

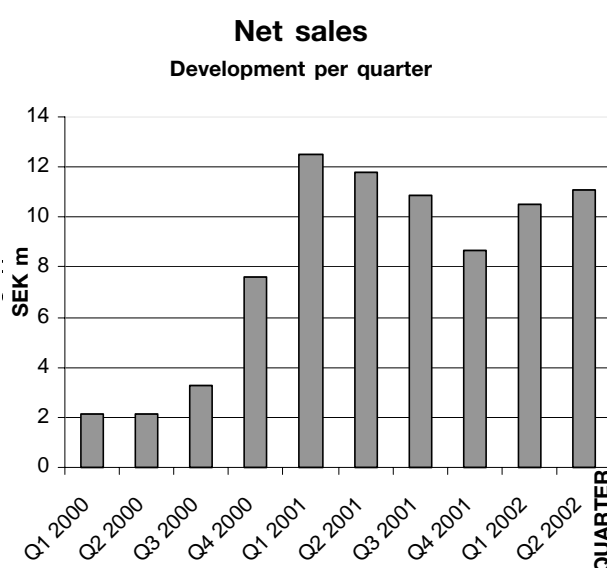
**Aspiro AB (publ)**

**Interim report January-June 2002**

- Net sales amounted to SEK 21.6 m (SEK 24.3 m).
- The result after financial items amounted to SEK -54.8 m (SEK -84,5 m).
- The company's liquid funds totaled SEK 36.6 m (SEK 78.6 m) at the end of the period.
- Aspiro signed 23 new sales agreements during the period including twelve in the last three months.
- In May, Aspiro secured its first sale involving MMS services, after which another two commercial MMS-contract have been signed.
- Håkan Persson took over as CEO and President in May.
- After the end of the period Aspiro acquired Picofun AB. The agreement doubles Aspiro's customer base and considerably expands the company's product range with, among other things, Java-based mobile games.
- After the end of the period, Aspiro decided to carry out additional cost savings. About 17 employees may be affected by the proposed measures.

## Net sales and result

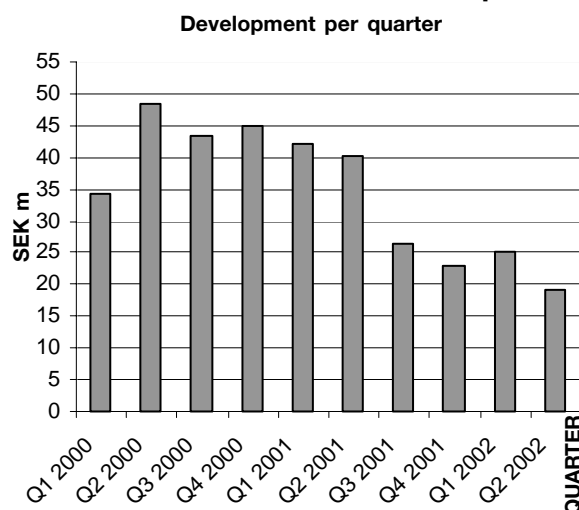
The Group's net sales during the first six months amounted to SEK 21.6 m (SEK 24.3 m). The second quarter's net sales amounted to SEK 11.1 m (SEK 11.8 m). Of total net sales for the period, 16 % (43%) are attributable to sales in Sweden, 64% (54%) in Europe, and 20% (3%) in the rest of the world.



The result after financial items amounted to SEK -54.8 m (SEK -84.5 m). The period's result has been affected by restructuring costs totaling SEK 5.6 m (during the comparative period the accounts included SEK 2.9 m, which represented a dissolution of provisions for restructuring costs) and a write-down in goodwill totaling SEK 3.8 m (SEK 16.4 m). Operating result excluding write-downs and restructuring costs rose by SEK 30.8 m compared with the same period last year.

The result after financial items for the second quarter amounted to SEK -25.0 m (SEK -52.7 m). Compared with the first quarter of 2002 operating result, excluding write-downs and restructuring costs, improved by SEK 7.5 m. Other external costs and personnel costs have been reduced by SEK 4.4 m and SEK 1.4 m respectively compared with the first quarter.

## Personnel- & other external expenses



The Board's decision to sell the company's Corporate Services and Mobile TextPhone business areas, as stated in the interim report for January-March 2002, has yet to affect the accounts. The sales are expected to have only a marginal effect on the Group's results.

