Year-end report 2010

Proact expanding on a growing market

- In the fourth quarter of 2010, Proact entered into an agreement concerning the acquisition of Storyflex, which operates in Slovakia and the Czech Republic. It is thought that this acquisition will be completed in the first quarter of 2011
- In January 2011, Proact acquired Databasement, which operates in the Netherlands, Belgium and Spain
- Proact Finance is undergoing strong development, and future contracted cash flows amount to SEK 54 million

Twelve months in brief

- Net turnover increased by 11 % to SEK 1 387 (1 253) million
- Profit before tax increased by 17 % to SEK 70.1 (60.1) million
- Profit after tax amounted to SEK 52.5 (52.4) million.
- Profit per share increased by 4 % to SEK 5.43 (5.22) million
- Return on equity amounted to 28.6 (30.7) %.
- The Board of Directors proposes that the Annual General Meeting should elect to pay a dividend of SEK 1.50 (1.35) per share.

The fourth quarter in brief

- Net turnover increased by 24 % to SEK 476 (385) million
- Profit before tax increased by 27 % to SEK 30.6 (24.1) million
- Profit after tax fell by 1 % to SEK 22.7 (23.0) million
- Profit per share fell by 1 % to SEK 2.35 (2.38) million

Report by Olof Sand, Chief Executive Officer of Proact

2010 ended very strongly. Proact is reporting profits of SEK 70.1 (60.1) million before tax for the full year. Growth adjusted for currency effects amounted to 18 %. This result means that Proact has reported better profits before tax for every quarter for six years in a row, compared with the corresponding quarters in the previous years.

The fourth quarter was a very eventful time for Proact and was characterised by high growth and an improved margin compared with the corresponding quarter in 2009. The profit for the last quarter of 2010 amounted to SEK 30.6 (24.1) million before tax, despite the profit being affected by acquisition costs amounting to SEK 2.8 million.

The very strong growth seen in Finland throughout the entire year in terms of both net sales and consolidated income confirmed the positive trend which has been ongoing for more than 18 months. Denmark is reporting a profit for the full year, which is good given its weak start in 2010. Once again, the Netherlands have acknowledged that the Proact business model works on new markets; its operating margin for the full year in 2010 amounted to 4 %.

An agreement was entered into over the quarter concerning the acquisition of Storyflex Inc., a company operating in Slovakia and the Czech Republic. The company employs some 35 staff and has net sales equivalent to more than SEK 100 million. The purchase price amounted to SEK 11.9 million.

In early January 2011, Proact acquired the Dutch company Databasement, operating in the Netherlands, Belgium and Spain. Databasement, which employs some 50 staff, has built up its business model around Managed Services, which means that they have a large proportion of contracted services. Therefore, this acquisition is an important step for Proact, allowing the company to attain its target of a margin of 7 % before tax due to a higher proportion of contracted services. The acquisition of Databasement means that Proact now has the best range of Managed Services on the market, known as Cloud Services, which can be implemented directly on all Proact markets.

With these acquisitions, Proact is taking a further strategic step towards moving its geographical focus from Northern Europe to Europe as a whole.

The services offered by Proact in the field of cloud-based services are being received well by the market. The combination of cloud-based services and finance through Proact Finance is a competitive advantage.

The Group employed 348 people at the end of the year, 20 more than for the same period last year. The acquisition of Storyflex and Databasement brought the number of employees to 435 in early 2011.

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 its focus area of data storage and archiving.

The Proact Group has more than 420 employees and conducts business in Belgium, Czech Republic, Denmark, Estonia, Finland, Latvia, Lithuania, The Netherlands, Norway, Slovakia, Spain 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.

Additional information about Proact is available at www.proact.eu.

MARKET REVIEW

As an alternative to investing in traditional IT infrastructure for business-critical information, the companies are more extensively considering utilising external IT solutions, known as cloud services, to achieve both greater flexibility and lower costs. Cloud services for storage, backup and archiving have become an important element in this field.

The companies considering a transition to cloud services would do well to adopt a gradual change process in which the IT infrastructure is adapted step by step to achieve the best possible balance between internal and external cloud services.

The acquisition of Databasement, which has years of experience in the field of cloud-based storage services, has led to considerable reinforcement of the range of services Proact has to offer. This means that Proact is now able to offer an extensive range of high-quality services on all its markets, as well as supporting its clients through their transitions to internal and external cloud services.

FINANCIAL OVERVIEW

Over the twelve-month period of 2010, turnover at Proact amounted to SEK 1 387 (1 253) million, representing an increase of 11 %. Growth adjusted for currency effects amounted to 18 %.

More or less all countries demonstrated positive growth in 2010.

