effects increased the syndicated loan by about SEK 34 million during the first half of 2010, including SEK 24 million in the second quarter.

### Goodwill

Goodwill amounted to SEK 1,576 million as of June 30, 2010. Goodwill increased during the period January–June 2010 by SEK 97 million due to exchange rate fluctuations.

## Cash flow

SEK in millions	2010		2009	2010		2009	2009/10	2009
	Apr-June	Jan-March	Apr-June	Jan-June	Jan-June	Jan-June	July-June	Jan-Dec
Operating Cash Flow	-14	11	-8	-3	19	68	90	
Free Cash Flow	-55	-17	-48	-71	-56	-64	-49	

Operating cash-flow and free cash-flow decreased in the first half of 2010 compared with the same period last year. The main impact came from an increased negative cash flow from working capital compared with the same period last year, partly due to an increase in average days sales outstanding. Cision's cash flow in the first half of 2010 also included significant payments for restructuring costs relating to 2009, payments relating to provisions for earlier divestments of European subsidiaries as well as one-off charges related to Cision's new syndicated loan.

## Divestments

On March 2, 2010, Cision announced that it had signed an agreement to sell its German legal entities to Infopaq International. The transaction was completed according to plan on March 31, 2010. Prior to completion, Cision separated and thereby retained its current German CisionPoint customers as well as a sales force in order to continue to sell this solution in the German market.

The purchase price was EUR 2.85 million on a cash and debt free basis, payable on September 30, 2012. Cision has also agreed to reimburse the divested unit for restructuring costs of EUR 250,000 and to provide a loan to the divested unit of EUR 2 million, where the loan should be repaid in installments and be fully repaid by June 30, 2011.

Cision's German business had revenues of about EUR 18 million in 2009, with nearly all of its business focused on transactional Monitor and Analyze services, and with about 240 employees as of December 31, 2009. For 2009, Cision Germany reported an operating loss before restructuring costs of about EUR 1.6 million, including certain cost allocations from the Cision Group, as well as restructuring costs of EUR 0.9 million. During 2009, Cision Germany started to market its CisionPoint solution to new German customers, through a separate and dedicated sales force. As of January 2010, this part of Cision's German business, which was retained by Cision following the divestment, employed five people and had revenues with an annual run rate of about EUR 0.5 million. Following the divestment, Cision Germany will continue to offer customers a complete offering through the CisionPoint service platform, where media monitoring will be provided through internet sources, electronic feeds from news aggregators and through a reseller agreement with Infopaq International.

## Incentive programs

On March 29, 2007, at the 2007 Annual General Meeting, a resolution was passed to initiate a performance-based incentive program by issuing no more than 700,000 convertible profit-sharing debentures (convertibles) to 13 members of Group management. The issue price and nominal value of the convertibles was set at 113.3 percent of the volume-weighted average price of the Cision share during the period April 27–May 3, 2007, corresponding to the market value of the convertibles. A total of 660,000 convertibles were subscribed for at SEK 33.94 each. The total loan amount was SEK 22,400,400. Share capital may not increase by more than SEK 990,000. Each convertible confers the right to one new share in Cision AB. Conversion may be requested during the period April 1–June 30, 2011. The conversion price initially corresponds to the subscription price, but this may be revised downward if the company meets certain financial targets. Following customary conversion adjustments to compensate participants for the economic dilution caused by the 2010 rights issue, the initial subscription price was adjusted to SEK 24.30 per convertible during the second quarter of 2010. Full conversion would entail dilution of approximately 0.4 percent of share capital and voting rights of Cision.

On April 2, 2009, at the 2009 Annual General Meeting, a resolution was passed to initiate a three-year incentive plan consisting of 2,250,000 employee stock options entitling a corresponding number of shares. Vesting of allotted employee stock options depends on two criteria: 80 percent are subject to performance conditions related to the share price of the Company and 20 percent to continued employment. The employee stock options subject to the performance conditions vest in three tranches when the Company's share price exceeds the strike price by 100 percent, 200 percent, and 300 percent. The strike price is set to SEK 6.11 per share, which corresponds to 130 percent of the volume-weighted average price of the Company's share during a measurement period of one month in conjunction with the Annual General Meeting 2009. A maximum of one third of the employee stock options subject to the performance

conditions can vest per year. Following customary conversion adjustments to compensate participants for the economic dilution caused by the 2010 rights issue, the strike price was adjusted to SEK 4.40 per share and the maximum number of shares that may be subscribed for under the program was adjusted to 3,150,000 during the second quarter of 2010. Assuming an exercise of all awarded and outstanding employee stock options, the dilution would be approximately 2.1 percent of share capital and voting rights of Cision.

