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ANNUAL REPORT

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2010 AT A GLANCE

- Net sales were SEK 2,181.1 million (2,148.0)
- Operating loss was SEK -15.3 million (-3.5)
- Operating earnings improved steadily during the year and showed a profit of SEK 6.5 million (1.5) in the fourth quarter
- Loss after tax was SEK -19.6 million (-21.5)
- Earnings per share after tax totaled SEK -1.55 (-1.70)
- Cash flow after investments amounted to SEK -31.4 million (30.9)
- The equity/assets ratio was 37.7% (41.5)
- The board proposes that the annual general meeting not distribute a dividend for fiscal year 2010 (no dividend for fiscal year 2009)
- PartnerTech opened a new plant for sheet metal working and systems integration in Myslowice, Poland during the year
- On April 27, Leif Thorwaldsson took over as President and CEO of PartnerTech

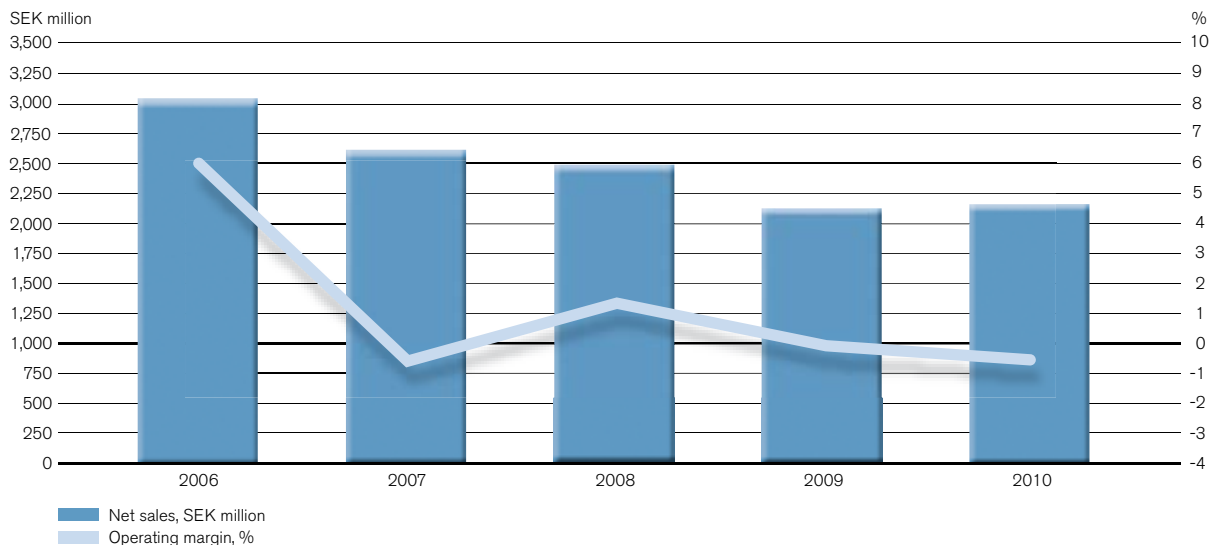
PartnerTech's earnings improved steadily during the year and showed a profit in the fourth quarter. Market prospects have been increasingly favorable, and sales have taken off again in most countries. The MedTech & Instrumentation and CleanTech market areas grew fastest during the year, while challenges at Defense & Maritime (metal-cutting machining) reduced both sales and earnings, particularly during the first half.

PartnerTech made a series of investments during the year for the purpose of optimizing its competitiveness going forward. The largest investment was approximately SEK 60 million for the new Myslowice plant, one of the most highly automated facilities in the world for sheet metal working and systems integration. Meanwhile the Sieradz unit was streamlined to an electronics plant with leading-edge expertise and machinery. Customers have shown great interest in the complete production base that PartnerTech has now established in Eastern Europe.

KEY RATIOS

Amounts in SEK million (unless otherwise stated)	2010	2009	2008	2007	2006
Net sales	2,181.1	2,148.0	2,529.0	2,643.6	3,057.2
Operating profit/loss	-15.3	-3.5	28.5	-17.7	180.0
Operating margin, %	-0.7	-0.2	1.1	-0.7	5.9
Return on operating capital (ROOC), %	-1.9	-0.4	3.1	-1.8	20.0
Equity/assets ratio, %	37.7	41.5	39.6	38.4	36.6
Average equivalent full-time employees	1,328	1,382	1,670	1,886	1,747

NET SALES AND OPERATING MARGIN



BUSINESS CONCEPT

PartnerTech develops and manufactures products under contract for companies with leading positions in selected business-to-business sectors of the European market. As a contract manufacturer, we enhance the profitability and competitiveness of our customers by delivering services throughout the value chain – from components to integrated systems and complete products.

VISION

Our vision is to be the obvious choice for business-to-business contract manufacturing.

A BRIEF LOOK AT PARTNERTECH

PartnerTech develops and manufactures electronic, mechanical and mechatronic products on behalf of leading businesses in the market areas of Defense & Maritime, Industry, Information Technology, MedTech & Instrumentation, CleanTech and Point of Sale Applications.

PartnerTech's role with its customers is to provide production expertise and take an integrated approach. This role requires the ability to manage the entire product life cycle, along with leading-edge skills in electronics, mechanics and systems integration. These qualities allow us to create solutions that strengthen the customer's competitiveness. Among our priorities are proximity to our customers, top quality, reliable delivery, short lead-times and customer satisfaction.

PartnerTech has approximately 1,300 employees at plants in Sweden, Norway, Finland, Poland, the UK, the United States and China. PartnerTech AB (www.partnertech.com), the parent company, has its head office in Vellinge, Sweden and is listed on the Nasdaq OMX Stockholm Exchange.



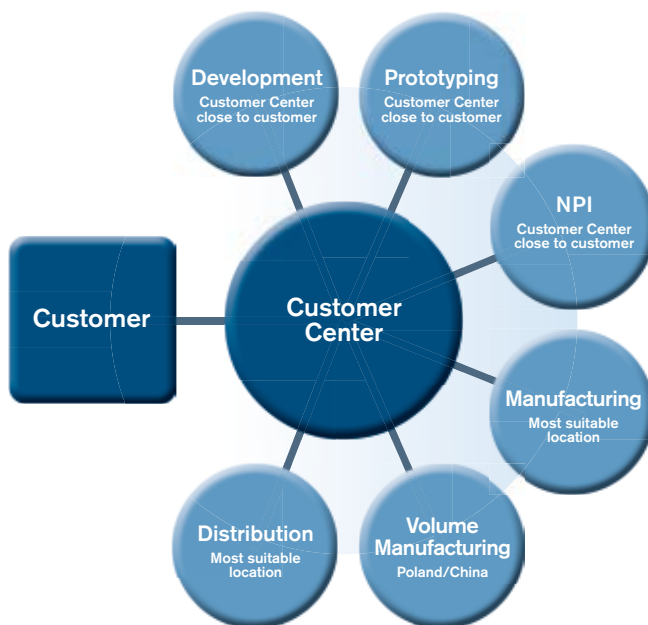
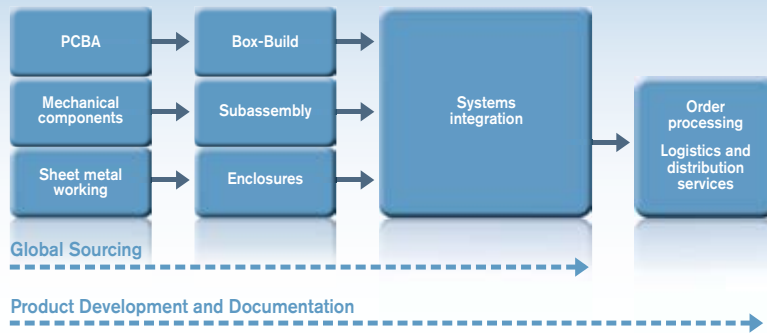
SPECIALIST KNOW-HOW IN SIX MARKET AREAS

PartnerTech is active within six market areas: Defense & Maritime, Industry, Information Technology, MedTech & Instrumentation, CleanTech and Point of Sale Applications. The company has specific applications expertise and quality standards that benefit its customers in these areas. Through long experience and close collaboration,

PartnerTech has continually improved its processes and production skills to satisfy these particular requirements and specifications. Over the years, the company has also acquired thorough understanding and knowledge of the market in which both its current and prospective customers do business.

CUSTOMER OFFERING

PartnerTech offers services throughout the value chain and a product's life cycle. The extent to which customers collaborate with PartnerTech is completely up to them. Many of them start off by taking advantage of particular services, turning over greater responsibility as they grow comfortable with the relationship.



CUSTOMER CENTERS

PartnerTech is a strong contract manufacturer for both big and small product owners, primarily in the business-to-business sector. By turning over the optimal degree of responsibility to us, customers add knowledge and expertise that shorten the time from product concept to market launch. That is the PartnerTech way of helping its customers grow and succeed. In order to ensure the best possible service, PartnerTech has set up local customer centers in each market where it operates. The centers satisfy the desire of our customers for an ongoing dialog about technology and the market. Such a center can also coordinate PartnerTech's relationship with a customer that collaborates with our plants, product development centers and distribution centers in multiple geographic markets.

MISSION

Our mission is to strengthen the competitiveness of our customers and their products through technical excellence and proven manufacturing skills.

A WORD FROM THE CEO

FOCUS ON EFFICIENCY AND PROFITABILITY

With its strong focus on customers, PartnerTech is an industry leader when it comes to quality control and standards. Notwithstanding the challenging markets of the past few years, we have succeeded in adapting and streamlining our organization to strengthen both our competitiveness and that of our customers. After a long period of weak demand, the future looks considerably brighter for the market areas in which PartnerTech operates.

PartnerTech's focus on customer service, industrial structure and market areas, as well as adapting capacity and efficiency to demand, has proven highly successful. This effort, which began in 2008, has attained most of its objectives even though there will always be more to do. PartnerTech now cooperates closely with a number of leading customers in the business-to-business sector of the contract manufacturing industry.

Despite the challenges posed by the financial crisis and recession of the past few years, adaptation and efficiency measures have boosted our competitive strength.

One major reason for our secure market position is our wide-ranging customer offering when it comes to electronics, mechanics and mechatronics – a combination of the two. Our industrial structure, which consists of customer centers in strategic markets and a complete production base in Poland, is an important contributing factor to our strength in Europe, particularly the Nordic countries.

TRENDS IN 2010

The market staged a recovery in 2010. PartnerTech's performance during the year reflected that trend. The entire

business gradually improved and most units earned a profit for the second half of the year. Previous cost-effectiveness and restructuring programs attained their objectives, while sales regained momentum in many markets.

Our MedTech & Instrumentation and CleanTech market areas grew fastest; sales at some of their units were 30% higher than the year before.

PartnerTech's metal-cutting machining unit, which primarily targets customers of the Defense and Maritime market area, faced major challenges during the year. The loss for the year was due primarily to these challenges. The other contributing factors were necessary restructuring of the British business and an investment of approximately SEK 60 million for the new Myslowice plant.

Myslowice is among the most highly automated sheet metal working and systems integration plants in the world. The benefits to our business cannot be overestimated. The combination of Myslowice and Sieradz, now exclusively an electronics plant, represents a complete Eastern European production base. Our customers have shown great interest.



**” THE NEW PLANT IN
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INTEGRATION ”**

**LEIF THORWALDSSON
PRESIDENT AND CEO, PARTNERTECH**



OTHER EVENTS DURING THE YEAR

We continued to focus on activities aimed at boosting efficiency and customer performance. Despite our competitive strength, it goes without saying that there is always room for improvement. As a result, we have taken a number of reorganization measures. For instance, our operating activities now consist of three separate segments: systems integration & enclosures, electronics and machining. The idea is to focus even more on our core skills, as well as their specific challenges and opportunities. That kind of



“ GIVEN ITS COMPETITIVE OFFERING AND INDUSTRIAL STRUCTURE, PARTNERTECH HAS EXCELLENT GROWTH PROSPECTS AHEAD OF IT. ”

focus is essential in a specialized industry that never stops moving when it comes to products, machinery and technology. The change will further emphasize internal efficiency and capital tied up in a way that directly benefits profitability.

The change also included reinforcement of our sales organization with additional production, logistics and product development expertise. In addition, our purchasing function was consolidated at three locations. The greater

focus on purchases from low-cost countries is integral to our ongoing competitiveness effort.

PartnerTech has continued to invest in the future. The new, ultramodern sheet metal working and systems integration plant in Poland is the most prominent case in point. We have also invested in other machinery and systems to provide our customers with a better and more complete range of services.

Teamwork and satisfied employees are also essential to success. When an organization is experiencing major

changes, such assets are especially important. That's why I'm particularly pleased by the leadership training program that we started in 2010. Over the course of 18 months, we are training leaders throughout the entire organization.

FOCUS IN 2011

The PartnerTech strategy for the future is based on an objective that we have kept in mind since I took over as CEO. The essence of the objective is sustainable profitability – creating the conditions for profitability even in bad times and for growth in good times.

The objective consists of five components: profitability, capital tied up, growth, internal processes and technical skills. After a lot of hard work, internal processes and technical skills have improved significantly. Our main focus in 2011 is on profitability, capital tied up and growth – the foundation on which the future is built.

The first order of priority is to ensure profitability. Achieving sustainable profitability on all markets is our primary focus. We will get there in the short run by completing the cost-effectiveness and restructuring programs that some units are still implementing. The goal for other units is continuing growth. Reduction of capital tied up also represents major potential for the group. The positive impact on profitability is immediate.

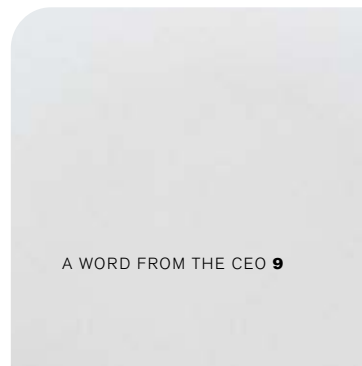
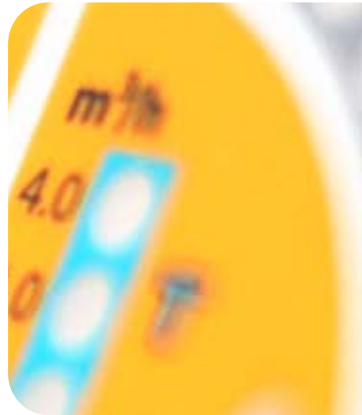
Given its competitive offering and efficient industrial structure, PartnerTech has excellent growth prospects ahead of it. While acquisitive expansion is not a priority for 2011, we wouldn't want to rule it out if the right opportunity came along.

VITAL TO EUROPEAN INDUSTRY

Contract manufacturing is vital to European industry, and PartnerTech is well positioned for the future. With the new Myslowice plant up and running, PartnerTech has an efficient industrial structure and a broad, competitive customer offering. Most of the company's units earned a profit in 2010. Based on our current focus and activities, we will continue moving in the right direction throughout 2011.

A handwritten signature in blue ink that reads "Leif Thorwaldsson".

Leif Thorwaldsson, President and CEO





STRATEGY AND TARGETS

PartnerTech offers a full range of contract manufacturing services that revolve around machining, electronics, sheet metal working and systems integration. Our production skills are supported by a global supply chain, along with product development, after-sales, maintenance and distribution services. PartnerTech's technical development capabilities are broader and more deeply rooted than most other contract manufacturers – a clear competitive advantage.

The company's strongest suit is the ability to combine electronics and mechanics (machining and sheet metal working) into complete products (systems integration). Moreover, we assist our customers with both development and introduction of new products to optimize producibility. PartnerTech targets product owners in its six market areas, which have specialized applications skills and quality standards. Most of the company's customers are in the European market.

PartnerTech opened a new, ultramodern sheet metal working and systems integration plant in Myslowice, Poland in 2010. As a result, the Sieradz plant became a super-efficient, high-standard, electronics unit. The total investment has provided PartnerTech with a complete production base in Eastern Europe. The company had already maintained well-functioning strategic collaboration with a production partner in China. Adding our customer centers in strategic geographic markets into the equation, we now have a powerful, efficient industrial structure prepared to meet the future.

PartnerTech's customer center concept is based on the principle of closeness to customers and their markets, an important asset in the contract manufacturing industry. The concept ensures geographic, linguistic and cultural proximity while seeing to it that the customer's product is manufactured and engineered at the plant or customer center that best matches the current phase of its life cycle. A customer center provides local service, an important ingredient during the initial stage of small-scale prototype manu-

facture. Production is frequently relocated to Poland or China, depending on volume, and then back to Sweden during the phase-out stage. Multiple customer centers and plants may be needed in order to quickly reach the customer's end-market.

PartnerTech's strategy is based on taking advantage of its broad, deeply rooted expertise in selected segments of the market to help customers manufacture both components and entire products. Depending on volume, production may be relocated to various parts of the world while the customer maintains contact with PartnerTech close to its own product development function. The arrangement ensures efficient, competitive and highly flexible production

2011 AND BEYOND

Like other players in the contract manufacturing industry, PartnerTech has experienced several challenging years in the wake of the financial crisis and recession. But the company's fundamental strategic direction and complete range of services stand it in good stead going forward. PartnerTech will focus in 2011 on sustainable profitability through growth and earnings-oriented measures, as well as ongoing emphasis on efficiency and lower capital tied up.

While acquisitive expansion is not a top priority for 2011, we would not want to rule it out if the right opportunity came along.

LONG-TERM FINANCIAL TARGETS

Because contract manufacturing is a young industry that is still subject to many changes and fairly rapid fluctuations, financial strength is key to success. Following are our long-term financial targets.

PARTNERTECH'S FINANCIAL TARGETS

Annual growth	≥ 10%
Operating margin	≥ 7%
Annual operating capital turnover	≥ 3
Return on operating capital	≥ 20%
Equity/assets ratio	≥ 30%

CONTRACT MANUFACTURING MARKET OF TODAY AND TOMORROW

The contract manufacturing market is powered by a clear trend in which product owners gradually reduce the amount of production they do themselves and outsource it instead. That way they can focus on market and applications development. The trend has held steady since the contract manufacturing industry was born.

GLOBAL AND REGIONAL PLAYERS

The predominant players in the contract manufacturing industry are a handful of global companies that tend to stress consumer electronics and other high-volume electronics applications. They are oriented toward standardized, large-scale production. Much of their production is at big plants in low-cost countries, primarily in Asia. They have a strong global supply chain.

Small and medium-sized contract manufacturers – which primarily handle products, subassembly or electronic components for the business-to-business market – are regarded as regional players. The business-to-business sector usually involves a combination of relatively small volumes and more complex products that demands a different kind of flexibility. These contract manufacturers operate regionally in the sense that one or more countries may be involved. They often focus on a small number of specific segments and adapt their customer offering accordingly. The category consists of only a few larger companies (one of which is PartnerTech) that can offer a broad range of production and service options while often participating in product development efforts. These large players can manufacture in low-cost countries and have a more extensive global supply chain and purchasing network than smaller players, which manufacture exclusively at the local level in proximity to their customers.



PARTNERTECH'S POSITION

PartnerTech is a leading European business-to-business contract manufacturer. Thus, it is among the big regional players. Most of its customers are in Europe, with a smaller number in the United States. The company operates customer centers and plants in all strategic markets, as well as a complete production base in Eastern Europe for higher volumes. The company offers large-scale production in Asia as well.

Although the contract manufacturing industry is relatively young, PartnerTech has longstanding experience of interindustry technology. In other words, we can manufacture electronic components, mechanical components and a combination of the two. That ability distinguishes PartnerTech from many other regional players and lands it big contracts to manufacture integrated systems and entire products. The company also offers product development

services and a global supply chain with purchasing offices in Sweden, Eastern Europe and Asia.

The breadth of PartnerTech's total customer offering resembles that of global players even though it produces on a smaller scale and its products are for the business-to-business market. As the business-to-business sector of the contract manufacturing industry evolves, PartnerTech has carved out a strong position that proceeds from its broad service offering, robust industrial structure and documented expertise.

MARKET TRENDS

The most powerful incentive for outsourcing is globalization and the associated increase in competition and specialization. That has spurred a growing number of product owners to outsource their production, or to do so more than they had previously, in order to obtain cost benefits and



greater flexibility. As a result, they also have more time for their core operations and can respond faster to fluctuations in the market.

While consumer products have been the most powerful catalyst by virtue of their short life cycles and high volumes, the need is also increasing in the business-to-business market, where PartnerTech operates. Both global and regional players are striving to expand their service offering. A contract manufacturer that aims to be a complete production partner must possess broad technical skills and the capacity for developing, manufacturing and introducing products, as well as after-sales services for logistics and maintenance. A purchasing function that can create economies of scale and offer high quality at competitive prices is also essential. For development and production of complete products and integrated systems that contain both mechanical and electronic components, customers often require physical proximity between the market and production. Shipping large products over long distances to reach the end-user is rarely warranted from either an environ-

mental or cost standpoint. Generally speaking, Central and Eastern European countries serve as low-cost options in Europe, while China supplies end-users in Asia. The situation is different for electronic components, which are easier to handle and distribute. Relocating the production of electronic components, increasingly to the Asian countries, tends to be easier.

COMPETITORS

PartnerTech is one of the biggest business-to-business contract manufacturers. In that sense, we differ radically from large global players, which are not our competitors in the true sense of the word. Other players with PartnerTech's orientation – Kitron, Benchmark, Enics, Note and Scanfil – all have a strong regional base and global operations proceeding from Europe and Asia (the United States as well in PartnerTech's case). PartnerTech also has local competitors in individual geographic markets, but they operate in only a few disciplines and do not compete in any real sense with PartnerTech's total offering.



A FEW WORDS ABOUT THE INDUSTRY BY THOMAS J. DINGES



HOW WOULD YOU DESCRIBE THIS INDUSTRY?

"The best way to describe the outsourcing industry to an outsider, is to say that this is the industry that manufactures the products that you and your company use every day. The outsourcing industry is 'the brand behind the brands,'" says iSuppli analyst Thomas Dinges. "Often, people don't know that the largest brands don't actually build a lot of the products that they sell."

WHAT IS YOUR VIEW ON THE DEVELOPMENT AND THE DRIVERS IN THE INDUSTRY?

"The development of the outsourcing market is driven mainly by a continuous trend, where the OEM companies (product owners) are decreasing the amount of manufacturing that they are doing in-house. This trend has been steady, since the start of the industry decades ago.

Outsourcing is first and foremost a financial decision. It helps companies to focus on their core business."

HOW BIG IS THE MARKET?

"In 2009, the global EMS industry was worth USD 140 billion, a decline from USD 175 billion in 2008. Of this, 16–17 percent was business produced in Europe. Asia answered for 55 percent, and the Americas for 27–28 percent. In 2010 the result was nearly USD 190 billion."

IF YOU DIVIDE THE MARKET INTO CONSUMER AND NON-CONSUMER PRODUCTS, HOW DO YOU SEE TRENDS, GROWTH POTENTIAL, ETC?

"If you divide the market, the consumer side is by far the largest and there is of course still great potential. But in industries that are not the traditional market for this – auto, medical, clean tech,

energy, etc. – they still do a lot of their manufacturing internally, meaning that the potential for outsourcing is large. This makes sense for most companies since it gives them the ability to utilize a manufacturing footprint that can speed up time to market. It's simply faster and cheaper to outsource than to do it all by yourself.

Therefore I see that also within business to business there are great potential and a lot to gain, both for the companies in these industries and for the contract manufacturers targeting these markets."

HOW WOULD YOU DESCRIBE 2010?

"Demand has returned very strongly, especially in the emerging markets. Also on the industrial side, regardless of if we look at Europe, America or Asia, there has been a very big recovery – after a very big downturn. But growth has mainly come to the biggest players, who have their businesses with the bigger suppliers.

Many of the smaller or more regional players continued to have a tough 2010. These companies are often European based and their customer base mainly within business-to-business where the recovery has been slower."

WHAT DO YOU SEE FOR 2011 AND BEYOND?

"The trends we see for 2011 are that Asia will continue to be a driver, especially for consumer products. But it will also be a very tough year in pricing. Our forecast is 5–6 percent of growth.

When it comes to geography, both America and Europe will try to get growth through export. I anticipate that this will lead to more outsourcing, because that is easier than to increase your own manufacturing."

THOMAS J. DINGES

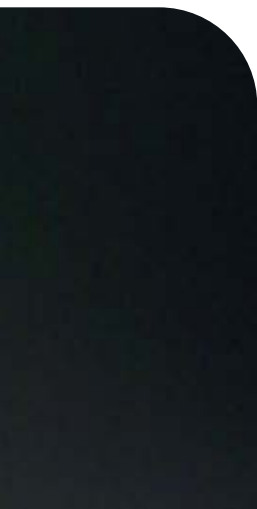
Thomas J. Dinges, CFA, is Senior Consultant and Principal Analyst, Global EMS & ODM Research Practice, IHS iSuppli Corporation, a top ranked analyst specializing in the electronics value chain.