Turnover per geographic area	Jan-Dec 2010	Jan-Dec 2009
Sweden	543.6	516.7
Finland	314.9	216.9
Norway	280.3	275.7
Denmark	134.1	130.0
The Netherlands	94.7	53.8
Lithuania	28.8	70.8
Latvia	18.1	15.5
Estonia	13.3	7.0
Other (inc. Proact Finance)	-40.7	-33.7
Sales	1 387.1	1 252.7

Over the fourth quarter, net sales amounted to SEK 476 (385) million, representing an increase of 24 %. The increase adjusted for currency effects amounted to 33 %.

Turnover per geographic area	Oct-Dec 2010	Oct-Dec 2009
Sweden	184.9	162.7
Finland	109.5	70.3
Norway	83.8	78.1
Denmark	51.9	48.3
The Netherlands	31.7	19.7
Lithuania	10.4	13.6
Latvia	4.9	3.9
Estonia	1.8	2.6
Other (inc. Proact Finance)	-2.9	-14.0
Sales	476.0	385.2

Of the total turnover for the year, system sales amounted to SEK 923 (803) million, representing an increase of 15 %.

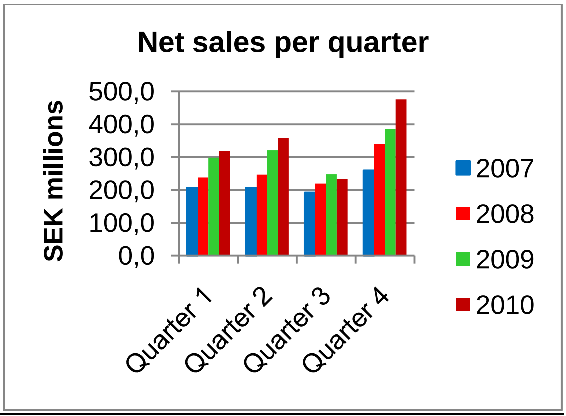
Turnover for service operations amounted to SEK 460 (447) million, representing an increase of 3 % compared with the previous year.

Turnover per operating segment	Jan-Dec 2010	Jan-Dec 2009
System sales	923.4	802.9
Service operations	460.2	447.2
Other revenue	3.5	2.6
Sales	1 387.1	1 252.7

System sales over the fourth quarter amounted to SEK 353 (264) million, an increase of 34 %. Storage solutions worth SEK 45 million were supplied over the quarter to a major multinational corporation in the USA and Canada.

Turnover for service operations amounted to SEK 121 (121) million, the same as last year.

Turnover per operating segment	Oct-Dec 2010	Oct-Dec 2009
System sales	353.3	263.7
Service operations	120.8	120.9
Other revenue	1.9	0.6
Sales	476.0	385.2



Major events in the fourth quarter

A number of major deals have been agreed with companies such as MAN and GE Resound in Denmark, Tieto and the City of Oulu in Finland, the Estonian Consumer Union in Estonia, LatRos Trans in Latvia, the Ministry of Finance in Lithuania, Kema in the Netherlands, Spring Energy and Telecomputing in Norway and SCA Hygiene Products, Jeppesen Systems, Symbiro and Ericsson in Sweden.

Important events in the fourth quarter

- Greater interest in purchasing storage services
Over a single week in November, Proact entered into a number of agreements with a total order value of SEK 13.5 million within the field of storage services. Purchasing storage services means that companies do not have to dimension their solutions in advance. Instead, they can purchase more storage space as the need arises. This allows them to avoid unnecessary overcapacity costs.

- New storage and backup solution for property company Wallenstam
Apart from the fact that data storage at Wallenstam has grown by 400 % over the past five years, its processes for data management have also become ineffective and cost-intensive. "Proact was the only supplier that looked at the bigger picture when considering our requirements and dared to think along different lines. Proact suggested a solution which is flexible enough to meet our needs both now and in the future," says Daniel Svartling, Head of IT at Wallenstam. The new solution means that Wallenstam will switch from traditional backup to snapshot backup at Proact premises.

- Success thanks to the joint Proact and EMC demo centre in Espoo
A full-scale test at the Proact-EMC demo centre enabled Lapland Hospital District in Finland to rapidly eliminate all uncertainty and get answers to all open questions, so leading to decisions on the biggest single IT investment to date for this client. The demo centre is a technical laboratory which has Europe's most advanced EMC product demo and testing environment.

- Consolidation of virtual environments for operator TDC
A combination of solutions from NetApp, EMC and Cisco is allowing Proact to supply a solution to TDC's two data centres in Finland, which are in two different locations. Operation, maintenance, updates and tests can be carried out without disruption to users. Proact is Cisco's first USC-certified partner in Finland.

