

Interim report for the period 1 January – 30 June 2003

- Net sales for the period was SEK 268 (368) million, a decrease by 27% compared to last year.
- Net loss for the period was SEK –33 (-77) million, an improvement with SEK 44 million.
- Net loss per share was SEK –0,18 (-0,43).
- The consultancy business showed a positive operating profit for the period due to a comprehensive action program.
- The operating costs for the Group during the second quarter decreased by 39% compared to last year, or SEK 99 million to SEK 150 million.
- The operating loss for the Group, excluding items affecting comparability, improved by SEK 33 million in the second quarter compared to last year to SEK -11.0 (-43.9) million.
- After the end of the period, Enea's new capital stock issue was fully subscribed, which injected approximately SEK 81 million into the Group after issue costs.

The Market

The global market for investments in real-time operating systems has continued to stay stable at a low level. This is true of both the North American and the European markets, while the Asian market is showing continued high activity with many interesting business opportunities.

The market position for Enea's operating system is deemed to still be strong. Enea's operating system is a key component with many manufacturers of both infrastructure and telephones in the third generation of mobile telephony (3G). This is estimated to increase the license sales during 2005 at the latest.

The Swedish consultancy market still shows large regional variations with great demand in the Öresund region and weaker demand in Stockholm. The American consultancy market has continued to be weak over the quarter.

The second quarter

At the turn of the year 2002/2003, the restructuring and reorganization of the Enea Group that had previously been decided was largely complete. This entailed an integration of the product-related consulting services into what was previously OSE Systems. OSE Systems has changed name to Enea Embedded Technology and has the task of providing customers with both product licenses and consultant services. Product-independent consultancy operations are offered to the Swedish market within the framework of the Enea Systems area of business.

In the second quarter Enea Systems generated a pre-tax profit thanks to better capacity utilization and a better relation between salaries and consultant fees, while Enea Embedded Technology continued to show a loss, primarily due to a weak global product market.

The number of employees decreased by 20 full-time positions in the second quarter to 581 people. Compared with the same period last year the decrease covers 113 full-time positions.

In the generally weak market situation, the Group's operating revenues reduced during the second quarter by 27%, or SEK 52 million, to SEK 139 million. At the same time the Group's operating expenses excluding items affecting comparability reduced by 38% or SEK 99 million.

The profit/loss distributed per area of business area was as shown below:

Primary business segmentation

April – June (SEK million)	Net sales		Operating profit/loss		Profit/Loss after net financial income/expense	
	Actual 2003	Proforma 2002	Actual 2003	Proforma 2002	Actual 2003	Proforma 2002
Enea Systems*	71.5	103.7	3.8	-26.0	2.8	-27.1
Enea Embedded Technology**	74.3	92.1	-10.8	-16.0	-13.0	-16.0
Parent company, other	-6.8	-4.9	-11.2	-8.3	-7.5	-5.8
Enea Group	139.0	190.9	-18.3	-50.3	-17.8	-48.9

April – June (%)	Operating margin		Net profit margin	
	Actual 2003	Proforma 2002	Actual 2003	Proforma 2002
Enea Systems*	5%	-25%	4%	-26%
Enea Embedded Technology**	-15%	-17%	-17%	-17%
Parent company, other	-165%	-169%	-110%	-118%
Enea Group – Primary segment	-13%	-26%	-13%	-26%

* Includes Enea Systems and Enea Business Software

** Includes Enea Embedded Technology and Enea OSE Participations

Secondary business segmentation

April – June (SEK million)	Net sales		Operating profit/loss		Profit/Loss after net financial income/expense	
	Actual 2003	Proforma 2002	Actual 2003	Proforma 2002	Actual 2003	Proforma 2002
Scandinavia	99.2	107.1	-19.3	-39.1	-18.8	-35.0
Europe	6.0	8.4	-1.1	-5.7	-1.1	-6.1
North America	31.4	75.1	1.4	-3.0	1.4	-5.1
Asia	2.4	0.3	0.7	-2.5	0.7	-2.7
Others						
Enea Group	139.0	190.9	-18.3	-50.3	-17.8	-48.9

April – June (%)	Operating margin		Net profit margin	
	Actual 2003	Proforma 2002	Actual 2003	Proforma 2002
Scandinavia	-19%	-37%	-19%	-33%
Europe	-18%	-68%	-18%	-73%
North America	4%	-4%	4%	-7%
Asia	29%	-833%	29%	-900%
Others				
Enea Group – Secondary segment	-13%	-26%	-13%	-26%

The first half year

Primary business segmentation

January – June (SEK million)	Net sales		Operating profit/loss		Profit/Loss after net financial income/expense	
	Actual 2003	Proforma 2002	Actual 2003	Proforma 2002	Actual 2003	Proforma 2002
Enea Systems*	139.5	219.8	1.0	-44.0	-2.1	-46.8
Enea Embedded Technology**	142.7	162.6	-14.8	-56.0	-20.3	-56.0
Parent company, other	-14.5	-14.6	-18.0	-62.3	-8.5	35.0
Enea Group	267.7	367.8	-31.8	-162.3	-30.9	-67.8

January – June (%)	Operating margin		Net profit margin	
	Actual 2003	Proforma 2002	Actual 2003	Proforma 2002
Enea Systems*	1%	-20%	-1%	-21%
Enea Embedded Technology**	-10%	-34%	-14%	-34%
Parent company, other	-124%	-425%	-59%	239%
Enea Group – Primary segment	-12%	-44%	-12%	-18%

