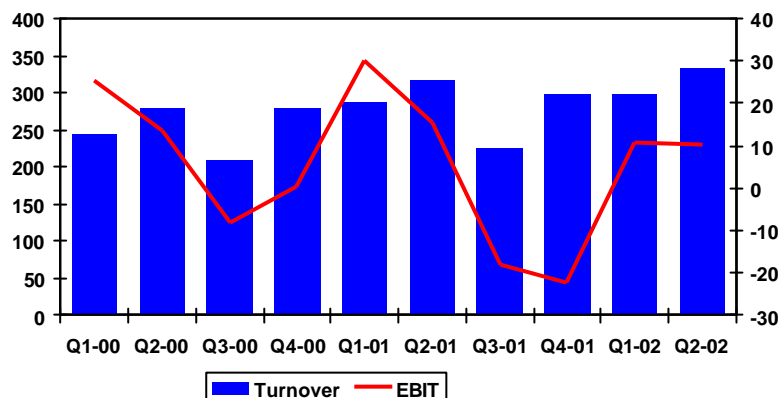


PROFITABLE PERFORMANCE IN A TOUGH MARKET

- Sales rose by 4.6% to SEK 632.3 million (604.5 m)
- The operating profit (EBIT) reached SEK 20.9 million (45.5 m)
- Profitable performance thanks to partnership business, greater internationalisation and good growth at Medical&LifeScience

Quarterly performance, SEKm**Comments by CEO Hans Johansson**

-Sales increased compared to the first six months of last year, which shows that we have an attractive range of services. This is thanks to the steady development of our services in close cooperation with the leading industrial businesses in the Nordic region. Growth has mainly been achieved through value-based partnership agreements where we take over responsibility for a specific part of clients' business activities while signing long-term contracts with them. Joint growth and more efficient business activities are the foundation of successful partnerships.

-Semcon increased its business internationally during the period by following its Nordic clients abroad in line with our long-term aims. The proportion of sales outside Sweden currently amounts to 11%.

-Our strategic commitment in Medical & LifeScience continues to develop positively. We received the first order for our ER/ES logger, which carries out ER/ES validation of electronic data for the pharmaceutical industry.

-Our organisation is equipped for a continued weak market and continues to be adapted in line with changes in the market situation. Growth in our respective focus industries varies. Telecom continues to be lacklustre, while Vehicle, Industry and Medical & LifeScience remain relatively stable. We have long contracts with customers in Telecom and Vehicle, which creates an important stability in operations.

-An increased technology and IT content in products together with a focus on design means that our customers are continuing to invest in developing new products and varieties. Despite current market conditions, the long-term factors driving product development remain in place, which favours Semcon. During the period we succeeded in carrying out a number of large projects involving, FMV, Kockums, Pharmadule/Emtunga, Ericsson and Scania.

Business activities

Sales rose by 4.6% to SEK 632.3 million (604.5 m). Sales in Q2 amounted to SEK 334.0 million (317.7 m), an increase of 4.9%. The operating profit before goodwill depreciation was SEK 26.0 million (48.7 m), representing a profit margin of 4.1%(8.1). Operating profit after goodwill depreciation was SEK 20.9 million (45.5), representing a profit margin of 3.3 % (7.5). Sales increased thanks to our partnership business, greater internationalisation and good growth at Medical&LifeScience. Profits were affected by a continued weak market, especially in Telecom. The Stockholm area was the worst hit, as surplus capacity meant continued pressure on prices.

Business areas	Sales (SEKm)		Growth (%)	Operating profit (SEKm)		Operating margin (%)	
	30/6/02	30/6/01		30/6/02	30/6/01	30/6/02	30/6/01
Industrial Design	306.1	299.1	+2.3	13.0	22.3	4.2	7.5
e-Design	246.7	255.6	-3.5	5.1	23.1	2.1	9.1
Technology Management	79.5	49.8	+59.6	2.8	0.1	3.5	0.2
TOTAL	632.3	604.5	+4.6	20.9	45.5	3.3	7.5

INDUSTRIAL DESIGN

Industrial Design focuses on the development and design of products and production systems. Our strong connection to industrial design unites people and technology in a unique way.