- New solution for Småföretagarnas Arbetslöshetskassa, SmåAs
When moving to new premises, SmåAs - the Unemployment Benefit Fund for Small Business Owners - invested in a new, snapshot-based backup service which involves integration of backup and storage and hence provides a more cost-effective IT infrastructure. This solution functions entirely without manual operations.

- Agreement worth SEK 45 million with a major multinational corporation
Proact is designing and supplying a storage solution for this client's operations in the USA and Canada. Agreements have been entered into previously concerning similar storage environments for the client's enterprises in Europe. Proact has enjoyed a long business relationship with this client and has a broad understanding of their business and needs.

- Acquisition of Riori Teknik AB in Sundsvall
Riori, a system integrator local to Sundsvall, has a loyal client base and staff and holds top certifications in the fields of both virtualisation and storage. This acquisition is allowing Proact to underpin its presence in Sundsvall. The business and staff were integrated fully into Proact in December.

Profit / loss

Profit after tax amounted to SEK 52.5 (52.4) million for the 2010 accounting year.

The slightly lower profit level for Sweden can be linked mainly with lower profitability in respect of operations and consultancy, while at the same time the establishment of the new presence in Sundsvall has taken longer than planned.

Finland has developed well and demonstrated good growth and profitability over the last seven quarters. This development in profits can be attributed to both system and service sales.

Profit levels are stable for operations in Norway, although they are slightly lower than in the corresponding period last year.

The investments in an increased client base and stability in Denmark have brought about positive results over the second six months of 2010.

The Netherlands have developed well over the year. The company has closed a number of deals with hosting companies, using the various Proact financing concepts with success.

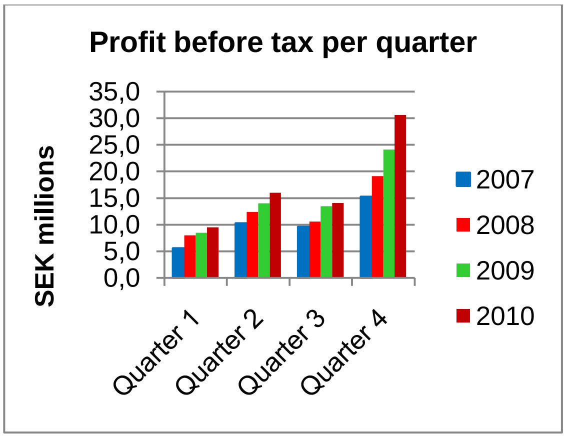
The earnings performance in the Baltic States has been affected over the entire year by the low levels of economic activity in these countries. The contracted support base means that Latvia and Lithuania are demonstrating positive operating profits in spite of everything.

Operating profit per geographic area	Jan-Dec 2010	Jan-Dec 2009
Sweden	26.5	26.9
Finland	21.5	8.9
Norway	21.5	22.9
The Netherlands	3.8	0.8
Lithuania	2.6	7.6
Latvia	1.7	1.2
Denmark	0.3	2.6
Estonia	-0.8	-2.6
Other (inc. Proact Finance)	-5.0	-8.3
Operating profit	72.1	60.0
Net financial items	-2.0	0.1
Profit before tax	70.1	60.1

During the fourth quarter, profit before tax amounted to SEK 30.6 (24.1) million.

Over the last quarter, the operating profit has been affected by acquisition costs amounting to SEK 2.8 million.

Operating profit per geographic area	Oct-Dec 2010	Oct-Dec 2009
Sweden	12.6	10.6
Norway	8.2	5.9
Denmark	4.5	2.5
Finland	3.1	5.6
The Netherlands	2.0	1.8
Lithuania	1.1	1.2
Estonia	-0.1	-0.3
Latvia	0.3	0.2
Other (inc. Proact Finance)	-1.1	-3.8
Operating profit	30.6	23.7
Net financial items	0.0	0.4
Profit before tax	30.6	24.1



Balance sheet and cash flow

Cash and equivalents amounted to SEK 73 million on 31 December 2010. In addition to this, there is an unutilised credit limit of SEK 45 million.

The company has an interest-bearing liability of SEK 4 million, attributable to the company's financial operations.

The cash flow amounted to SEK -13.4 million over the year. The cash flow includes the buy-back of own shares amounting to SEK 19.2 million, plus dividends of SEK 14.7 million. Investments in tangible fixed assets amounted to SEK 39.8 (22.5) million, attributable largely to Proact Finance leasing operations. Operating activities have contributed SEK 63.6 million.

The cash flow for the fourth quarter was SEK 26.2 million. Total cash flow from current operations amounted to SEK 44.1 million for the same period last year.