Before that, he was a Senior Equity Analyst at JP Morgan publishing research for eight years. He is a CFA charterholder and a member of the CFA Institute in addition to membership in the New York Society of Security Analysts. He was ranked in Institutional Investor Magazine's annual poll of top sector analysts.

ISUPPLI CORPORATION

iSuppli Corporation helps clients improve performance in the electronics value chain by providing them with the facts, analysis and advice they require to know precisely how to succeed. Their staff monitors the status of the electronics value chain, and continuously updates a score of self-consistent databases that track industry performance.

iSuppli is a part of IHS, a leading source of information and insight in areas like energy, economics, geopolitical risk, and sustainability and supply chain management. IHS was founded in 1959 and is a publicly traded company on the New York Stock Exchange since 2005.





PARTNERTECH AND ITS CUSTOMERS

PartnerTech is a strong ally of product owners in the business-to-business sector of the contract manufacturing industry. The experience of manufacturing and refining production for a number of different customers through the years has furnished PartnerTech with a set of skills that manifest in a unique competitive offering.

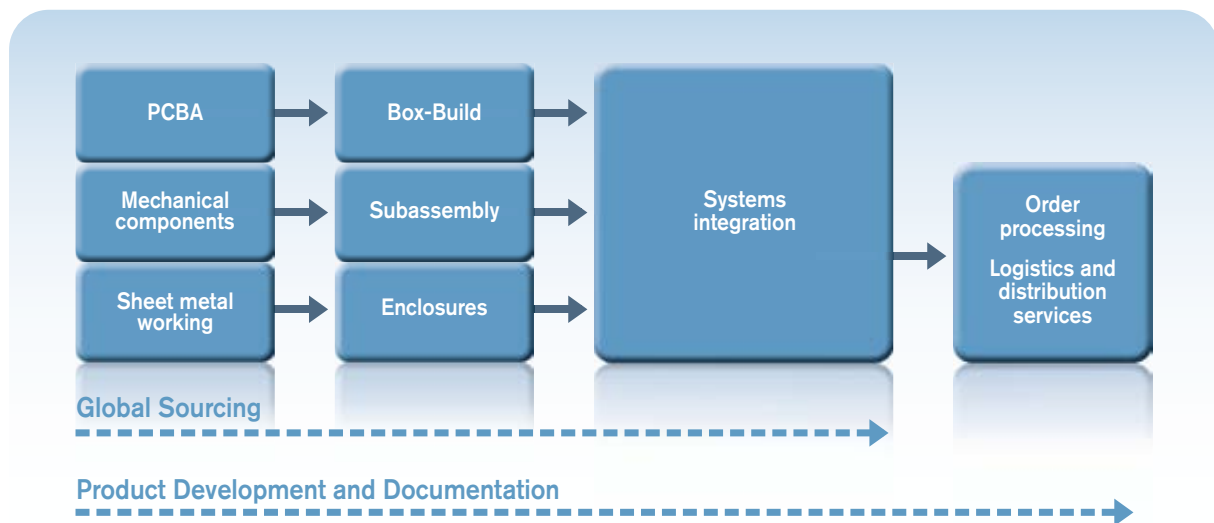
Contract manufacturing is a technology-driven industry that grows in spurts as customers expand or introduce new products. The *raison d'être* of the industry is that customers outsource all or part of their production in order to focus on product launch and development.

The great advantage that PartnerTech and other contract manufacturers have going for them is that outsourcing is an irreversible process. Eventually it becomes impossible to engage in price competition with a business that has outsourced production, given the benefits offered by efficiency and ease in responding to demand fluctuations.

PartnerTech is among the business-to-business contract manufacturers that have taken the concept farthest. That was particularly true during the recession, when the group invested heavily in ultramodern machinery and efficiency measures, including the new sheet metal working and systems integration plant in Myslowice. The company has accumulated a large set of skills over the years.

PartnerTech's lead is particularly evident in the following critical areas.

Systems integration, in which PartnerTech has developed the ability to proceed from components through a subsystem to an optimally functioning system, particularly when it comes to engineering change orders. The company has also designed efficient nonconformity management processes. Another strong competitive advantage is



PartnerTech's configuration management capacity, which permits rapid order processing. Finally, PartnerTech is in the vanguard with respect to cost reduction based on streamlined production design.

PartnerTech is unique in its ability to construct solutions, methods and services that facilitate, accelerate, rationalize and improve a customer's business. It goes without saying that the customer experiences higher profitability as a result.

PARTNERTECH'S SERVICE OFFERING

PartnerTech offers services throughout the value chain and product life cycle for electronics, mechatronics, enclosures and systems integration. Many customers start off by taking advantage of particular services, turning over greater responsibility as they grow comfortable with the relationship.

PRODUCT DEVELOPMENT AND UNIQUE COST REDUCTION METHOD

Approximately 70% of a product's total cost is often determined at the development stage, when proper design permits cost-effective purchasing, assembly and testing. Thus, a number of customers call on PartnerTech to participate in product development. Others ask us to improve the quality

and cost-effectiveness of their existing products and prototypes, as well as to design test systems.

PartnerTech also offers its unique Value Analysis/Value Engineering (VA/VE) concept, which reviews a product in order to pare down its costs and optimize it for production. VA/VE, which is suitable for both new and existing products, offers 20–50% cost savings per manufactured unit.

PRODUCTION

PartnerTech's structure of customer centers in various geographic markets ensures not only technology and development sharing, but production optimization. Products can be manufactured close to the development and technical division of the customer, in a country with lower labor costs, or both of the above. Because PartnerTech manufactures for selected segments of the market, we are fully acquainted with requirements and specifications in each area. Our production know-how extends across a number of disciplines, including printed circuit boards, encapsulated electronics, mechanical processing, sheet metal working, assembly and systems integration.

PartnerTech operates plants in Sweden, Norway, Finland, the UK, Poland and the United States. The Polish plants offer complete production in all areas of expertise. Large-scale production often takes place in China.



SIX MARKET AREAS

PartnerTech has many years of experience in developing and manufacturing products for businesses in a variety of market areas. We have long collaborated with leading companies to continually upgrade our processes and production skills.

The challenge is not simply to meet customer-specific or market-specific requirements. Just as important is to understand the particular market in which a customer does business. Combine that with the experience the group has accumulated in electronics, mechatronics, enclosures and systems integration – not to mention the certifications that are decisive for customers: ISO 9001:2000 and ISO 14001:2004, industry-specific standards such as ISO 13485 for medical device production, and geographically specific regulations such as QSR for the United States and PAL for Japan, as well as MDD and IVDD for Europe.

MARKET AREA

DEFENSE & MARITIME

The Defense & Maritime market area originated in the defense industry, which has been a customer for decades. The area is characterized by long-term relationships.

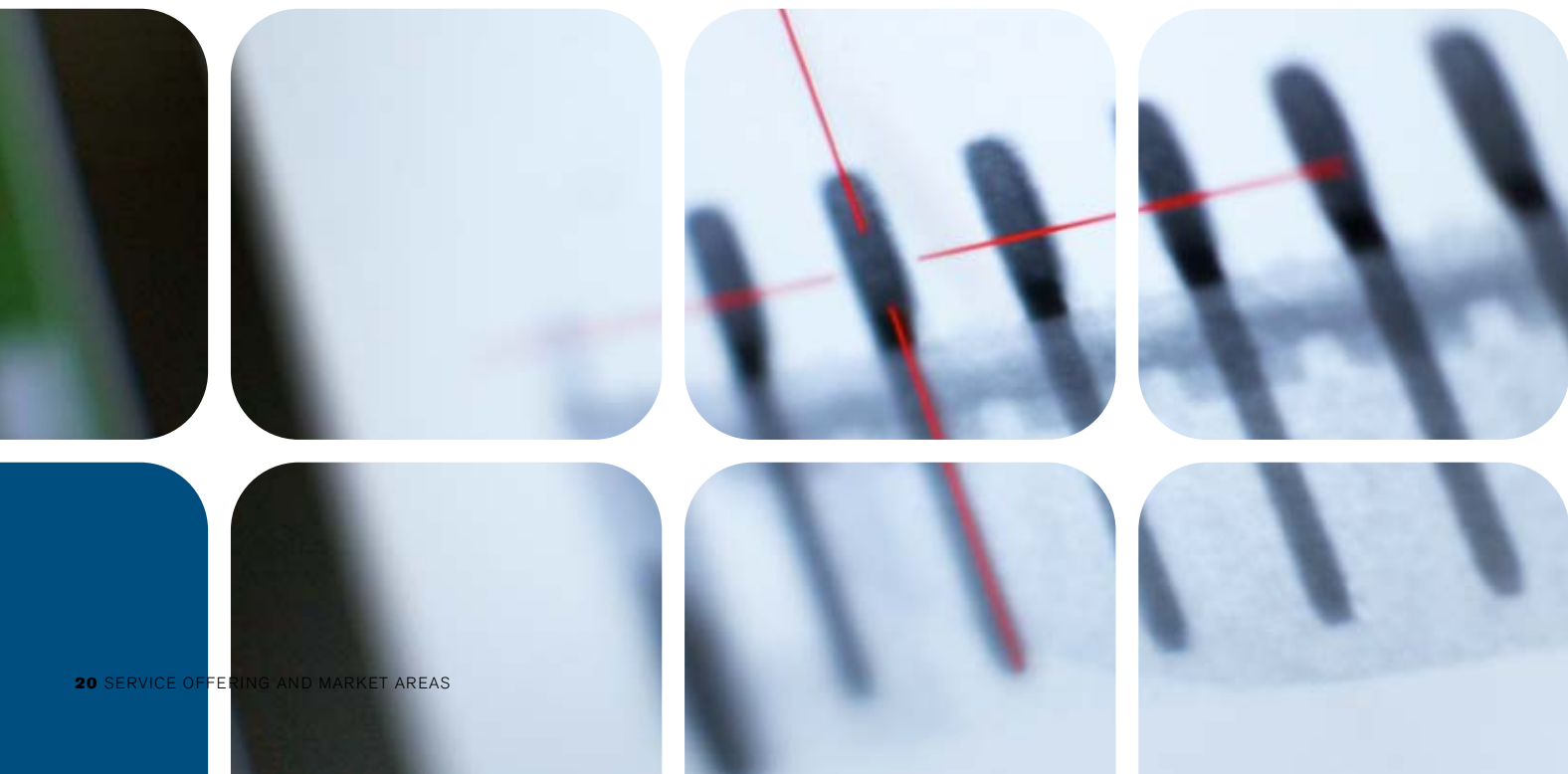
Typical assignments include the production of components subject to strict safety and quality requirements, as well as products for the oil industry. The entire structure is

suited to the manufacture of such products (chiefly mechanical in nature), often components that must be able to endure great physical stress: extreme temperatures, large temperature fluctuations, rapid acceleration, high voltage, etc. As a result, they are manufactured from high-strength but difficult-to-machine materials, a combination that requires advanced equipment and operator skills, as well as sophisticated accessory equipment for testing, measurement and verification purposes. Electronic components are also delivered to the area.

With a high percentage of production engineers and operators knowledgeable in the introduction of new products, PartnerTech has acquired the capacity to meet all these requirements. A high degree of quality assurance and documentation is often needed as well. Moreover, PartnerTech meets the industry's strict requirements for traceability and documentation while offering distribution, procurement and after-sales services through a global network of production resources in Europe, China and the United States.

EXAMPLES OF PRODUCTS

PartnerTech, which is highly skilled in many segments of this area, manufactures mechanical and electronic components, primarily for radar, communications and other equipment used by the defense and oil industry.



MARKET AREA

MEDTECH & INSTRUMENTATION

The MedTech & Instrumentation market area offers the vital combination of technical, regulatory and market expertise that customers are looking for. The area has long been strictly regulated with many special solutions characterized by craftsmanship and a great need for highly skilled workers. PartnerTech, which possesses all of those assets, is in the process of constructing a more industrial structure for its production.

Regardless of production method, PartnerTech meets all requirements for safety, traceability and superior quality while offering specialist expertise acquired through previous collaboration, such as handling fluids in extremely small amounts. The VA/VE concept permits the development of less expensive analytical instruments, which are partially replacing high-capacity instruments, designed for local use and faster test results. Among PartnerTech's competitive advantages is its ability to manage both engineering change orders and nonconformity.

PartnerTech meets both basic and industry-specific standards, including ISO 13485 for the production of medical devices. The company also complies with geographi-

cally specific regulations, such as the Quality System Regulation (QSR) for the United States, the Pharmaceutical Affairs Law (PAL) for Japan, and the Medical Device Directive (MDD) and In Vitro Diagnostic Device Directive (IVDD) for Europe. PartnerTech's QSR expertise permits it to help customers enter the U.S. market on the proper footing.

PartnerTech's many years of experience and thorough familiarity with the market are valuable for businesses that commercialize new discoveries and concepts. The company's familiarity with the various phases of development makes it easier for the final product to smoothly pass through the eye of the needle represented by the official approval process. PartnerTech's local customer centers facilitate the close technical collaboration with customers that is particularly important in this area.

EXAMPLES OF PRODUCTS

PartnerTech can boast of long, successful participation in medical device production, including blood analysis, dialysis, radiology and anesthesia equipment, allergy and DNA testing instruments, and PCBA for various types of instruments.



MARKET AREA

POINT OF SALE APPLICATIONS

The Point of Sale Applications market area is fueled primarily by commercial and legal requirements, such as security and traceability or the Swedish law on cash management that was adopted at the beginning of 2010. Volumes rise along with trade, while products are increasingly standardized and automated. Thus, products must be integrated with other services more than ever before. Besides comprehensive skills and experience in flexible mechanics, electronics and software, PartnerTech can contribute card reader and cash handling expertise.

PartnerTech possesses advanced, far-reaching product development skills and is often engaged for high-level outsourcing. Customers in this area frequently outsource production of complete systems and modules.

In addition to advanced production that includes assembly and systems integration, PartnerTech offers after-sales services such as local repair and maintenance. This saves time and money, strengthens a customer's service offering and brand, and minimizes environmental impact.

EXAMPLES OF PRODUCTS

PartnerTech has superior precision mechanics skills that are decisive to functional solutions in this area. Among the products it manufactures are cash handling systems, card readers, printers for terminals and cash registers, and equipment for paper handling and other advanced flexible mechanics.

MARKET AREA

CLEANTECH

CleanTech is an undisputed growth area whose evolution is often powered by political and legislative decisions. As a result, production is project-oriented, subject to strict speed and capacity requirements. PartnerTech engages in active business intelligence to maintain a high state of preparedness and satisfy industry demands.

Comprising both components and complete systems, the market area often utilizes the expertise surrounding each of the company's disciplines. PartnerTech's mechanical and electronic skills provide a solid foundation for production. We offer design, manufacturing, testing and distribution services in a way that ensures proper engineering of the customer's product from the very start.

Many businesses have rapidly expanding capacity requirements. PartnerTech's size and global presence can satisfy those needs while sparing its customers the expense of major investments in production processes.

EXAMPLES OF PRODUCTS

PartnerTech has the knowledge and experience that the complex manufacture of products in this area demands. Among such products are recycling and reverse vending machines, heat pump systems, LED lighting systems and other energy savers.

MARKET AREA

INDUSTRY

The Industry market area involves the contract manufacture of components and products for operator terminals, power & range control units and a number of other segments.

PartnerTech's established supply chain is highly suitable for production of high-quality components to meet stringent durability and service cost criteria.

PartnerTech's fundamental structure ensures the kind of flexibility needed to quickly retool small-scale production among a variety of options. The flexibility is also geographic in nature. Furthermore, the company's global network of manufacturing resources in Europe, China and the United States optimizes the quality and cost-effectiveness of a product throughout its life cycle.

EXAMPLES OF PRODUCTS

PartnerTech has decades of experience in this market area. Among the products it manufactures are systems for remote reading of electrical meters, control units for revolving doors, forklifts and industrial robots.

MARKET AREA

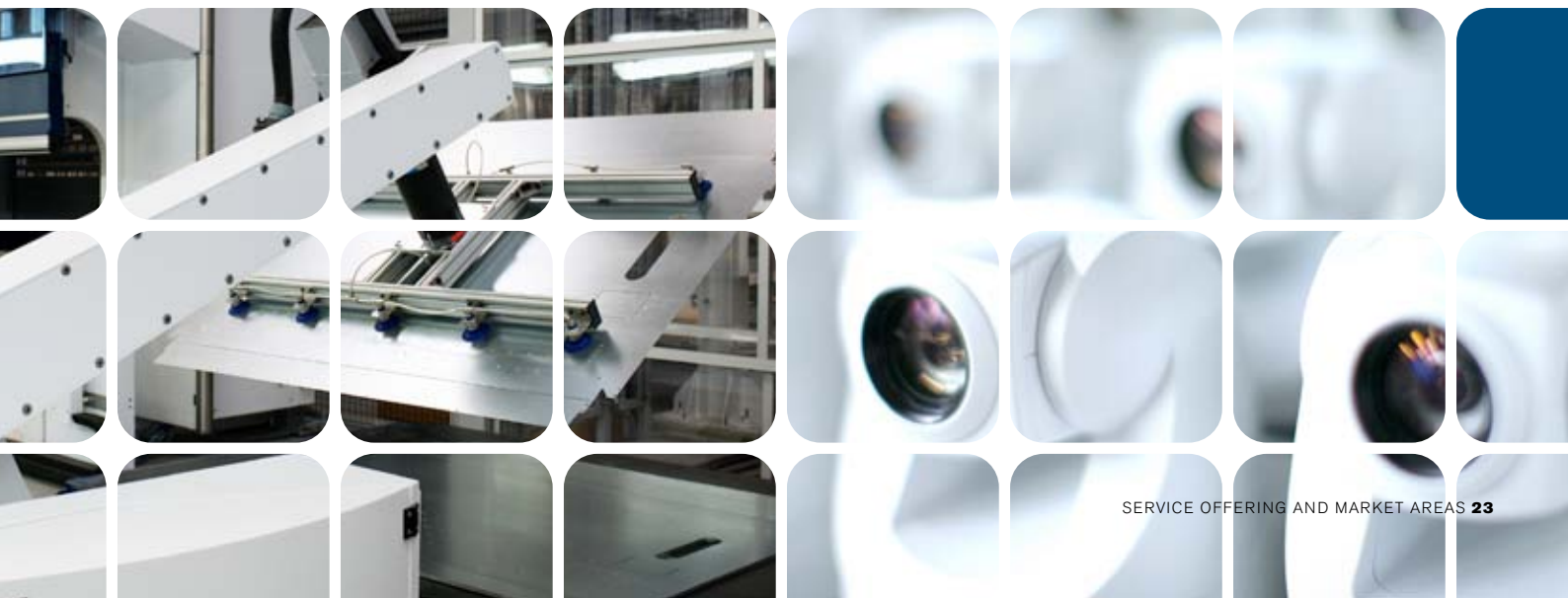
INFORMATION TECHNOLOGY

The Information Technology market area often receives orders for the production of advanced encapsulated electronics (boxbuild). Products for information technology are a powerful driver for the expansion of PartnerTech's global structure, given that their size and their range of applications are frequently appropriate for large-scale production in Eastern Europe or Asia.

PartnerTech's local customer centers offer both expertise at the product development stage and control of the various production stages. Just as important are the resources that PartnerTech eventually provides when it comes to distribution and after-sales services.

EXAMPLES OF PRODUCTS

PartnerTech has many years of experience in this area. Among the products it manufactures are security cameras, broadband routers, videoconferencing systems, base station antennas, microwave links and terminals for information systems and industrial robots.



SUPPORT FUNCTIONS THAT STRENGTHEN COMPETITIVENESS

SOURCING

PartnerTech's sourcing function can lay the foundation for quality and cost-effectiveness at a very early stage. We are proactive in our choice of suppliers, making sure that we find the right one for every purpose. The company has a global supply chain that meets strict requirements for quality and reliable delivery. The global sourcing organization was consolidated at three units in Sweden, Poland and China during the year. Furthermore, PartnerTech has a well-established collaborative arrangement with 3CEMS in China.

Based on the demands of a particular project, we make sure that our supplier agreements enable the customer to meet its commitments in an ongoing dialog with its sourcing department.

LOGISTICS AND AFTER-SALES SERVICES

Many customers in both Europe and the United States out-source logistics and after-sales services to PartnerTech as well. The desire to shorten time-to-market and streamline their sales organization contributes heavily to that decision. Among PartnerTech's services are warehousing near the end-customer, maintenance, repair and distribution, including customized logistics services. While ensuring greater flexibility, logistics services can be combined to meet the customer's requirements, thereby enabling discretionary levels of service and more efficient distribution.



COLLABORATION WITH CUSTOMERS

LOCAL CUSTOMER CENTERS IN EACH GEOGRAPHIC MARKET

In order to ensure the best possible service, PartnerTech has set up local customer centers in each of its geographic markets. This allows us to satisfy the desire of our customers for an ongoing dialog about technology and the market.

A SINGLE POINT OF CONTACT

Companies have varying needs for business-to-business contract manufacturing services. Many products are tested and manufactured locally to start out with and relocated to a low-cost country once volumes increase. A return to local production may occur at the end of the product life cycle. Regardless of where a product is manufactured, PartnerTech's local customer center retains responsibility for it. While gaining access to a global supply chain and cost-optimized production, the customer has a single point of contact.

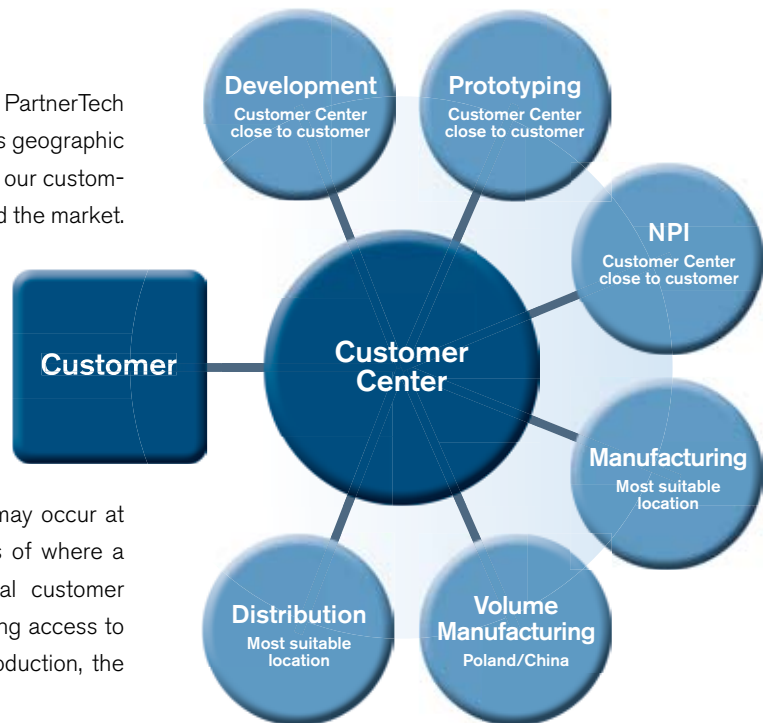
A business chooses the customer center that best matches its need for expertise and geographic proximity. Every product is manufactured at the plant that is most appropriate in terms of costs and distribution.

PartnerTech also maintains a far-reaching network of experts and producers, enabling flexibility and stability regardless of whether customers are growing in existing or new markets.

TEAMS OF SPECIALISTS

To pave the way for effective cooperation, we set up a team of PartnerTech specialists before each project begins. The purpose is to make the product more competitive and ensure promised performance.

PartnerTech relies on process-oriented flows. In other words, a Program Manager has full responsibility for delivery and quality, including employees. The approach is superior to a functional organization when it comes to customer focus and service.

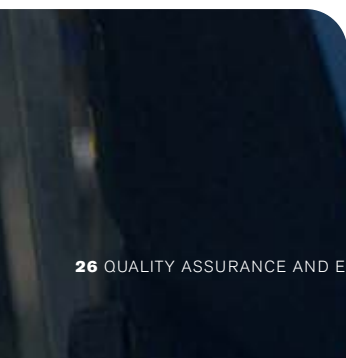


WORLD-CLASS CENTERS OF EXCELLENCE

To further upgrade its production skills – as well as to ensure top-class electronics, machining, enclosure and systems integration services – PartnerTech operates a number of Centers of Excellence. Within its specific discipline, each Center of Excellence is in charge of tracking international and market trends, as well as pursuing production development, technological advances and investments on behalf of other group units. The Centers of Excellence boost PartnerTech's competitiveness in all areas and enable customers to more fully benefit at each link in the value chain.



Centers of Excellence.



INTENSIVE QUALITY ASSURANCE AND ENVIRONMENTAL EFFORTS

PartnerTech pursues its quality assurance effort with a focus on customer requirements and awareness throughout the organization, shorter lead-times and greater flexibility. The objective of PartnerTech's group-wide Total Quality Management (TQM) system is to maintain an ambitious vision of quality.

Our TQM concept dictates a focus on customers, constant improvement, a process orientation and fact-based decision-making. A typical concrete goal is to substantially shorten the time from the production order until the product leaves the plant.