#### Parent Company

The Parent Company's operations comprise parts of Group management and Group development resources. For the period January–June 2010, operating revenue amounted to SEK 33 million (169) with a profit before tax of SEK 24 million (198). At the end of the period, shareholders' equity amounted to SEK 866 million (1,040). Investments in other fixed assets amounted to SEK 8 million (12) for the first half of 2010.

Commercial terms are applied to sales between Group companies. No significant changes have taken place in relationships or transactions with related parties compared with those described in the Annual Report for 2009.

#### Event after the balance sheet date

On July 1, 2010, Cision completed the acquisition of all shares of the Swedish company Public and Investor Relations PIR Svenska AB (PIR). PIR's business focuses on distributing press releases and providing a contact database for journalists and the media for the Swedish market (the services Cision refers to as 'Connect' and 'Plan'). As of June 30, 2010, PIR had 7 employees with revenues of about SEK 8 million for 2009. Through focused sales management and excellent customer service, PIR has experienced high growth rates in the past few years, accumulating a sizeable customer base, particularly in the public sector. Historically, PIR has delivered very solid operating margins. Combined with expected synergies upon its integration with Cision, the acquisition is therefore expected to have a positive impact on Cision's European operating margins from the second half of 2010.

#### Material risks and uncertainties

Cision's competitive strength depends on client-focused service development, the successful conversion to a digital offering based on analyzed information and a digitalized production process, as well as the ability to attract and retain competent personnel.

The greatest potential uncertainties over the next 12 months are as follows:

- Economic recessions will have a negative impact on Cision's earning capacity.
- Certain revenue streams for Monitor and Analyze services are negatively affected by the declining number of newspapers and volume of information in such media.
- Additional restructuring costs may arise to improve cost-efficiency.
- More than 90 percent of the Group's total revenue is in currencies other than Swedish kronor; consequently, currency fluctuations could have a major impact on the consolidated income statement.
- The Group has a net debt position financed by a syndicated loan facility, which expires in the second quarter of 2013. However, the syndicated loan facility is contingent upon certain covenants; if these are not met, the lenders may require a renegotiation of the terms and the loan may become due for repayment.

For a more thorough explanation of material risks and uncertainties faced by the Cision Group and the Parent Company, please refer to the detailed information on pages 14–15 and 35–38 of the 2009 Annual Report.

#### Outlook

Cision does not issue forecasts.

#### Accounting principles

As of January 1, 2005, Cision AB applies the International Financial Reporting Standards (IFRS), as adopted by the European Union. The Group's interim report is prepared in accordance with IAS 34 (Interim Financial Reporting) and according to the Annual Accounts Act. The Parent Company applies the Annual Accounts Act and recommendation RFR 2, Reporting for legal entities, of The Swedish Financial Reporting Board. The accounting principles applied comply with those in the Annual Report for 2009. New and revised IFRS standards that have entered into force since January 1, 2010, have no effect on Cision's income statement, balance sheet, statement of cash flow, or shareholders' equity.

The Board of Directors and the Chief Executive Officer declare that the interim report provides a true and fair overview of the operations, financial position and performance of the Parent Company and the Group and describes the material risks and uncertainties that the Parent Company and other companies in the Group face.

Cision AB (publ)  
Stockholm, July 22, 2010

Anders Böös  
Chairman

Hans-Erik Andersson  
Director

Alf Blomqvist  
Director

Pia Gideon  
Director

Thomas Heilmann  
Director

Peter Leifland  
Director

Gunilla von Platen  
Director

Hans Gieskes  
Chief Executive Officer and Director

The interim report has not been reviewed by the company's auditors.

Cision AB is required to disclose the information in this interim report under Sweden's Securities Market Act and/or the Financial Instruments Trading Act. It was released for publication at 8:30 a.m. CEST on July 22, 2010.

#### Upcoming financial reports

October 26, 2010                      Interim report January–September 2010

#### For further information, please contact:

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Cision AB invites you to participate in a telephone conference on the interim report for January–June 2010, on Thursday, July 22 at 10:00 (CEST). Hans Gieskes, CEO and Erik Forsberg, CFO will participate in the conference. A summary presentation on the interim report will be provided during the telephone conference and will be available on <http://corporate.cision.com> thereafter.