The Group's equity ratio at the end of the period was 21 (24) %. This reduction is due mainly to an increase in balance sheet total due to greater accounts receivable in connection with a number of higher-volume deals in December 2010. Growth in net sales in December amounted to 40 %, compared with December of the previous year.

Buy-back of own shares

At the Annual General Meeting held on 18 May 2010, the Board of Directors was authorised to acquire up to 10 % of the company's shares by the next Annual General Meeting.

Up to 31 December 2010, 154 300 shares, or 1.7 % of the total number of outstanding shares, have been acquired at an average price of SEK 91.

Employees

The average number of employees over the year amounted to 325 (315), and 339 (316) over the fourth quarter.

On 31 December, the company employed 348 (328) people. The acquisition of Storyflex and Databasement brought the number of employees to 435 in early 2011.

The parent company in brief

The Parent Company's revenues for the year amounted to SEK 38.2 (33.6) million and to SEK 10.9 (10.1) million for the fourth quarter.

The profit before tax for the year amounted to SEK 25.5 (28.4) million, and to SEK 14.3 (9.9) million for the fourth quarter. This result is largely due to dividends from subsidiaries.

The Parent Company's liabilities in a joint group currency account amounted to SEK 43.7 (36.1) million as at 31 December.

At the end of the period, the number of persons employed by the parent company totalled 8 (5). The Parent Company's operations have remained unchanged over the period. There have been no significant transactions with related parties.

Events after the balance sheet date

10 January 2011 saw the acquisition of Databasement B.V., a company operating in the Netherlands, Belgium and Spain. For more information, see note 9.

The purchase price of SEK 11.9 million relating to the acquisition of Storyflex was paid on 31 January 2011. For more information, see note 8.

Proposal for allocation of profit

The Board will propose a dividend of SEK 1.50 (1.35) per share to the Annual General Meeting for the 2010 business year.

Risks and uncertainty factors within the enterprise

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.
The financial risks involve currency risk, credit risk, interest rate risk and liquidity risk. The currency risk has been the most significant of these financial risks over the business year. With acquisitions completed and the good development of Proact Finance, the company will be affected to a greater extent by all of the above financial risks in future. The company is working actively on a hedging strategy in order to minimise these risks.

For a more detailed description of significant risks and uncertainty factors, please see Proact's annual report for 2009, page 15.

OTHER INFORMATION

This year-end report has not been audited.

Forthcoming reports

4 May 2011	Interim report, Q1 2011 plus Annual General Meeting
12 July 2011	Half-yearly report 2011
20 Oct 2011	Interim report, Q3 2011
15 Feb 2012	Year-end report 2011

Annual General Meeting

The Annual General Meeting will take place at 6 pm on 4 May 2011 at the company's offices in Kista.

The work of the Nominations Committee prior to the Annual General Meeting has not yet been completed.

For further information, please see the company's website at www.proact.se.

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The information in this report is such information as Proact IT Group (publ) shall publish in accordance with lagen om värdepappersmarknad, the Securities Market Act, and/or lagen om handel med finansiella instrument, the Act on Trading in Financial Instruments. This information was submitted for publication at 14:45 (CET) on 16 February 2011.

Kista, 16 February 2011

Proact IT Group AB (publ)
Olof Sand
CEO

FINANCIAL REPORTS (SEK m)

Consolidated statement of comprehensive income

	Note	3 mths Oct-Dec 2010	3 mths Oct-Dec 2009	12 mths Jan-Dec 2010	12 mths Jan-Dec 2009
System income		353.3	263.7	923.4	802.9
Service income		120.8	120.9	460.2	447.2
Other revenue		1.9	0.6	3.5	2.6
Net sales	3	**476.0**	**385.2**	**1 387.1**	**1 252.7**
Cost of goods and services sold		-358.5	-285.8	-1 025.0	-925.8
Gross profit		**117.5**	**99.4**	**362.1**	**326.9**
Sales and marketing expenses		-53.0	-47.0	-171.9	-161.8
Administration expenses		-33.9	-28.7	-118.1	-105.1
Operating profit	4	**30.6**	**23.7**	**72.1**	**60.0**
Net financial items		0.0	0.4	-2.0	0.1
Profit before tax		**30.6**	**24.1**	**70.1**	**60.1**
Income tax	5	-7.9	-1.1	-17.6	-7.7
Profit for the period	6	**22.7**	**23.0**	**52.5**	**52.4**
Other comprehensive income					
Translation differences		-1.3	2.4	-12.8	2.5
Total comprehensive income for the period		**21.4**	**25.4**	**39.7**	**54.9**
Profit for the period attributable to:					
Parent Company's shareholders		21.6	22.6	50.4	50.5
Holdings without a controlling influence		1.1	0.4	2.1	1.9
Total comprehensive income for the period attributable to:					
Parent Company's shareholders		20.3	25.2	37.9	53.3
Holdings without a controlling influence		1.1	0.2	1.8	1.6

