



Press release, August 15, 2002

Dimension AB (publ)

Interim report for the period January – June 2002

- Continued weak IT market with no signs of a general recovery this year.
- An action program was implemented to reduce the Group's costs while strengthening areas that are developing positively.
- Strong development in the segments manufacturing industry and public sector.
- Several strategically important transactions in data storage, operations and infrastructure for distribution of mobile services for customers such as AstraZeneca, Trebruk, Telia Mobile, Vodafone and Sveriges Radio Förvaltning.
- Transactions in the Baltic market with a leading telecom operator and Lithuania's largest energy company, among others.
- Expanded cooperation agreement signed with Ericsson on integration services.
- Due to the continued weak market development, in combination with restructuring expenses attributable to the action program, profit for the full year will be lower than last year.

Financial summary of the report period

- Net sales amounted to SEK 643.0 million (690.6).
- The loss after financial items was SEK –106.5 million (31.9).
- The operating margin amounted to –16.0 percent (4.6).
- The loss per share amounted to SEK –2.77 (0.78).
- Positive cash flow of SEK 15.3 million (–19.5) from operating activities before tax.
- Liquid assets amounted to SEK 101.9 million (120.7) as of June 30 and the equity/assets ratio was 48.4 percent (55.8).

Financial summary of the second quarter

- Net sales amounted to SEK 332.5 million (292.8).
- The loss after financial items was SEK –66.5 million (3.7).
- The operating margin amounted to –19.7 percent (0.6)
- An action program has included the elimination of approximately 100 positions. As a whole, the measures are expected to generate annual cost savings of approximately SEK 85 million. Restructuring expenses totaling approximately SEK 26 million were charged in their entirety to the second quarter.

Following the conclusion of the period

- A two-year framework agreement was signed with AstraZeneca on IT services.

The interim report is also available online at www.dimension.se

<p>A press and analysts meeting will be held today, August 15, at 12:00 noon (CET) at Operaterrassen, Stockholm. The conference will be held in Swedish.</p>

Sven Uthorn, Managing Director of Dimension AB, comments on the second quarter of 2002

“The market for IT infrastructure remains weak. During the second quarter the situation gradually worsened, which was also evident in the Nordic countries other than Sweden. At the same time, demand is changing. Back in the third quarter of 2001 Dimension began an extensive effort to adapt to changing market demands. The focus of operations is being shifted more toward services, at the same time that we are developing and strengthening operations in areas that are showing growth. We are doing so through acquisitions and organically. Part of these changes is also necessary to adapt the Group’s cost structure in the short term.

We have come far in this change process and many of our new efforts and acquisitions have developed positively. This is evident, for example, in the good growth in the first half year in the segments manufacturing industry and public sector. In addition, acquisitions have led to a large number of new customer contacts, and we see clear potential for cross sales through a broader customer base. Much remains to be done, however. With a continued weak market in telecommunications and banking & finance, and no signs of a general market recovery this year, the work to adapt the organization and redistribute resources was further intensified during the second quarter.

The second quarter was one of growth compared with the corresponding period of 2001. Earnings were unsatisfactory, however. Thanks to the extensive action program we have now implemented, expenses are expected to be reduced by approximately SEK 85 million a year and the prospects of consistent profitability have improved significantly. Further positive signs looking forward is that we have received clear indications that Dimension commands the loyalty of its customers and of the appropriateness of the efforts to expand our service offerings, in manufacturing industry and the public sector as well as in the Telecom integration operating area. This is reflected not least by a number of important transactions and agreements with Vodafone, AstraZeneca, Sveriges Radio Förvaltning and Ericsson, among others.”

Market

The IT infrastructure market as a whole continued to develop weakly during the first half year, with a gradual deterioration during the second quarter. The market situation also worsened in Denmark and Norway, while the Baltic market is developing strongly. Customers’ cautiousness is evident in their lengthy decision-making processes and the fact that they are reusing existing equipment rather than investing in new products. For Dimension, the latter has meant a relative decline in the product content in the solutions it supplies. The tendency of customers to reuse old equipment is expected to continue for a time, although there are signals that this is a passing situation. At the same time, the importance of consulting services in IT infrastructure projects has increased, underscoring the strategic correctness of Dimension’s expanded service offering.