In order to participate and access the presentation that will be held during the conference, please use the following link to register for the conference in advance.

<http://wcc.webeventservices.com/r.htm?e=219242&s=1&k=40E1AD6AA0F7D41CE5F6B5832ECE4518&cb=blank>

You will then be provided with the conference call number, a participant user pin, conference pin, and instructions on how to join the conference call.

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## CONSOLIDATED INCOME STATEMENT

SEK in millions	Apr-June		Jan-June		July-June	Jan-Dec
	2010	2009	2010	2009	2009 /10	2009
Revenue	285.0	371.0	598.4	828.4	1,249.6	1,488.2
Other revenue	0.1	6.0	0.5	8.6	-11.8	-12.3
<b>Total revenue</b>	<b>285.1</b>	<b>377.0</b>	<b>598.9</b>	<b>837.0</b>	<b>1,237.8</b>	<b>1,475.9</b>
Production costs	-118.7	-181.8	-258.9	-434.8	-578.3	-754.3
<b>Gross Profit</b>	<b>166.4</b>	<b>195.2</b>	<b>340.0</b>	<b>402.2</b>	<b>659.4</b>	<b>721.6</b>
Selling and administrative expenses	-134.6	-171.3	-277.7	-369.6	-889.3	-981.2
<b>Operating profit</b>	<b>31.8</b>	<b>23.9</b>	<b>62.3</b>	<b>32.6</b>	<b>-229.9</b>	<b>-259.6</b>
Net financial income and expenses	-9.5	-18.1	-35.1	-35.1	-69.5	-69.5
Capital gain/loss divestment of subsidiaries	-2.4	-0.6	11.5	-11.7	11.2	-12.0
<b>Profit before tax</b>	<b>20.0</b>	<b>5.2</b>	<b>38.7</b>	<b>-14.2</b>	<b>-288.2</b>	<b>-341.1</b>
Tax	-7.0	-3.9	-12.8	-15.4	-24.0	-26.6
<b>Net profit for the period</b>	<b>13.0</b>	<b>1.3</b>	<b>25.9</b>	<b>-29.6</b>	<b>-312.2</b>	<b>-367.7</b>
Depreciation included in operating profit	-14.6	-21.4	-29.5	-46.5	-97.2	-114.2
Goodwill impairment included in operating profit	-	-	-	-	-267.1	-267.1
<b>Earnings per share before dilution. SEK</b>	<b>0.09</b>	<b>0.01</b>	<b>0.20</b>	<b>-0.28</b>	<b>-2.66</b>	<b>-3.48</b>
<b>Earnings per share after dilution. SEK</b>	<b>0.09</b>	<b>0.01</b>	<b>0.20</b>	<b>-0.28</b>	<b>-2.64</b>	<b>-3.47</b>
Restructuring expenses included in operating profit	-3.1	-5.6	-5.2	-14.9	-36.1	-45.8
<b>Gross profit<sup>1)</sup></b>	<b>169.5</b>	<b>196.5</b>	<b>343.5</b>	<b>403.8</b>	<b>668.8</b>	<b>729.1</b>
<b>Gross margin<sup>1)</sup> %</b>	<b>59.4</b>	<b>52.1</b>	<b>57.4</b>	<b>48.2</b>	<b>54.0</b>	<b>49.4</b>
<b>Operating profit<sup>1)</sup></b>	<b>34.9</b>	<b>29.5</b>	<b>67.5</b>	<b>47.5</b>	<b>116.3</b>	<b>96.3</b>
<b>Operating margin<sup>1)</sup> %</b>	<b>12.2</b>	<b>7.8</b>	<b>11.3</b>	<b>5.7</b>	<b>9.4</b>	<b>6.5</b>

<sup>1)</sup> Excluding goodwill impairment, restructuring expenses and other one-off costs

## STATEMENT OF COMPREHENSIVE INCOME

SEK in millions	Apr-June		Jan-June		July-June	Jan-Dec
	2010	2009	2010	2009	2009 /10	2009
Net profit for the period	13.0	1.3	25.9	-29.6	-312.2	-367.7
<b>Other comprehensive income:</b>						
Translation differences	55.6	-47.5	37.4	5.2	-15.1	-47.3
Market valuation of financial instruments	2.0	2.5	4.6	2.3	8.0	5.4
<b>Other comprehensive income</b>	<b>57.6</b>	<b>-45.0</b>	<b>42.0</b>	<b>7.5</b>	<b>-7.1</b>	<b>-41.9</b>
<b>Total comprehensive income for the period</b>	<b>70.6</b>	<b>-43.7</b>	<b>67.9</b>	<b>-22.1</b>	<b>-319.3</b>	<b>-409.6</b>