Data per share[1)]

	3 mths Oct-Dec 2010	3 mths Oct-Dec 2009	12 mths Jan-Dec 2010	12 mths Jan-Dec 2009
Profit per share for the period pertaining to the Parent Company's shareholders, SEK	2.35	2.38	5.43	5.22
Equity per share, SEK	19.93	18.81	19.93	18.81
Cash flow from current operations per share, SEK	4.80	3.47	6.85	6.49
Number of shares at the end of the period excluding bought-back shares, units	9 179 586	9 401 886	9 179 586	9 401 886
Weighted average number of shares excluding bought-back shares, units	9 179 586	9 525 542	9 279 372	9 675 410

[1)] Proact has not issued any share options or conversion rights which could give rise to dilution.

PROACT

Key ratios and figures

	3 mths Oct-Dec 2010	3 mths Oct-Dec 2009	12 mths Jan-Dec 2010	12 mths Jan-Dec 2009
Operating margin (EBIT) %	6.4	6.2	5.2	4.8
Net margin, %	6.1	6.3	5.1	4.8
Profit margin, %	4.8	6.0	4.8	4.2
Equity ratio, %	21.4	24.1	21.4	24.1
Capital turnover rate, times	0.7	0.6	1.7	1.8
Return on equity, %	12.9	13.1	28.6	30.7
Return on capital employed, %	17.3	13.5	38.8	35.4
Investments in property, plant and equipment, SEK millions	16.5	7.9	39.8	22.5
Profit before tax per employee, SEK thousands	90	76	216	191
Average number of employees on annual basis	339	316	325	315

For a five-year review, see Note 11.
Definitions of key ratios and figures are set out in the Annual Report for 2009 and Note 12.

Consolidated Balance Sheet

	Note	2010 31 Dec	2010 30 Sep	2009 31 Dec
ASSETS				
Fixed assets				
Goodwill		75.1	73.8	77.4
Other intangible non-current assets	4	16.2	17.4	21.7
Tangible fixed assets	4	45.8	37.0	26.9
Other long-term receivables		10.7	7.4	7.6
Deferred tax receivables	5	28.0	32.5	33.5
Current assets				
Inventories		9.8	16.0	7.3
Trade and other receivables		612.4	341.6	479.0
Cash and cash equivalents		73.0	47.8	97.4
Total assets		**871.0**	**573.5**	**750.8**
EQUITY AND LIABILITIES				
Equity pertaining to the Parent Company's shareholders		183.0	162.6	176.8
Equity pertaining to holdings without a controlling influence		3.5	2.5	3.8
Equity, total		**186.5**	**165.1**	**180.6**
Long-term liabilities				
Provisions		0.7	-	-
Other long-term liabilities		5.5	6.2	8.5
Deferred tax liabilities	5	4.9	5.2	6.5
Current liabilities				
Current non-interest-bearing liabilities		673.4	397.0	555.2
Total equity and liabilities		**871.0**	**573.5**	**750.8**

Consolidated Cash Flow Statement

(summary)	3 mths Oct-Dec 2010	3 mths Oct-Dec 2009	12 mths Jan-Dec 2010	12 mths Jan-Dec 2009
Profit for the period	**22.7**	**23.0**	**52.5**	**52.4**
Adjustment for items not included in cash flow:				
Depreciations and write-downs, fixed assets	6.9	4.9	22.8	16.7
Other adjustments	8.0	-6.6	22.8	-3.5
Cash flow before changes in working capital	**37.6**	**21.3**	**98.1**	**65.6**
Change in working capital	6.5	11.8	-34.5	-2.8
Cash flow from current operations	**44.1**	**33.1**	**63.6**	**62.8**
Acquisitions from operations	-0.9	-	-0.9	-0.9
Capital expenditure on tangible fixed assets	-16.5	-7.9	-39.8	-22.5
Other cash flow from investment activities	0.0	-	-0.3	-0.1
Cash flow from investment activities	**-17.4**	**-7.9**	**-41.0**	**-23.5**
Dividends	-	-	-12.6	-11.7
Dividends to holdings without a controlling influence	-	-	-2.1	-1.4
Buy-back of own shares	-	-16.7	-19.2	-21.2
Borrowing	-0.5	6.0	-2.1	6.0
Cash flow from financing activities	**-0.5**	**-10.7**	**-36.0**	**-28.3**
Change in cash and equivalents	**26.2**	**14.5**	**-13.4**	**11.0**
Cash and equivalents at beginning of the period	47.8	81.2	97.4	84.5
Exchange rate differences in cash and cash equivalents	-1.0	1.7	-11.0	1.9
Cash and equivalents at end of the period	**73.0**	**97.4**	**73.0**	**97.4**