Sales and profit for the second quarter

Net sales during the quarter rose by 13.5 percent to SEK 332.5 million (292.8). Acquired units accounted for 14 percent of the second quarter’s sales. The loss after financial items amounted to SEK –66.5 million (3.7). The result was affected negatively by continued difficulties for certain units in the Infrastructure integration operating area, primarily in Stockholm, and a poorer market climate in Denmark and Norway. The result was also charged with restructuring expenses of SEK 26.4 million. The operating margin was –19.7 percent (0.6).

Sales and profit for the report period January – June

For the first half year as a whole, net sales amounted to SEK 643.0 million (690.6). Acquired units accounted for 18 percent of sales. The loss after financial items was SEK –106.5 million (31.9), including restructuring expenses of SEK 26.4 million, and the operating margin was –16.0 percent (4.6).

Action program

Profitability is Dimension’s highest priority. The profit trend for the first quarter and uncertain market conditions led management to decide in April on structural measures and savings. After a gradual deterioration in the market climate during the second quarter, a decision was made in June to further strengthen these measures. As a whole, the action program includes the termination of approximately 100 employees and is expected to generate cost savings of approximately SEK 85 million a year, with a full impact beginning in the third quarter. Restructuring expenses attributable to these measures are estimated at SEK 26.4 million, which is charged in its entirety to the second quarter.

The aim has been to design a action program that reduces the Group's expenses in the short term, yet supports the long-term profitability objective. The employees affected by the cutbacks are primarily in units in Stockholm, Denmark and Norway. The measures have been taken in part to adapt to lower business volume and in part to improve efficiency in shared Group functions. Moreover, resources have been reallocated to areas that are developing positively.

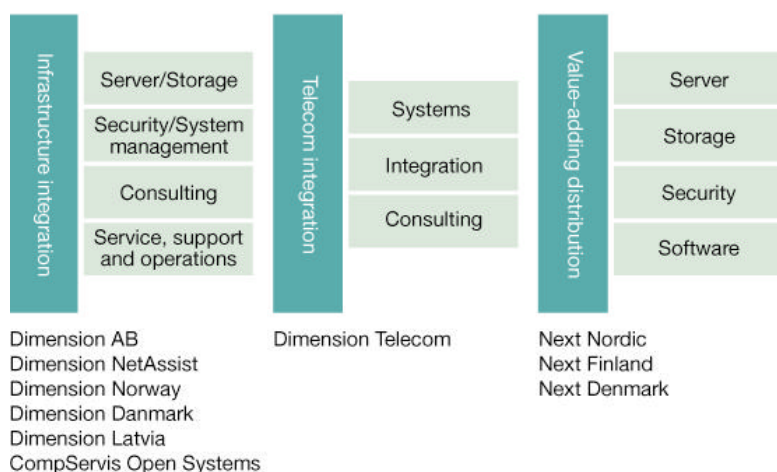
Operations

Dimension's intention is to take advantage of the slump in the market to strengthen its position prior to an eventual upturn. During the last year significant work has been done to strengthen operations and shift the focus to broader solutions and a higher service content. The service offering has been bolstered significantly through both acquisitions and organic growth. At the same time, new companies have been established and others acquired, in line with the strategy to expand geographically in the Nordic region and Baltic states.

During the first half year a number of important projects were received in data storage and server solutions as well as in operations and infrastructure for mobile services. For example, Dimension signed agreements with AstraZeneca (data storage solution based on SAN technology), Telia Mobile (infrastructure for mobile portals), Vodafone (infrastructure for a new web platform) and Trebruk (operations services for the group's entire IT infrastructure), Sveriges Radio Förvaltning (data storage solution based on SAN as well as training), a Swedish government agency (database and storage solution) and a Swedish 3G operator (platform for administration and distribution of mobile services). In addition, a strategically important agreement was signed between Dimension Telecom and Ericsson on an expanded cooperation. The agreement calls for Dimension Telecom to integrate and adapt Ericsson's products for operators around the world based on the customer's specific requirements.

International operations developed largely as expected during the first quarter. Development was more mixed during the second quarter, when operations in Denmark and Norway were affected by a poorer market, at the same time that the Baltic operations have remained successful. In the Baltic market, projects have been received from one of the leading telecom operators in the region (IT infrastructure for the distribution of mobile services) and Lithuania's largest energy company (server and data storage solution), among others.