Earnings per share amounted to SEK -1.55 (SEK -1.35). Earnings per share are effected by the write-down in deferred taxes reported in the second quarter as this key ratio is calculated based on the recorded result after tax. Outstanding option rights involve no dilution of the company's stock.

## Parent Company

The Parent Company's net sales during the period amounted to SEK 18.7 m (SEK 21.4 m) yielding a result after financial items of SEK -46.5 m (SEK -85.3 m).

## Investments

Group investments during the period amounted to SEK 0.8 m (SEK 8.8 m). Investments in tangible assets totaled SEK 0.8 m (SEK 4.8 m). Of total investments, SEK 0.7 m (SEK 3.9 m) related to finance leasing agreements.

## Liquidity and financing

Liquid assets amounted to SEK 36.6 m (SEK 78.6 m) at the end of the period.

## Aspiro's stock

Aspiro's stock has been traded on Stockholmsbörsen's O-list since June 2001.

The number of outstanding shares at the end of the period amounted to 86,037,811. If all outstanding option rights are exercised to subscribe for shares, the number of additional shares will amount to 1,015,750, each with a nominal value of SEK 0.02.

An extra general meeting of shareholders was held after the end of the report period on August 23 with the intention of authorizing an increase in the company's share capital through two new directed share issues for a total of 12,900,000 new shares in connection with the acquisition of Picofun AB. The new share issues will generate a dilution effect of approximately 15% for current shareholders.

## The Market

The market for mobile consumer services was dominated during the period by the prevailing financial crisis among telecommunication companies; lower forecasts for mobile phone usage and the risk that the rollout of 3G will be delayed still further.

There are, however, some positive signs that are to Aspiro's advantage:

- Operators' revenues from mobile data continue to rise, indicating a growing market.
- Greater availability of MMS-enabled phones and mounting interest among operators for MMS-based services stimulate market development. Despite this, however, Aspiro does not expect to see significant rises in its sales revenues from MMS-based services over the remainder of 2002.
- There is a growing tendency among mobile operators – particularly 3G operators – to buy mobile service from independent providers such as Aspiro instead of developing their own in-house services. The investment budgets of 3G operators also allow for the creation of a range of mobile services.

- Operators are increasingly demanding packet solutions, i.e. solutions that include services and marketing target at young people. Aspiro's range of games and entertainment services has been further strengthened by the acquisition of Picofun.

The market for Aspiro's SMS network remained stable. During the latter part of the period Aspiro elected to sell its SMS traffic processing services with higher profit margins which reduced risk exposure somewhat, but also slightly lowered traffic volumes. At the same time customers received a better quality of service.

## Sales

During the period Aspiro signed 23 new sales agreements, of which 13 involved text message processing. Aspiro had at the end of the period agreements with thirteen operators and portals in its business area Mobile Applications as well as some 45 text message processing customers. The acquisition of Picofun extended Aspiro's customer base for mobile applications by yet another 21 customers.

Aspiro's collaboration with Ericsson continues. Despite its current cost-savings program Ericsson's stated strategy of acting as a distributor for Aspiro's applications remains unchanged, and during the summer joint sales efforts were conducted in several European countries. The result of the Ericsson collaboration during the second quarter led to sales agreements with two European operators. In addition, trials of Aspiro's MMS-based services were carried out by some fifteen other operators of which several paid fees to extend trials.

Aspiro also signed three commercial agreements during the period for MMS-based mobile services. These include, among others, "Snapshot" and "Tarot Reading". In addition, Aspiro finalized its first sale of 3G services to Swedish operator Hi3G.

As a direct result of Aspiro's new business model the company experienced a slight drop in SMS traffic volumes, while maintaining the same level of contribution margin. Six new sales agreements were signed during the second quarter of the year.

## Personnel and organization

At the end of the period Aspiro employed a total of 50 (139) persons in 49.1 (131) full-time positions.

In March, Aspiro completed a restructuring program that lead to a reduction in the number of employees from 70 to 50 at the end of the period. The company's offices in Karlskrona were closed and its mobile services processing operations and customer support were contracted out to third parties.

Håkan Persson took over as Aspiro's new CEO on May 6.

## Events after the end of the period

Aspiro does not expect to see any drastic increase in demand for mobile services during the course of this year. In order to retain our position as a leading provider of mobile services and increase our market share Aspiro will continue with its strategy of consolidation. Additional cost-saving measures are necessary to adjust the company's costs to its earnings capacity.