PartnerTech's business system excels in

- meeting the ISO 9001 Quality Management Standard, ISO 14001 Environmental Management Standard and ISO 13485 Medical Device Standard
- supporting customer-specific requirements, such as the FDA Quality System Regulation (QSR) for medical devices to be sold in the United States.
- ensuring online communication and availability to all employees
- being uniform throughout the group

CONTINUOUS IMPROVEMENTS

PartnerTech employees must be able to make continuous improvements while eliminating any problems and shortcomings before they grow serious and compromise quality or customer performance. A series of group-wide TQM tools support them in that effort. As an integral part of day-to-day operations, the tools encourage employee commitment, as well as guiding our customer teams as they formulate objectives and activities in partnership with the customer.

The tools are broken down into four main categories: risk elimination, monitoring & follow-up, improving processes and improving products.

RISK ELIMINATION

The 10-step Supplier Quality Assurance Plan (SQAP) tool is used to ensure superior production quality. Other tools include producibility reviews, failure mode and effects anal-

ysis (FMEA), analyses of measurement accuracy and serial production verification runs.

MONITORING AND FOLLOW-UP

The 5S tool is used for monitoring and follow-up. Key ratios such as Yield and Overall Equipment Efficiency (OEE) measure process quality.

The ratios are regularly reviewed on the team boards of each plant. Employees can continually monitor their own quality and performance while obtaining information about current customer requirements and preferences.

IMPROVING PROCESSES

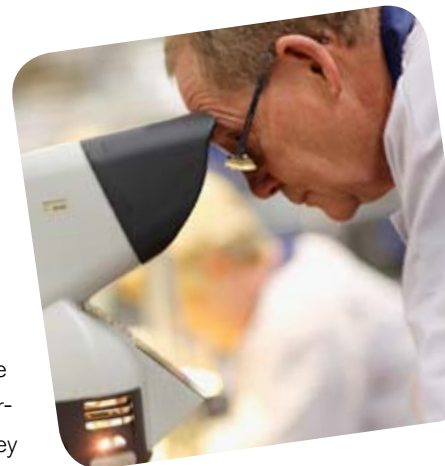
The Six Sigma tools and problem resolution teams focus on skills development, willingness to change and efficient/flexible production. All types of waste are to be minimized and resources are to be used wisely. PartnerTech also conducts frequency and methods studies, along with standardized instructions and working methods that visualize customer and product requirements.

IMPROVING PRODUCTS

PartnerTech uses Value Analysis/Value Engineering (VA/VE) and Six Sigma to analyze and generate product improvements. VA/VE involves an overview of a product in order to make it as cost-effective as possible and optimize it for production.

The monitoring tools above are vital to a business like PartnerTech for a number of reasons. They are important when independent parties evaluate our organization's shared certificates for the ISO 9001, ISO 14001 and ISO 13485 standards.

The DNV (Det Norske Veritas) Foundation performs reviews throughout the year to verify that we are meeting our stringent requirements and those of our customers while identifying potential for improvement.



SIX SIGMA – A WORLD-LEADING IMPROVEMENT CONCEPT

Six Sigma is a world-leading, clearly structured quality improvement concept for complex problems. PartnerTech Academy conducted Yellow Belt trainings and associated improvement projects during the year. The PartnerTech organization now has many Yellow Belts, Green Belts and Black Belts (the highest level). Product quality, efficiency, delivery times and cost-effectiveness have benefited as a result.

WORKING METHODS AND QUALITY ASSURANCE

The standardization of working methods provides PartnerTech with both quality and efficiency. As a result, we can more easily control and monitor the assembly process.

Because our customers demand flexibility, we must be able to relocate production safely and efficiently. Group-wide trainings and processes/routines promote skills development and quality awareness among our production engineers, logisticians and operators.

PartnerTech uses the Supplier Quality Assurance Plan (SQAP) with both customers and suppliers. SQAP is a generally accepted method for seeing to it that a product or process meets customer-specific requirements. PartnerTech Academy conducts regular SQAP trainings to assure and optimize quality and cost-effectiveness throughout the value chain. Our goal is to involve customers and suppliers as much as possible in order to guarantee quality, efficiency and low costs for everyone concerned.

STANDARDIZED SUPPLIER AGREEMENTS

PartnerTech has put together a standardized agreement package for suppliers. The package includes the group's Code of Conduct. The company is currently engaged in an intensive effort to conclude agreements with all of its large, critical and new suppliers on the basis of the package.

FOCUS ON OUR ENVIRONMENTAL EFFORT

PartnerTech holds a group-wide environmental certificate in accordance with ISO 14001. The certificate covers all units, as well as future acquisitions. The company's environmental management system and purchasing processes place environmental demands on suppliers as well. All PartnerTech units have videoconferencing equipment, further reducing energy and resource costs.

Besides being the natural consequence of our quest for long-term sustainable development, PartnerTech's intensive environmental effort reflects the demands of most customers. Questions about the use of materials, recyclability and energy consumption are generally essential to limiting the environmental impact of the products. When it comes to recycling and phasing out hazardous substances, PartnerTech follows the Restriction of the Use of Certain Hazardous Substances (RoHS) and Registration, Evaluation and Authorization of Chemicals (REACH) regulations of the European Union.

Some of PartnerTech's activities involve discharges into the water and air, as well as consumption of cutting fluids, which may include:

- purification and recycling of waste water
- sorting of refuse to be either recycled or incinerated
- use of biofuels for heating
- replacement of solvent-based lacquer with powder lacquer

ENVIRONMENTAL TARGETS IN 2010 AND 2011

PartnerTech's environmental targets in 2010 focused on further reducing the use of electrical power, gas, water and chemicals, as well as recycling more. The company was able to reduce energy costs in relation to 2010 sales, and the environmental targets apply to 2011 as well.

PartnerTech measures carbon dioxide emissions during shipment and has a company car policy that includes incentives to drive fuel-efficient vehicles. The business travel policy stresses the importance of using videoconferencing equipment to the extent possible or making choices that otherwise minimize environmental impact.

In 2010, PartnerTech launched a survey of energy use at all of its large units while initiating an effort to propose and implement energy-saving measures. The project examined energy use at both physical premises and the production equipment that offers major potential for savings. During the next phase, the equipment will be optimized for heating at each unit. An analysis will also be performed to identify profitable, long-term investments. Meanwhile, opportunities for separating energy use between production and physical premises, as well as adoption of standardized methods for measuring energy consumption throughout the group, will be reviewed.



EFFICIENT TEAMWORK STRENGTHENS PARTNERTECH

PartnerTech's success is largely dependent on how well each of its teams can collaborate toward clear, shared targets and results. If that effort is to work, everyone must have the opportunity to step up to the plate, assume various responsibilities and develop. Active leadership is what ties it all together.

This conviction is behind the initiative launched in 2009 to raise the level of internal efficiency and thereby our profitability. The project began to bear fruit in 2010 in the form of improved efficiency, higher performance and greater employee commitment.

The focus in recent years has been on creating economies of scale through standardized working methods, processes and tools. In 2010, the processes and tools were documented, tested and made available to everyone by means of trainings and other initiatives.

In 2011, all PartnerTech plants will follow the same activity plan, including shared processes and tools. Management will use the IFS business system to identify and take advantage of the collective skills possessed by our employees. With IFS as a human resource support tool, the company will ensure better scheduling and monitoring of individual development plans based on a common process. Thus, the effort begun in 2009 to realize synergies and economies of scale should start to generate concrete results.

THE TOOLS WORK

An illustration of how well the tools work was the staffing of PartnerTech's new Myslowice plant in early 2010. Human Resources and the project team used the tools to quickly hire 40 highly qualified and enthusiastic employees.



Further evidence that the synergy targets are attainable is that Human Resource is becoming even more of the internal business partner that has always constituted its mission. This represents a key strategic move, which has been enabled by the ability and necessity for line managers to assume many previous Human Resource responsibilities through reliance on the new processes and tools. As a result, Human Resources now has more scope for pursuing a strategic effort to attract and retain skilled employees, develop the organization and encourage commitment. The move also contributed to PartnerTech's profitability by reducing the number of Human Resource employees from 22 to 13.

A project to break the group's targets down to the individual level is being launched in 2011. The purpose of the project is to promote participation and motivation by highlighting the ways that each employee can strengthen the entire organization. If the project is carried out properly, the forces that are freed up will reinforce internal efficiency and performance.

PartnerTech's shared values encourage motivation as well:

SUCCESS CREATES SUCCESS

– promoting the success of our customers ensures that we will be successful as well

YOU CAN COUNT ON US

– we keep our promises and always deliver superior quality

WE ARE ONE TEAM

– we have clear roles and help each other achieve common objectives

STRAIGHT TO THE POINT

– we communicate openly and modestly, showing respect and appreciation for each other

I'LL DO IT

– we act in a way that is good for the company

WE ARE COST-WISE

– common sense dictates that we question unnecessary costs and look for more creative solutions

A project was launched in 2011 to revitalize PartnerTech's shared values so that all employees become acquainted with and apply them to their daily tasks. These values are the cornerstone of the company's common culture, language and attitude to customers, suppliers, co-workers and business partners.



GREATER CUSTOMER VALUE AND COMMITMENT

Among PartnerTech Academy's success factors has been the ability to encourage innovative thinking and creativity while involving both employees and customers in skills development efforts.

Initiatives during the year to make the logistics and supply flow more efficient also improved the ability of customers to satisfy the requirements of their markets. E-learning was used to increase the efficiency of trainings and reduce the costs associated with them. Trainings in quality control and production efficiency, both of which have long been among PartnerTech's assets, represent another success factor.

PartnerTech Academy is an important tool for promoting commitment and motivation. The effort proceeded according to plan in 2010, including group-wide trainings to upgrade the abilities of both individual employees and the organization as a whole.

In 2011, PartnerTech Academy will focus on continued leadership training, more efficient supply flows and improved sales training. The academy also offers advanced training in production efficiency and quality assurance, the cornerstones of PartnerTech's service offering.

The leadership program will still be run by the CEO, along with the entire management team. That approach sets the stage for a shared business culture and long-term profitability.

EMPLOYEE SURVEY

PartnerTech conducted a new employee survey during the year. The response rate was 78%. The recession and organizational adaptations notwithstanding, employees indicated that they remain committed and satisfied. PartnerTech's employee satisfaction index (ESI) showed a clear positive trend. Supportive relationships, a good working atmosphere, steady leadership, clear communication, straightforward information and defined targets all made an important contribution.



Responses to the question concerning overall satisfaction with PartnerTech as an employer were particularly gratifying. The positive trend continued, which is inspiring when it comes to ongoing analysis and activity plans associated with the survey in an attempt to further strengthen employee satisfaction and team spirit.



HEALTH AND SAFETY

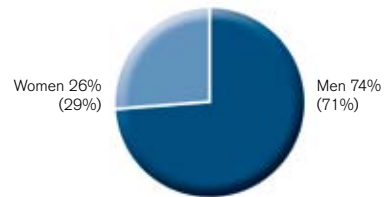
PartnerTech pursues a systematic effort that focuses on safety, ergonomics and fitness activities for the purpose of improving the work environment. The effort is governed by a separate policy, as well as rules for systematic work environment initiatives, and is to meet both psychological and social criteria.

PartnerTech developed a group-wide method in 2010 to measure incidents and accidents on the basis of a daily monitoring procedure that forms the basis of a systematic work environment program. While the company is already a safe workplace, the method facilitates early detection, identification and correction of any negative tendencies.

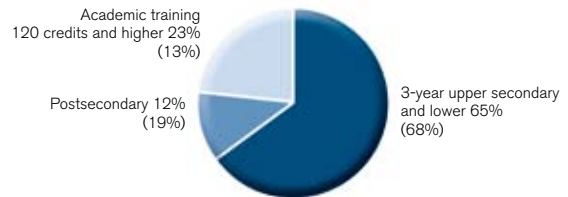
EMPLOYEE KEY RATIOS

Key ratios	2008	2009	2010
Average equivalent full-time employees	1,670	1,382	1,328
Sales per employee, SEK thousand	1,514	1,554	1,642
Average age	41	41	41

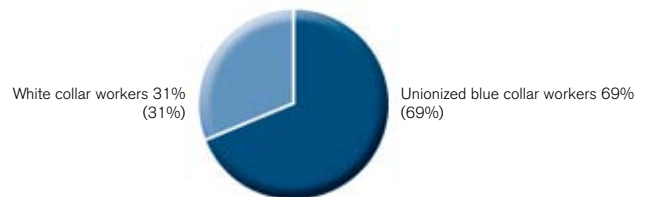
BREAKDOWN BY GENDER



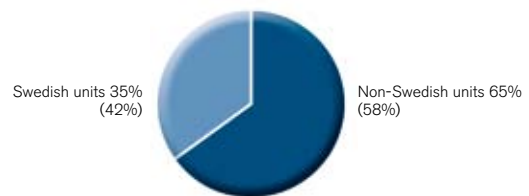
EDUCATIONAL LEVEL



BREAKDOWN WHITE COLLAR WORKERS/ UNIONIZED BLUE COLLAR WORKERS

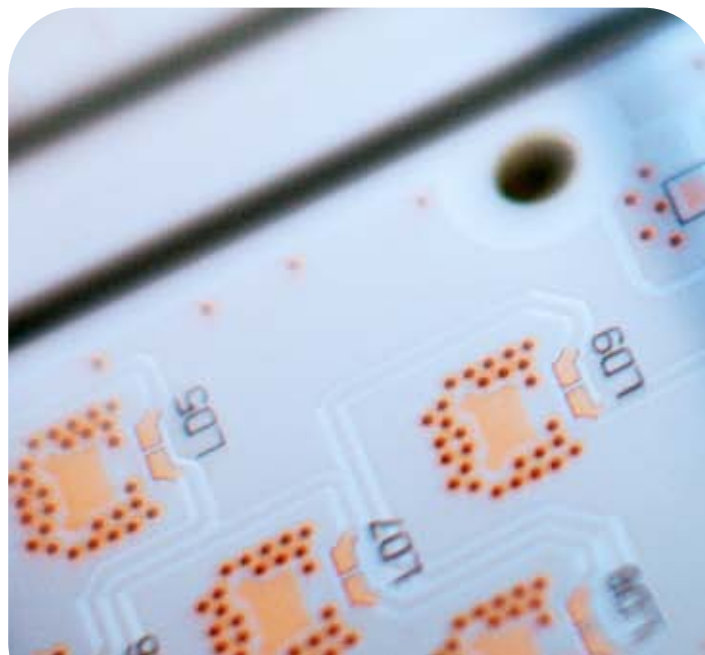


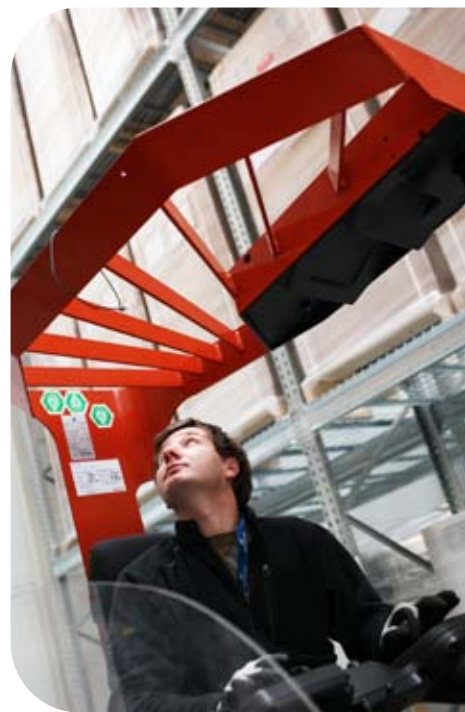
TOTAL GROUP EMPLOYEES



AVERAGE PERIOD OF EMPLOYMENT







SHARE AND SHAREHOLDERS

SHARE CAPITAL AND NUMBER OF SHARES

On December 31, 2010, PartnerTech AB's share capital totaled SEK 63,324,920, allocated among 12,664,982 shares. Each share entitles the holder to one vote at an annual general meeting, and all shares provide equal rights to participation in the company's assets and profit. PartnerTech is listed on the Nasdaq OMX Stockholm Exchange.

SHAREHOLDER STRUCTURE

On December 31, 2010, PartnerTech AB had 2,795 shareholders (3,002). The ten largest shareholders held 9,901 thousand shares (9,895), representing 78.3% (78.1) of the total shares and votes. Institutions and other legal entities controlled 85.3% (85.9) of the capital and votes. Foreign shareholders accounted for 9.9% (7.7) of the capital and votes.

DIVIDEND FOR 2010

The board proposes that the annual general meeting distribute no dividend (no dividend for 2009) for fiscal year 2010. The reasons for the proposal are the major investment in the new Myslowice plant and the group's loss for the year.

OPTIONS

Pursuant to a decision of the April 25, 2007 annual general meeting, an option program for senior executives and other key employees of the group ran through May 31, 2010. No shares were subscribed for during the subscription period. The group has no option program at the moment.

DIVIDEND POLICY

PartnerTech targets a dividend representing 30% of its profit after tax, assuming that its financial position so permits. Since listing its share on the stock exchange in 1997, PartnerTech has paid annual dividends as follows.

DIVIDEND

Year	Amounts in SEK million	% of profit after tax
1997	1.9	16
1998	3.0	18
1999	5.7	12
2000	12.5	14
2001	0.0	0
2002	0.0	0
2003	0.0	0
2004	5.7	16
2005	15.8	30
2006	38.0	31
2007	0.0	0
2008	0.0	0
2009	0.0	0
2010	0.0	0 (proposed)

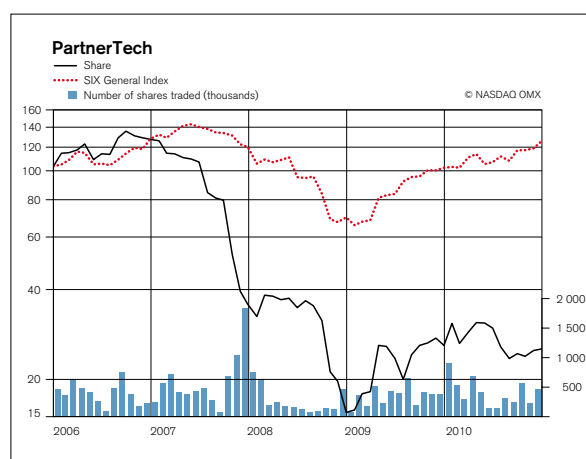
CHANGES IN SHARE CAPITAL

The following changes have taken place in PartnerTech's share capital since its foundation.

Year	Type of transaction	Change in no. of shares	Total shares	Change in share capital (SEK)	Total share capital (SEK)	Par value/quotient value (SEK)
1984	Company's foundation	270,000	270,000	27,000,000	27,000,000	100
1997	Bonus issues	–	270,000	10,800,000	37,800,000	100
1997	20:1 split	7,290,000	7,560,000	–	37,800,000	5
2000	Issue of new shares (subscription for options)	1,000	7,561,000	5,000	37,805,000	5
2001	Non-cash issue (acquisition of shares in EQ Elektronik AB)	647,414	8,208,414	3,237,070	41,042,070	5
2001	Non-cash issue (acquisition of shares in Baltic Microwaves Sp. z o.o. and EQ Elektronik AB)	102,586	8,311,000	512,930	41,555,000	5
2001	Issue of new shares (acquisition of shares in Baltic Microwaves Sp. z o.o. and EQ Elektronik AB)	211,907	8,522,907	1,059,535	42,614,535	5
2001	Non-cash issue	2,900,000	11,422,907	14,500,000	57,114,535	5
2005	Non-cash issue (acquisition of shares in KSH-Productor Oy)	407,811	11,830,718	2,039,055	59,153,590	5
2005	Issue of new shares (subscription for options)	306,666	12,137,384	1,533,335	60,686,920	5
2006	Non-cash issue (acquisition of shares in TH Kristiansen AS)	315,724	12,453,109	1,578,620	62,265,545	5
2006	Non-cash issue (acquisition of shares in Hansatech Ltd Group)	211,875	12,664,982	1,059,375	63,324,920	5

PRICE PERFORMANCE AND TRADING OF PARTNERTECH SHARES

The price of the PartnerTech share declined by 3% in 2010. During the same period, the OMX Stockholm Index increased by 23%. PartnerTech stock closed at SEK 25.30 (26.0) on December 31, 2010. PartnerTech's market capitalization on December 31, 2010 was SEK 320 million. The market capitalization was SEK 329 million on December 31, 2009 and SEK 408 million at the time of the 1997 listing. A total of 4.9 million (4.7) shares, or an average of 19,484 (18,749) per session, were traded in 2010. The share was traded during all possible 2010 sessions.



PARTNERTECH'S SHAREHOLDER STATISTICS 12-31-2010

No. of shares	No. of shareholders	% of shareholders	No. of shares	% of shares
1–200	1,608	57.5	181,348	1.43
201–1,000	813	29.1	483,401	3.82
1,001–10,000	318	11.4	991,962	7.83
10,001– 1,000,000	53	1.9	3,846,085	30.37
1,000,001–	3	0.1	7,162,186	56.55
Total	2,795	100.0	12,664,982	100.0
Foreign shareholdings	103	3.7	1,258,377	9.9
% of shareholdings by legal entities	241	8.6	10,801,694	85.2

PARTNERTECH'S 10 LARGEST SHAREHOLDERS 12-31-2010

Shareholder	Thousand shares	%
Bure Equity	5,443.0	43.0
AB Traction	1,719.2	13.6
Försäkringsaktiebolaget, Avanza pension	891.2	7.0
Barclays Cap Sec Cayman Client	601.1	4.8
Länsförsäkringar Småbolagsfond	600.0	4.7
Nordnet Pensionsförsäkring AB	267.0	2.1
Livförsäkringsaktiebolaget Skandia (publ)	162.8	1.3
ABN Amro Bank NV	73.8	0.6
Banque Invik SA	73.2	0.6
Backman Mats	70.0	0.6
Total	9,901.3	78.3

SHARE DATA

	2010	2009	2008	2007	2006
Thousands of shares at end of year	12,665	12,665	12,665	12,665	12,665
No. of shares after dilution	12,665	12,665	12,665	12,665	12,665
Earnings per share after full income tax, SEK	-1.55	-1.70	0.41	-1.96	9.79
Earnings per share after full income tax and dilution, SEK	-1.55	-1.70	0.41	-1.96	9.79
Dividend per share, SEK*	0.00	0.00	0.00	0.00	3.00
Equity per share, SEK	38.10	42.17	43.47	44.11	47.28
Equity per share after dilution*, SEK	38.10	42.17	43.47	44.11	47.28
Closing share price for the year, SEK	25.30	26.00	15.50	35.70	127.50
Market capitalization, SEK million	320	329	196	452	1,615
P/E multiple	neg.	neg.	37.8	neg.	13.0
Dividend yield, %	0.0	0.0	0.0	0.0	2.4
Dividend rate,%	0.0	0.0	0.0	0.0	31.0
Share price/equity, %	66	62	36	81	270

*According to proposal of the board

FIVE-YEAR SUMMARY

CONSOLIDATED INCOME STATEMENT

Amounts in SEK million	2010	2009	2008	2007	2006
Net sales	2,181.1	2,148.0	2,529.0	2,643.6	3,057.2
Cost of goods and services sold	-2,104.9	-2,055.6	-2,374.4	-2,510.7	-2,741.3
Gross profit	76.2	92.4	154.6	133.0	315.9
Other operating expense	-99.1	-104.2	-137.6	-164.0	-145.8
Other operating income	7.6	8.3	11.6	13.3	10.0
Operating profit/loss	-15.3	-3.5	28.5	-17.7	180.0
Financial income	7.6	6.8	9.4	2.6	3.9
Financial expense	-23.6	-26.0	-28.7	-19.1	-22.1
Net financial income/expense	-15.9	-19.2	-19.3	-16.5	-18.3
Profit/loss after net financial income/expense	-31.2	-22.7	9.2	-34.2	161.7
Taxes	11.6	1.3	-4.0	9.4	-39.1
Profit/loss for the year	-19.6	-21.5	5.2	-24.8	122.6

CONSOLIDATED BALANCE SHEET

Amounts in SEK million	2010	2009	2008	2007	2006
Assets					
Intangible fixed assets	150.8	161.0	142.0	141.3	143.0
Property, plant and equipment	200.4	182.6	225.1	222.7	199.0
Financial assets	31.8	25.5	15.0	12.3	4.8
Total non-current assets	383.0	369.2	382.2	376.3	346.8
Inventories	413.7	440.6	527.2	559.5	619.6
Accounts receivable	403.8	396.3	405.0	434.4	522.4
Other current receivables	39.4	45.8	37.9	46.5	50.2
Liquid assets	40.5	35.8	37.6	37.5	98.8
Total current assets	897.4	918.5	1,007.7	1,077.9	1,291.0
Total assets	1,280.4	1,287.7	1,389.9	1,454.2	1,637.8
Liabilities and equity					
Equity	482.5	534.1	550.6	558.7	598.8
Non-current interest-bearing liabilities	67.6	60.5	94.6	87.0	64.5
Current interest-bearing liabilities	337.3	276.9	285.1	331.1	437.8
Total interest-bearing liabilities	404.9	337.4	379.7	418.1	502.3
Provisions	1.9	7.1	7.7	16.8	37.4
Accounts payable	251.6	274.1	272.9	252.6	281.6
Other current non-interest-bearing liabilities	139.5	134.9	179.1	208.0	217.6
Total non-interest-bearing liabilities	393.0	416.1	459.7	477.4	536.7
Total liabilities and equity	1,280.4	1,287.7	1,389.9	1,454.2	1,637.8

CONSOLIDATED CASH FLOW STATEMENT

Amounts in SEK million	2010	2009	2008	2007	2006
Operating profit/loss	-15.3	-3.5	28.5	-17.7	180.0
Items in operating profit/loss not affecting cash flow	44.8	47.1	48.7	59.6	52.6
Interest paid and similar items	-13.7	-19.2	-19.4	-16.6	-18.3
Tax paid/received	-3.9	-14.8	-26.9	-37.7	-27.0
Change in funds tied up in operations	-16.7	41.3	56.4	147.6	-163.4
Cash flow, operating activities	-4.9	50.9	87.3	135.3	23.9
Cash flow, investing activities	-26.5	-20.0	13.1	-19.7	-27.6
Cash flow after investments	-31.4	30.9	100.4	115.5	-3.7
Cash flow, financing activities	37.5	-32.1	-96.3	-181.3	61.0
Translation differences in liquid assets	-1.4	-0.7	-4.0	4.4	-5.7
Change in liquid assets	4.8	-1.8	0.1	-61.4	51.5

KEY RATIOS

Amounts in SEK million (unless otherwise stated)	2010	2009	2008	2007	2006
Margins					
Gross margin, %	3.5	4.3	6.1	5.0	10.3
Operating margin, %	-0.7	-0.2	1.1	-0.7	5.9
Profit margin, %	-1.4	-1.1	0.4	-1.3	5.3
Return*					
Return on operating capital, %	-1.9	-0.4	3.1	-1.8	20.0
Return on equity, %	-3.9	-4.0	0.9	-4.1	23.2
Capital structure					
Working capital (Dec. 31)	465.8	473.7	518.2	579.8	692.9
Operating capital (Dec. 31)	815.1	810.3	877.6	927.0	997.5
Equity (Dec. 31)	482.5	534.1	550.6	558.7	598.8
Interest-bearing net debt (Dec. 31)	360.6	293.8	328.7	380.6	403.5
Working capital/net sales, %	21.4	22.1	20.5	21.9	22.7
Asset turnover rate, multiple	2.7	2.5	2.8	2.7	3.5
Interest coverage ratio, multiple	-0.3	0.1	1.3	-0.8	8.3
Equity/assets ratio, % (Dec. 31)	37.7	41.5	39.6	38.4	36.6
Net debt/equity ratio, multiple	0.7	0.6	0.6	0.7	0.7
Share of risk-bearing capital, % (Dec. 31)	37.7	41.8	40.1	39.4	38.7
Investments	26.5	28.5	71.3	70.5	59.5
Employees					
Average full-time equivalent employees	1,328	1,382	1,670	1,886	1,747
Sales per employee, SEK thousand	1,642	1,554	1,514	1,402	1,750
Payroll expense and overhead per full-time equivalent employee, SEK thousand	369	392	383	370	371

* Based on average quarterly balances.