## CONSOLIDATED BALANCE SHEET

SEK in millions	2010 June 30	2009 June 30	2009 Dec 31
<b>ASSETS</b>			
<b>Fixed assets</b>			
Goodwill	1,575.8	1,833.8	1,476.4
Other fixed assets	205.6	250.7	187.2
Deferred tax assets	21.6	35.7	21.5
	<b>1,803.0</b>	<b>2,120.2</b>	<b>1,685.1</b>
<b>Current assets</b>			
Current receivables	334.6	366.6	329.8
Tax assets	19.7	28.0	7.8
Liquid assets	98.2	106.8	143.5
	<b>452.5</b>	<b>501.4</b>	<b>481.1</b>
<b>TOTAL ASSETS</b>	<b>2,255.5</b>	<b>2,621.6</b>	<b>2,166.2</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>	<b>987.9</b>	<b>1,068.3</b>	<b>681.3</b>
<b>Long-term liabilities</b>			
Provisions for deferred tax	177.4	170.8	152.6
Long-term liabilities	693.5	886.9	556.9
	<b>870.9</b>	<b>1,057.7</b>	<b>709.5</b>
<b>Current liabilities</b>			
Provisions	20.6	37.2	29.4
Current tax liabilities	1.4	10.0	2.2
Other current liabilities	374.7	448.4	743.8
	<b>396.7</b>	<b>495.6</b>	<b>775.4</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>2,255.5</b>	<b>2,621.6</b>	<b>2,166.2</b>
<b>Operating capital</b>	<b>1,692.1</b>	<b>1,955.8</b>	<b>1,530.5</b>
<b>Operating capital excluding goodwill</b>	<b>116.3</b>	<b>122.0</b>	<b>54.1</b>
<b>Interest-bearing net debt</b>	<b>566.9</b>	<b>770.3</b>	<b>723.7</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

SEK in millions	Apr-June		Jan-June		July-June	Jan-Dec
	2010	2009	2010	2009	2009 /10	2009
<b>Operating activities</b>						
Net profit for the period	13.0	1.3	25.9	-29.6	-312.2	-367.7
Tax	7.0	3.9	12.8	15.4	24.0	26.5
Net financial income and expenses	9.5	18.1	35.1	35.1	69.5	69.5
Capital gain/loss divestment of subsidiaries	2.3	0.6	-11.5	11.7	-11.2	12.0
Reported cost for restructuring program	3.1	5.6	5.2	14.9	36.1	45.8
<i>Adjustment for items not included in cash flow</i>						
Capital gain/loss divestment of operations	-	-	-	-	12.3	12.3
Depreciation	14.6	21.4	29.5	46.5	97.2	114.2
Goodwill impairment	-	-	-	-	267.1	267.1
Other non-cash items	-0.3	-	-0.3	-	-2.7	-2.4
Restructuring expenses and provisions paid	-9.9	-19.9	-25.9	-30.3	-68.8	-73.3
Net of interest	-24.3	-22.6	-34.9	-34.9	-62.2	-62.3
Income tax paid	-6.6	2.9	-7.3	-10.2	0.3	-2.6
Change in working capital	-53.7	-41.3	-77.9	-40.9	-58.7	-21.7
<b>Cash flow from operating activities</b>	<b>-45.2</b>	<b>-30.0</b>	<b>-49.2</b>	<b>-22.3</b>	<b>-9.5</b>	<b>17.4</b>
<b>Investing activities</b>						
Business acquisitions	-	-	-5.6	-2.8	-5.6	-2.8
Business divestments	-	-0.3	9.6	-0.4	46.8	36.8
Investments in other fixed assets	-9.4	-17.8	-22.0	-33.9	-54.0	-65.9
Increase/decrease in financial fixed assets	-16.0	-	-16.0	-	-16.0	-
<b>Cash flow from investing activities</b>	<b>-25.4</b>	<b>-18.1</b>	<b>-34.0</b>	<b>-37.1</b>	<b>-28.8</b>	<b>-31.9</b>
<b>Financing activities</b>						
Share issue	238.1	-	238.1	-	238.1	-
Increase/decrease in long-term financial liabilities	-170.6	-7.7	-185.3	15.7	-180.8	20.2
Increase/decrease in current financial liabilities	-2.8	24.5	-17.5	-12.8	-27.5	-22.8
<b>Cash flow from financing activities</b>	<b>64.6</b>	<b>16.8</b>	<b>35.3</b>	<b>2.9</b>	<b>29.8</b>	<b>-2.6</b>
<b>Cash flow for the period</b>	<b>-5.9</b>	<b>-31.4</b>	<b>-47.9</b>	<b>-56.5</b>	<b>-8.5</b>	<b>-17.1</b>
Liquid assets at beginning of period	101.5	140.6	143.5	162.3	106.8	162.3
Translation difference in liquid assets	2.6	-2.4	2.6	1.0	-	-1.7
<b>Liquid assets at end of period</b>	<b>98.2</b>	<b>106.8</b>	<b>98.2</b>	<b>106.8</b>	<b>98.2</b>	<b>143.5</b>
<b>Operating cash flow</b>	<b>-13.7</b>	<b>-8.2</b>	<b>-3.0</b>	<b>19.2</b>	<b>67.6</b>	<b>89.7</b>
<b>Free cash flow</b>	<b>-54.6</b>	<b>-47.8</b>	<b>-71.2</b>	<b>-56.2</b>	<b>-63.5</b>	<b>-48.5</b>