Sales increased by 2.3% to SEK 306.1 million (299.1 m) and the operating profit was 13.0 million (22.3 m). The business area recorded stable growth mainly in Vehicle, Medical & LifeScience and Industry. Semcon received further orders from FMV for base containers. The order was for approximately SEK 12 million. Semcon strengthened its position within Industrial IT by employing new staff members and by acquiring products and software ownership/user rights from Done Logistics. Semcon was chosen as the Preferred Supplier by Scania, which utilizes all of Semcon's competency within product development.

E-DESIGN

e-Design develops embedded IT systems for products and production systems, interactive information, web solutions and web design, systems solutions and also supplies IT products.

Sales amounted to SEK 246.7 million (255.6 m). The operating profit was SEK 5.1 million (23.1 m). The reason for the lower sales figures were the cutbacks carried out as a result of the weak telecom market. However, Semcon continued to change the make-up of its business with Ericsson and signed a partnership agreement for the delivery of consultancy services for data communication. The agreement involves 30 or so employees from Ericsson Norway being employed by Semcon at Asker and Grimstad. The agreement will initially cover assignments up to the end of 2003. Semcon received an additional order, worth SEK 2.2 million, from Kockums regarding technical information. Semcon received a strategically important order within ER/ESⁱ validation of electronic data. A logger has been developed for the storage and validation of electronic data for the pharmaceutical industry according to the FDA'sⁱⁱ new directive.

Informatic

Informatic continued to see positive growth. The partnership with the Volvo Car Corporation was extended for a further three years. Informatic developed a new IT system for handling all after-market information. The Zooma by Semcon subsidiary developed an e-learning product for launching Saab Automobile's new 9-3 Sport Sedan.

TECHNOLOGY MANAGEMENT

Technology Management improves customers' results by developing strategies for processes, people, technology and IT. The business area's work with strategic issues and transforming projects at senior management level creates opportunities for comprehensive undertakings where the complete range of Semcon's skills can be exploited.

Sales climbed by 59.6% to SEK 79.5 million (49.8 m). The operating profit increased to SEK 2.8 million (0.1 m). The reason for this boost in sales and profits is the greater demand for efficiency and quality assurance of product development and production processes, combined with customers' desire to cut costs for IT support and infrastructure.

Industrial management

Management consultancy operations progressed well during the period with new assignments for companies such as Mölnlycke Healthcare, Electrolux and Fordonskomponentgruppen. Semcon's PROPS activity succeeded in creating new contracts. In addition to Ericsson, customers include Autoliv, Saab Avionics and SL Infrateknik.

Zipper by Semcon

Zipper reported positive growth in Göteborg and Stockholm despite a tough market. New customers include Scania, ITT Flygt, Stena Line, Orkla Foods and Dahls VVS. This is thanks to cost-cutting solutions. There was continued development of concepts that improve the efficiency of customers' IT infrastructure, including the launch of a new version of FastTrack.

Parent company

Semcon AB is the parent company in the Group and responsible for company-wide issues such as strategy, information and marketing. Sales totalled SEK 8.3 million (6.3 m). The profit after depreciation was SEK 1.5 million (-1.6 m). The parent company's liquidity was SEK 43.5 million (52.2 m). The company's investments in stock totalled SEK 0 million (0 m).

Personnel and organisation

The total headcount was 1,602 (1,582) and the average number of employees was 1,639 (1,581). The increase in personnel is due to the partnership agreements carried out with customers. Semcon's long-term, stable growth gained media attention when Ahréns and Svenska Dagbladet published their annual Growth List in June. To qualify for the list a company must record average organic growth of 25% annually over the past five years, which Semcon has succeeded in doing.

Financial items and investments

The Group's total investments, mainly in computer hardware and software, totalled SEK 6.2 million (12.2 m). At the end of the period the equity/assets ratio stood at 28.9% (36.8%). Liquid funds at the period's end amounted to SEK 9.5 million (12.8 m). Of a total SEK 100 million in bank overdraft facilities, SEK 54.2 million (0 m) was utilised. Investments in subsidiaries' shares amounted to SEK 1.0 million (1.9 m).

Options scheme

During Q1 a total of 217,900 options were subscribed for in the options scheme that was offered to all Semcon employees. The price per option is SEK 7. Each option gives the holder the right to subscribe for new shares at a price of SEK 63 between 1 June and 31 August 2005. Full utilisation will involve 17,772,821 shares and the dilution effect will be 2.15%.