PROACT

Consolidated Statement of Changes in Equity

	Share capital	Other capital contributions	Translation of foreign subsidiaries	Loss brought forward incl. year's total comprehensive income	Total	Attributable to holdings without a controlling influence	Total shareholders' equity
	Attributable to the parent company's shareholders						
1 January 2010	**10.6**	**297.9**	**6.8**	**-138.5**	**176.8**	**3.8**	**180.6**
Total comprehensive income for the period			-12.5	50.4	37.9	1.8	39.7
Reduction of share capital	-0.4			0.4	-		-
Bonus issue	0.4			-0.4	-		-
Dividends				-12.6	-12.6		-12.6
Dividends to holdings without a controlling influence						-2.1	-2.1
Buy-back of own shares *				-19.2	-19.2		-19.2
December 31, 2010	**10.6**	**297.9**	**-5.7**	**-119.9**	**183.0**	**3.5**	**186.5**

Holdings without a controlling influence: Proact Latvia Ltd, Latvia 15 %, Proact Lietuva UAB, Lithuania 26.14 %, Proact Netherlands B.V. 49 %, and Proact Estonia AS 30 %. * including buy-back costs of SEK 38 thousand

	Share capital	Other capital contributions	Translation of foreign subsidiaries	Loss brought forward incl. year's total comprehensive income	Total	Attributable to holdings without a controlling influence	Total shareholders' equity
	Attributable to the parent company's shareholders						
1 January 2009	**10.6**	**297.9**	**4.0**	**-156.1**	**156.4**	**3.6**	**160.0**
Total comprehensive income for the period			2.8	50.5	53.3	1.6	54.9
Reduction of share capital	-0.5			0.5	-		-
Bonus issue	0.5			-0.5	-		-
Dividends				-11.7	-11.7		-11.7
Dividends to holdings without a controlling influence						-1.4	-1.4
Buy-back of own shares *				-21.2	-21.2		-21.2
31 December 2009	**10.6**	**297.9**	**6.8**	**-138.5**	**176.8**	**3.8**	**180.6**

Holdings without a controlling influence: Proact Latvia Ltd, Latvia 15 %, Proact Lietuva UAB, Lithuania 26.14 %, and Proact Netherlands B.V. 49 %, and Proact Estonia AS 30%. * including buy-back costs of SEK 32 thousand

Income statement for Parent Company

	3 mths Oct-Dec 2010	3 mths Oct-Dec 2009	12 mths Jan-Dec 2010	12 mths Jan-Dec 2009
Net sales	**10.9**	**10.1**	**38.2**	**33.6**
Cost of goods and services sold	-	-	-	-
Gross profit	**10.9**	**10.1**	**38.2**	**33.6**
Administration expenses	-7.8	-12.1	-35.3	-37.8
Operating profit	**3.1**	**-2.0**	**2.9**	**-4.2**
Net financial items	11.2	11.9	22.6	32.6
Profit before tax	**14.3**	**9.9**	**25.5**	**28.4**
Income tax	-0.8	8.4	-0.4	8.4
Profit for the period	**13.5**	**18.3**	**25.1**	**36.8**

Balance sheet for Parent Company

	2010 31 Dec	2010 30 Sep	2009 31 Dec
ASSETS			
Fixed assets			
Shares in Group companies	151.6	150.7	148.5
Deferred tax receivables	8.0	8.8	8.4
Receivables	4.8	4.9	5.1
Current assets			
Trade and other receivables	30.5	22.0	22.1
Total assets	**194.9**	**186.4**	**184.1**
EQUITY AND LIABILITIES			
Restricted equity	38.9	38.9	38.9
Non-restricted equity	72.4	58.9	79.1
Equity, total	**111.3**	**97.8**	**118.0**
Long-term liabilities			
Current liabilities to Group companies	7.9	7.9	7.9
Current liabilities			
Group currency account	43.7	52.3	36.1
Current non-interest-bearing liabilities	32.0	28.4	22.1
Total equity and liabilities	**194.9**	**186.4**	**184.1**

EXPLANATORY INFORMATION

Note 1. General information

Proact IT Group AB (publ) (co. reg. no. 556494-3446) has its registered office in the municipality of Stockholm. Since July 1999, the Company has been listed on Nasdaq OMX Stockholm and the Small Cap list under the PACT symbol.

Note 2. Accounting policies

The consolidated accounts for the 2010 accounting year, like the annual report for 2009, have been compiled in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU, and the Swedish Annual Accounts Act. The Parent Company's accounts have been compiled in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 (Accounting for Legal Entities).