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

SEK in millions	2010	2009	2009
	June 30	June 30	Dec 31
<b>Opening balance</b>	<b>681.3</b>	<b>1,090.4</b>	<b>1,090.4</b>
Total comprehensive income for the period	67.9	-22.1	-409.6
New share issue	238.1	-	-
Share based payments	0.6	-	0.5
<b>Closing balance</b>	<b>987.9</b>	<b>1,068.3</b>	<b>681.3</b>

## KEY FINANCIAL HIGHLIGHTS FOR THE GROUP

	Apr-June		Jan-June		July-June	Jan-Dec
	2010	2009	2010	2009	2009/10	2009
Operating margin, %	11.2	6.3	10.4	3.9	-18.6	-17.6
Gross margin <sup>1)</sup> , %	58.4	52.1	56.8	48.2	53.3	48.9
Operating profit <sup>2)</sup> , SEK million	34.9	29.5	67.5	47.5	116.3	96.3
Operating margin <sup>2)</sup> , %	12.2	7.9	11.3	5.7	9.4	6.5
Gross profit <sup>2)</sup> , SEK million	169.5	196.5	343.5	403.8	668.8	729.1
Gross margin <sup>2)</sup> , %	59.4	52.1	57.4	48.2	54.0	49.4
EBITDA <sup>3)</sup>	49	51	97	94	183	180
EBITDA margin <sup>3)</sup> , %	17.4	13.5	16.2	11.2	14.8	12.2
Net Debt/EBITDA 12MR <sup>3)</sup>	3.1	3.7	3.1	3.7	3.1	4.0
Earnings per share before dilution <sup>4)</sup> , SEK	0.09	0.01	0.20	-0.28	-2.66	-3.48
Earnings per share after dilution <sup>4)</sup> , SEK	0.09	0.01	0.20	-0.28	-2.64	-3.47
Equity per share, SEK	6.62	14.33	6.62	14.33	6.62	9.14
No. of shares at end of period, thousands	149,089	74,544	149,089	74,544	149,089	74,544
Avg. number of shares before dilution, thousands <sup>5)</sup>	149,089	105,764	129,222	105,764	117,396	105,764
Avg. number of shares after dilution, thousands <sup>5)</sup>	149,863	106,456	129,742	105,924	118,261	106,501
No. of employees at end of period	1,336	1,966	1,336	1,966	1,336	1,629

<sup>1)</sup> Gross profit as a percentage of operating revenue

<sup>2)</sup> Excluding goodwill impairment, restructuring expenses and other one-off costs

<sup>3)</sup> Excluding restructuring expenses and other one-off costs

<sup>4)</sup> Including new share issue. Previous periods has been translated according to the same principles.

<sup>5)</sup> The new share issue that was ongoing between March 24 and April 12 has been affecting the calculation of the average number of shares since the issue contains a bonus issue component (Swedish: fondemissionselement). The bonus issue component arise because the issue price was lower than the equivalent underlying value of the share. The calculated adjustment factor for the calculation of the average number of shares amounts to 1.419. Previous reported earnings per share have thus been adjusted.