MANAGEMENT REPORT

OPERATIONS AND STRUCTURE

PartnerTech AB (publ), corporate identity no. 556251-3308, is a company with long experience as a contract manufacturer. PartnerTech offers a full range of contract manufacturing services that revolve around machining, electronics, sheet metal working and systems integration. Our production skills are supported by a global supply chain, along with product development, after-sales, maintenance and distribution services. The company's strongest suit is the ability to combine electronics and mechanics (machining and sheet metal working) into complete products (systems integration). PartnerTech operates in six market areas: Defense & Maritime, Industry, Information Technology, MedTech & Instrumentation, CleanTech and Point of Sale Applications. The company targets product owners in each area that have specialized applications skills and quality standards. Most of PartnerTech's customers manufacture business-to-business products for the European market. The group has a number of development, production and sales units in various locations around the world. PartnerTech currently operates in Sweden, Norway, Finland, Poland, the United States, the UK and China. The company is headquartered in Vellinge, Sweden. PartnerTech is listed on the Nasdaq OMX Stockholm Exchange.

TRENDS IN 2010

PartnerTech's earnings improved steadily during the year and showed an operating profit of SEK 6.5 million (1.5) in the fourth quarter. Market prospects have been increasingly favorable, and sales have taken off again in most countries. Our efforts to make our organization more cost-effective while streamlining it to further boost competitiveness have generated ongoing improvements that our customers are quick to recognize. Net revenue for 2010 was SEK 2,181.1 million (2,148.0). Annual sales rose for a number of market areas; CleanTech and MedTech & Instrumentation exhibited particularly strong growth. However, weak trends for the Defense & Maritime market area during the first six months burdened sales for the full year. The loss for the year was SEK -19.6 million (-21.5). The operating loss was SEK -15.3 million (-3.5). The loss was due primarily to the challenges faced by metal-cutting machining, particularly during the first six months. Among other factors were costs related to restructuring of British operations, as well as the capital expenditures on machinery and systems by a number of units for the purpose of boosting our competitiveness and providing our customers with a more attractive offering. Our Myslowice plant, the biggest investment, totaled approximately SEK 60 million. Not only is Myslowice one of the

most highly automated plants in the world for sheet metal working and systems integration, but the Sieradz plant has been streamlined in the process to specialize in skills and machinery for the production of electronic components. The total investment has provided PartnerTech with a complete production base in Eastern Europe.

HUMAN RESOURCES

The number of full-time equivalent employees averaged 1,328 (1,382) in 2010. Cost-effectiveness and restructuring measures during the year reduced the number of full-time equivalent employees by 87 to 1,269 (1,356) on December 31.

ENVIRONMENTAL IMPACT

PartnerTech holds a group-wide environmental certificate in accordance with ISO 14001. The certificate covers all units, as well as future acquisitions. The company's environmental management system and procurement processes place environmental demands on suppliers as well. All PartnerTech units have videoconferencing equipment, further reducing energy and resource costs.

Besides being the natural consequence of our quest for long-term sustainable development, PartnerTech's intensive environmental effort reflects the demands of most customers. Questions about the use of materials, recyclability and energy consumption are generally essential to limiting the environmental impact of the products. When it comes to recycling and phasing out hazardous substances, PartnerTech follows the Restriction of the Use of Certain Hazardous Substances (RoHS) and Registration, Evaluation and Authorization of Chemicals (REACH) regulations of the European Union.

PartnerTech conducts activities subject to the Environmental Code, permit level B at the Karlskoga plant. The permit is for use of cutting fluids, which are treated as hazardous waste and disposed of by approved contractors. Moreover:

- waste water is purified and recycled
- refuse is sorted to be either recycled or incinerated
- biofuels are used for heating
- powder lacquer has replaced solvent-based lacquer

ENVIRONMENTAL TARGETS IN 2010 AND 2011

PartnerTech's environmental targets in 2010 focused on further reducing the use of electrical power, gas, water and chemicals, as well as recycling more. The company was able to reduce energy costs in relation to 2010 sales, and the environmental targets apply to 2011 as well.

PartnerTech measures carbon dioxide emissions during shipment and has a company car policy that includes incentives to drive fuel-efficient vehicles. The business travel policy stresses the importance of using videoconferencing equipment to the extent possible or making choices that otherwise minimize environmental impact.

In 2010, PartnerTech launched a survey of energy use at all of its large units while initiating an effort to propose and implement energy-saving measures. The project examined energy use at both physical premises and the production equipment that offers major potential for savings. During the next phase, the equipment will be optimized for heating at each unit. PartnerTech will also perform an analysis to identify profitable, long-term investments. Meanwhile, opportunities for separating energy use between production and physical premises, as well as adoption of standardized methods for measuring energy consumption throughout the group, will be reviewed.

RESEARCH AND DEVELOPMENT

PartnerTech develops products only on behalf of its customers. The company does not conduct any research.

SIGNIFICANT EVENTS DURING THE YEAR

- On April 27, Leif Thorwaldsson took over as President and CEO of PartnerTech.
- On September 22, PartnerTech opened its new, ultramodern plant for enclosures and systems integration in Myslowice, Poland.
- In October, PartnerTech announced that its operating activities would be broken down two segments: Systems integration & enclosures and Electronics. Each customer center and production unit was assigned to one of the two segments. The change took effect on November 1, 2010. Machining continues to represent a third segment.

SIGNIFICANT EVENTS AFTER YEAR-END

On February 4, PartnerTech Ltd announced that it planned to consolidate the British business at the Cambridge unit. The purpose of the proposal was to strengthen PartnerTech's operations in the UK and achieve sustainable profitability in such an important market. The cost for that effort, estimated to be no more than SEK 10 million, is expected to affect earnings primarily in the first quarter of 2011.

DISPUTES

The PartnerTech Group was not involved in any legal proceedings or dispute within the framework of operating activities during the course of 2010.

FUTURE TRENDS

Like other players in the contract manufacturing industry, PartnerTech has experienced several challenging years in the wake of the financial crisis and recession. But the company's fundamental strategic direction and complete range of services stand it in good stead going forward. The primary focus in 2011 will be on achieving sustainable profitability in all markets. The company will get there in the short run by completing the cost-effectiveness and restructuring programs that some units are still implementing. The goal for other units is continuing growth. Activities that promote internal efficiency and reduce capital tied up will also remain a high priority. Given its competitive offering and efficient industrial structure, PartnerTech has excellent growth prospects ahead of it. While acquisitive expansion is not a priority for 2011, it will not be ruled out if the right opportunity comes along.

PARENT COMPANY

PartnerTech AB, which is the parent company in the PartnerTech Group, serves primarily as a holding and management company. The parent company's 23 (21) employees include both group management and some staff positions. In addition, the parent company employs six people who belong to the new central sourcing organization. As a result, the number of people employed by this function at our Nordic customer centers has decreased. All sales are either billing for services or group fees. PartnerTech AB reported a profit of SEK 91.5 million (-378) in 2010. The parent company also received distributions of SEK 84.9 million from its subsidiaries.

APPROPRIATION OF PROFITS

PARENT COMPANY

The parent company's non-restricted equity is as follows:

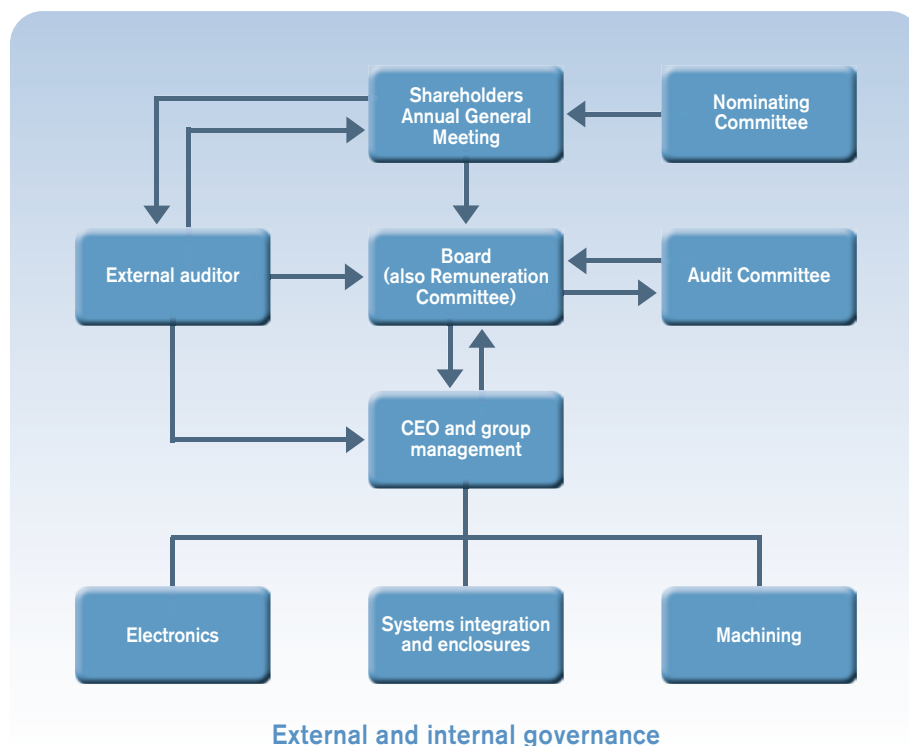
Profit brought forward and premium reserve	35,518,501
Profit/loss for the year	91,499,283
Total	127,017,784

THE BOARD PROPOSES THAT

a per-share dividend of SEK 0 be paid to shareholders	0
the remaining amount be	
carried forward to new account	127,017,784
Total	127,017,784

The annual accounts and consolidated accounts have been approved for the board to issue on March 18, 2011. The consolidated income statement and balance sheet, as well as the parent company's income statement and balance sheet, will be submitted for adoption by the May 5, 2011 annual general meeting.

CORPORATE GOVERNANCE REPORT



PartnerTech is a Swedish public limited liability company that is listed on the Nasdaq OMX Stockholm Exchange.

Corporate governance in the PartnerTech Group is based on the Swedish Companies Act, the Swedish Annual Accounts Act, the NASDAQ OMX Stockholm Exchange Rules for Issuers, the Swedish Code of Corporate Governance (the "Code" below) and other relevant laws and regulations. The company complies with all parts of the Code. Neither the Nasdaq OMX Stockholm Exchange Rules for Issuers nor generally accepted equity market practices were violated in 2010. In accordance with amendments to the Annual Accounts Act, the PartnerTech Group is to issue a corporate governance report as of 2010 for review by its auditors. Due to amendments to various rules and regulations, a revised version of the Code took effect on February 1, 2010.

The purpose of PartnerTech's corporate governance report is to describe administration of the company for shareholders and other interested parties. Good corporate governance sets the stage for clear assignment of responsibilities to the various decision-making bodies.

GENERAL MEETINGS

A general meeting is PartnerTech's highest decision-making body and the forum at which shareholders can exercise their influence. Each shareholder is entitled to participate and exercise the voting rights associated with their shares. A shareholder who cannot personally attend a general meeting may exercise their rights through a proxy. Under the articles of association, a general meeting may be held in Vellinge, Malmö or Stockholm, Sweden.

An annual general meeting is to be held within six months after the close of the fiscal year. The tasks of the meeting are governed by the Companies Act. The meeting votes on the composition of the board, amendments to the articles of association and other items. Each share entitles the holder to one vote. Resolutions of the meeting are passed in accordance with provisions of the Companies Act concerning what constitutes a majority. All auditors and members of the board, as well as representatives of management, normally attend in order to address any questions that may arise.

The total number of PartnerTech AB shares is 12,664,982. Bure Equity AB is the largest shareholder with a total of 5,443 thousand shares (43%) on December 31, 2010. AB Traction, which held 1,719 thousand (13.6%) shares at the end of the year, is the next largest shareholder. No other shareholder had more than 10% on December 31, 2010.

2010 ANNUAL GENERAL MEETING

The 2010 annual general meeting was held in Malmö, Sweden on April 27. A total of 13 shareholders participated either in person or by proxy. They represented 57.2% of the votes. Patrik Tigerschiöld was elected to chair the meeting.

The minutes are available at www.partnertech.com. Following are some of the resolutions approved by the meeting.

- All of the company's unappropriated profits of SEK 24,232,130 are to be carried over to new account, as the result of which no dividend will be payable for fiscal year 2009 (SEK 0/share for fiscal year 2008).
- Members of the board and the CEO were discharged from liability for fiscal year 2009.
- The board fee was set to remain at SEK 320,000 for the Chairman and SEK 160,000 for other members who are not employees of the company.
- Rune Glavare, Patrik Tigerschiöld, Thomas Thuresson, Henrik Lange and Petter Stillström were reelected as board members. Lotta Stalin and Andreas Bladh were elected as board members for the first time. Patrik Tigerschiöld was reelected as Chairman of the Board.
- The remuneration committee's proposed guidelines concerning remuneration for group management were approved (see below under Remuneration Committee).
- The articles of association were amended with respect to business activities, registered office and notification of general meetings.
- Whether with or without departure from the preferential rights of shareholders, the meeting authorized the board to reach decisions concerning one or more issues prior to the next annual general meeting totaling no more than 1,266,490 new shares and increasing share capital by no more than SEK 6,332,450, representing dilution of just under 10% of total share capital and votes.

EXTRAORDINARY GENERAL MEETINGS IN 2010

No extraordinary general meetings were held in 2010.

NOMINATING COMMITTEE

PartnerTech's nominating committee, which represents shareholders, submits proposals to the annual general meeting concerning election and remuneration for the board and auditors. The committee follows the instructions drawn up prior to the 2006 annual general meeting.

The committee consists of representatives of the three shareholders with the most votes. Before the close of the third quarter, the Chairman of the Board contacts those three shareholders, each of which appoints a representative to the committee. If any of them declines, the right goes to the shareholder with the next largest holdings. The chairman of the committee is chosen from Bure Equity, the shareholder with the most votes, but may not be the Chairman of the Board. The members the nominating committee are to be announced on PartnerTech's website no later than six months before the annual general meeting. The committee reports to the meeting concerning its efforts. The committee did not receive any remuneration in 2010 for its work.

PartnerTech announced on October 25, 2010 that the following people had been appointed to the nominating committee and charged with preparing proposals for the 2011 annual general meeting: Chairman Henrik Blomquist, Bure Equity, Petter Stillström, AB Traction, Philip Wendth, Länsförsäkringar fondförvaltning AB and Patrik Tigerschiöld, Chairman of the Board.

The nominating committee, which consisted of Henrik Blomquist, Bure Equity (chairman), Petter Stillström, AB Traction, Sven Zetterqvist, Livförsäkringsaktiebolaget Skandia and Patrik Tigerschiöld (Chairman of the Board) held two meetings until October 2010 at which minutes were taken and all members were present. The meetings discussed board fees, evaluated the board's performance and put together a set of requirements for new members. In addition, appropriate candidates were interviewed prior to the annual general meeting.

Shareholders wishing to propose board members to the nominating committee may e-mail Marielle Noble, IR and Communications Manager, at marielle.noble@partnertech.se or call her at +46 40-10 26 40.

ATTENDANCE AT BOARD MEETINGS (NOT INCLUDING THE ONE IMMEDIATELY FOLLOWING ELECTION)

Member	Position	Audit committee	Attendance at board meetings (not including the one immediately following election) in 2010									
			1	2	3	4	5	6	7	8	9	10
Patrik Tigerschiöld	Chairman		X	X	X	X	X	X	X	X	X	X
Rune Glavare	Member (also President and CEO until April 27, 2010)		X	X	X	X	X	X	X	X	X	X
Henrik Lange	Member		X		X	X	X	X	X	X	X	X
Petter Stillström	Member	X	X	X	X	X	X	X	X	X	X	X
Thomas Thuresson	Member	X	X	X	X	X	X	X	X			X
Andreas Bladh	Member (elected on April 27, 2010)	X					X	X	X	X	X	X
Lotta Stalin	Member (elected on April 27, 2010)						X	X	X	X	X	X
Mikael Johansson*	Employee representative		X	X	X	X	X	X	X	X	X	X
Lennart Pettersson*	Employee representative		X	X	X	X	X	X	X	X	X	X

*When the employee representatives did not attend, deputies Sirousse Shamlo and Mikael Åberg took their place.

BOARD

The board is responsible for administering the company's affairs in the interests of shareholders and the business as a whole. Following a resolution of the 2010 annual general meeting, the board is made up of seven members and two employee representatives, as well as two deputies for the employee representatives. Under the articles of association, the board shall have no fewer than three and no more than eight members. The annual general meeting elected the Chairman of the Board. After a new CEO took over in April 2010, none of PartnerTech's senior executives are board members. The previous CEO was a member of the board. The CFO (also in the capacity of secretary) and CEO attend board meetings. Other senior executives also participate as needed.

According to the Code, the majority of board members are to be independent of the company and its management. At least two members of that majority shall also be independent of the company's large shareholders. The current composition of the board meets those criteria. The presentation of the board on pages 46–47 describes the independence of each member.

The main task of the board is to assume responsibility for organization of the company and administration of its affairs. The activities of the board are governed by the Companies Act, the Code and the formal work plan of PartnerTech. The board follows a fixed agenda designed to satisfy its need for information. The agenda is prepared in accordance with the formal work plan that the board adopts each year at the meeting following its election. The work plan specifies how often the board is to meet, the assign-

ment of duties and responsibilities to board members, its chairman and the CEO, and other procedures.

The board follows the company's performance through its customary duties, monthly reporting and ongoing contact among its members in order to enable preparation of and decisions about long-term overall strategies and objectives, adoption of quarterly and annual accounts, adoption of budgets, major investments and other business matters. The board evaluates its own performance and those of the CEO on an annual basis.

For fiscal year 2010, the board held a total of 11 meetings at which minutes were taken – seven scheduled and four extra. One of the extra meetings was by phone, two by correspondence and one immediately following the board's election. The board had a quorum at all meetings.

FOLLOWING IS A TYPICAL BOARD MEETING AGENDA:

- The meeting is called to order and the agenda is approved
- The secretary and verifiers of the minutes are chosen
- The minutes of the previous meeting are reviewed and approved
- The CEO's report on the company's activities and the state of the market is presented
- Investment matters are discussed
- Matters involving exposure to big customers are taken up
- Other issues (acquisitions, incentive programs, legal formalities, etc.) are considered
- The meeting is adjourned

The various board members are presented in more detail on pages 46–47.

REMUNERATION COMMITTEE

In accordance with a decision of the board for fiscal year 2010, the compensation committee consists of the entire board, with Patrik Tigerschiöld as chairman. Board members Petter Stillström, Thomas Thuresson, Henrik Lange, Rune Glavare and Lotta Stalin are independent of the company and its management. The presentation of the board on pages 46–47 describes the independence of each member with respect to the company and its management.

The committee is in charge proposing remuneration, its principles and other terms of employment for group management to the annual general meeting. The meeting adopts these principles and guidelines. PartnerTech shall strive to offer total remuneration that is reasonable and competitive. Remuneration shall vary in relation to individual and group performance. Total remuneration for group management has the following components: fixed salaries, variable salaries, long-term incentives, insurable benefits, other benefits and severance pay.

Because the remuneration committee consists of the entire board, questions concerning bonus systems, as well as remuneration for the CEO and senior executives, were discussed at scheduled board meetings. See the presentation of board meeting attendance by individual members.

The 2010 annual general meeting set the following guidelines concerning terms of remuneration for the CEO and group management:

- The fixed (basic) salary shall be market-adjusted and based on responsibility, expertise and performance. The fixed salary shall be revised each year.
- The variable salary shall be based on the company's sales and earnings performance, its return on capital employed, and specific targets for each executive's sphere of responsibility. The variable salary shall be paid on a yearly basis at no more than the annual fixed salary.
- The board intends to regularly evaluate the need for a long-term incentive program to be proposed to the annual general meeting.
- Retirement pension, sickness benefits and medical benefits shall be designed such that they reflect rules and practices in the executive's native country. Pension plans shall be defined contribution to the extent possible. Depending on the tax and/or social insurance applicable to the particular individual, other adjusted pension plans or solutions may be approved.

- Other benefits shall be awardable to members of group management, either individually or collectively. Such benefits shall not represent a significant percentage of total remuneration. In addition, the benefits shall be in line with the norm for the market.
- The period of notice shall be no longer than 12 months if termination is initiated by the company and 6 months if termination is initiated by a member of group management. In individual cases, the board may approve severance pay beyond the period of notice.
- The board shall be entitled to depart from these guidelines in individual cases when special grounds arise.

No changes in the principles concerning remuneration for PartnerTech's senior executives are being proposed to the 2011 annual general meeting.

AUDIT COMMITTEE

In accordance with a decision of the board for fiscal year 2010, the audit committee consists of Thomas Thuresson, chairman, Petter Stillström and Andreas Bladh. During fiscal year 2009, the audit committee was made up of the entire board except for the CEO, given that he was a member of management. The presentation of the board on pages 46–47 describes the independence of each member with respect to large shareholders, the company and its executive management. The CEO, CFO and external auditor attend audit committee meetings. The CFO serves as secretary.

The tasks of the audit committee are described in writing. Its primary responsibility is to serve as a preparatory body between the board and auditors. The committee is to ensure relevant reporting, auditing and procedures for internal monitoring while supporting the CEO and CFO in related areas.

The committee held three meetings in 2010 that were attended by all members.

CEO AND GROUP MANAGEMENT

Rune Glavare was President and CEO until the annual general meeting in April 2010. He was replaced by Leif Thorwaldsson. The CEO's education, experience, age and shareholdings are described in detail in the presentation of group management.

The CEO manages the company in accordance with board instructions, as well as laws and regulations. He is responsible for ensuring that the board receives information and requisite decision data, and that its resolutions are implemented. The CEO has chief responsibility for the operational management of the group. A group management team consisting of seven (six) other members assists him. The members of the team are the vice presidents of the company's various functions: sales & marketing, finances, production, logistics & planning, purchasing and human resources. The expansion of group management from six to seven people took effect as of November 1, 2010 when operating activities were broken down into the areas of electronics and systems integration & enclosures. Machining continues to represent a third segment.