The company has decided to adopt a comprehensive plan of action aimed at retaining its delivery capacity despite a reduction in employees. This will be achieved by, among other things, fewer internal development projects and the distribution of products and services via third parties. At the same time, Aspiro is introducing a new business model that will improve the profitability of each customer.

About 17 employees may be affected by the proposed measures. Negotiations with trade union representatives will begin immediately.

Total annual cost-savings from these measures are estimated at SEK 12-15 million.

In August, Aspiro acquired Picofun AB. Picofun is a leading distributor of mobile games and entertainment applications with a portfolio of some 80 different applications. It boasts a customer base of 27 mobile operators to whom Picofun delivers games and entertainment services regularly, thus complementing perfectly Aspiro's own existing portfolio of products and customer base. The acquisition of Picofun and its nine employees also gives Aspiro invaluable knowledge of the youth sector.

The acquisition was financed by two new non-cash share issues totaling 12.9 million shares and a cash purchase sum of SEK 5.5 million. At Aspiro's extra general meeting of stockholders, on August 23, authorization was given to increase the company's share capital through the issue of 12.9 million new shares. At the same meeting, Johan Lenander was elected as new board member of Aspiro's board of directors. The acquisition of Picofun will have a marginal effect on Aspiro's results and liquidity during 2002.

Aspiro is holding discussions with other companies that could further strengthen Aspiro's customer base and distribution network.

## Brief financial summary

	Q2 2002	Q1 2002	Q4 2001	Q3 2001	Q2 2001	Q1 2001	2001
Net Sales (SEK m)	11.1	10.5	8.7	10.9	11.8	12.5	43.9
Profit/loss after financial items (SEK m)	-25.0	-29.8	-87.5	-48.0	-52.7	-31.8	-220.0
Solidity (%)	61	77	77	74	82	85	77
Return on stockholders' equity	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Earnings per share (SEK)	-1.20	-0.35	-1.35	-0.74	-0.89	-0.46	-3.50
Average no. of shares outstanding (000s)	86,038	86,038	55,861	50,024	50,024	50,024	51,483
Average no. of shares outstanding and potential shares (000s)	87,054	87,704	59,289	53,472	53,472	53,472	54,926

## Income statement - Group

SEK thousand	Jan-June 2002	April-June 2002	Jan-June 2001	April-June 2001	Full year 2001
<b>Operating revenues</b>					
Net sales	21,641	11,123	24,334	11,807	43,944
Other operating income	952	503	1,091	341	1,620
<b>Operating expenses</b>					
Service and goods for resale	-16,649	-7,921	-10,096	-4,999	-20,680
Other external costs	-19,612	-7,586	-33,136	-16,992	-54,458
Personnel costs	-24,789	-11,704	-49,379	-23,356	-77,314
Depreciation of tangible assets	-2,887	-1,461	-3,600	-1,880	-7,566
Depreciation and write-down of intangible assets	-5,530	-4,587	-19,306	-17,829	-79,515
Restructuring costs	-5,583	-2,469	2,876	-	-26,266
Other operating expenses	-378	-169	-500	-214	-1,265
<b>Operating profit/loss</b>	<b>-52,835</b>	<b>-24,271</b>	<b>-87,716</b>	<b>-53,122</b>	<b>-221,500</b>
Interest and other financial income	1,213	437	3,648	644	4,511
Interest and other financial expenses	-2,160	-1,180	-434	-209	-3,056
<b>Profit/loss after financial items</b>	<b>-54,782</b>	<b>-25,014</b>	<b>-84,502</b>	<b>-52,687</b>	<b>-220,045</b>
Tax	-13	-	-12	-	-16
Deferred tax	-78,000	-78,000	16,900	8,000	39,902
<b>Net profit/loss for the period</b>	<b>-132,795</b>	<b>-103,014</b>	<b>-67,614</b>	<b>-44,687</b>	<b>-180,159</b>
Earnings per share (SEK)	-1.55	-1.20	-1.35	0.46	-3.50