## REVENUE BY REGION

SEK in millions	Apr-June		Jan-June		July-June	Jan-Dec
	2010	2009	2010	2009	2009/10	2009
USA	162.7	165.2	313.5	347.9	615.7	650.2
Canada	40.2	42.4	82.7	84.5	157.0	158.9
<b>North America</b>	<b>202.9</b>	<b>207.6</b>	<b>396.2</b>	<b>432.4</b>	<b>772.8</b>	<b>809.1</b>
Germany	1.8	49.9	43.5	102.5	131.8	190.8
UK	21.2	44.4	43.8	93.7	110.0	159.9
Portugal	16.4	16.5	32.3	32.0	65.6	65.4
Sweden	18.3	24.9	35.4	89.2	72.2	126.0
Denmark	-	-	-	5.1	-0.1	5.0
Norway	1.1	1.6	2.3	14.5	4.9	17.1
Finland	21.9	29.5	43.7	60.7	89.5	106.5
Baltic countries	-	2.5	-	5.1	1.9	7.0
Other Europe	9.9	-	18.1	-	18.1	-
<b>Europe</b>	<b>90.6</b>	<b>169.3</b>	<b>219.1</b>	<b>402.8</b>	<b>493.9</b>	<b>677.7</b>
<b>Regions</b>	<b>293.5</b>	<b>376.9</b>	<b>615.3</b>	<b>835.2</b>	<b>1,266.8</b>	<b>1,486.8</b>
Other/eliminations	-8.4	0.1	-16.4	1.8	-16.8	1.4
<b>Group</b>	<b>285.1</b>	<b>377.0</b>	<b>598.9</b>	<b>837.0</b>	<b>1,250.0</b>	<b>1,488.2</b>

## REVENUE BY SERVICE AREA

External revenue, SEK in millions	Apr-June		Jan-June		July-June	Jan-Dec
	2010	2009	2010	2009	2009/10	2009
Plan/Connect	101.2	117.2	199.2	243.4	403.8	448.0
Monitor/Analyze	184.0	259.8	399.7	593.6	846.2	1,040.2
<b>Group</b>	<b>285.1</b>	<b>377.0</b>	<b>598.9</b>	<b>837.0</b>	<b>1,250.0</b>	<b>1,488.2</b>

## INCOME STATEMENT BY REGION

Apr-June SEK in millions	North America		Europe		Other/eliminations		Group	
	2010	2009	2010	2009	2010	2009	2010	2009
<b>Operating revenue</b>	<b>202.9</b>	<b>207.6</b>	<b>90.6</b>	<b>169.3</b>	<b>-8.4</b>	<b>0.1</b>	<b>285.1</b>	<b>377.0</b>
Production costs	-70.3	-77.1	-44.9	-93.3	-	-8.5	-115.2	-178.9
<b>Gross profit</b>	<b>132.6</b>	<b>130.5</b>	<b>45.7</b>	<b>76.0</b>	<b>-8.4</b>	<b>-8.4</b>	<b>169.9</b>	<b>198.1</b>
Selling and administrative expenses	-93.3	-87.1	-39.3	-77.5	-2.4	-4.0	-135.0	-168.6
<b>Operating profit<sup>1)</sup></b>	<b>39.3</b>	<b>43.4</b>	<b>6.4</b>	<b>-1.5</b>	<b>-10.8</b>	<b>-12.4</b>	<b>34.9</b>	<b>29.5</b>
Restructuring costs	-	-	-3.1	-4.8	-	-0.8	-3.1	-5.6
<b>Operating profit</b>	<b>39.3</b>	<b>43.4</b>	<b>3.3</b>	<b>-6.3</b>	<b>-10.8</b>	<b>-13.2</b>	<b>31.8</b>	<b>23.9</b>
Net financial income and expenses							-9.5	-18.1
Capital gain/loss divestment of subsidiaries							-2.3	-0.6
<b>Profit before tax</b>							<b>20.0</b>	<b>5.2</b>
<b>Gross margin<sup>1)</sup>, %</b>	<b>65.4</b>	<b>62.9</b>	<b>50.4</b>	<b>44.9</b>			<b>59.6</b>	<b>52.5</b>
<b>Operating margin<sup>1)</sup>, %</b>	<b>19.4</b>	<b>20.9</b>	<b>7.1</b>	<b>-0.9</b>			<b>12.2</b>	<b>7.9</b>
<b>EBITDA<sup>2)</sup></b>	<b>50</b>	<b>54</b>	<b>10</b>	<b>6</b>	<b>-10</b>	<b>-9</b>	<b>49</b>	<b>51</b>
<b>EBITDA margin<sup>2)</sup>, %</b>	<b>24.5</b>	<b>25.8</b>	<b>10.6</b>	<b>3.6</b>			<b>17.4</b>	<b>13.7</b>

<sup>1)</sup> Excluding goodwill impairment, restructuring expenses and other one-off costs

<sup>2)</sup> Excluding restructuring expenses and other one-off costs

Elimination of intra-group revenues included in Other/eliminations.