The Board of Semcon AB (publ.) issued call options to 13 senior management staff at the company. The options scheme covers 236,000 call options of which the CEO has acquired 75,000 and other personnel between 2,000 and 25,000 options each. The options will run until 3 July 2006 with each option giving the owner the right to purchase one share in Semcon AB at a price per share of SEK 42, or 150% of the average share price between 24 June and 28 June 2002. No dilution effect, concerning the number of shares, will arise for the company shareholders because Semcon intends to enter a share-swap agreement to secure this undertaking in accordance with the call option scheme. The annual cost is estimated at around SEK 450,000.

Outlook

The market is expected to remain weak during the remainder of the year. Semcon has a strong position in the Vehicle sector. Combined with the solid customer base in Industry and Medical & LifeScience, this provides a platform for continued stable development. Demand from Telecom will remain weak, and the aim therefore is to mainly base this business activity on partnerships with customers.

Semcon's outlook for the full year remains unchanged, i.e. that success with new business, combined with a continual overview and adaptation of the organisation to current market conditions, will lead to improved profitability compared to last year.

Other information

All figures are based on the same accounting principles and calculation periods used in the previous financial year. This interim report has been produced in accordance with recommendations and statements by the Swedish Financial Accounting Standards Council.

The Q3 report will be published on 23 October. For further information please contact CEO Hans Johansson on Tel. +46 (0)31 721 03 05, or mobile +46 (0)70591 43 34 or CFO Bengt Nilsson on Tel. +46 (0) 31 721 03 11, or mobile +46 (0)70 447 28 68.

Göteborg, Sweden, 21 August 2002

SEMCON AB (publ)

Audit report

We have audited this interim report in accordance with the Generally Accepted Auditing Standards in Sweden. An overall audit is significantly limited in relation to an audit. Nothing has come to our attention that should suggest that this interim report does not meet the requirements set out in the Swedish Companies Act.

Göran Ekström - Björn Grundvall

Authorised Public Accountant
Ernst & Young AB

Göteborg, Sweden, 20 August 2002

Semcon AB, Consolidated financial summary

Income statements (SEK 000s)	2002 April-June	2001 April-June	2002 Jan-June	2001 Jan-June	2001 Full-year
Operating income	334 040	317 712	632 262	604 466	1 126 628
Staff costs	- 229 283	-196 903	- 442 904	-392 311	-809 611
Other operating expenses	- 85 954	- 97 262	- 151 002	-150 030	-278 182
Operating profit before depreciation	18 803	23 547	38 356	62 125	38 835
Depreciation of tangible assets	-5 851	-6 142	-11 749	- 12 925	- 25 556
Depreciation of intangible assets	-296	-242	-588	-484	- 1 062
Operating profit before goodwill depreciation	12 656	17 163	26 019	48 716	12 217
Depreciation goodwill	-2 559	-1 676	-5 099	- 3 254	-6 567
Operating profit after depreciation	10 097	15 487	20 920	45 462	5 650
Net financial items	- 772	-1 038	- 1 216	- 1 526	-3 290
Profit after net financial items	9 325	14 449	19 704	43 936	2 360
Tax	- 1 835	-4 244	- 5 068	- 13 090	-1 409
Minority interest	2	61	- 1	79	411
Profit for the period	7 492	10 266	14 635	30 925	1 362
Number of shares	17 391 021	17 391 021	17 391 021	17 391 021	17 391 021
Earnings per share, SEK	0,43	0,59	0,84	1,78	0,08
EPS incl. 381 800 options, SEK	0,42	0,58	0,82	1,74	0,08

Balance sheets (SEK 000s)	30 June 2002	30 June 2001	31 Dec. 2001
Assets			
Intangible fixed assets	83 576	60 467	88 129
Tangible fixed assets	46 556	53 873	52 414
Financial assets	11 693	11 789	11 547
Other long-term receivables	8 113	-	8 113
Current assets	418 680	348 967	355 698
Total assets	568 768	475 096	515 901
Shareholders' equity and liabilities			
Shareholders' equity	164 414	174 943	148 921
Provisions	67 295	44 307	68 370
Minority shares	437	340	426
Long-term liabilities	68 382	22 014	62 924
Current liabilities	268 270	233 492	235 260
Total shareholders' equity and liabilities	568 768	475 096	515 901