Dan Turecek had been Executive Vice President Operations for Systems Integration and Enclosures for three months when he suddenly passed away. His segment has been assigned to various members of the management team until a replacement can be found.

EXTERNAL AUDIT

The company's auditors are normally elected by every fourth annual general meeting. The 2007 annual general meeting elected Deloitte AB, whose current auditor in charge is Per-Arne Pettersson, as the company's public accounting firm through the 2011 annual general meeting. Under the articles of association, the company shall elect either a registered public accounting firm or one or two auditors, as well as an equal number of deputy auditors. The auditors are nominated on the basis of documentation and data compiled by the nominating committee, as well as the board through the audit committee, along with selected employees of PartnerTech.

The auditor in charge reviews the annual accounts and accounting records of the company and group, as well as administration of the company by the board and CEO. The auditor attends audit committee meetings, and presents the results of his audit at the annual board meeting that approves the year-end accounts. The auditor presents his report to the annual general meeting, describes the audit process and makes relevant observations.

BOARD REPORT ON INTERNAL CONTROL FOR FISCAL YEAR 2010

Under the Companies Act and the Swedish Code of Corporate Governance (the "Code" below), the board is responsible for internal control of the company. PartnerTech's financial reporting complies with the laws and regulations applicable to companies listed on the NASDAQ OMX Stockholm Exchange, as well as national regulations in its individual geographic markets. This report has been prepared in accordance with the Code and is thereby limited to describing the organization of internal control with respect to financial reporting.

One purpose of good internal control is to provide reasonable assurance that external financial reporting, such as interim, year-end and annual reports, are accurate and complete.

CONTROL STRUCTURE

The PartnerTech board has overall responsibility for establishing an effective internal control system with respect to both financial reporting and the business in general. The audit committee supports the board and is in charge of matters that concern internal control, external reporting, financial reporting and external audits. Operating responsibility for maintaining effective internal control is delegated to the CEO, who in turn delegates function-specific responsibilities to managers at different levels of the group. Various policy documents, including the formal work plan for the board, instructions for the CEO and the tasks of the audit committee, ensure clear assignment of responsibilities. Overall regulations concerning authorization and authority have been prepared at the group level. The document governs authorization and authority for various transactions among the board, CEO, remaining members of group management and others. The regulations also specify the authority of the managing director of each subsidiary. The subsidiaries have local regulations concerning authorization and authority within the framework of the group regulations. The group financial policy, another important document, was updated in 2010.

The PartnerTech Group uses LINKS to Success, which consists of a number of values shared by all employees in their day-to-day duties. For additional information, refer to the previous section on Human Resources.

Among the contents of the group's quality and management system (PIMS) are process descriptions, work instructions, valuation principles, policies and regulations for authorization and authority. PIMS documents may be specific either to the group or particular subsidiaries.

RISK ASSESSMENT

The assessment of significant risks associated with financial reporting involves the identification, presentation and analysis of risk. Refer to pages 50–51 for a more detailed description of group risks. Risks are identified at both the group and subsidiary level. The audit committee discussed the group's risks during the year.

CONTROL ACTIVITIES

Risk management aims to quantify and either minimize or eliminate financial risks associated with financial reporting. Risk management is built into group processes. Various control activities are conducted to estimate and limit risks, as well as to ensure that the risks to which PartnerTech is subject are handled in accordance with established policies and instructions.

The group has a uniform system for weekly, monthly and yearly reporting. Each subsidiary's reporting is analyzed at the group level with a focus on profitability, capital tied up and key ratios. The budget, the latest forecast and various key ratios are monitored. Monthly reporting is sent to the board.

Implementation of a group-wide business system continued in 2010, and most units had adopted it by the end of the year. Additional resources will be devoted to taking advantage of the benefits offered by the system. The various processes use system-based control mechanisms.

To minimize certain types of risks associated with financial reporting, some functions and transactions are handled exclusively at the group level. The regulations concerning authorization and authority ensure a transparent decision making process for acquisitions, major investments, agreements and other important decisions.

INFORMATION AND COMMUNICATION

The group has internal information and communication paths to promote accurate financial reporting. Internal guidelines, policies, manuals and the like that affect financial reporting are continually reviewed and communicated to employees

on the intranet. Significant changes to accounting policies and other matters are sent directly to those who are affected. Biannual conferences are held for all financial managers of the group in order to share skills and experience through the discussion of current issues.

The board receives monthly reports that contain analyses and comments comparing the group's financial performance with forecasts, the budget and the previous year. The board also receives reports, to which the CEO, CFO and external auditor contribute, of audit committee meetings. The external auditor reports to the board after each year-end audit. The board meets with representatives of central functions on a regular basis. The CEO and CFO keep the board up to date on the group's financial position and performance, as well as any areas of risk.

PartnerTech's website contains press releases, financial information and other disclosures. External financial reporting complies with relevant internal and external policy documents. For external information, PartnerTech follows the Code, along with guidelines that apply to companies listed in Sweden.

FOLLOW-UP

Follow-up to ensure efficient internal control with respect to financial reporting is performed by the board, audit committee, CEO, group management and subsidiaries. Follow-up includes analysis of monthly and quarterly reports as compared to forecasts and the budget.

PartnerTech has no separate internal auditing function. The company has not identified any special circumstances in or outside of the company that would call for such a function. An extensive annual questionnaire is sent to each group company for an evaluation of internal control with respect to inventories, accounts receivable, revenue recognition, division of duties, assignment of responsibilities and other areas. A compilation of the responses from each company forms the basis of an assessment concerning where internal control is working well and where additional resources are needed.

BOARD

PATRIK TIGERSCHIÖLD

Chairman of the Board since 2007.
Member of the Board since 2000.
Born 1964.
CEO of Bure Equity AB.

Other posts: Chairman of the boards of Carnegie Fonder AB, Vitrolife AB and The Chimney Pot AB.
Member of the boards of Carnegie Investment Bank AB and Micronic Mydata AB.

Education: M.B.A.

Previous positions: SEB, including Managing Director of SEB Allemansfonder.

Shareholdings on December 31, 2010: 0 shares.

He is independent of the company and its management but dependent on Bure Equity AB, its largest shareholder, as CEO.



ANDREAS BLADH

Member of the Board since 2010.
Born 1975.
Investment Manager at Bure Equity AB.

Other posts: Member of the board of CMA Microdialysis AB.

Education: Master of Engineering.

Previous positions: Investment Manager at Skanditek Industriförvaltning AB.

Shareholdings on December 31, 2010: 1,900 shares.

He is independent of the company and its management but dependent on Bure Equity AB, the company's largest shareholder, as an employee



HENRIK LANGE

Member of the Board since 2008.
Born 1961.
Head of SKF's Industrial Division.

Other posts: Member of the boards of GU School of Executive Education AB and Teknikföretagen.

Education: M.B.A.

Previous positions: Series of managerial positions at SKF, including Managing Director of the Austrian and Polish subsidiaries.
CEO of Johnson Pump AB in 2000–2003.

Shareholdings on December 31, 2010: 0 shares.

He is independent of the company, its management and big shareholders.



LENNART PETERSSON

Member of the Board since 2005.
Born 1960.
Employee representative, Swedish Metal Workers' Union.

Other posts: -

Education: Metalwork.

Previous positions: Employed by PartnerTech since 1976 (at that time Facit)
Active in the union part-time since 2004.

Shareholdings on December 31, 2010: 0 shares.



LOTTA STALIN

Member of the Board since 2010.
Born 1954.

Other posts: Member of the boards of Nederman Group, Nobia Group and The Swedish Recycling Industries Association.

Education: Master of Engineering.

Previous positions: CEO of Kuusakoski Sverige AB, business area manager at FMV Logistik, business area manager and vice president of A/S Poolimon, production line manager at Electrolux and CEO of Overums Bruk.

Shareholdings on December 31, 2010: 200 shares.

She is independent of the company, its management and large shareholders.

RUNE GLAVARE

Member of the Board since 2004.
Born 1945.

Other posts: Chairman of the boards of Cobolt AB and Micronic Mydata AB. Member of the boards of 3nine AB and Phasein AB.

Education: Electrical Engineer.

Previous positions: Most recently President and CEO, PartnerTech AB. Founder and CEO of contract manufacturer Essex AB. Senior VP of Sanmina Europa, a leading international contract manufacturer, and CEO of Cobolt AB.

Shareholdings on December 31, 2010:
70,000 shares.

He is dependent on the company and its management as former CEO of PartnerTech AB. He is independent of the company's large shareholders

**MIKAEL JOHANSSON**

Member of the Board since 2006.
Born 1955.
Employee representative Unionen.

Other posts: -

Education: Electrical Engineer.

Previous positions: Employed by PartnerTech since 1982 (at that time Facit) Active in the union part-time since 2004.

Shareholdings on December 31, 2010:
0 shares.

**PETTER STILLSTRÖM**

Member of the Board since 2009.
Born 1972.
CEO of AB Traction.

Other posts: Chairman of the boards of Nilörgruppen AB and Softronic AB. Member of the boards of AB Traction and OEM International AB.

Education: Master of Economics.

Previous positions: H&Q Bank.

Shareholdings on December 31, 2010:
0 shares.

He is independent of the company and its management but dependent on AB Traction, one of its largest shareholders, as CEO.

THOMAS THURESSON

Member of the Board since 2008.
Born 1957.
CFO of Alfa Laval AB.

Other posts: -

Education: M.B.A.

Previous positions: Alfa Laval, CFO and other positions.

Shareholdings on December 31, 2010:
0 shares.

He is independent of the company, its management and large shareholders.

**DEPUTY EMPLOYEE REPRESENTATIVES****SIROUSSE SHAMLO**

Deputy (Swedish Metal Workers' Union) since 2002. Born 1948.

Other posts: -

Education: Production engineer.

Previous positions: Employed by PartnerTech since 1985 (at that time Electrolux Mechatronics/Electronics)

Shareholdings on December 31, 2010:
0 shares.

MIKAEL ÅBERG

Deputy (Negotiation Cartel for Salaried Employees in the Private Business Sector) since 2003. Born 1964.

Other posts: -

Education: Electrical engineering and telecommunications.

Previous positions: Employed by PartnerTech since 1994.

Shareholdings on December 31, 2010:
0 shares.

GROUP MANAGEMENT

LEIF THORWALDSSON

President and CEO.
Born 1958.
Master of Engineering.
Employed since 2010.

Other posts: -

Education: Master of Engineering.

Previous positions: Operating Manager of Solid Wood business area at Swedwood AB, a group of companies in the IKEA Group. President and CEO of CPT Group and a number of positions in the Cardo Group.

Shareholdings on December 31, 2010:
25,000 shares.



JONAS ARKESTAD

CFO and Vice President Finance & Administration.
Born 1963.
Employed since 1999.

Other posts: -

Education: M.B.A.

Previous positions: Business Area Controller, Trelleborg Automotive (Trelleborg Group), as well as a number of other financial positions earlier in the Trelleborg Group and Lantmännen.

Shareholdings on December 31, 2010:
0 shares.



PETER NILSSON

Executive Vice President for Electronics.
Born 1964.
Employed since 2010.

Other posts: -

Education: Degree in Industrial Economics and Production Engineering.

Previous positions: CEO and manager of production and distribution of electronics at Rimaster Electronics. Executive positions at Sanmina-SCI, Ericsson and other companies in Sweden and the United States.

Shareholdings on December 31, 2010:
0 shares.



RICHARD SKOGH

Vice President Supply Chain Planning and IT.
Born 1969.
Employed since 2006.

Other posts: -

Education: M.B.A.

Previous positions: CIO of Xsys Printsolutions, IT Manager at Trelleborg Engineering Systems and Trelleborg Wheel Systems (Trelleborg Group).

Shareholdings on December 31, 2010:
6,000 shares.

* SYSTEMS INTEGRATION & ENCLOSURES

Dan Turecek, Executive Vice President Operations for Systems Integration and Enclosures, has suddenly passed away. His responsibilities have been allocated within group management until a permanent replacement can be found.

JAN JOHANSSON

Executive Vice President Market & Sales.
Born 1963.
Employed since 2000.

Other posts: -

Education: Trained in the automotive and defense industries.

Previous positions: Plant and quality manager at Trelleborg Automotive (Trelleborg Group).

Shareholdings on December 31, 2010:
5,500 shares.

**MATS LUNDIN**

Vice President Sourcing.
Born 1959.
Employed since 2007.

Other posts: -

Education: Master of Engineering, Industrial Economics and Management.

Previous positions: Various purchasing and logistics managerial positions at Ericsson, Volvo Penta and other companies.

Shareholdings on December 31, 2010:
4,100 shares.

**CHRISTER THÖRN**

Vice President Human Resources.
Born 1966.
Employed since 2008.

Other posts: -

Education: Officer training and internal human resources training.

Previous positions: Major, VP HR Tetra Pak Development & Engineering, Production Manager, Apoteket AB.

Shareholdings on December 31, 2010:
1,000 shares.

RISK MANAGEMENT

The contract manufacturing sector is subject to stringent requirements when it comes to flexibility in meeting customer needs for ramping production up and down, freeing up capital and shortening time to market. For development and production activities in the area of contract manufacturing, special attention must be paid to minimizing potential risk exposure, so that relationships with one customer do not detrimentally affect those of others. Furthermore, by limiting its risks, PartnerTech can more accurately forecast earnings and thereby improve its competitiveness with regard to pricing and level of customer service.

OPERATING RISKS

PartnerTech's customers do business in a number of different sectors, which have been broken down into six market areas: Defense & Maritime, Industry, Information Technology, MedTech & Instrumentation, CleanTech and Point of Sale Applications. The purpose of the breakdown is to deal with the special requirements of each area in a way that will ensure the best possible service at the least risk. Among the key factors in PartnerTech's ability to succeed and minimize operating risks is that

- its customers are successful
- it collaborates with customers to make both parties more competitive
- its operations are efficient when it comes to income, costs and capital tied up
- it possesses suitable expertise in product development, production processes, etc.

Because PartnerTech does not have any products of its own, but sells services only, it takes no operating risks in that regard. As a rule, PartnerTech charges for all product development assignments on a cost-plus basis and avoids the risks associated with payment in the form of royalties or per manufactured unit. With regard to costs, changes in the price of materials are generally transparent to customers. In other words, any change – whether an increase or decrease – is passed on to the customer.

COMPETITION RISK

PartnerTech, which operates in competitive markets, seeks advantages by offering a wide range of services and through other strategies. In relation to its size, the company has a broad service offering and solid production expertise that enable it to manage a product throughout the value chain and its entire life cycle. In that respect, PartnerTech is ahead of most other contract manufacturers. All of PartnerTech's units are also involved in an ongoing effort to streamline their production and distribution processes. PartnerTech's organization of local customer centers represents an additional tool for meeting the competition more effectively and forging more dynamic customer relationships.

PartnerTech is relatively independent of how things go for individual customers, given that their size varies from year to year.

PartnerTech has a broad base of more than hundred customers in various sectors. The ten largest customers accounted for 57% of total sales in 2010 and the largest one for over 11%.

RAW MATERIAL RISK

Changes in the prices of raw materials are primarily managed by means of price and exchange-rate clauses in customer agreements for the purpose of ensuring greater transparency when it comes to both purchasing and sales. Material purchases are made through the group's strategic purchasing function but are centrally coordinated. The group focuses on a few main suppliers but also has a large number of small suppliers for special components.

RISK OF COMPLAINTS AND CLAIMS

In rare cases, costs for complaints and claims may arise for products or features that are non-serviceable due to damaged raw material components, faulty design or equipment breakdown. PartnerTech works extensively to satisfy the stringent quality requirements that it encounters at each link in the production chain. The warranty period is usually twelve months. Only in very special cases are provisions set aside for warranties.

INSURANCE RISK

PartnerTech has umbrella insurance coverage for its parent company and subsidiaries. Contractual terms are set at the group level. The overall policy is for insurance agreements to cover all major risks (fire, shipping and equipment breakdown), while the particular subsidiary involved takes care of damages involving smaller amounts. The group also has CEO, board and other insurance coverage.

ENVIRONMENTAL RISK

PartnerTech, which engages in a proactive effort to improve and have a minimum impact on the environment, holds a group-wide ISO 14001 certificate that covers all of its units. Our environmental management system also subjects our suppliers to environmental requirements. Besides being the natural consequence of our quest for long-term sustainable development, PartnerTech's intensive environmental effort reflects the demands of most customers. PartnerTech's environmental targets in 2010 focused on reducing the use of electrical power, gas, water and chemicals. Targeted activities were carried out to minimize energy consumption at all units. We measure carbon dioxide emissions – exhaust fumes and other discharges that harm the environment – from all shipping inside Sweden. PartnerTech also has a company car policy with incentives to use green vehicles. Similarly, its business travel policy requires the choice of the most environmentally friendly transportation option possible.

FINANCIAL RISKS

PartnerTech is exposed to a number of financial risks, including price, exchange-rate, interest-rate, liquidity and credit risks. The

group's financial policy is that these risks be as small as possible. Operating activities are not to involve speculation in exchange or interest rates. PartnerTech's financial policy, as well as its instructions for authorization and authority, establishes various credit limits. Risk management aims to identify, quantify and either minimize or eliminate financial risks.

MARKET RISKS

Market risk is defined as the risk of a change in the value of a financial instrument that varies along with the state of the financial market, market prices, etc.

Price risk

Changes in prices for direct materials, components, etc., affect PartnerTech to a limited extent only, given that its customer agreements include running adjustments for such fluctuations. An adjustment is usually made once prices have changed more than 2%.

Exchange-rate risks

The individual subsidiaries generally manage their own currencies, while PartnerTech monitors overall net exposure to each currency in order to minimize exchange-rate risks. For the most part, PartnerTech's accounts receivable involve minimal exchange-rate risk, given that its sales are predominantly in the subsidiary's domestic currency. The exchange-rate exposure or risk on accounts payable is higher, considering that a significant percentage of materials and components are purchased in foreign currencies, particularly the euro. Exposure from these purchases is limited by means of exchange-rate clauses in most customer agreements, according to which the price is adjusted when a currency fluctuates by more than 2%. PartnerTech handles most net exposure through hedging in accordance with its financial policy. Translation exposure from foreign operations is unhedged at present.

Interest-rate risk

The group's interest-rate risk arises by way of PartnerTech's net borrowings. As a result, the company continually monitors the size of its borrowings. The company's liabilities have a relatively short fixed-interest term and the interest-rate risk is dealt with by means of interest-rate derivative contracts. The contracts run until May 2013.

Sensitivity analysis of market risks

Based on the situation at year-end and the assumption that other factors will remain unchanged, the approximate impact of market risks on the group's pretax earnings and equity is shown in the adjacent table.

CREDIT RISK

Credit risk is the risk that the other party to a transaction will not meet its contractual payment obligations. Such risks are man-

aged by means of a credit policy. PartnerTech proactively monitors its credit exposure to customers and carries on a regular dialog when necessary with end-customers to promptly deal with and resolve any credit difficulties that may arise. Most of PartnerTech's accounts receivable and customer-related inventories are insured by a customer credit firm. In other words, accounts receivable, inventory and fixed purchase orders are protected against non-payment due to insolvency on the part of the customer.

PartnerTech uses hedge accounting pursuant to IAS 39. For the interest-rate derivatives that meet the criteria for hedge accounting, the change in value is reported directly to the hedge reserve in other comprehensive income. The change in value for interest-rate derivatives that do not meet the criteria are reported in the income statement.

LIQUIDITY RISK

Both the parent company and subsidiaries engage in borrowing. The subsidiaries borrow almost exclusively by means of factoring agreements, whereby credit is obtained with accounts receivable as security. The purpose is to better handle the large variation in borrowing requirements. The parent company borrows in accordance with traditional credit practices.

CASH FLOW RISK

PartnerTech's cash flow is governed primarily by profit generation, investments and changes in the magnitude of its working capital, which closely correlates with sales volumes. Working capital represents approximately 21% of sales. PartnerTech's goal is to minimize lead-times in its various processes. The amount of bank borrowing reflects the size of accounts receivable. This ensures efficient management of the cash flow risk when sales are volatile. Because PartnerTech's sales are distributed fairly evenly throughout the year, its business is not subject to significant seasonal fluctuations.

SENSITIVITY ANALYSIS OF MARKET RISKS

Risk factor - effect in SEK million	Impact on pretax earnings		Impact on equity*	
	1%	5%	1%	5%
Price risk				
Change in selling price for customer	21.8	109.1	16.4	81.8
Change in sales volume	4.4	21.8	3.3	16.4
Change in price of components, including exchange rates (Clause +/- 2%)	13.0	19.5	9.7	14.6
Payroll expense change	4.9	24.6	3.7	18.5
Exchange-rate risk				
Exchange-rate fluctuations upon translation of earnings of foreign subsidiaries	-0.1	-0.6	2.0	9.8
Exchange-rate fluctuations upon translation of foreign operating assets	4.5	22.5	4.5	22.5
Interest-rate risk				
Interest-rate fluctuations (considering current interest-rate derivatives)	0.1	0.7	0.1	0.5

*Option of utilizing existing loss carryforwards not considered

INCOME STATEMENT

Amounts in SEK thousand	Note	Group 2010	Group 2009	Parent company 2010	Parent company 2009
Net sales	1-2	2,181,111	2,148,030	67,027	75,845
Cost of goods and services sold	1-11	-2,104,878	-2,055,643	-35,312	-33,491
Gross profit		76,233	92,387	31,715	42,354
Selling expenses	1-10	-63,084	-70,061	-14,280	-18,471
Administrative expenses	1-10	-32,641	-31,628	-23,308	-21,613
Other operating revenue	13	7,605	8,306	-	-
Other operating expenses	14	-3,368	-2,502	-58	-
Operating profit/loss		-15,255	-3,498	-5,931	2,270
Earnings from shares in group companies	12	-	-	84,936	-25,000
Earnings from receivables that are non-current assets	15	-	-69	-	-
Interest revenue and similar profit/loss items	16	7,641	6,765	26,653	4,833
Interest expense and similar profit/loss items	17	-23,578	-26,005	-20,195	-15,958
Profit/loss after financial items		-31,192	-22,807	85,463	-33,855
Tax on profit/loss for the year	18	11,598	1,290	6,036	-3,948
Profit/loss for the year		-19,594	-21,517	91,499	-37,803
Profit/loss attributable to holdings of shares in the parent company		-19,594	-21,517	-	-
Earnings per share, SEK*		-1,55	-1,70	-	-
Earnings per share after dilution (SEK)*		-1,55	-1,70	-	-

* After full income tax

COMPREHENSIVE INCOME

Amounts in SEK thousand	Group 2010	Group 2009	Parent company 2010	Parent company 2009
Profit/loss for the year	-19,594	-21,517	91,499	-37,803
Other comprehensive income, net after tax:				
Exchange rate differences that arise when translating foreign operations	-35,413	1,750	-	-
Cash flow hedging	3,279	3,008	-	-
Reserve for fair value	-	-	-808	-8,844
Group contributions	-	-	12,095	-2,318
Comprehensive income for the year	-51,728	-16,759	102,786	-48,965

COMMENTS ON THE INCOME STATEMENT

The group's net sales totaled SEK 2,181.1 million (2,148.0) in 2010. This represented an increase from 2009 of SEK 79.6 million or 3.7% after exclusion of SEK -46.5 million in exchange-rate effects. The corresponding improvement for comparable units (i.e., excluding divested units) was SEK 85.1 million or 4.0%. Annual sales rose for a number of areas; CleanTech and MedTech & Instrumentation exhibited particularly strong growth. However, weak trends for the Defense and Maritime market area during the first six months burdened sales for the full year.

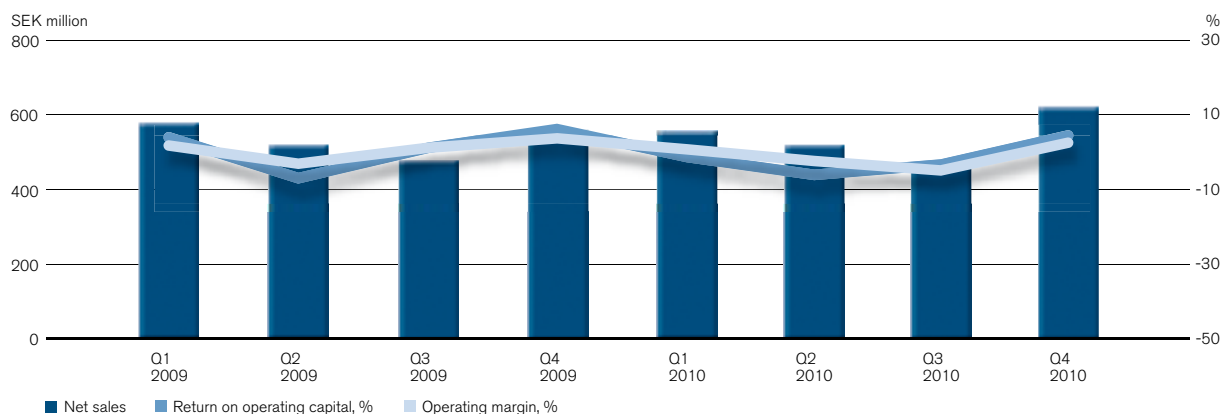
The group's operating loss for the year was SEK -15.3 million (-3.5). Excluding exchange-rate differences of SEK

5.5 million, the change from 2009 was SEK -17.3 million. The loss was due primarily to the challenges faced by metal-cutting machining, particularly during the first six months. Costs associated with restructuring of our British business contributed as well. A number of units made capital expenditures on machinery and systems to boost our competitiveness and provide our customers with a more attractive offering. Our Myslowice plant, the biggest investment, totaled approximately SEK 60 million. Myslowice is one of the world's most advanced, highly automated plants for sheet metal working and systems integration.