Development by operating area



In the *Infrastructure integration* operating area, the Group works with the design, integration and commissioning of advanced server, data storage and security solutions. An important part of the customer offering consists of services, such as analysis, project management, support, operations and maintenance. The operating area has been affected negatively by continued difficulties for certain units in the Stockholm region and the problems that arose in Denmark and Norway during the second quarter. Sales in the operating area amounted to SEK 355.1 million during the period.

The *Telecom integration* operating area comprises the Group's cutting-edge competence and offering in infrastructure solutions for telecom operators' service networks. The acquisition of the telecom consulting firm Kipling was finalized during the first quarter and as of February 19 the company is consolidated in the Group.

Considering the weak market, the consulting operations have developed according to expectations. During the second quarter important breakthroughs were made among mobile operators, at the same time that there was a slight recovery in system sales through Ericsson. The operating area's sales amounted to SEK 116.2 million during the period.

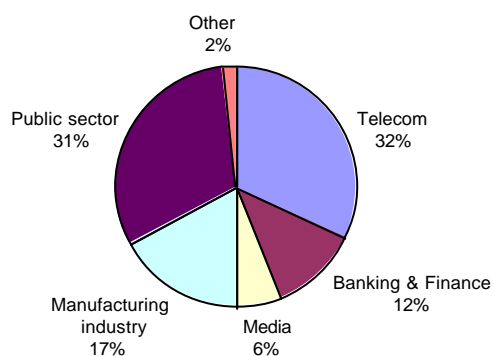
The *Value-adding distribution* operating area specializes in supplying IT resellers and integrators with hardware, software, peripherals, services and training. Sales in the operating area amounted to SEK 171.7 million during the period. The weak market has affected the operating area adversely, primarily with regard to hardware. Gross margins declined during the first quarter, as sales volumes were given priority. During the second quarter margins recovered slightly and volumes normalized.

Following the conclusion of the report period

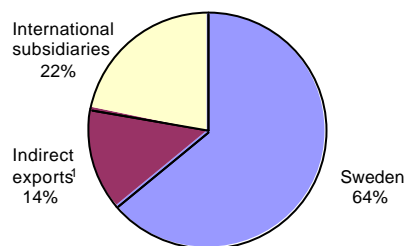
A framework agreement was signed with AstraZeneca making Dimension a priority supplier of IT services. The two-year agreement covers all of AstraZeneca's operations in Sweden.

Sales distribution – the Dimension Group

Sales Jan-March 2002, by customer segment

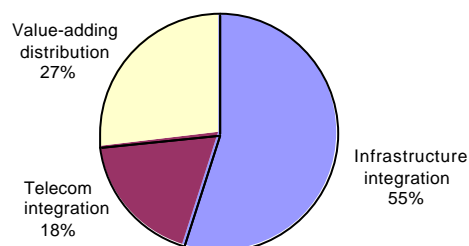


Sales Jan-March 2002, geographical distribution



¹ Sales generated in Sweden but where the end customer is outside Sweden. Relates primarily to telecom system sales

Sales Jan-March 2002, by operating area



Financial position, profitability and net investments

At the end of the period the Group's liquid assets amounted to SEK 101.9 million (120.7). Consolidated shareholders' equity amounted to SEK 312.0 million (399.4). During the report period shareholders' equity decreased by SEK 57.3 million. The new share issue in connection with the acquisition of Kipling raised shareholders' equity by SEK 26.9 million, while the loss for the period led to a decrease of SEK 84.4 million. The equity/assets ratio was 48.4 percent (55.8). As of June 30 the Group's bank overdraft facilities amount to SEK 58.6 million, of which SEK 1.3 million has been utilized.

The return on equity was -49.5 percent (14.2) during the period and the return on capital employed was -60.4 percent (19.8).

The Group's net investments in fixed assets during the period amounted to SEK 10.8 million (8.6). Goodwill of SEK 45.9 million arose in connection with the acquisition of Kipling. The amortization period for goodwill is ten years. Included in acquired operations is a restructuring reserve of SEK 7.0 million.

Cash flow

Cash flow from operating activities before the change in working capital amounted to SEK –102.6 million (35.7) during the period, or SEK –3.37 per share (1.27). Cash flow from operating activities before tax amounted to SEK 15.3 million (–19.5). During the second quarter capital tied up in inventories decreased by SEK 23.3 million compared with the first quarter of the year.