The present year-end report has been prepared in accordance with IAS 34, Interim reporting, and the Swedish Company Accounts Act. The term "IFRS" in this document includes the application of IAS and IFRS, as well as the interpretations of these standards as published by the IASB's Standards Interpretation Committee (SIC) and Internal Reporting Interpretations Committee (IFRIC).

The Group applies the same accounting principles as those described in the annual report for 2009 as no new or amended recommendations decided upon by IFRS have affected the company's financial reports, with the exception of the revised IFRS 3. This standard specifies, among other things, that charges attributable to business combinations must be expensed as they arise. Acquisition costs for 2010 amounted to SEK 2.8 million.

Note 3. Turnover by business area	3 mths Oct-Dec 2010	3 mths Oct-Dec 2009	12 mths Jan-Dec 2010	12 mths Jan-Dec 2009
Public sector	109.8	85.4	320.3	262.3
Retail and wholesale trade and services	120.5	76.6	288.8	220.3
Telecom	98.6	81.9	283.6	257.5
Oil, energy	34.6	38.0	178.4	166.7
Manufacturing industry	60.6	58.1	165.9	156.4
Banking, finance	18.0	19.7	72.6	111.1
Media	31.8	12.0	54.8	31.8
Other	2.1	13.5	22.7	46.6
Total	**476.0**	**385.2**	**1 387.1**	**1 252.7**

Note 4. Depreciation and write-down of fixed assets	3 mths Oct-Dec 2010	3 mths Oct-Dec 2009	12 mths Jan-Dec 2010	12 mths Jan-Dec 2009
Depreciation of intangible fixed assets	-1.2	-1.4	-4.8	-5.3
Depreciation of tangible fixed assets	-5.7	-3.5	-18.0	-11.4
Total	**-6.9**	**-4.9**	**-22.8**	**-16.7**

Note 5. Income tax

The group's tax expense includes total current tax and deferred tax calculated on the basis of applicable tax rates in the respective countries. The revised tax cost over the financial year amounted to SEK -17.6 (-7.7) million. Taxes paid over the period amount to SEK 6.7 (7.6) million as deductions for losses have been utilised.

The Group's total deductions for losses amount to SEK 96.6 million. It has been assessed that all deductions for losses can be made use of against future taxable profits and the tax effect of the estimated future deduction has been recorded as a deferred tax claim.

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Note 6. Operating segments

Jan-Dec 2010	Sweden	Finland	Norway	Denmark	Nether-lands	Lithuania	Latvia	Estonia	Other	Group
REVENUE										
External sales	511.8	313.4	270.1	132.5	86.0	28.8	17.3	12.4	14.8	1 387.1
Internal sales	31.8	1.5	10.2	1.6	8.7	-	0.8	0.9	-55.5	-
Total revenues	**543.6**	**314.9**	**280.3**	**134.1**	**94.7**	**28.8**	**18.1**	**13.3**	**-40.7**	**1 387.1**
INCOME										
Operating profit	**26.5**	**21.5**	**21.5**	**0.3**	**3.8**	**2.6**	**1.7**	**-0.8**	**-5.0**	**72.1**
Financial income										1.0
Financial expenses										-3.0
Tax										-17.6
Profit for the period										**52.5**

Jan-Dec 2009	Sweden	Finland	Norway	Denmark	Nether-lands	Lithuania	Latvia	Estonia	Other	Group
REVENUE										
External sales	493.4	214.9	270.2	127.2	53.8	70.8	15.5	6.9		1 252.7
Internal sales	23.3	2.0	5.5	2.8	-	-	-	0.1	-33.7	-
Total revenues	**516.7**	**216.9**	**275.7**	**130.0**	**53.8**	**70.8**	**15.5**	**7.0**	**-33.7**	**1 252.7**
INCOME										
Operating profit	**26.9**	**8.9**	**22.9**	**2.6**	**0.8**	**7.6**	**1.2**	**-2.6**	**-8.3**	**60.0**
Financial income										1.4
Financial expenses										-1.3
Tax										-7.7
Profit for the period										**52.4**

Note 7. Ten biggest shareholders

Stake in % according to Euroclear Sweden AB	31 Dec 2010	31 Dec 2009
Skandia Liv	10.4	10.4
IGC Industrial Growth Co. AB	10.1	10.1
Swedbank Robur Småbolagsfonder	8.7	7.1
Skagen Fonder	7.9	8.1
Thyra Hedge	5.3	7.0
Öresund Investment AB	5.3	5.1
SEB Fonder	4.6	0.0
Didner & Gerge Småbolag	2.8	4.9
Nordea Fonder	2.6	3.5
Key	2.4	0.0
Other	40.1	43.8
Total	**100.0**	**100.0**

Note 8. Acquisition of Storyflex Inc.