Jan-June SEK in millions	North America		Europe		Other/eliminations		Group	
	2010	2009	2010	2009	2010	2009	2010	2009
<b>Operating revenue</b>	<b>396.2</b>	<b>432.4</b>	<b>219.1</b>	<b>402.8</b>	<b>-16.4</b>	<b>1.8</b>	<b>598.9</b>	<b>837.0</b>
Production costs	-137.8	-164.1	-117.4	-248.4	-0.1	-19.1	-255.3	-431.6
<b>Gross profit</b>	<b>258.4</b>	<b>268.3</b>	<b>101.7</b>	<b>154.4</b>	<b>-16.5</b>	<b>-17.3</b>	<b>343.6</b>	<b>405.4</b>
Selling and administrative expenses	-178.2	-182.9	-93.7	-173.7	-4.2	-1.3	-276.1	-357.9
<b>Operating profit<sup>1)</sup></b>	<b>80.2</b>	<b>85.4</b>	<b>8.0</b>	<b>-19.3</b>	<b>-20.7</b>	<b>-18.6</b>	<b>67.5</b>	<b>47.5</b>
Restructuring costs	-	-	-5.2	-10.2	-	-4.7	-5.2	-14.9
<b>Operating profit</b>	<b>80.2</b>	<b>85.4</b>	<b>2.8</b>	<b>-29.5</b>	<b>-20.7</b>	<b>-23.3</b>	<b>62.3</b>	<b>32.6</b>
Net financial income and expenses							-35.1	-35.1
Capital gain/loss divestment of subsidiaries							11.5	-11.7
<b>Profit before tax</b>							<b>38.7</b>	<b>-14.2</b>
<b>Gross margin<sup>1)</sup>, %</b>	<b>65.2</b>	<b>62.0</b>	<b>46.4</b>	<b>38.3</b>			<b>57.4</b>	<b>48.4</b>
<b>Operating margin<sup>1)</sup>, %</b>	<b>20.2</b>	<b>19.8</b>	<b>3.7</b>	<b>-4.8</b>			<b>11.3</b>	<b>5.7</b>
<b>EBITDA<sup>2)</sup></b>	<b>100</b>	<b>107</b>	<b>16</b>	<b>4</b>	<b>-19</b>	<b>-17</b>	<b>97</b>	<b>94</b>
<b>EBITDA margin<sup>2)</sup>, %</b>	<b>25.3</b>	<b>24.8</b>	<b>7.1</b>	<b>0.9</b>			<b>16.2</b>	<b>11.3</b>

<sup>1)</sup> Excluding goodwill impairment, restructuring expenses and other one-off costs

<sup>2)</sup> Excluding restructuring expenses and other one-off costs

Elimination of intra-group revenues included in Other/eliminations.

## OPERATING CASH FLOW BY REGION

Apr-June SEK in millions	North America		Europe		Other/eliminations		Group	
	2010	2009	2010	2009	2010	2009	2010	2009
Operating profit <sup>1)</sup>	39.3	43.4	6.4	-1.5	-10.8	-12.4	34.9	29.5
Depreciation	10.4	10.2	3.2	7.6	1.0	3.6	14.6	21.4
Investments in fixed assets	-3.3	-9.6	-1.2	-3.7	-4.9	-4.5	-9.4	-17.8
Divestments in fixed assets	-	-	-	0.1	-	-	-	0.1
Change in working capital	-23.8	-17.5	-7.1	-4.1	-22.9	-19.8	-53.8	-41.4
<b>Operating cash flow</b>	<b>22.6</b>	<b>26.5</b>	<b>1.3</b>	<b>-1.6</b>	<b>-37.6</b>	<b>-33.8</b>	<b>-13.7</b>	<b>-8.2</b>
Paid restructuring expenses and provisions							-9.9	-19.9
Net of interest and dividends							-24.3	-22.6
Income tax paid							-6.6	2.9
<b>Free cash flow</b>							<b>-54.6</b>	<b>-47.8</b>