Personnel

The average number of Group employees during the period was 333 (258). The number of Group employees at the end of the first quarter was 410 (268), and 316 (298) at the end of the report period. The action program initiated in April, which was expanded in June, includes the elimination of approximately 100 positions. In June Gunnar Isberg, formerly Dimension's regional manager in Stockholm, took over as managing director of the subsidiary Dimension Telecom. Martin Stenström assumed managerial responsibility for Dimension Norway in June. He also retains the position of regional manager for the West region within the Parent Company.

Restructuring expenses

The Group's result has been charged during the first half year with restructuring expenses arising in connection with the acquisition of Kipling and for the action program implemented during the period April – June.

(SEK million)	Acquisition of Kipling	Action program April– June	Total
Estimated restructuring expenses	7.0	26.4	33.4
Reversed during the period	-2.9	-1.3	-4.2
Closing balance, restructuring reserve	4.1	25.1	29.2

Tax for the period

The Group's total tax loss carryforwards amount to SEK 138.2 million, of which SEK 127.4 million is in the Swedish operations. The Group's untaxed reserves amount to SEK 66.6 million. The Group has valued its future tax claims at SEK 19.4 million, net.

The Dimension share

In connection with the acquisition of Kipling Holding AB in February 2002, 1,202,916 new shares were issued. Together with the conversion of convertible debentures representing 180,000 shares during the second quarter, the share capital amounts to SEK 618,042.32 on June 30, divided among 30,902,116 shares. The loss per share during the period amounted to SEK –2.77 (0.77). Equity per share was SEK 10.09 (13.56). The share price on June 30 was SEK 6.15 (32.50).

Convertibles and options

All convertible debentures have been converted to shares as of the end of the report period. There were 822,000 options outstanding on June 30. Each option gives its holder the right to buy one share at a price of SEK 36. If all the options are exercised, the number of shares would increase by 822,000 to 31,724,116.

Parent Company

Parent Company sales amounted to SEK 249.1 million (357.9). The loss after financial items was SEK –58.9 million (3.6). Liquid assets totaled SEK 58.0 million (27.2) at the end of the period. Net investments in fixed assets amounted to SEK 47.2 million (5.8) and related primarily to shares in Kipling.

Accounting principles and supplemental disclosures

The interim report has been prepared in accordance with recommendation RR 20 of the Swedish Financial Accounting Standards Council on Interim reporting. On January 1, 2002 a number of accounting recommendations from the Council took effect. The application of these recommendations has not necessitated the restatement of reported results or shareholders' equity. In other respects, the accounting principles and calculation methods used in the interim report are the same as in the most recent annual report.

This report has not been specially reviewed by the company's auditors.

Future outlook

The IT infrastructure market as a whole is expected to continue to develop weakly for the remainder of the year. Manufacturing industry and the public sector offer good opportunities for further growth, while other customer segments are expected to remain stagnant. Dimension also anticipates significant future potential in platforms for the distribution of services in mobile networks. The Group considers itself well-prepared to gain a strong position in the growing segments of the infrastructure market in spite of a generally weak economy.

Dimension's long-term financial objectives, to grow faster than the market and to generate an operating margin of 7-9 percent over a business cycle, remain unchanged. The interim report for the first quarter stated that unless there was a significant improvement in market conditions, profit for the full year would not be better than the previous year. Due to the market's weak development, in combination with expenses incurred in connection with the action program, profit for the full year is expected to be lower than last year.

Financial information schedule

The interim report for January-September will be released on October 25.

The year-end report for fiscal year 2002 will be released on February 19, 2003.

Financial reports are also available online at www.dimension.se

Stockholm, August 15, 2002

Sven Uthorn
Managing Director
Dimension AB (publ)

For further information, please contact

Sven Uthorn, Managing Director, phone + 46 8 5058 3003, e-mail: sven.uthorn@dimension.se