On 20 October 2010, Proact entered into an agreement to purchase 60 % - with an option of acquiring the remaining 40 % - of Storyflex Inc., a company operating in the Czech Republic and Slovakia. Operations will be run under the name Proact Czech Republic Ltd.

The company has 35 employees over four offices in Prague, Ostrava, Brno and Bratislava. The company's turnover over the last business year (April 2009-March 2010) amounted to more than SEK

100 million. The purchase price of approximately SEK 11.9 million was paid in cash on 31 January 2011.

The distribution of the acquisition value has not been finalised as the legal process has not yet been completed. It is anticipated that the process will be completed during the first quarter of 2011, at which time the acquired business will be consolidated into Proact.

Note 9. Acquisition of Databasement B.V.

On 10 January 2011, an agreement was entered into concerning the purchase of Dutch company Databasement B.V., operating in the Netherlands, Belgium and Spain.

As a result of this agreement, Proact owns 100 % of the business relating to Managed Services, cloud services. Proact owns 82 % of other business in the Netherlands and Belgium and 85 % of the business in Spain. Local management and employees constitute a minority. Moreover, this acquisition means that Proact owns 40 % of a software product known as InControl, which was developed by the company itself.

Databasement has a total of 52 employees and net sales of around SEK 180 million. The purchase price, amounting to a total of SEK 129 million, will be paid in cash at a total of SEK 92 million over three equal payments over the next twelve months and an estimated additional purchase price of SEK 37 million in three years' time. This additional purchase price is based on estimated growth in net sales and profits over the next three years.

The companies acquired will be consolidated into Proact as of 10 January 2011.

It is thought that the preliminary acquisition calculation will be completed in the first quarter of 2011.

Note 10. Other acquisitions

On 1 October, Proact's Danish subsidiary acquired 100 % of shares in Danish company Great Solutions A/S. The purchase price of approximately SEK 0.9 million was paid in cash. In the longer term, the company's operations will be legally merged with Proact's Danish operations.

Proact's Swedish subsidiary has entered into an agreement concerning the acquisition of 100 % of shares in Swedish company Riori Teknik AB. The purchase price of approximately SEK 1.0 million will be paid in cash over a period of two years. The acquisition process will be completed in the first quarter of 2011. In the longer term, the company's operations will be legally merged with Proact's Swedish operations.

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Note 11. Five-year summary

	Jan-Dec 2010	Jan-Dec 2009	Jan-Dec 2008	Jan-Dec 2007	Jan-Dec 2006
Net sales, SEK millions	1 387.1	1 252.7	1 044.2	864.8	756.5
Profit before tax, SEK millions	70.1	60.1	50.1	40.7	18.0
Profit for the period, SEK millions	52.5	52.4	38.7	31.9	24.2
Operating margin (EBIT), %	5.2	4.8	4.5	4.7	2.5
Net margin, %	5.1	4.8	4.8	4.7	2.4
Profit margin, %	3.8	4.2	3.7	3.7	3.2
Equity ratio, %	21.4	24.1	24.8	30.6	33.3
Capital turnover rate, times	1.7	1.8	1.8	1.7	1.7
Return on equity, %	28.6	30.7	24.4	20.2	15.2
Return on capital employed, %	38.8	35.4	32.4	26.6	11.6
Capital expenditure on tangible fixed assets, SEK millions	39.8	22.5	11.5	9.2	7.5
Profit before tax per employee, SEK thousands	216	191	168	155	75
Average number of employees on annual basis	325	315	299	262	241
Earnings per share for the period, SEK *)	5.43	5.22	3.68	2.80	1.97

*) Proact has not issued any share options or conversion rights which could give rise to dilution. The number of shares is calculated excluding bought-back shares.

Note 12. Definitions

Operating margin (EBIT), %	Operating income expressed as a percentage of net sales
Net margin, %	Profit or loss before tax expressed as a percentage of net sales
Profit margin, %	Profit or loss after tax for the period expressed as a percentage of net sales
Equity ratio, %	Equity including minority interests as a percentage of balance sheet total
Capital turnover rate, times	Turnover expressed as a percentage of the average balance sheet total
Return on equity, %	Profit or loss after tax, expressed as a percentage of average equity
Return on capital employed, %	Income after net financial items plus financial expense, as a percentage of average capital employed
Capital employed	Ratio of the balance sheet total minus non interest-bearing liabilities inclusive of deferred tax liabilities
Profit per employee	Profit before tax divided by the average number of annual employees

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