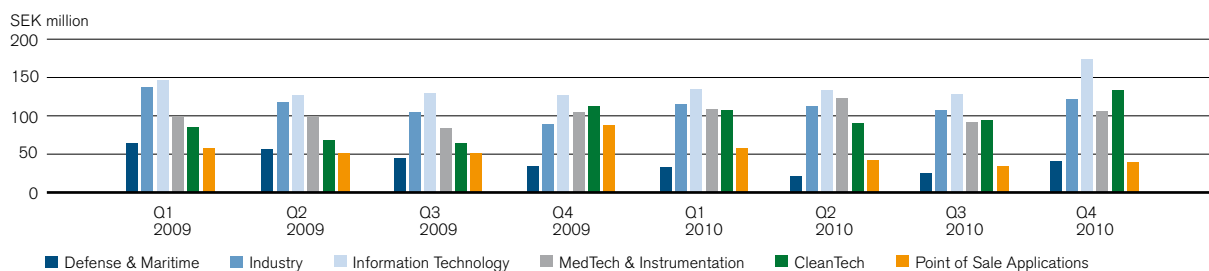
GROUP PERFORMANCE BY QUARTER

Amounts in SEK million	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010
Net sales	594.2	519.5	478.3	556.1	557.4	524.0	482.1	617.6
Operating profit/loss	9.5	-14.9	0.5	1.5	-1.7	-14.7	-5.3	6.5
Operating margin, %	1.6	-2.9	0.1	0.3	-0.3	-2.8	-1.1	1.1
Asset turnover rate, multiple	2.7	2.3	2.2	2.6	2.8	2.6	2.4	3.1
Return on operating capital, %	4.2	-6.7	0.2	0.7	-0.9	-7.3	-2.6	3.2
Return on equity, %	0.4	-10.1	-2.6	-3.5	-3.9	-10.6	-7.5	7.1

KEY RATIOS PER QUARTER



NET SALES BY MARKET AREA



BALANCE SHEET

Amounts in SEK thousand		Group	Group	Parent company	Parent company
Assets	Note	12-31-10	12-31-09	12-31-10	12-31-09
Non-current assets					
Intangible fixed assets	19				
Goodwill		129,665	137,312	-	-
Intellectual rights		21,184	23,692	-	-
Total intangible fixed assets		150,849	161,004	-	-
Property, plant and equipment	20				
Machinery, equipment and tools		156,574	139,966	1,531	2,427
Buildings and land		37,569	40,473	-	-
Construction in progress		6,215	2,191	-	-
Total property, plant and equipment		200,358	182,630	1,531	2,427
Financial fixed assets					
Shares in group companies	21	-	-	554,426	530,292
Receivables from group companies		-	-	55,259	51,212
Participations in associated companies	21	573	573	563	563
Participations in other companies		170	170	-	-
Deferred tax assets	18	28,421	22,313	2,333	-
Financial derivatives	22	-	69	-	-
Other long-term receivables		2,624	2,420	-	-
Total financial assets		31,788	25,545	612,581	582,067
Total non-current assets		382,995	369,179	614,112	584,494
Current assets					
Inventories, etc.	24				
Raw materials, components, and supplies		320,536	346,402	-	-
Work in progress		48,491	48,393	-	-
Finished goods and goods for resale		46,297	52,051	-	-
Advance payments from customers		-1,672	-6,232	-	-
Total inventories, etc.		413,652	440,614	-	-
Current receivables					
Accounts receivable	22	403,815	396,338	-	20
Current receivables from group companies		-	-	83,807	115,153
Current tax assets		6,448	7,513	1,673	1,903
Other current receivables		12,581	19,318	33	361
Prepaid expenses and accrued income	25	20,407	18,942	1,279	2,623
Total current receivables		443,251	442,111	86,792	120,060
Cash and bank balances	22	40,511	35,750	25,879	4,649
Total current assets		897,414	918,475	112,671	124,709
Total assets		1,280,409	1,287,654	726,783	709,203

Amounts in SEK thousand Equity and liabilities	Note	Group 12-31-10	Group 12-31-09	Parent company 12-31-10	Parent company 12-31-09
Equity	26				
Share capital		63,325	63,325	63,325	63,325
Other capital contributed		364,558	364,445	-	-
Statutory reserve		-	-	282,158	282,158
<i>Total restricted equity</i>				<i>345,483</i>	<i>345,483</i>
Provisions		-21,678	10,456	-	-
Premium reserve		-	-	60,576	60,576
Profit brought forward		95,881	117,398	-25,057	1,460
Profit/loss for the year		-19,594	-21,517	91,499	-37,803
<i>Total non-restricted equity</i>				<i>127,018</i>	<i>24,232</i>
Total equity attributable to holders of shares in the parent company		482,492	534,107	472,501	369,715
Untaxed reserves		-	-	-	-
Provisions for pensions		1,919	2,471	-	-
Non-current liabilities					
Deferred tax liabilities	18	-	4,613	-	-
Financial derivatives	22	186	4,790	-	-
Liabilities to credit institutions	22	67,421	55,717	-	1,101
Liabilities to group companies		-	-	100	100
Total non-current liabilities		67,607	65,120	100	1,201
Current liabilities					
Liabilities to credit institutions	22	333,672	273,867	13,154	4,564
Accounts payable	22	251,619	274,089	3,972	2,662
Liabilities to group companies		-	-	225,585	321,891
Current tax liabilities		2,096	4,314	-	-
Financial derivatives	22	3,613	3,074	-	-
Other current liabilities		27,933	29,041	2,023	1,017
Accrued expenses and prepaid revenue	25	109,458	101,571	9,448	8,153
Total current liabilities		728,391	685,956	254,182	338,287
Total equity and liabilities		1,280,409	1,287,654	726,783	709,203
Pledged assets					
Chattel mortgages for own liabilities to credit institutions	22	287,666	291,249	-	-
Pledged accounts receivable	22	329,412	301,239	-	-
Reservation of ownership, machinery		12,048	14,700	-	-
Total pledged security		629,126	607,188	-	-
Contingent liabilities	27				
Contingent liabilities, FPG		27	28	-	-
Other contingent liabilities		-	276	8,981	9,697
Total contingent liabilities		27	304	8,981	9,697

CASH FLOW STATEMENT

Amounts in SEK thousand Description	Group 2010	Group 2009	Parent company 2010	Parent company 2009
Operating activities				
Operating profit/loss	-15,255	-3,498	-5,931	2,270
<i>Items in operating profit/loss not affecting cash flow</i>				
Impairment losses and depreciation, non-current assets	45,600	44,769	853	677
Capital gain/loss, non-current assets	-318	1,405	58	345
Provisions	-488	974	-	-
Interest received and other financial income	7,641	6,765	5,566	4,833
Interest paid and other financial expenses	-21,350	-26,005	-17,127	-15,958
Tax paid	-3,949	-14,817	-382	-3,470
Funds provided by earnings	11,881	9,593	-16,963	-11,303
Funds tied up in operations				
Change in inventories	1,478	77,337	-	-
Change in accounts receivable	-24,479	-1,425	20	-3
Change in other operating receivables	1,604	-12,636	1,672	-980
Change in accounts payable	-7,651	12,300	1,310	-1,835
Change in other operating credits	12,299	-34,246	2,301	-4,058
Change in funds tied up in operations	-16,749	41,330	5,303	-6,876
Cash flow, operating activities	-4,868	50,923	-11,660	-18,179
Investing activities				
Shareholders' contributions to subsidiaries	-	-	-24,134	-
Investments in intangible fixed assets	-1,009	-6,546	-	-
Investments in property, plant and equipment	-26,278	-15,279	-15	-459
Investments in financial assets	-391	-2,331	-	-
Distribution from subsidiaries	-	-	84,936	-
Divestment of operations and non-current assets	1,166	4,168	-	-
Funds used for investment	-26,512	-19,988	60,787	-459
Cash flow after investments	-31,380	30,935	49,127	-18,638
Financing activities				
Change in intra-group loans	-	-	-51,796	18,467
Change in external loans	37,493	-32,055	7,489	-11,504
Group contributions	-	-	16,410	-3,145
Change in financing	37,493	-32,055	-27,897	3,818
Translation differences in liquid assets	-1,352	-710	-	-
Change in liquid assets	4,761	-1,830	21,230	-14,820
Liquid assets, January 1	35,750	37,580	4,649	19,469
Balance, December 31	40,511	35,750	25,879	4,649

EQUITY

Group Amounts in SEK thousand	Share capital	Other capital contributed	Provisions, translation differences	Hedge reserves	Profit brought forward	Profit/ loss for the year	Total equity*
Opening equity 2009	63,325	364,160	12,649	-6,951	117,398		550,581
Comprehensive income			1,750	3,008		-21,517	-16,759
Employee stock option programs		285					285
Transactions with shareholders		285					285
Closing equity 2009	63,325	364,445	14,399	-3,943	117,398	-21,517	534,107
Opening equity 2010	63,325	364,445	14,399	-3,943	95,881		534,107
Comprehensive income			-35,413	3,279		-19,594	-51,728
Employee stock option programs		113					113
Transactions with shareholders		113					113
Closing equity 2010	63,325	364,558	-21,014	-664	95,881	-19,594	482,492

*The majority shareholder has 100%

Parent company Amounts in SEK thousand	Share capital	Statutory reserve	Premium reserve	Reserve for fair value*	Profit brought forward	Profit/ loss for the year	Total equity
Opening equity 2009	63,325	282,158	60,576	7,833	4,788	-	418,680
Comprehensive income				-8,844	-2,318	-37,803	-48,965
Closing equity 2009	63,325	282,158	60,576	-1,011	2,470	-37,803	369,715
Opening equity 2010	63,325	282,158	60,576	-1,011	-35,333	-	369,715
Comprehensive income				-808	12,095	91,499	102,786
Closing equity 2010	63,325	282,158	60,576	-1,819	-23,238	91,499	472,501

* Caused by exchange-rate fluctuations on loans included in the parent company's net investment. Reported after tax effect.

Number of shares at SEK 5 each	2010	2009
At the beginning of the year	12,664,983	12,664,983
At the end of the year	12,664,983	12,664,983

COMMENTS ON BALANCE SHEET AND CASH FLOW STATEMENT

Working capital declined by SEK 7.9 million during 2010 to SEK 465.8 million (473.7). The fourth quarter decrease was SEK 8.8 million.

At the end of December, operating capital totaled SEK 815.1 million (810.3). Operating capital turned over at an annual rate of 2.7 (2.5) in 2010.

Cash flow after investments for 2010 was SEK -31.4 million (30.9). Investments not financed by leases totaled SEK 26.5 million (20.0).

Net borrowing, i.e., interest-bearing liabilities less liquid assets, was SEK 360.6 million (293.8) at the end of December.

The group is largely financed by invoice factoring and leasing of non-current assets. It also has bank overdraft facilities, of which SEK 63.6 million (106.9) had been unutilized at the end of the year.

Equity came to SEK 482.5 million (534.1) on December 31. Equity for the year was affected by comprehensive income of SEK -51.7 million (-16.8). Exchange-rate differences of SEK -35.4 million (1.8) and hedge accounting of SEK 3.3 million (3.0) also impacted equity. The total change in equity was SEK -51.6 million (-16.5).

The equity/assets ratio was 37.7% (41.5) on December 31.

FINANCIAL POSITION AND LIQUIDITY

Amounts in SEK million	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010
Working capital	561.2	509.7	509.3	473.7	480.5	447.1	474.6	465.8
Operating capital	910.0	859.9	843.1	810.3	807.2	798.0	819.1	815.1
Net borrowing	359.5	319.7	321.8	293.8	302.8	325.4	376.8	360.6
Equity	550.8	544.1	527.9	534.1	522.7	498.5	475.5	482.5

ACCOUNTING POLICIES

GENERAL ACCOUNTING POLICIES

The consolidated accounts have been prepared in compliance with the Swedish Annual Accounts Act, International Financial Reporting Standards (IFRS), and Recommendation RFR 1, Supplementary Norms for Consolidated Financial Statements, of the Swedish Financial Reporting Board. The parent company follows the Annual Accounts Act and Recommendation RFR 2, Accounting for Legal Entities, of the Swedish Financial Reporting Board. IFRS in this report refers to both International Accounting Standards (IAS) and IFRS, as well as to interpretations of them released by the Standards Interpretation Committee (SIC) and the International Financial Reporting Standards Committee (IFRIC) as adopted by the EC.

The consolidated and annual accounts, which are specified in thousands of Swedish kronor, concern January 1 – December 31 for income statement items and December 31 for balance sheet items.

STANDARDS AND INTERPRETATIONS THAT ARE NEW OR AMENDED FOR 2010

A number of new or amended standards and interpretations have taken effect for fiscal year 2010. However, none of them can impact the company's reporting.

NEW OR AMENDED STANDARDS AND INTERPRETATIONS THAT HAVE NOT YET TAKEN EFFECT

The International Accounting Standards Board (IASB) has issued a number of new or amended standards that have not yet taken effect. The International Financial Reporting Interpretations Committee (IFRIC) has published new or amended interpretations that have not yet taken effect.

None of these new or amended standards and interpretations have been or are expected to be applied.

Significant parts of IFRS 9 Financial Instruments, which will replace IAS 39, have been adopted but will take effect in 2013 at the earliest. The impact of IFRS 9 at that time remains unknown.

GROUP ACCOUNTING POLICIES

CONSOLIDATED ACCOUNTS

The consolidated accounts have been prepared in accordance with the purchase method. The consolidated accounts cover the companies in which PartnerTech AB holds or has at its disposal more than 50% of the votes or has the right to exercise a controlling influence. The cost of shares in group companies is allocated according to the fair values of identifiable assets and liabilities at the time of acquisition. The acquisition analysis also sets aside a provision for deferred tax on acquired untaxed reserves, as well as other positive and negative surplus values. If the cost of the share exceeds the fair value of the company's net assets in accordance with the acquisition analysis, the difference is consolidated goodwill. Goodwill is not amortized but is subject to an impairment test annually or whenever a write-down requirement is indicated – refer to Impairment Losses below. Only earnings earned after the acquisition date are reported in group equity.

INTRA-GROUP SALES AND UNREALIZED

INTRA-GROUP PROFITS OR LOSSES

Intra-group sales are priced in accordance with commercial principles. Intra-group earnings arising from intra-group sales have been eliminated in their entirety.

UNTAXED RESERVES

When preparing the consolidated balance sheet, untaxed reserves have been divided into: (i) a deferred tax liability, which is reported as a provision; (ii) an equity portion, which is reported as profit brought forward. The deferred tax liability has been calculated using the current tax rate in the particular country involved.

TRANSLATION OF FOREIGN SUBSIDIARIES

The functional currency for each foreign unit is examined on the basis of its primary economic environment. No foreign unit presently has the same functional currency as the parent company. For this reason, assets and liabilities are translated at the exchange rate on the balance sheet date, while income and expense are translated at the average exchange rate for the year. Any exchange-rate difference arising from the translation of the net assets of foreign units at a rate that is different at the end of the year than at the beginning of the year is reported as a provision in equity.

ASSOCIATED COMPANIES

Non-subidiaries are reported as associated companies when the parent company directly or indirectly holds at least 20% of the votes. Participations in associated companies are reported in accordance with the equity method.

VALUATION BASES

Assets and liabilities are reported at cost, with the exception of certain financial instruments that are reported at fair value.

REPORTING OF OPERATING SEGMENTS

An operating segment is a part of the group whose operations can generate income and incur expenses and for which independent internal information is available. The operating segments have been established on the basis of PartnerTech's assignment of responsibilities, as well as the ways in which the business is managed and monitored in internal reporting. Due to the reorganization that took effect on November 1, 2010, PartnerTech's accounting of operating segments has changed from a regional to an operating area breakdown. Each customer center and production unit is in an operating segment.

VALUATION OF INVENTORIES

Inventories have been valued at the lower of cost or net realizable value. The first-in, first-out method has been used to determine cost. Following a review to establish future needs, an individual provision for obsolescence has been made for outdated or redundant products.

INTANGIBLE FIXED ASSETS

Goodwill

Goodwill, which is reported in connection with acquisitions of subsidiaries as described above, is initially reported as an asset at cost. Goodwill is not amortized. Instead it is subject to an impairment test annually or whenever a write-down requirement is indicated by calculating the recoverable amount of the corresponding smallest cash generating unit. If the recoverable amount for the unit is less than the carrying amount, an impairment loss is recognized – refer to Impairment Losses below. Goodwill is subsequently valued on a running basis at cost less any accumulated impairment losses.

Other intangible assets

Other intangible assets consist of acquired customer relationships, software and licenses. Intangible assets are amortized on a straight-line basis over their useful life.

The following amortization periods are normally used:

- Software and licenses – 3–5 years
- Customer relationships – 10 years

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is reported at cost less accumulated depreciation and impairment losses. Depreciation is based on the asset's estimated useful life.

The following depreciation periods are normally used:

- Product-related tools and equipment – 3 years
- Vehicles and IT equipment – 3–5 years
- Numerically controlled and shift-operated machines – 8 years
- Other machinery and equipment – 10 years
- Buildings – 40 years

Lease agreements

Significant financial lease agreements are reported as financial leases, i.e., in the consolidated balance sheet under liabilities and non-current assets. The asset is depreciated, while the liability is subject to interest and paid off. Thus, the cost of depreciation and interest affects the income statement. The allocation of leasing fees in the income statement is based on utilization of the asset, which can differ from that which was paid in leasing fees during the year. Other leasing commitments, such as lease contracts for plant and office premises, are reported as operational leases. The leasing fee is reported as an operating expense.

IMPAIRMENT LOSSES

Whenever there is an indication that an asset has decreased in value, as well as on an annual basis with respect to goodwill and other assets with an indeterminate useful life, the asset's recoverable amount is determined. The recoverable amount is defined as the higher of the asset's net realizable value and the value in use. When determining the value in use, the present value of the future cash flows that the asset is expected to give rise to during its useful life is estimated. An asset is attributed to the smallest cash generating unit at which independent cash flows can be identified. An impairment loss is recognized when the group's carrying amount exceeds the recoverable amount. The impairment loss is charged to earnings for the year.

FINANCIAL ASSETS AND LIABILITIES

Financial instruments include any type of agreement that gives rise to financial assets, financial liabilities or an equity instrument in another company. The group's financial instruments consist primarily of accounts receivable, liquid assets, accounts payable, debts to credit institutions and financial derivatives in the form of exchange-rate derivatives, interest-rate ceilings, interest-rate floors and interest-rate swap agreements.

Classification

Financial instruments are assigned to one of the following five categories:

- a) Financial assets and liabilities reported at fair value in the income statement. These financial assets and liabilities have two subcategories:
 - I. Financial assets and liabilities held for trading. The group's exchange-rate and interest-rate derivative agreements are in this subcategory.
 - II. Financial assets and liabilities assigned to this category from the very beginning. The group has no assets in this subcategory.
- b) Investments intended to be held to maturity. Financial assets are included that have established or establishable payments and established maturities. The group has no assets in this category.
- c) Loan receivables and accounts receivable. Assets with established or establishable payments. Liquid assets and accounts receivable are included.
- d) Financial assets available for sale. This category includes financial assets not assigned to any other category, such as shares in listed and unlisted companies. The group has no assets in this subcategory.
- e) Other financial liabilities. This category contains financial liabilities not held for trading. The group's accounts payable and borrowings are in this category.

Reporting

Financial assets and liabilities are initially reported at cost, which then corresponds to their fair value.

- a) Financial assets and liabilities reported at fair value in the income statement on an ongoing basis. The group applies hedge accounting in accordance with IAS 39 to limit exposure to interest-rate fluctuations on interest-bearing liabilities. The impact of reporting derivatives that meet the criteria for hedge accounting at fair value is posted directly to the hedge reserve in equity. A derivative meets the criteria for hedge accounting if it is 80–125% effective in protecting against interest-rate fluctuations going forward. The percentage of fair value outside that range is reported directly in the income statement. That also applies to derivatives that do not meet the criteria for hedge accounting for other reasons.
- b) Investments held to maturity are reported at accrued cost. The gain/loss is reported as net financial income/expense.
- c) Accounts receivable are reported net less doubtful accounts receivable. Deductions for doubtful accounts receivable are based on individual assessments of accounts receivable given the customer's ability to pay, expected future risk and security obtained. This category includes liquid balances and current investments at banks and similar institutions with a maturity of three months or less.
- d) Financial assets available for sale are reported at fair value on an ongoing basis.
- e) Other financial liabilities are initially reported at fair value, which is the amount received less any transaction costs. In subsequent periods, they are reported at accrued cost. Accounts payable are reported at the amount the company plans to pay the supplier in order to liquidate the debt.

REVENUE RECOGNITION

PartnerTech's revenue stems from the sale of products and the performance of service assignments. Revenue from product sales is reported once the main risks and rights associated with ownership have been transferred to the purchaser. This ordinarily occurs when the products have been delivered. Revenue from services performed is recognized once it can be calculated in a reliable manner based on the degree of completion on the balance sheet date. In the case of work in progress, revenue is recognized only for development projects on behalf of the customer that can be clearly identified and reliably measured. Service assignments include specific labor carried out in connection with prototype manufacture and pilot series, the development of testing equipment and various efforts to render products more cost-effective (Value Analysis/Value Engineering).

GOVERNMENT GRANTS

Government grants are obtained primarily as wage contributions, which have reduced payroll expenses. Assistance is also received when non-current assets are acquired. The grant reduces the cost of the non-current asset.

NET FINANCIAL INCOME/EXPENSE

Net financial income/expense consist of interest income and expense. For the receivables and liabilities that comprise financial net debt, net interest income/expense also includes exchange gains and losses. Gains/losses from exchange-rate and interest-rate derivatives that do not meet the criteria for hedge accounting are reported in this category.

TAX

Current and deferred income tax for Swedish and foreign units of the group are reported in the tax item of the income statement. Group companies are liable to pay taxes in accordance with current legislation in the country concerned. Thus, the tax of a foreign unit is based on the tax legislation and rates of the country in which it is located.

The balance sheet includes deferred tax assets and liabilities for temporary differences between carrying amounts and tax bases of assets and liabilities, as well for deferred tax assets for tax deficits. Deferred tax assets and liabilities are based on the expected tax rate at the time the temporary differences are to be reversed. The effect of a change in the applicable tax rate is taken up as income in the period that the legislation is passed. Only the portion of the value of deferred tax assets deemed to be utilizable is reported.

PENSION COMMITMENTS

Provisions and premium payments for pension commitments are made in accordance with various pension plans. All pension commitments that have not been taken over by insurance companies or otherwise secured by funding with an external party are reported as liabilities in the balance sheet. Most of PartnerTech's commitments to its employees are various defined contribution pension plans. Pension premiums for the defined contribution plans are carried as an expense in the period during which the employees perform the associated services. The multi-employer supplementary pension plan for employees in industry and commerce, which is secured by Alecta, is a defined benefit plan according to Statement UFR 3 of the Swedish

Financial Reporting Board. Because Alecta is unable to furnish PartnerTech with information that would enable the plan to be reported as a defined benefit plan in accordance with IAS 19, Employee Benefits, it is reported as a defined contribution plan. There are also a handful of defined benefit pension plans of lesser value.

CONTINGENT LIABILITIES

Contingent liabilities are reported if there is a possible commitment that is confirmed only by one or more uncertain future events and it is unlikely that an outflow of resources will be required or that the size of the commitment cannot be calculated with sufficient accuracy.

CASH FLOW STATEMENT

The cash flow statement is prepared in accordance with the indirect method, based on operating earnings for the year. The definition of liquid assets in the statement includes cash and bank balances, as well as short-term instruments that have less than three months to maturity on the acquisition date.

INCENTIVE PROGRAM AND SHARE-RELATED PAYMENTS

The previous program for employee stock options and warrants expired on May 31, 2010. The group has no option program at the moment. For the previous program, fair value at the time of issue was calculated in accordance with the Black and Scholes option pricing model. The total cost of the program was allocated during the vesting period. The cost was allocated among the cost of goods sold, selling expenses and administrative expenses in the income statement.