Key ratios	Jan-June	Jan-June	July-June	Jan-Dec
Dimension Group	2002	2001	2001/02	2001
	6 mos.	6 mos.	12 mos.	12 mos.
Net sales (SEK million)	643.0	690.6	1,125.1	1,172.7
Sales growth (%)	-6.9	3.1	-24.8	-20.5
Profit/loss after financial items (SEK million)	-106.5	31.9	-156.3	-18.0
Operating margin (%)	-16.0	4.6	-13.7	-1.7
Profit margin (%)	-16.6	4.6	-13.9	-1.5
Return on capital employed (%)	-60.4	19.8	-41.4	-4.0
Return on equity (%)	-49.5	14.2	-31.9	-5.8
Total assets (SEK million)	656.4	717.8	656.4	579.8
Capital employed (SEK million)	319.6	403.2	319.6	371.5
Shareholders' equity (SEK million)	312.0	399.4	312.0	369.3
Equity/assets ratio (%)	48.4	55.8	48.4	64.2
Net cash position (SEK million)	100.0	120.3	100.0	104.1
Net investments (SEK million)	10.8	8.6	52.1	49.9
Number of employees at end of period	316	298	316	350
Average number of employees	333	258	307	284
Net sales per employee (SEK million)	1.9	2.7	3.7	4.1
Operating profit/loss per employee (SEK million)	-0.3	0.1	-0.5	-0.1

Quarterly data, the Dimension Group	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Net sales (SEK million)				
2002	310.5	332.5		
2001	397.8	292.8	207.6	274.5
2000	257.3	412.4	291.2	513.8
Profit/loss after financial items (SEK million)				
2002	-39.9	-66.5		
2001	28.2	3.7	-31.2	-18.7
2000	19.0	31.5	27.3	60.3
Operating margin (%)				
2002	-11.9	-19.7		
2001	7.6	0.6	-15.3	-7.3
2000	7.4	7.7	9.3	11.7

Dimension's sales fluctuate by season. As a result, it normally reports a weaker first and third quarter and a stronger second and fourth quarter.

Condensed consolidated income statement (SEK million)	April-June	April-June	Jan-June	Jan-June	July-June	Jan-Dec
	2002	2001	2002	2001	2001/02	2001
	3 mos.	3 mos.	6 mos.	6 mos.	12 mos.	12 mos.
Net sales	332.5	292.8	643.0	690.6	1,125.1	1,172.7
Goods for resale	-260.4	-207.7	-511.2	-489.0	-906.9	-884.7
Other external expenses	-32.7	-32.2	-58.0	-73.7	-86.2	-101.9
Staff costs	-75.5	-49.1	-144.3	-92.3	-238.0	-186.0
Depreciation/amortization of tangible and intangible fixed assets, excl. goodwill	-3.1	-2.1	-5.8	-3.7	-10.6	-8.5
Restructuring expenses	-26.4	-	-26.4	-	-37.9	-11.5
Operating profit/loss before goodwill	-65.6	1.7	-102.7	31.9	-154.5	-19.9
Goodwill amortization	-2.1	-0.1	-3.3	-0.1	-4.1	-1.0
Operating profit/loss before financial items	-67.7	1.6	-106.0	31.8	-158.6	-20.9
Financial items	1.2	2.1	-0.5	0.1	2.3	2.9
Profit/loss after financial items	-66.5	3.7	-106.5	31.9	-156.3	-18.0
Tax	14.2	-1.0	25.1	-9.3	37.4	3.0
Minority share	-1.7	-0.7	-3.0	-0.7	-4.4	-2.1
Net profit/loss	-54.0	2.0	-84.4	21.9	-123.3	-17.1

Share data	April-June 2002 3 mos.	April-June 2001 3 mos.	Jan-June 2002 6 mos.	Jan-June 2001 6 mos.	July-June 2001/02 12 mos.	Jan-Dec 2001 12 mos.
Number of shares after dilution	30,902,116	29,655,647	30,902,116	29,655,647	30,902,116	29,699,200
Average number of shares after dilution	30,810,116	29,475,647	30,425,290	28,312,870	29,971,845	28,981,489
Profit/loss per share after dilution (SEK)	-1.75	0.07	-2.77	0.77	-4.12	-0.59
Equity per share after dilution (SEK)	10.09	13.53	10.09	13.53	10.09	12.49
Number of shares before dilution	30,902,116	29,447,200	30,902,116	29,447,200	30,902,116	29,519,200
Average number of shares before dilution	30,810,116	29,267,200	30,425,290	28,104,422	29,971,845	28,801,489
Profit/loss per share before dilution (SEK)	-1.75	0.07	-2.77	0.78	-4.12	-0.59
Equity per share before dilution (SEK)	10.09	13.56	10.09	13.56	10.09	12.51
Share price at end of period (SEK)	6.15	32.50	6.15	32.50	6.15	22.00

In calculating the dilution effect in 2001, the share price at the conclusion of the year, SEK 22.00, was used. The dilution effect is calculated in accordance with recommendation RR 18 of the Swedish Financial Accounting Standards Council on Profit per share. No calculation of the dilution effect has been made in 2002 owing to the share price at the end of the report period.