Cash flow statements (SEK 000s)	2002 Jan-June	2001 Jan-June	2001 Full-year
Current activities	34 211	60 844	28 023
Change in working capital	-21 002	2 591	8 734
Investment activities	- 7 025	-14 244	-31 389
Financing activities	- 3 715	-7 563	-10 861
Change in liquid funds	2 469	41 628	-5 493

Changes in shareholders' equity (SEK 000s)	2002 Jan-June	2001 Jan-June	2001 Full-year
Shareholders' equity at period's start	148 921	148 637	148 637
Dividend paid	-	-8 669	- 8 669
Revaluation reserve	990	3 885	3 885
Deferred tax	-	-	3 875
New issue in connection with redemption of options	-	53	53
Exchange rate differences	- 132	113	- 222
Profit for the period	14 635	30 924	1 362
Shareholders' equity at period's end	164 414	174 943	148 921

Key figures	Note	2002 Jan-June	2001 Jan-June	2001 Full-year
Growth in sales, (%)		4.6	16.1	11.9
Operating margin, (%)	1	3.3	7.5	0.5
Return on average shareholders' equity, (%)	2	8.6	20.0	0.9
Return on average capital employed, (%)	3	9.7	30.3	3.3
Equity/assets ratio, (%)	4	28.9	36.8	28.9
Debt/equity ratio, (multiple)	5	0.42	0.13	0.42
Share of risk-bearing capital, (%)	6	35.6	45.2	36.4
Interest cover ratio, (multiple)	7	17.2	93.0	1.5
Earnings per share, (SEK)	8	0.84	1.78	0.08
EPS inc. 381 800 options, (SEK)	9	0.82	1.74	0.08
Shareholders' equity per share, (SEK)	10	9.45	10.06	8.56
Average number of employees	11	1639	1581	1585
Value added per employee, (SEK 000s)	12	279	271	507
Profit after net financial items per employee, (SEK 000s)	13	12.0	27.8	1.5
Investments in machinery and equipment, (SEK 000s)		6 162	12 165	24 991
Investments in subsidiaries' and associated companies' shares, (SEK 000s)		1 024	2 386	31 762
Number of shares		17 391 021	17 391 021	17 391 021

Notes:

1. Profit after depreciation as a percentage of operating income.
2. Net profit for the year as a percentage of average shareholders' equity.
3. Profit after net financial items plus financial expenses as a percentage of average capital employed.
4. Shareholders' equity as a percentage of the balance sheet total.
5. Interest bearing liabilities divided by the balance sheet total.
6. Shareholders' equity plus provisions, divided by the balance sheet total.
7. Profit after net financial items plus financial expenses divided by financial expenses.
8. Profit for the year divided by the number of shares issued.
9. Profit for the year divided by the number of shares issued plus options.
10. Shareholders' equity divided by the number of shares issued.
11. Average number of full-time employees.
12. Profit after depreciation plus payroll expenses and social security contributions divided by average number of full-time employees.
13. Profit after net financial items divided by the average number of full-time employees.

Other explanations:

Net profit for the year. Profit for the year after tax.

Capital employed. Shareholders' equity plus interest bearing liabilities.

Important events during the period

- Order worth around SEK 12 million from FMV, the Swedish Defence Matériel Administration
- Order worth around SEK 2 million from Kockums
- Order for Semcon's ER/ES logger from AstraZeneca
- Partnership agreement with Ericsson in Norway
- Investment in Industrial IT: 10 employees from Done Logistics employed by Semcon
- Significant framework agreements signed with AstraZeneca, Scania, Pharmadule/Emtunga, Saab Avionics and Nokia DK

Examples of assignments performed during the period

- | | |
|----------------------|---|
| ▪ Saab Automobile | e-learning project focused on interactive product information |
| ▪ Westinghouse atom | Development of oxide and diameter measurement system |
| ▪ Pharmacia | Validation of production equipment |
| ▪ Scania development | Complete responsibility for production technology for engine |
| ▪ Alstom | Project concerning durability of gas turbines |
| ▪ SonyEricsson | Purchasing and quality development work |
| ▪ Findus | Value flow analysis |

ⁱ ER/ES - Electronic records/Electronic signatures

ⁱⁱ FDA - Food & Drug Administration, directive 21, CFR Part 11