PARENT COMPANY'S ACCOUNTING POLICIES

The parent company's accounting policies do not accord with those of the group in the following cases.

SHARES IN GROUP COMPANIES, AS WELL AS SHARES AND PARTICIPATIONS IN ASSOCIATED COMPANIES

Shares in group companies, as well as shares and participations in associated companies, are reported initially at cost. If the recoverable amount as calculated in accordance with Impairment Losses above subsequently turns out to be lower, an impairment loss is recognized.

LOANS TO GROUP COMPANIES

Changes in value occasioned by exchange-rate fluctuations on loans included in the parent company's net investment are reported directly to equity in a reserve for fair value, less its tax effect.

GROUP AND SHAREHOLDERS' CONTRIBUTIONS

Shareholders' contributions are reported as an increase in the shares in group companies item, after which an impairment test is performed on the value of the shares. Group contributions are reported on the basis of their financial significance, i.e., to minimize the group's total tax. Because the group contribution does not represent compensation for performance, it is charged directly against comprehensive income, less its tax effect.

TAX

Untaxed reserves reported by the parent company include deferred tax liabilities.

NOTES

Amounts in SEK thousand unless otherwise stated.

NOTE 1 SEGMENT REPORTING

The operating segments have been established on the basis of PartnerTech's assignment of responsibilities, as well as the ways in which the business is managed and monitored in internal reporting. After the reorganization that took effect on November 1, 2010, PartnerTech's accounting of operating segments has changed from a regional to an operating area breakdown: electronics, systems integration & enclosures, and machining. Each customer center and production unit belongs to one of the segments. The Other segment includes income and expense not assigned to the operating areas.

Disclosures about operating segments

2010	Electronics	Systems integration and enclosures	Machining	Other	Eliminations	Group
External sales	754,327	1,272,908	152,433	1,443	-	2,181,111
Intra-group sales	195,486	44,859	8,266	12,740	-261,351	0
Total sales	949,813	1,317,767	160,699	14,183	-261,351	2,181,111
Operating profit/loss	-1,364	16,926	-21,958	-8,859	0	-15,255
Operating assets	557,709	536,181	124,507	18,351	-28,620	1,208,128
Interest-bearing and other financial assets (including deferred tax)	-	-	-	-	72,281	72,281
Total assets	557,709	536,181	124,507	18,351	43,661	1,280,409
Equity					482,492	482,492
Operating liabilities	159,433	204,747	37,383	20,101	-28,620	393,044
Interest-bearing liabilities					404,873	404,873
Total liabilities and equity	159,433	204,747	37,383	20,101	858,745	1,280,409
Operating capital	398,276	331,434	87,124	-1,750	0	815,084

2009	Electronics	Systems integration and enclosures	Machining	Other	Eliminations	Group
External sales	651,806	1,234,986	260,473	765	-	2,148,030
Intra-group sales	209,367	30,347	2,511	11,488	-253,713	0
Total sales	861,173	1,265,333	262,984	12,253	-253,713	2,148,030
Operating profit/loss	2,939	7,073	-1,869	-11,641	0	-3,498
Operating assets	555,610	571,384	120,430	21,207	-42,273	1,226,358
Interest-bearing and other financial assets (including deferred tax)					61,296	61,296
Total assets	555,610	571,384	120,430	21,207	19,023	1,287,654
Equity					534,107	534,107
Operating liabilities	172,827	240,322	31,629	13,581	-42,270	416,089
Interest-bearing liabilities					337,458	337,458
Total liabilities and equity	172,827	240,322	31,629	13,581	829,295	1,287,654
Operating capital	382,783	331,062	88,801	7,626	-3	810,269

Disclosures about geographic areas

2010	Sweden	Other countries	Group
External sales	1,347,904	833,207	2,181,111
Non-current assets	81,087	270,120	351,207
2009	Sweden	Other countries	Group
External sales	1,250,939	897,091	2,148,030
Non-current assets	163,298	180,336	343,634

Disclosures about big customers

Two of PartnerTech's big customers each account for more than 10% of total group sales. Customer A generated sales of SEK 241.4 million (230.7), while customer B generated sales of SEK 230.5 million (160.8). Customer A is in the Nordic excluding Sweden region and Customer B is in the Swedish region.

PartnerTech is relatively independent of how things go for individual customers, given that their size varies from year to year. PartnerTech has a broad base of several hundred customers in various sectors. The ten largest customers accounted for approximately 57% (56) of total sales in 2010 and the largest one for approximately 11% (11).

NOTE 2 NET SALES

Net sales by type of income

Type of income	2010	2009
Sale of goods	1,887,810	2,065,885
Service assignments*	293,301	82,145
Total	2,181,111	2,148,030

*Include prototype manufacture with pilot series, development of telecom equipment, product development and production reengineering, Value Analysis/Value Engineering (VA/VE).

NOTE 3 AVERAGE NUMBER OF EMPLOYEES

Average number of full-time equivalent employees

Country	2010	2009	2010	2009
Parent company				
Sweden	8	7	25	22
Total	8	7	25	22
Subsidiary				
China	5	4	8	6
Poland	85	62	440	342
Finland	31	29	108	111
Norway	27	36	155	182
UK	53	79	125	146
Sweden	122	167	435	552
United States	15	13	32	21
Total	338	390	1,303	1,360
Total for the group	346	397	1,328	1,382

NOTE 4 SALARIES AND OTHER REMUNERATION

Salaries and remuneration

Country	2010			2009		
	CEO and board	Other employees	Total	CEO and board	Other employees	Total
Parent company						
Sweden	5,563	17,217	22,780	4,366	17,720	22,086
Total	5,563	17,217	22,780	4,366	17,720	22,086
Subsidiary						
Sweden	-	149,587	149,587	-	187,134	187,134
Poland	-	58,841	58,841	-	43,330	43,330
Finland	-	33,778	33,778	-	36,278	36,278
Norway	-	68,699	68,699	-	83,594	83,594
UK	-	32,277	32,277	-	36,360	36,360
United States	-	13,043	13,043	-	9,985	9,985
China	-	2,046	2,046	-	2,105	2,105
Total for subsidiaries	-	358,271	358,271	-	398,786	398,786
Total for the group	5,563	375,488	381,051	4,366	416,506	420,872

Payroll overhead

Country	2010			2009		
	CEO and board	Other employees	Total	CEO and board	Other employees	Total
Parent company						
Sweden	2,576	9,400	11,976	1,577	9,904	11,481
of which, pension expense	814	3,377	4,191	600	4,036	4,636
Total	2,576	9,400	11,976	1,577	9,904	11,481
Subsidiary						
Sweden	-	62,655	62,655	-	74,639	74,639
of which, pension expense	-	14,187	14,187	-	14,630	14,630
Poland	-	9,890	9,890	-	5,629	5,629
of which, pension expense	-	0	0	-	0	0
Finland	-	7,450	7,450	-	8,441	8,441
of which, pension expense	-	5,790	5,790	-	6,610	6,610
Norway	-	14,533	14,533	-	17,198	17,198
of which, pension expense	-	2,900	2,900	-	2,064	2,064
UK	-	2,818	2,818	-	3,161	3,161
of which, pension expense	-	861	861	-	910	910
United States	-	0	0	-	0	0
of which, pension expense	-	0	0	-	0	0
China	-	20	20	-	29	29
of which, pension expense	-	20	20	-	29	29
Total for subsidiaries	-	97,366	97,366	-	109,097	109,097
of which, pension expense*	-	23,758	23,758	-	24,243	24,243
Total for the group	2,576	106,766	109,342	1,577	119,001	120,578
of which, pension expense	814	27,135	27,949	600	28,279	28,879

*Pension expenses

Of the group's total pension expense, SEK 4,841 thousand (4,313) is for supplementary pension for employees in industry and commerce (ITP) premiums paid to Alecta. As of December 31, 2010, Alecta's consolidation rate for defined benefit business-related pensions was 143%, as opposed to 141% as of December 31, 2009.

NOTE 5 REMUNERATION FOR SENIOR EXECUTIVES

Board fees

In 2010, fees totaling SEK 1,333 thousand (1,067) were paid to the board pursuant to the resolution of the annual general meeting. The total amount included a fee of SEK 320 thousand (320) that was paid to the Chairman. The remaining SEK 1,013 thousand (747) was divided equally among the other members. The annual fee to other board members was SEK 160 thousand (160). For the members who left the board during the year, the fee was paid accordingly.

CEO's remuneration and benefits

The previous CEO left his post in connection with the 2010 annual general meeting but received a salary until mid-August. The current CEO took over in connection with the annual general meeting. According to the CEO's employment contract, if his employment is terminated at his own request, a 6-month (6-month) period of notice is required. If the CEO is to be terminated at the company's request, the period of notice required is 9 (6) months. Any performance-based compensation is set each year in a discussion between the CEO and board. The CEO received no variable compensation for 2010. Variable compensation may not exceed 50% (70) of an annual salary.

Group management's remuneration and benefits, excluding the CEO

Group management, not including the CEO, consisted of 6 members in January–October and 7 members (5) as of November 1. For 2010, group management received salaries and other benefits totaling SEK 7,996 thousand (6,653), of which variable remuneration totaled SEK 0 thousand (0). Of the company's pension expenses, SEK 1,864 thousand (1,784) was for group management.

If the employment of a member of group management is terminated at his own request, a 6-month period of notice is required. If a member of group management is to be terminated at the company's request, the period of notice required is 6–12 months. A pension is payable in accordance with the prevailing supplementary pension for employees in industry and commerce (ITP) plan at the pensionable age of 65.

Wage policies and decision-making

All top executives receive both fixed and variable remuneration as determined by an annual agreement. Variable remuneration is based primarily on the company's return on operating capital, as well as specific targets within each executive's sphere of responsibility. All programs for variable salary have specified maximum levels.

The annual general meeting sets policies and levels for the CEO's and group management's terms of employment.

Remuneration for senior executives in 2010, SEK thousand

Executive	Basic salary/ board fee	Variable remuneration	Other benefits**	Pension expense	Total
Chairman of the Board	320	-	-	-	320
Other members of the board***	1,013	-	-	-	1,013
CEO****	4,230	0	43	814	5,087
Group management, excluding CEO*	7,694	0	302	1,864	9,860
Total	13,257	0	345	2,678	16,280

* Group management, not including the CEO, consisted of 6 members in January–October and 7 members (5) as of November 1.

** Primarily vehicle benefits

*** The annual fee is the same for all board members. For the members who left the board during the year, the fee was paid accordingly.

**** The previous CEO left his post in connection with the 2010 annual general meeting but received a salary until mid-August. The current CEO took over in connection with the annual general meeting.

Breakdown by gender – Board and group management

One of the 7 (6) members of the board is a woman. Both employee representatives on the board are men. All 8 (7) members (including the CEO) of group management are men.

NOTE 6 SICK LEAVE

Per average number of employees, %

Sick leave – group	2010		2009	
	Total sick leave	Over 60 days	Total sick leave	Over 60 days
Swedish units				
29 or younger	1.4%	0.0%	2.8%	0.0%
30–49	2.3%	14.3%	2.2%	22.0%
50 or older	3.2%	31.1%	2.8%	19.9%
Men				
	2.3%	22.0%	2.1%	12.1%
Women				
	3.9%	29.3%	4.0%	26.3%
Total	2.8%	24.1%	2.7%	16.4%

Sick leave – parent company

For the parent company, no sick leave is reported, since very little sick leave was taken and only one age group has more than 10 employees.

NOTE 7 REMUNERATION FOR AUDITORS

Auditors' fees

Type of fee	Group		Parent company	
	2010	2009	2010	2009
Deloitte				
Audit engagements	2,274	2,152	584	585
Audit business in addition to audit engagements	360	388	-	-
Tax consultancy	130	53	-	-
Other services	185	85	145	57
Total, Deloitte	2,949	2,678	729	642
Others auditors				
Other auditors' fees	103	93	-	-
Audit business in addition to audit engagements	-	-	-	-
Tax consultancy	5	-	-	-
Other services	179	5	-	-
Total, other auditors	287	98	-	-

NOTE 8 PURCHASES FROM/SALES TO PARENT COMPANY

The parent company conducts no operating activities and has not acquired any goods or services from group companies for its own use. Likewise, no goods have been sold to other group companies. All sales reported in the income statement are either billing for services or group fees.

NOTE 9 AMORTIZATION AND IMPAIRMENT LOSSES, INTANGIBLE FIXED ASSETS

Function of operating expense	Group		Parent company	
	2010	2009	2010	2009
Cost of goods and services sold	6,702	4,428	-	-
Selling expenses	-	-	-	-
Administrative expenses	-	-	-	-
Total	6,702	4,428	-	-

NOTE 10 DEPRECIATION AND IMPAIRMENT LOSSES, PROPERTY, PLANT AND EQUIPMENT

Function of operating expense	Group		Parent company	
	2010	2009	2010	2009
Cost of goods and services sold	35,863	35,904	574	538
Selling expenses	196	224	39	104
Administrative expenses	2,842	4,209	240	35
Total	38,901	40,337	853	677

NOTE 11 GOVERNMENT SUBSIDIES AND GRANTS

A total of SEK 0.5 million (1.3) for government subsidies and grants was reported for the group. The amount is primarily for wage contributions taken up as income and included in cost of goods and services sold.

NOTE 12 EARNINGS FROM SHARES IN GROUP COMPANIES

A distribution of SEK 84.9 million was received from Partner-Tech AS, Norway, during the year. No distribution was received the previous year. An impairment loss of SEK 25.0 million was recognized the previous year for shares in the PartnerTech Ltd, UK, subsidiary.

NOTE 13 OTHER OPERATING INCOME

Other operating income for the group was SEK 7.6 million (8.3). The major items for 2010 were SEK 2.0 million for damages and SEK 0.7 million capital gains from disposal of machinery. Most of the previous year's amount (SEK 4.6 million) consisted of capital gains from sale of machinery and other assets.

NOTE 14 OTHER OPERATING EXPENSE

Other operating expense for the group was SEK 3.4 million (2.5). Among the items are capital losses from sale of machinery, as well as exchange-rate differences.

NOTE 15 PROFIT/LOSS FROM FINANCIAL ASSETS

	Group		Parent company	
	2010	2009	2010	2009
Profit/loss from participations in associated companies	-	-69	-	-
Total	-	-69	-	-

NOTE 16 INTEREST INCOME AND SIMILAR PROFIT/LOSS ITEMS

	Group		Parent company	
	2010	2009	2010	2009
Interest income, group companies	-	-	3,007	3,282
Other interest income	1,577	3,953	288	42
Exchange-rate differences	6,064	2,812	23,358	1,509
Total	7,641	6,765	26,653	4,833

NOTE 17 INTEREST EXPENSE AND SIMILAR PROFIT/LOSS ITEMS

	Group		Parent company	
	2010	2009	2010	2009
Interest expense, group companies	-	-	-1,174	-1,900
Other interest expense	-14,188	-22,225	-7,734	-12,365
Exchange-rate differences	-9,390	-3,780	-11,287	-1,693
Total	-23,578	-26,005	-20,195	-15,958

NOTE 18 TAXES

The group's and parent company's tax expense consists of the following components.

	Group		Parent company	
	2010	2009	2010	2009
Current tax expense:				
Tax, Sweden	7	-1,857	3,703	-3,948
Tax, other countries	-1,826	-4,399	-	-
Total current tax expense	-1,819	-6,256	3,703	-3,948
Deferred tax expense for temporary differences:				
Untaxed reserves	1,077	2,180	-	-
Financial leasing of non-current assets	-1,116	-981	-	-
Temporary differences in non-current assets	555	1,495	-	-
Loss carryforwards,	16,460	7,362	2,333	-
Hedge accounting	-1,612	-1,458	-	-
Other	-1,947	-1,052	-	-
Total deferred tax expense	13,417	7,546	2,333	-
Reported tax expense	11,598	1,290	6,036	-3,948

Differences between current tax expense in accordance with the nominal Swedish tax rate of 26.3% and reported tax expense arise in the following manner.

	Group		Parent company	
	2010	2009	2010	2009
Reported pretax profit	-31,192	-22,807	85,463	-33,855
Tax in accordance with the parent company's tax rate	8,203	5,998	-22,477	8,904
Nontaxable/nondeductible income statement items, net	-1,782	-373	22,353	-6,632
Assessment of deferred tax assets	3,421	-8,649	6,299	-6,220
Adjustment of taxes from previous years	1,204	96	-139	-
Recalculation effects	-	-194	-	-
Impact of differing tax rates for subsidiaries operating abroad	552	4,412	-	-
Reported tax expense	11,598	1,290	6,036	-3,948

Temporary differences arise when the carrying amount of assets or liabilities differs from their tax value. Temporary differences in the group have resulted in deferred tax assets and liabilities with respect to the following items.

	Group		Parent company	
	12-31-10	12-31-09	12-31-10	12-31-09
Deferred tax liabilities				
Tax additional depreciation	1,465	2,542	-	-
Financial leasing of non-current assets	3,595	2,501	-	-
Temporary differences, non-current assets	581	1,136	-	-
Other	1,300	814	-	-
Reversals	-6,941	-2,377	-	-
Total deferred tax liability	0	4,616	-	-
Deferred tax assets				
Financial leasing of non-current assets	98	120	-	-
Loss carryforwards,	34,826	18,366	2,333	-
Hedge accounting	438	2,050	-	-
Other	-	4,154	-	-
Reversals	-6,941	-2,377	-	-
Total deferred tax assets	28,421	22,313	2,333	-

The following tax items are attributable to items reported directly against equity.

	Group		Parent company	
	2010	2009	2010	2009
Hedge accounting	1,170	1,074	-	-
Reserve for fair value	-	-	-474	-3,156
Group contribution	-	-	-	-827
Group contribution received	-	-	4,316	-
Total	1,170	1,074	3,842	-3,983

The group has loss carryforwards for which deferred tax assets have not been reported. These unreported deferred tax assets total SEK 5.3 thousand (8.3). A deferred tax asset is reported when it is likely that sufficient future taxable profits will arise against which the deferred asset can be utilized. Deferred tax assets are valued on the balance sheet date, and any previously unconsidered deferred tax asset is reported when it is expected to be utilizable. A previously reported deferred tax asset that is not expected to be utilizable wholly or in part against future taxable profits is not considered.

Most of the deferred tax asset is not limited in time. Any time limitation that arises is one of the parameters in the valuation of the deferred tax asset.

Among the reasons that the tax rate varies is that tax rates and taxable profits differ from country to country.

NOTE 19 INTANGIBLE FIXED ASSETS

Goodwill

	Group		Parent company	
	2010	2009	2010	2009
Opening accumulated cost	158,559	160,346	-	-
Investments for the year	-	-	-	-
Translation differences	-9,696	-1,787	-	-
Closing accumulated cost	148,863	158,559	-	-
Opening accumulated impairment losses	-21,247	-22,127	-	-
Impairment losses for the year	-	-	-	-
Translation differences	2,049	880	-	-
Closing accumulated impairment losses	-19,198	-21,247	-	-
Closing residual value	129,665	137,312	-	-

Intellectual rights

	Group		Parent company	
	2010	2009	2010	2009
Opening accumulated cost	37,331	7,919	-	-
Investments for the year	1,009	6,546	-	-
Sales/disposals for the year	-1,295	-	-	-
Reclassifications	4,796	22,579	-	-
Translation differences	-1,962	287	-	-
Closing accumulated cost	39,879	37,331	-	-
Opening accumulated amortization	-13,639	-4,109	-	-
Amortization for the year	-6,702	-4,428	-	-
Sales/disposals for the year	859	-	-	-
Reclassifications	-	-5,216	-	-
Translation differences	787	114	-	-
Closing accumulated amortization	-18,695	-13,639	-	-
Closing residual value	21,184	23,692	-	-

NOTE 19 CONT'D

Leased assets included in intangible fixed assets above (intellectual rights) total:

Intellectual rights

	Group	
	2010	2009
Opening accumulated cost	18,167	-
Investments for the year	-	-
Sales/disposals for the year	-	-
Reclassifications	-	18,246
Translation differences	-412	-79
Closing accumulated cost	17,755	18,167
Opening accumulated amortization	-8,181	-
Amortization for the year	-3,605	-3,000
Sales/disposals for the year	-	-
Reclassifications	-	-5,216
Translation differences	219	35
Closing accumulated amortization	-11,567	-8,181
Closing residual value	6,188	9,986

The reclassification for the previous year is for the ERP system, which was reported as property, plant and equipment until 2008. The leased assets above are financial leases. Fees paid are to reflect the fair values of the leased assets, and the financial risks associated with ownership of the asset are essentially borne by the lessee. By the same token, the lessee enjoys any financial benefits that may arise, since the lessee is entitled to any difference between the sales price and the guaranteed residual value at the end of the period of the agreement.

Impairment testing of intangible assets

Goodwill is reported in accordance with IFRS 3, Business Combinations. According to the balance sheet, goodwill totals SEK 129.7 million (137.3) and is mostly from major acquisitions in 2001, 2005 and 2006. The table below shows goodwill and other intangible assets, per segment, that arose through acquisition:

Operating segment	Goodwill	Intangible assets
Electronics	81.8	-
Systems integration & enclosures	43.0	1.7
Machining	4.9	-
Total value	129.7	1.7

Goodwill and other assets are tested annually in connection with the annual accounts or more often if impairment is indicated. Testing is based on defined cash generating units, which coincide with the operating units used in segment accounting. When PartnerTech was reorganized to operating areas, the impairment test was developed in the same manner. As a result, the impairment test exactly reflects internal monitoring and the decision structure. Because customer ownership, volumes, etc. are transferred within each operating area, this is the lowest level of cash generating units that can be justified. The recoverable amount for a cash generating unit is based on calculations of value in use. These calculations proceed from the present value of estimated future cash flow based on internal forecasts from each cash generating unit. The forecasts are for three years and are based on previous experience and internal assessments. The present value of cash flows beyond this time period (years 4–25) have been extrapolated based on the assumption that sales growth will be on a par with inflation no later than the tenth year from today. In no case is inflation assumed to exceed 3.0% (3.0). The working capital requirement beyond the 10-year period is deemed to remain the same as the tenth year. Individual operating margins for each cash generating unit are assumed to be in line with the industry standard for the residual

period, i.e., for years 10–25 in this case. These operating margins have been assumed to be 4–6%. The discount rate of interest (WACC) has been assumed to be 10% after tax (10) for all cash generating units in the group. The test has not occasioned any impairment losses.

A sensitivity analysis shows that a 3 percentage point increase in capital cost to 14% after tax would still not occasion an impairment loss for any segment other than machining, the smallest area. The value of goodwill in this segment is SEK 4.9 million.

NOTE 20 PROPERTY, PLANT AND EQUIPMENT

Machinery, equipment and tools

	Group		Parent company	
	2010	2009	2010	2009
Opening accumulated cost	303,525	396,498	6,439	7,838
Investments for the year	58,168	10,929	15	459
Sales/disposals for the year	-21,791	-107,196	-1,409	-1,858
Reclassifications	2,598	-3,706	-	-
Translation differences	-17,779	7,000	-	-
Closing accumulated cost	324,721	303,525	5,045	6,439
Opening accumulated depreciation	-163,559	-226,974	-4,012	-4,848
Depreciation for the year	-37,624	-38,997	-853	-677
Sales/disposals for the year	21,379	100,701	1,351	1,513
Reclassifications	6	5,258	-	-
Translation differences	11,651	-3,547	-	-
Closing accumulated depreciation	-168,147	-163,559	-3,514	-4,012
Closing residual value	156,574	139,966	1,531	2,427

Buildings and land

	Group		Parent company	
	2010	2009	2010	2009
Opening accumulated cost	45,833	46,607	-	-
Investments for the year	1,464	510	-	-
Sales/disposals for the year	-	-	-	-
Reclassifications	525	-	-	-
Translation differences	-4,689	-1,284	-	-
Closing accumulated cost	43,133	45,833	-	-
Opening accumulated depreciation	-5,360	-4,096	-	-
Depreciation for the year	-1,277	-1,311	-	-
Sales/disposals for the year	-	-	-	-
Translation differences	1,073	47	-	-
Closing accumulated depreciation	-5,564	-5,360	-	-
Closing residual value	37,569	40,473	-	-

Construction in progress

	Group		Parent company	
	2010	2009	2010	2009
Opening accumulated cost	2 191	13 114	-	-
Costs incurred for the year	12 278	8 156	-	-
Reclassifications	-7 933	-18 915	-	-
Impairment losses for the year	-	-30	-	-
Translation differences	-321	-134	-	-
Closing accumulated cost	6,215	2,191	-	-

The reclassification for the previous year is for the ERP system, which was reported as property, plant and equipment until 2008, but subsequently classified as an intangible fixed asset (see Note 19).

NOTE 20 CONT'D

Leased assets that are included in property, plant and equipment above – machinery, equipment and tools – total the following amounts.