<sup>1)</sup> Excluding goodwill impairment, restructuring expenses and other one-off costs

Jan-June SEK in millions	North America		Europe		Other/eliminations		Group	
	2010	2009	2010	2009	2010	2009	2010	2009
Operating profit <sup>1)</sup>	80.2	85.4	8.0	-19.3	-20.7	-18.6	67.5	47.5
Depreciation	20.0	21.8	7.5	22.9	2.0	1.8	29.5	46.5
Investments in fixed assets	-10.9	-9.6	-3.5	-8.2	-7.6	-10.2	-22.0	-33.9
Change in working capital	-26.7	-17.5	-29.0	-12.4	-22.3	-21.1	-78.0	-40.9
<b>Operating cash flow</b>	<b>62.6</b>	<b>26.5</b>	<b>-17.0</b>	<b>-17.0</b>	<b>-48.6</b>	<b>-48.1</b>	<b>-3.0</b>	<b>19.2</b>
Paid restructuring expenses and provisions							-25.9	-30.3
Net of interest and dividends							-34.9	-34.9
Income tax paid							-7.3	-10.2
<b>Free cash flow</b>							<b>-71.2</b>	<b>-56.2</b>

<sup>1)</sup> Excluding goodwill impairment, restructuring expenses and other one-off costs

## PARENT COMPANY INCOME STATEMENT

SEK in millions	Apr-June		Jan-June		July-June	Jan-Dec
	2010	2009	2010	2009	2009 /10	2009
Revenue	13.5	55.1	33.3	168.6	104.4	239.7
<b>Operating revenue</b>	<b>13.5</b>	<b>55.1</b>	<b>33.3</b>	<b>168.6</b>	<b>104.4</b>	<b>239.7</b>
Operating expenses	-19.9	-53.9	-42.4	-170.6	-138.5	-266.8
Depreciation	-0.9	-4.7	-1.8	-13.5	-37.5	-49.2
<b>Operating profit</b>	<b>-7.3</b>	<b>-3.5</b>	<b>-10.9</b>	<b>-15.5</b>	<b>-71.6</b>	<b>-76.3</b>
Net financial income and expenses	11.4	308.4	34.5	213.3	-266.3	-87.4
<b>Profit before tax</b>	<b>4.1</b>	<b>304.9</b>	<b>23.6</b>	<b>197.8</b>	<b>-337.9</b>	<b>-163.7</b>
Tax	-0.1	-	-0.1	-	-19.0	-18.9
<b>Net profit for the period</b>	<b>4.0</b>	<b>304.9</b>	<b>23.5</b>	<b>197.8</b>	<b>-356.9</b>	<b>-182.6</b>

## PARENT COMPANY BALANCE SHEET

SEK in millions	2010 June 30	2009 June 30	2009 Dec 31
<b>ASSETS</b>			
Fixed assets	1,269.5	3,186.6	1,246.6
Current assets	103.8	179.7	160.4
<b>TOTAL ASSETS</b>	<b>1,373.3</b>	<b>3,366.3</b>	<b>1,407.0</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity	866.3	1,040.1	604.6
Provisions	15.1	25.9	15.3
Long-term liabilities	444.0	1,344.2	241.4
Current liabilities	47.9	956.1	545.7
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>1,373.3</b>	<b>3,366.3</b>	<b>1,407.0</b>

## PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

SEK in millions	Apr-June		Jan-June		July-June	Jan-Dec
	2010	2009	2010	2009	2009 /10	2009
Net Profit for the period	4.0	304.9	23.5	197.8	-356.9	-182.6
<b>Other comprehensive income</b>						
Group Contributions	-	-2.2	-	-5.3	-9.6	-14.8
Merger results	-	-	-	-	-78.3	-78.3
Change in expanded net investment in subsidiaries	-	-	-	-	30.3	30.3
Tax attributable to items recognized directly in shareholders' equity	-	0.5	-	1.4	2.5	3.9
<b>Other comprehensive income</b>	<b>-</b>	<b>-1.7</b>	<b>-</b>	<b>-3.9</b>	<b>-55.1</b>	<b>-58.9</b>
<b>Total comprehensive income</b>	<b>4.0</b>	<b>303.2</b>	<b>23.5</b>	<b>193.9</b>	<b>-412.0</b>	<b>-241.5</b>

Every care has been taken in the translation of this interim report. In the event of discrepancies, however, the Swedish original will supersede the English translation.