Change in shareholders' equity during the report period

No. of shares as of Dec. 31, 2001	29,519,200
New share issue Feb. 21, 2002	1,202,916
New share issue May 16, 2002	180,000
No. of shares as of June 30, 2002	30,902,116

Condensed consolidated balance sheet (SEK million)

	June 30 2002	June 30 2001	Dec 31 2001
Assets			
Goodwill	73.9	0.4	31.9
Other intangible fixed assets	0.3	0.2	0.5
Other fixed assets	19.5	15.9	19.0
Other long-term receivables	38.3	2.0	13.8
Inventories	104.9	323.9	167.6
Other current assets	317.6	254.7	242.7
Liquid assets	101.9	120.7	104.3
Total assets	656.4	717.8	579.8
Equity and liabilities			
Shareholders' equity	396.4	377.5	386.4
Profit/loss for the period	-84.4	21.9	-17.1
Minority interests	5.6	1.4	3.1
Interest-bearing liabilities	2.1	2.4	2.2
Non-interest-bearing liabilities and provisions	336.7	314.6	205.2
Total equity and liabilities	656.4	717.8	579.8

Change in shareholders' equity (SEK million)

	June 30 2002	June 30 2001	Dec 31 2001
Opening balance	369.3	215.7	215.7
Dividend	-	-27.4	-27.4
Options issued	-	-	-
New share issue after deduction of issue expenses	26.9	183.8	191.0
Conversion of convertible debenture loan	1.6	5.3	7.3
Translation difference	-1.4	0.1	-0.2
Net profit/loss for the period	-84.4	21.9	-17.1
Closing balance	312.0	399.4	369.3

Condensed consolidated statement of cash flows (SEK million)	Jan-June 2002	Jan-June 2001	Jan-Dec 2001
Cash flow before changes in working capital	-102.6	35.7	-7.5
Changes in working capital	117.9	-55.2	17.2
Cash flow from operating activities before tax	15.3	-19.5	9.7
Tax	-8.0	-34.7	-39.9
Cash flow from operating activities after tax	7.3	-54.2	-30.2
Cash flow from investing activities	-10.8	-8.6	-49.5
Cash flow from financing activities	1.1	123.6	124.1
Change in liquid assets	-2.4	60.8	44.4
Liquid assets at beginning of period	104.3	59.9	59.9
Liquid assets at end of period	101.9	120.7	104.3

Definitions of key ratios

Sales growth. Increase in net sales as a percentage of net sales in the corresponding period of the previous year.

Operating margin. Operating profit before goodwill amortization in relation to sales.

Profit margin. Profit/loss after financial items in relation to sales.

Capital employed. Total assets less non-interest-bearing liabilities and provisions, including deferred tax liabilities.

Return on capital employed. Profit after financial items plus financial expenses in relation to average capital employed.

Return on equity. Net profit/loss in relation to average shareholders' equity.

Equity/assets ratio. Shareholders' equity including minority share in relation to total assets.

Net cash position. Financial assets and liquid assets less interest-bearing liabilities and provisions.

Net sales per employee. Net sales in relation to the average number of employees.

Operating profit per employee. Operating profit in relation to the average number of employees.

Average number of shares after full dilution. Number of shares at beginning of period plus shares added during the period adjusted for splits, bonus issues and dilution.

Profit/loss per share. Profit/loss after tax in relation to the average number of shares.

Equity per share. Shareholders' equity in relation to the number of shares at the end of the period.

About Dimension

Dimension is an integrator of business-critical IT information. Its core business is the design, integration and commissioning of advanced server, data storage and security solutions. An important part of its customer offering is services, such as analysis, project management, support, operations and maintenance.

Dimension's offering is based on its market-leading competence and experience in IT infrastructure as well as long-term cooperations with leading system suppliers. Customers are primarily in telecommunications, banking & finance, media, industry and the public sector. The Group has 316 employees and is active in Sweden, Norway, Denmark, Finland, Latvia and Lithuania. The head office is located in Bromma, Stockholm. The Dimension share is listed on the Stockholm Exchange's O-list.