



PRESS RELEASE

Stockholm, Oct 28, 2010

Enea (NASDAQ OMX Nordic: ENEA)

Enea interim report, July – September 2010

Strong cash flow and continued income growth

Over the third quarter of 2010, Enea has continued to improve its profits. The operating margin for the Group amounted to 12.2 percent, and operating profit amounted to SEK 20.2 million. The Software business unit revenues are stable, with an improvement in operating margin over the third quarter. The Consulting business unit is demonstrating slightly lower revenue but with its best margin since the business unit structure was founded last year. This is due mainly to a lower cost base within the Nordic organization compared with last year.

Cash flow from operations was strong, helping to further reinforce Enea's good financial position.

The outlook for the whole year 2010 remains unchanged. Enea is expected to demonstrate stable income development, and it is anticipated that it will see a considerably improved operating profit compared with 2009.

Third quarter

- Net sales, SEK 166.1 (172.4) million.
- Revenues for the Software business unit, SEK 84.8 (83.3) million.
- Revenues for the Consulting business unit, SEK 95.2 (99.8) million.
- Operating profit, SEK 20.2 (14.9) million. The comparative figures for the previous year include a restructuring cost of SEK 6.7 million.
- Net profit after tax, SEK 10.9 (9.5) million.
- Cash flow from operations, SEK 26.1 (-2.2) million.
- Earnings per share, SEK 0.63 (0.53).

The first nine months

- Net sales, SEK 545.0 (582.6) million. The comparative figures for the previous year are affected by a change in the accounting for royalties, which had a negative effect of SEK 7 million over the first quarter.
- Revenues for the Software business unit, SEK 262.7 (248.7) million.
- Revenues for the Consulting business unit, SEK 323.0 (374.4) million.



- Operating profit, SEK 50.3 (-17.2) million. The comparative figures for the previous year include a non-recurring writedown of SEK 24.5 million over the first quarter and a restructuring cost of SEK 6.7 million.
- Net profit after tax, SEK 34.2 (-10.7) million.
- Cash flow from operations, SEK 96.7 (34.4) million.
- Earnings per share, SEK 1.95 (-0.60).

Per Åkerberg, President and CEO comments:

“Over the third quarter, Enea has continued to deliver in accordance with the outlook for the whole year. Profitability has improved significantly, and Enea is demonstrating its highest operating margin in more than a decade.

Over the previous year we adapted our operations in a number of ways, which has resulted in fewer consultants, fewer product developers and a lower cost base, which have resulted in operations becoming ever more profitable with stable income levels. Operating profit amounted to SEK 20.2 million, which is equivalent to an operating margin of 12.2 percent. As far as revenues are concerned, we have not reached last year's revenue levels and are reporting net sales which were 3.7 percent lower than in the third quarter last year, mainly due to lower net sales from the Consulting business unit.

Enea has had a good financial position over the last few quarters, and over the third quarter this has been further reinforced by a strong cash flow of SEK 26.1 million from operations.

Software

The Software business unit has seen stable revenue development, with margins continuing to improve over the quarter. Operating margin amounted to 16.6 percent..

The cooperation with Freescale Semiconductors is continuing to go well, albeit slightly more slowly than we had initially planned. The partnership with Freescale involves joint development of customers together with Freescale's global sales force. We are expecting to be able to present an initial deal based on the partnership before the end of the year.

Another important technical field for Enea is Linux. Our customers are demanding solutions which include both Linux and a real-time operating system. This was why we deepened our cooperation with NetLogic over the quarter. This means that we are now able to offer our customers a build environment for configuring their Linux distribution.

Multicore is another very important technical field for Enea. The largest deal of the quarter, worth SEK 20 million, shows that we are continuing to gain the trust of customers in this field. The deal included Enea's multicore version of the OSE operating system, along with Enea Hypervisor, a



technology which allows a number of operating systems such as OSE and Linux to be run in parallel on a multicore chip.

Consulting

The Consulting business unit has improved its operating margin compared with both the second quarter and last year. The operating margin amounted to 6.4 percent for the third quarter. Most regions have demonstrated positive development, and income levels have stabilized in other regions. The recovery is proceeding more slowly in Öresund than in other regions.

On a final note

In the long term, Enea has good opportunities to continue its positive development and create long-term value for shareholders through both organic growth and acquisitions. For 2010, our ambition is to further underpin our market position and continue to improve our profitability. The long term operating margin targets of 20 percent for business unit Software and 10 percent for business unit Consulting are unchanged.”

The full report is published at www.enea.com/investors

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About Enea

Enea is a global software and services company focused on solutions for communication-driven products. With 40 years of experience Enea is a world leader in the development of software platforms with extreme demands on high-availability and performance. Enea's expertise in real-time operating systems and high availability middleware shortens development cycles, brings down product costs and increases system reliability. Enea's vertical solutions cover telecom handsets and infrastructure, medtech, automotive and mil/aero. Enea has offices in Europe, North America and Asia. Enea is listed on Nasdaq OMX Nordic Exchange Stockholm AB. For more information please visit enea.com or contact us at info@enea.com.



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