Machinery, equipment and tools

	Group	
	2010	2009
Opening accumulated cost	109,425	168,692
Investments for the year	44,383	4,317
Sales/disposals for the year	-2,527	-49,529
Reclassifications	-	-18,246
Translation differences	-2,614	4,191
Closing accumulated cost	148,667	109,425
Opening accumulated depreciation	-39,233	-75,673
Depreciation for the year	-15,870	-14,334
Sales/disposals for the year	2,527	46,967
Reclassifications	-	5,216
Translation differences	1,215	-1,409
Closing accumulated depreciation	-51,361	-39,233
Closing residual value	97,306	70,192

The leased assets above are financial leases. Fees paid are to reflect the fair values of the leased assets, and the financial risks associated with ownership of the asset are essentially borne by the lessee. By the same token, the lessee enjoys any financial benefits that may arise, since the lessee is entitled to any difference between the sales price and the guaranteed residual value at the end of the period of the agreement.

NOTE 21 SHARES IN SUBSIDIARIES

Shares in group companies

Subs./HQ/Corp. id. no.	No. of shares	% of capital/votes	Nominal value/ratio, SEK thousand		Carrying amount, SEK thousand	
			12-31-10	12-31-09	12-31-10	12-31-09
PartnerTech Karlskoga AB, Karlskoga, 556338-1242	2,000	100%	200	200	18,000	8,000
PartnerTech Ljungby AB, Ljungby (inactive), 556366-2922	40,000	100%	4,000	4,000	4,000	4,000
PartnerTech Åtvidaberg AB, Åtvidaberg, 556539-8012	300,000	100%	30,000	30,000	133,416	135,652
PartnerTech Ltd, Hong Kong, 177284	1,000	100%	94	94	100	100
PartnerTech Inc., Atlanta, 658900-9779	1,000	100%	1,087	1,087	1,332	1,332
PartnerTech OY, Espoo, Finland, 0912073-8	216,720	100%	374	374	48,790	65,210
PartnerTech AS, Moss, Norway, 913 593 138	1,175	100%	1,050	1,050	57,158	67,435
PartnerTech Ltd, King's Lynn, UK, 01041448	2,261	100%	3	3	47,755	62,512
PartnerTech Sp.z o.o. Poland, 13620	384	100%	484	484	67,510	24,463
PartnerTech Sieradz Sp.z o.o. Poland, 277516	4,616	100%	5,822	5,822	87,423	15,308
Vellinge Electronic Holding AB, Vellinge, 556524-6278	2,000	100%	200	200	88,742	146,080
PartnerTech 1000 AB, Malmö (inactive), 556590-1195	1,000	100%	100	100	100	100
PartnerTech 1001 AB, Malmö (inactive), 556590-1187	1,000	100%	100	100	100	100
Total, parent company			43,514	43,514	554,426	530,292
Sub-subs./HQ/Corp. id. no.						
PartnerTech Vellinge AB, Vellinge, 556527-5269	10,000	100%	1,000	1,000	85,323	85,323
Total			1,000	1,000	85,323	85,323

PartnerTech Karlskoga AB received a conditional shareholder's contribution of SEK 10,000 thousand in 2010. A long-term receivable on PartnerTech OY, Finland of SEK 14,134 thousand was converted to an unconditional shareholder's contribution on 1 January 2010. Based on changes in the industrial structure, the values of the parent company's shares in subsidiaries were also adjusted during the year. The total value was not affected by the adjustment.

Participations in associated companies

Co./HQ/Corp. id. no.	Group		Parent company	
	12-31-10	12-31-09	12-31-10	12-31-09
Opening cost	573	642	563	563
Share of net earnings for the year	-	-69	-	-
Closing accumulated costs	573	573	563	563

Co./HQ/Corp. id. no.	No. of shares	% of capital/votes	% of profit	Carrying amount 12-31-10	Equity in associated companies 12-31-10
Parent company					
Bluewave Microsystems AB, Stockholm, 556593-3768	32,500	33/33		563	-
Group					
Bluewave Microsystems AB, Stockholm, 556593-3768	32,500	33/33		573	1 624

The participation in Bluewave Microsystems AB was sold for SEK 563 thousand in early 2011. The group holds 585 shares in Artscan Oy, Helsinki, Finland (corporate identity number 1090421-4). The percentage of capital and voting rights is 43%. The value of these participations is SEK 0 (0).

NOTE 22 FINANCIAL ASSETS AND LIABILITIES

Most of PartnerTech's financial assets are accounts receivable, but the group also has interest-rate derivatives, participations in associated companies and liquid assets. Financial liabilities consist mostly of borrowing through pledged accounts receivable and complementary bank overdraft facilities. Other financial instruments are accounts payable, interest-rate and exchange-rate derivatives, and financial lease liabilities.

The financial assets and liabilities give rise to a number of financial risks, such as price, exchange-rate, interest-rate, liquidity and credit risks. Risk management aims to identify, quantify and either minimize or eliminate financial risks. As of the fourth quarter of 2008, PartnerTech has adopted hedge accounting in accordance with IAS 39, Financial Instruments: Recognition and Measurement. For the derivatives that meet the criteria for hedge accounting, the change in value is reported directly to the hedge reserve in equity. The change in value for derivatives that do not meet the criteria are reported in the income statement. PartnerTech's risks and their management are described in greater detail in a separate section of the annual report under Risk Management.

Interest-rate risk

The group's interest-rate risk arises by way of PartnerTech's net borrowings. As a result, the company continually monitors the size of its borrowings. The group uses interest-rate derivatives to limit its exposure to rate fluctuations on its interest-bearing liabilities. They are defined pursuant to IFRS 7 as an asset held for trading. The change in value of interest-rate derivatives that did not meet the criteria for hedge accounting affected 2010 earnings by SEK 1.2 million (1.1). The change in value of interest-rate derivatives used in the group's hedge strategy affected equity by SEK 3.3 million (3.0) in 2010.

The group has entered into the following agreements, which were assigned a fair value as of the balance sheet date.

Interest-rate derivatives

Instrument	Currency	Nominal amount	Interest rate	Maturity date	Fair value, SEK thousand 12-31-2010	Initial date
Current asset						
Interest ceiling	SEK	50,000	5.50%	12-30-11	0	12-29-08
Interest ceiling	SEK	65,000	5.50%	12-30-11	0	12-29-08
Total					0	
Current liability						
Interest floor	SEK	50,000	3.50%	12-30-11	644	12-29-08
Interest floor	SEK	65,000	3.50%	12-30-11	837	12-29-08
Total					1,481	
Long-term liability						
Interest ceiling	EUR	4,000	4.00%	05-31-13	220	08-31-10
Interest floor	EUR	4,000	2.15%	05-31-13	-54	05-31-12
Interest ceiling	SEK	50,000	4.00%	05-31-13	-146	05-31-12
Interest floor	SEK	50,000	2.15%	05-31-13	90	08-31-10
Interest ceiling	USD	1,250	4.50%	05-31-13	78	05-31-12
Interest floor	USD	1,250	2.15%	05-31-13	-2	08-31-10
Total					186	
Exchange-rate derivatives						
Current liability	EUR	3,952	-	07-21-11	2,132	
Total fair value					3,799	

Credit risk

PartnerTech is exposed to credit risks in its customer relationships. Such risks are managed by means of a credit policy and credit insurance. The group's outstanding accounts receivable are specified below by age category. Provisions for doubtful accounts receivable totaled SEK 5.0 million (11.2) at the end of 2010. The impact on operating earnings was SEK 4.7 (5.1) million in 2010.

Accounts receivable

Breakdown by age	Group		Parent company	
	2010	2009	2010	2009
Not due yet	304,826	280,106	-	-
1-60 days	74,622	87,439	-	-
61-120 days	5,529	2,384	-	-
Older than 120 days	23,829	37,560	-	20
Provision for doubtful accounts receivable	-4,991	-11,151	-	-
Total	403,815	396,338	-	20
Provision for doubtful accounts receivable				
Opening balance	-11,151	-23,810	-	-
New provisions	-4,762	-4,029	-	-
Write-off, accounts receivable	6,740	1,306	-	-
Paid, accounts receivable previously written off	1,578	7,133	-	-
Reversal of previous provisions	2,013	8,415	-	-
Translation differences	591	-166	-	-
Total	-4,991	-11,151	-	-

Liquidity risk

Both the parent company and subsidiaries engage in borrowing. The subsidiaries borrow almost exclusively by means of factoring, whereby credit is obtained in exchange for pledging of accounts receivable. The parent company borrows through bank overdraft facilities. The liquidity risk is managed by means of credit agreements concerning invoice factoring and bank overdraft facilities. Because invoice factoring causes the borrowing level to follow the sales level, the risk is limited. The various loans are listed below.

Liabilities to credit institutions

Credit/security	Group		Parent company	
	12-31-10	12-31-09	12-31-10	12-31-09
Bank draft facilities used	37,340	16,236	13,154	4,564
Financing loans	14,678	23,371	-	1,101
Lease liabilities	90,134	71,495	-	-
Interest-rate and exchange-rate derivatives	3,799	7,864	-	-
Factoring liabilities	258,941	218,482	-	-
Total liabilities to credit institutions	404,892	337,448	13,154	5,665
of which, falling due within 12 months	337,285	276,941	13,154	4,564
of which, falling due 1-5 years after the balance sheet date	67,607	58,302	-	1,101
of which, falling due later than 5 years after the balance sheet date	-	2,205	-	-
Total liabilities to credit institutions	404,892	337,448	13,154	5,665
Bank overdraft facilities granted	100,979	126,107	60,000	70,000
Security furnished within scope of chattel mortgages	287,666	291,249	-	-
Pledged assets				
Pledged accounts receivable	329,412	301,239	-	-

Fair value of financial assets and liabilities

The carrying amount of interest-bearing assets and liabilities can deviate from fair value due to changes in market rates of interest. PartnerTech reports its derivative contracts in accordance with fair value. The valuation is performed at level 2 pursuant to IFRS 7, p. 27A, i.e., on the basis of direct or indirect observable data. Thus, no differences arise with respect to these items. For other financial instruments such as accounts receivable, accounts payable and other non-interest-bearing assets and liabilities, there is not deemed to be any difference between carrying amount and fair value.

	2010		2009	
	Carrying amount	Fair amount	Carrying amount	Fair amount
Financial assets				
Financial assets held for trading				
– interest-rate derivatives	0	0	69	69
Investments intended to be held to maturity	-	-	-	-
Loan receivables and accounts receivable	444,326	444,326	432,088	432,088
Total financial assets	444,326	444,326	432,157	432,157
Financial liabilities				
Financial liabilities held for trading				
– interest-rate derivatives	3,799	3,799	7,864	7,864
Other financial liabilities	652,712	652,712	603,673	603,673
Total financial liabilities	656,511	656,511	611,537	611,537

The group's loan agreements with SEB are conditional on the portion of the loans uncovered by transferred security (such as leasing assets, accounts receivable or the like) not exceeding earnings before interest, taxes, depreciation and amortization (EBITDA) for the past 12 months. The conditions have not been met if the limit is exceeded in two successive measurements (which are performed at the close of each quarter). PartnerTech met the conditions in the four measurements for 2010.

NOTE 23 LEASE AGREEMENTS

Lease agreements

Group policy is to lease certain machinery and equipment by means of financial leases. Below is an age breakdown of minimum leasing fees for these agreements.

Financial lease agreements

Payment due dates for fees on financial lease agreements

Minimum leasing fees	Group	
	12-31-10	12-31-09
Due within one year	30,086	22,924
Due within 2–5 years	61,025	50,523
Due for payment after 5 years	-	2,205
Total	91,111	75,652

The average remaining term of leasing is approximately 2.2 years (2.4). All lease agreements are based on predetermined payments, and no agreements have been entered into with respect to conditional leasing fees. Due to the relatively short remaining term of leasing, no minimum leasing fees have been discounted.

The group also has operational lease agreements (see below – age breakdown of minimum leasing fees). The biggest operational lease agreement is for rental of a property at the Finnish unit.

Operational lease agreements

Payment due dates for fees on operational lease agreements.

Minimum leasing fees	Group		Parent company	
	12-31-10	12-31-09	12-31-10	12-31-09
Due within one year	20,208	20,908	757	430
Due within 2–5 years	59,247	66,452	725	297
Due for payment after 5 years	19,450	34,096	-	-
Total	98,905	121,456	1,482	727
Leasing expenses during the year	18,317	19,905	661	709

NOTE 24 INVENTORIES

	Group	
	12-31-10	12-31-09
Inventories	413,652	440,614
Inventories include the following obsolescence reserve:	27,661	25,233
Obsolescence reserve as a % of total inventories	6.7%	5.7%

NOTE 25 MAJOR ACCRUALS AND DEFERRALS

Description	Group		Parent company	
	12-31-10	12-31-09	12-31-10	12-31-09
Miscellaneous prepaid charges and premiums	16,769	11,322	1,279	2,623
Miscellaneous accrued income	3,638	7,620	-	-
Total prepaid expense and accrued income	20,407	18,942	1,279	2,623
Accrued salaries, remuneration and social security contributions	68,912	68,164	8,050	6,269
Purchases received, not invoiced	19,944	14,550	-	-
Accrued interest expense	58	51	-	-
Miscellaneous accrued expenses and prepaid revenue	20,544	18,806	1,398	1,884
Total accrued expense and deferred income	109,458	101,571	9,448	8,153

NOTE 26 EQUITY

PartnerTech has set a long-term target of an equity/assets ratio above 30%. In accordance with the company's dividend policy, approximately 30% of annual profit is distributed to shareholders. Managed equity corresponds in its entirety to that which is presented in the group's table of equity. There are no externally imposed capital adequacy requirements.

NOTE 27 CONTINGENT LIABILITIES

Contingent liabilities for the group total SEK 27 thousand (304), of which SEK 27 thousand (28) is for pensions and SEK 0 thousand (276) is for the Swedish Agency for Economic and Regional Growth.

The parent company has a commitment to cover any unsettled liabilities claimed by creditors and suppliers against PartnerTech Inc. As of December 31, 2010, PartnerTech Inc.'s accumulated losses were SEK 8,981 thousand (9,697). PartnerTech Inc. had no overdue debts on the balance sheet date.

NOTE 28 SHARE-RELATED PAYMENTS

Within the scope of an option program, the group issued options that expired on May 31, 2010. The table below specifies these programs.

Option program	No. of options	Shares per option	No. of shares	Sub- scription price	Sub- scription period	Impact on share capital SEK thou
Employee stock option program 2007	42,000	1	42,000	123.19	Feb 1 – May 31 2010	210,000
Warrant program 2007	75,000	1	75,000	134.50	Feb 1 – May 31 2010	375,000
	117,000		117,000			585,000

The April 25, 2007 annual general meeting authorized the board to issue 92,500 warrants. Each warrant also entitled the holder to receive one employee stock option. A total of 75,000 warrants were issued in 2007. A total of 33,000 employee stock options had been forfeited because they were tied to employment at the company. Shares could be subscribed for from February 1 to May 31, 2010.

Change for the year in expired option program	No. of options
Outstanding options at beginning of the period	117,000
Awarded during the period	-
Forfeited during the period	-
Redeemed during the period	-
Expired during the period	-117,000
Outstanding at the end of the period	0

For the employee stock options, the payroll expenses were calculated according to maturity and were recorded at SEK 113 thousand in 2010, generating SEK 812 thousand cumulatively.

NOTE 29 TRANSACTIONS WITH AFFILIATED COMPANIES

Beyond transactions covered by the consolidated accounts, the PartnerTech Group's transactions with affiliated companies consists of those that are affiliated with Bure Equity AB. Purchases from affiliated companies totalled SEK 4.5 million (0.0) during the year. Sales, mostly of goods, to affiliated companies were SEK 26.4 million (10.1). All pricing is on market-related terms.

NOTE 30 SOURCES OF UNCERTAINTY IN ESTIMATES

Group management and the board make various assessments and assumptions about the future on a continual basis. Such assessments and assumptions affect carrying amounts and other disclosures. The assessments are based on past experience and the various assumptions deemed reasonable under prevailing circumstances. The conclusions that are drawn form the basis of determinations concerning carrying amounts of assets and liabilities in the event that they cannot be established by means of other information. Actual outcomes may differ from the assessments if other assumptions are made or conditions change. Following are the most important areas that include such assessments.

Test for impairment of goodwill and other non-current assets

Goodwill and other assets are tested annually in connection with the annual accounts or more often if impairment is indicated, for instance when the business climate changes. An impairment loss is recognized if estimated value in use is less than the carrying amount. See Note 19.

Other non-current assets are reported at cost less accumulated depreciation and any impairment losses. The group has no intangible fixed assets apart from goodwill with unlimited useful life. Depreciation is taken over estimated useful life in accordance with established depreciation schedules. The carrying amount of the group's non-current assets is tested as soon as new conditions indicate that there is a write-down requirement. Value in use is measured as expected future discounted cash flow, primarily from the cash generating unit to which the asset belongs.

Calculation of inventory value

Inventory is valued first of all on the basis of cost if it is lower than net realizable value. Customer agreements include provisions concerning material authorization, according to which the customer repurchases material included in its forecast that never generated an order. The repurchase is at cost including certain handling charges, as the result of which the risk of major discrepancies between the carrying amount and fair value of the group's inventories is small. Most of the total inventory consists of components and products in progress – the percentage of finished inventories is small. This also reduces the risk of erroneous valuations. The degree of completion of products in progress represents a source of uncertainty, but the risk of miscalculation decreases given that the direct percentage of material is usually more than half the price and the various production stages are usually clear.

Calculation of deferred tax assets and liabilities

Assessments are made to determine both current and deferred tax assets or liabilities (particularly assets). The probability that deferred tax assets will be deducted from future taxable profits is assessed. The fair value of such future taxable profits can change along with the business climate. It can also be affected by earning capacity, amended tax provisions or the outcome of pending reviews of tax returns by authorities or tax courts. See Note 18.

Calculations of remuneration to employees

The value of pension commitments for defined benefit pension plans is based on actuarial calculations that proceed from assumptions about discount rates of interest, future salary increases, expected return on plan assets, inflation and demographic conditions. The group's defined benefit commitments are of negligible value and cannot be regarded as having a major impact on the group's financial position.

Calculations with regard to legal disputes and contingent liabilities

In some cases the group is involved in disputes and legal proceedings within the framework of operating activities. Management engages external legal expertise to deal with these issues. According to the assessments that have been made, the group is not involved in any legal disputes that can have a major impact on its business or financial position.

**NOTE 31 SIGNIFICANT EVENTS AFTER
THE END OF THE FISCAL YEAR**

On February 4, 2011, PartnerTech Ltd announced that it planned to consolidate the British business at the Cambridge unit. The purpose of the proposal was to strengthen PartnerTech's

operations in the UK and achieve sustainable profitability in such an important market. The cost for this effort, estimated to be no more than SEK 10 million, is expected to affect earnings primarily in the first quarter of 2011.

The Board and CEO assure that this annual report gives a true and fair view of the activities, financial position and results of operations of the group and parent company. The disclosures are consistent with the facts. Nothing of significance has been omitted that could change the view of the group and parent company offered by the report.

Malmö, March 18, 2011

Patrik Tigerschiöld
Chairman of the Board

Andreas Bladh

Rune Glavare

Henrik Lange

Lotta Stalin

Petter Stillström

Thomas Thuresson

Lennart Pettersson
Employee representative

Mikael Johansson
Employee representative

Leif Thorwaldsson
President and CEO

Our auditor's report was submitted on March 18, 2011.

Deloitte AB

Per-Arne Pettersson
Certified Public Accountant

AUDITOR'S REPORT

To the annual general meeting of PartnerTech AB (publ)

Corporate identity number 556251-3308

We have audited the annual accounts, the consolidated accounts, the accounting records and the administration by the board and CEO of PartnerTech AB for fiscal year 2010. The company's annual accounts and consolidated accounts are on pages 38–71 of the printed version of this document. The board and CEO are responsible for the accounting records and administration, as well as for ensuring compliance with the Swedish Annual Accounts Act when preparing the annual accounts and compliance with IFRS as adopted by the European Union and the Swedish Annual Accounts Act when preparing the consolidated accounts. Our responsibility is to express an opinion of 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 a selection of the documents supporting the amounts and disclosures in the accounting records. An audit also includes assessing the accounting policies and their application by the board and CEO, along with significant estimates made by the board and CEO when preparing the annual accounts and consolidated accounts, as well as evaluating the overall information in the annual accounts and the consolidated accounts. As a basis for our opinion concerning discharge from liability, we examined significant decisions, actions taken and circumstances of the company in order to determine any liability to the company of any board member or the CEO. We also examined whether any board member or the CEO has acted in contravention of the Companies Act, the Annual Accounts

Act or the articles of association in any other way. 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 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 IFRS as adopted by the EU and the Annual Accounts Act and give a true and fair view of the group's financial position and results of operations. A corporate governance report has been prepared. The administration report and corporate governance report are consistent with the other parts of the annual accounts and the consolidated accounts.

We recommend to the annual general meeting that the income statements and balance sheets of the parent company and the group be adopted, that the profit of the parent company be dealt with in accordance with the proposal in the administration report and that the members of the board and the CEO be discharged from liability for the fiscal year.

Malmö, March 18, 2011

Deloitte AB

Per-Arne Pettersson

Certified Public Accountant



AUDITORS
Deloitte
Per-Arne Pettersson,
Auditor in Charge
Authorized Public Accountant,
Deloitte AB.
PartnerTech auditor since 2006.
Born 1959.

DEFINITIONS

MARGINS

GROSS MARGIN	Gross profit as a percentage of net sales
OPERATING MARGIN	Operating profit as a percentage of net sales
PROFIT MARGIN	Profit after net financial income, as a percentage of net sales
ITEMS AFFECTING COMPARABILITY	Items affecting comparability, as a percentage of net sales

RETURN

RETURN ON OPERATING CAPITAL	Operating profit, as a percentage of average operating capital
RETURN ON EQUITY	Profit after net financial income, less paid and deferred tax pertaining to appropriations made during the year, as a percentage of average equity. Calculation of deferred tax has taken into consideration the tax rate in effect from time to time in each country

CAPITAL STRUCTURE

WORKING CAPITAL	Total assets less interest-bearing assets and interest-free short-term liabilities
OPERATING CAPITAL	Total assets less financial assets, liquid assets and non-interest bearing liabilities, including deferred tax liabilities in untaxed reserves
EQUITY (FOR THE GROUP)	Equity, plus untaxed reserves, less deferred tax liability
INTEREST-BEARING NET DEBT	Interest-bearing liabilities less liquid assets
ASSET TURNOVER RATE	Net sales, divided by average operating capital
INTEREST COVERAGE RATIO	Operating profit plus financial income, divided by financial expense
EQUITY/ASSETS RATIO	Equity as a percentage of total assets
NET DEBT/EQUITY RATIO	Interest-bearing net debt divided by equity
SHARE OF RISK-BEARING CAPITAL	Equity, plus deferred tax liabilities, as a percentage of total assets
NET INVESTMENTS	Investments in non-current assets, less sales, replacements and investment grants

EMPLOYEES

SALES PER EMPLOYEE	Net sales, divided by the average number of full-time equivalent employees
WAGE COSTS AND INCIDENTAL EXPENSES PER EMPLOYEE	Salaries and compensation, including social security expense, divided by the average number of full-time equivalent employees

DATA PER SHARE

EARNINGS PER SHARE AFTER TAX	Earnings after net financial income, less tax paid and deferred tax pertaining to appropriations made during the year, divided by the average number of shares
EQUITY PER SHARE	Equity divided by the number of shares at the end of the year
P/E RATIO	The share's market price, divided by earnings per share after tax
SHARE PRICE PAID/EQUITY	The share's market price, divided by equity per share
DIVIDEND YIELD	Per-share dividend divided by share price on the balance sheet date
DIVIDEND RATE	Per-share dividend divided by earnings per share after full income tax

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2011 ANNUAL GENERAL MEETING

WHEN AND WHERE

The annual general meeting will be called to order at 5 PM on Thursday, May 5, 2011 at Östergatan 39, Malmö, Sweden (SEB premises).

RIGHT TO PARTICIPATE

To have voting rights at the annual general meeting, a shareholder must be entered in the share register kept by Euroclear Sweden AB (formerly VPC AB) by Friday, April 29, 2011, and have prenotified the company of his or her attendance. In order to attend the meeting, any shareholder whose shares are registered in the name of an authorized agent must request temporary entry in the share register kept by Euroclear Sweden AB. The shareholder must inform the agent to that effect well in advance of Friday, April 29, 2011, at which time the register entry must have been made.

NOTIFICATION OF PARTICIPATION

A shareholder's notification must be submitted to the company no later than 4:00 PM on Friday, April 29, 2011, either by mailing to: PartnerTech AB, Industrigatan 2, Box 103, SE-235 21 Vellinge, Sweden, calling +46 40-10 26 43, faxing to +46 40-10 26 49 or e-mailing to info@partnertech.se. Please include your full name, personal identity number and daytime phone number, as well as information about your deputy, proxy or legal representative when applicable.

DIVIDEND

The board recommends to the annual general meeting that no dividend (0) be payable for fiscal year 2010.



FINANCIAL INFORMATION 2011

May 5, 2011	Interim report for January–March and annual general meeting
July 14, 2011	January–June interim report
October 27, 2011	January–September interim report