## Balance Sheet - Group

SEK thousand	30/6 2002	30/6 2001	31/12 2001
<b>ASSETS</b>			
Intangible assets			
Goodwill	9,756	65,722	15,287
<i>Total intangible assets</i>	<i>9,756</i>	<i>65,722</i>	<i>15,287</i>
Tangible fixed assets			
Equipment	9,585	17,674	11,732
<i>Total tangible fixed assets</i>	<i>9,585</i>	<i>17,674</i>	<i>11,732</i>
Financial fixed assets			
Other shares	7,589	11,040	9,040
Deferred tax, income taxes recoverable	39,362	85,900	117,362
Other long-term receivables	135	272	138
<i>Total financial fixed assets</i>	<i>47,086</i>	<i>97,212</i>	<i>126,540</i>
<b>Total fixed assets</b>	<b>66,427</b>	<b>180,608</b>	<b>153,559</b>
Current receivables	26,192	21,183	24,662
Current investments	15,147	65,131	70,000
Cash and bank balance	21,429	13,472	25,897
<b>Total current assets</b>	<b>62,768</b>	<b>99,786</b>	<b>120,559</b>
<b>Total assets</b>	<b>129,195</b>	<b>280,394</b>	<b>274,118</b>
<b>STOCKHOLDERS' EQUITY AND LIABILITIES</b>			
Stockholders' equity			
Restricted equity	208,762	235,497	329,548
Non-restricted reserves/Accumulated deficit	2,857	60,713	61,018
Profit/loss for the period	-132,795	-67,614	-180,159
<b>Total stockholders' equity</b>	<b>78,824</b>	<b>228,596</b>	<b>210,407</b>
Provisions	11,886	6,526	19,530
Long-term liabilities	2,615	7,418	4,637
Short-term liabilities	35,870	37,854	39,544
<b>Total provisions and liabilities</b>	<b>50,371</b>	<b>51,798</b>	<b>63,711</b>
<b>Total stockholders' equity and liabilities</b>	<b>129,195</b>	<b>280,394</b>	<b>274,118</b>

## Cash flow analysis - Group

SEK thousand

	Jan-June 2002	Jan-June 2001	April-June 2002	April-June 2001	Full year 2001
<b>Operating activities</b>					
Profit/loss for the period	-132,795	-67,614	-103,014	-44,687	-180,159
Adjustments for items not included in the cash flow analysis	78,658	-4,021	78,824	9,391	47,141
<i>Cash flow from operating activities before changes in working capital</i>	<i>-54,137</i>	<i>-71,635</i>	<i>-24,190</i>	<i>-35,296</i>	<i>-133,018</i>
Cash flow from changes in working capital	-4,931	-5,456	219	5,628	-7,654
<b>Cash flow from operating activities</b>	<b>-59,068</b>	<b>-77,091</b>	<b>-23,971</b>	<b>-29,668</b>	<b>-140,672</b>
<b>Investment activities</b>					
Acquisition of subsidiaries	-	-	-	-	2,855
Acquisition of tangible fixed assets	-174	-282	-38	-	-533
Sales of tangible fixed assets	-	109	-	-	156
Change in financial fixed assets	-4	-3,539	-32	3	-3,395
<b>Cash flow from investment activities</b>	<b>-178</b>	<b>-3,712</b>	<b>-70</b>	<b>3</b>	<b>-917</b>
<b>Financing activities</b>					
New share issue/sales of options	-	129	-	61	78,231
<b>Cash flow from financing activities</b>	<b>-</b>	<b>129</b>	<b>-</b>	<b>61</b>	<b>78,231</b>
<b>Change in cash position</b>	<b>-59,246</b>	<b>-80,674</b>	<b>-24,041</b>	<b>-29,604</b>	<b>-63,358</b>
<b>Cash position opening balance</b>	<b>95,897</b>	<b>159,016</b>	<b>60,628</b>	<b>108,143</b>	<b>159,016</b>
Exchange rate difference in liquid funds	-75	261	-11	64	239
<b>Cash position closing balance</b>	<b>36,576</b>	<b>78,603</b>	<b>36,576</b>	<b>78,603</b>	<b>95,897</b>

## Quarterly results

SEK thousand

	Q2 2002	Q1 2002	Q4 2001	Q3 2001	Q2 2001	Q1 2001
<b>Operating revenues</b>						
Net sales	11,123	10,518	8,743	10,867	11,807	12,527
Other operating income	503	449	91	438	341	750
<b>Operating expenses</b>						
Services and goods for resale	-7,921	-8,728	-6,571	-4,013	-4,999	-5,097
Other external costs	-7,586	-12,026	-11,076	-10,246	-16,992	-16,144
Personnel costs	-11,704	-13,085	-11,833	-16,102	-23,356	-26,023
Depreciations and write-downs:						
Tangible assets	-1,461	-1,426	-1,963	-2,003	-1,880	-1,720
Intangible assets	-4,587	-943	-58,953	-1,256	-17,829	-1,477
Restructuring costs	-2,469	-3,114	-3,460	-25,682	-	2,876
Other operating expenses	-169	-209	-246	-519	-214	-286
<b>Operating profit/loss</b>	<b>-24,271</b>	<b>-28,564</b>	<b>-85,268</b>	<b>-48,516</b>	<b>-53,122</b>	<b>-34,594</b>
Interest and other financial income	437	776	103	760	644	3,004
Interest and other financial expenses	-1,180	-1,980	-2,358	-264	-209	-225
<b>Profit/loss after financial items</b>	<b>-25,014</b>	<b>-29,768</b>	<b>-87,523</b>	<b>-48,020</b>	<b>-52,687</b>	<b>-31,815</b>
Tax	-	-13	-2	-2	-	-12
Deferred tax	-78,000	-	12,002	11,000	8,000	8,900
<b>Net profit/loss for the period</b>	<b>-103,014</b>	<b>-29,781</b>	<b>-75,523</b>	<b>-37,022</b>	<b>-44,687</b>	<b>-22,927</b>

## Change in stockholders' equity 1/1 - 30/6 2002

SEK thousand

	Share capital	Restricted reserves	Non-restricted reserves	Profit/loss for the period	Total
Beginning of period in accordance with balance sheet	1,721	327,827	61,018	-180,159	210,407
Allocation for previous period's result		-120,786	-59,373	180,159	0
Translation difference for the period			1,212		1,212
Profit/loss for the period				-132,795	-132,795
Amount at end of period	1,721	207,041	2,857	-132,795	78,824

## Change in stockholders' equity 1/1 - 30/6 2001

SEK thousand

	Share capital	Restricted reserves	Non-restricted reserves	Profit/loss for the period	Total
Beginning of period in accordance with balance sheet	1,001	419,835	-1,274	-190,471	229,091
Changed accounting principles			10,000	59,000	69,000
Adjusted amount at beginning of period	1,001	419,835	8,726	-131,471	298,091
Allocation for previous period's result		-185,468	53,997	131,471	0
Stock options		129			68
Translation difference for the period			-2,010		-2,010
Profit/loss for the period				-67,614	-67,614
Amount at end of period	1,001	234,496	60,713	-67,614	228,596

### Comments to the accounts

This interim report has been prepared based on the Swedish Financial Accounting Standards Council's recommendation RR 20 regarding the reporting of interim reports. This interim report has been prepared applying the same accounting principles and method of calculation as the annual report for 2001. When accounting for deferred tax attributable to losses carried forward, a calculation has been made based on an estimate of the accumulated tax losses that could be expected to be utilized over the next three to four years. During the second quarter deferred taxes recoverable have been written down by SEK 78 m. The accumulated losses carried forward in the Group amounted to approximately SEK 430 m at the end of 2001.

Outstanding option rights do not at present lead to any degree of share dilution as the current subscription price is higher than the shares' actual value. The lowest issue price is SEK 26.90.

First-quarter results have been affected by restructuring costs totaling SEK 3.1 m. In the second quarter a total of SEK 2.5 m was recorded as restructuring costs of which personnel costs constituted the main part. The company's stated refocusing of its business operations has also affected the goodwill that was attributable to the acquisition of Midab Data AB (acquired at the beginning of 2000). Since this goodwill was mainly personnel-related, the value has been written-down to nil.

### Auditor's comments

I have reviewed this interim report on behalf of Aspiro AB (publ) and in doing so followed the recommendation issued by the Swedish Institute of Authorized Public Accountants (FAR). A review is considerably more limited in scope compared to an audit. I have found nothing to indicate that this interim report contravenes the laws of the Annual Accounts Act.

Ingvar Ganestam  
Authorized public accountant, Ernst & Young

### Report schedule for 2002

Interim report January-September 2002    October 29, 2002

*Malmö August 23, 2002*

Håkan Persson  
CEO  
Aspiro AB (publ)  
corporate identity number: 556519-9998

Aspiro offers mobile teleoperators, portals, companies and organizations a wide range of attractive services designed to meet the individual's needs for information, entertainment and communication via mobile media.

Founded in 1998, Aspiro is today an important player in the global mobile Internet market. Aspiro's business concept, organization and operations are based on many years of experience gained in the mobile telecommunications and IT sectors.

**For further information about Aspiro, please contact:**

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The CEO's regular letter to stockholders can be ordered by contacting [investor-relations@aspiro.com](mailto:investor-relations@aspiro.com).

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