* Includes Enea Systems and Enea Business Software

** Includes Enea Embedded Technology and Enea OSE Participations

Secondary business segmentation

January – June (SEK million)	Net sales		Operating profit/loss		Profit/Loss after net financial income/expense	
	Actual 2003	Proforma 2002	Actual 2003	Proforma 2002	Actual 2003	Proforma 2002
Scandinavia	187.8	204.5	-39.8	-108.5	-38.9	-9.9
Europe	12.3	16.4	-3.0	-7.1	-3.0	-7.8
North America	64.0	146.0	10.5	-43.0	10.5	-46.1
Asia	3.6	0.9	0.5	-3.7	0.5	-4.0
Others						
Enea Group	267.7	367.8	-31.8	-162.3	-30.9	-67.8

January – June (%)	Operating margin		Net profit margin	
	Actual 2003	Proforma 2002	Actual 2003	Proforma 2002
Scandinavia	-21%	-53%	-21%	-5%
Europe	-25%	-43%	-25%	-48%
North America	16%	-29%	16%	-32%
Asia	13%	-404%	13%	-431%
Others				
Enea Group – Secondary segment	-12%	-44%	-12%	-18%

Investments

The Group's investments during the period amounted to SEK 1.7 (7.1) million.

Cash flow, liquidity and equity

Liquid assets amounted to SEK 57.3 (134.5) million at the end of the period and after the end of the period approximately SEK 81 million after issue costs was injected through Enea's new capital stock issue. The Group has no interest-bearing liabilities, which is why the cash balance is a positive net cash in hand.

Earnings per share

Earnings per share amounted to SEK -0:18 (-0:43).

Parent company Enea Data AB, other

The parent company's net sales during the period were SEK 0.0 (0.0) million and the loss after net financial income was SEK -8.5 (63.2) million. Last year's profit was attributable to the sales of holdings in Combitech Systems corresponding to a capital gain of SEK 91 million.

Net financial income in the parent company was SEK 4.5 (72.0) million. Liquid assets amounted to SEK 27.6 (83.0) million. The parent company's investments amounted to SEK 0.2 (1.9) million.

The number of employees in the parent company was 17 as of 30 June 2003.

The business area Enea Service Enabling Technology offers platforms for service development to mobile operators, including positioning solutions. It was started during the first quarter and its size does not as yet warrant separate financial accounting.

The number of employees in Enea Service Enabling Technology was 12 as of 30 June 2003.

Enea Embedded Technology

Enea Embedded Technology offers product licenses to use the Group's operating system OSE integrated with related consultant services. The business is primarily targeted to customers who develop their own systems and who wish to use Enea's real-time operating system OSE. The business is run through subsidiaries in Sweden, Germany, France, the U.K., the U.S. and Japan.

During the quarter a number of business deals have been made which affirms the strength of our offering covering both products and services. Among the most important customers over the quarter we can mention Ericsson, Nokia, Alcatel, Fujitsu, Philips, Motorola, Allen Telecom and Abbott Labs.

In the weak market, the sales in the second quarter decreased, compared to the second quarter last year, by 19% to SEK 74 million, 46% of which were product licenses. The operating loss still improved by SEK 5 million to SEK -11 million.

The number of employees was 263 as of 30 June 2003.

Enea Systems

Enea Systems offers product-dependent solutions to the Swedish market in the following areas:

- Health Care sector
- Testing
- Industrial sector
- Energy and public administration
- Uppsala/Enea Redina
- Linköping/Enea Epact
- Öresund.

During the quarter, customer projects have been carried out for Ericsson, ABB, Saab and the Swedish Medical Products Agency, among others.

Second quarter operating profit improved compared to second quarter last year as a result of higher capacity usage and lower salary costs by about SEK 30 million to SEK 4 million.

The number of employees was 289 as of 30 June 2003.

Accounting Principles

This interim report has been prepared in accordance with the Annual Accounts Act, and in accordance with the recommendations that came into effect on 1 January 2003, the accounting principles have been changed since our last Annual Report. The following Swedish GAAP accounting recommendations are now applied:

RR 15 Intangible assets
RR 22 Presentation of financial statements
RR 24 Investment property
RR 25 Segment reporting
RR 26 Events after balance sheet date
RR 27 Financial instruments
RR 28 Accounting for Government Grants and Disclosure of Government Assistance
RR 29 Employee benefits

The only material effects of the new recommendations apply to RR25 Segment reporting. RR15 Intangible assets, has not occasioned any capitalization of development costs.

Future Information

Interim report for the third quarter:	November 7, 2003
Preliminary Report on Earnings for 2003:	February 6, 2004

Ola Berglund
CEO

For more information, please contact:

Ola Berglund CEO, Enea Data, +46 (0) 8-507 140 00, ola.berglund@enea.se
Gunilla Spongh CFO, Enea Data, +46 (0) 8-507 140 00, gunilla.spongh@enea.se

Enea Data AB (5566209-7146), Nytorpsvägen 5, Box 232, SE-183 23 Täby, 08-507 140 00, www.enea.se

Income Statement (SEK million)

Group

	Jan-June 2003	Jan-June 2002	April-June 2003	April-June 2002	Jan-Dec 2002
Net sales licenses	65.7	104.5	34.1	64.6	198.9
Net sales consultants	<u>202.0</u>	<u>263.3</u>	<u>104.9</u>	<u>126.3</u>	<u>485.5</u>
Net sales	267.7	367.8	139.0	190.9	684.4
Other operating income	<u>18.4</u>	<u>29.2</u>	<u>4.3</u>	<u>18.3</u>	<u>31.3</u>
Operating income	286.1	397.0	143.3	209.2	715.7
Raw materials and consumables	-13.2	-24.3	-6.0	-17.8	-52.2
Other external costs	-53.0	-83.3	-22.9	-40.0	-181.0
Personnel costs	-220.5	-329.0	-112.1	-157.1	-585.4
Depreciation	-20.0	-31.3	-9.9	-14.2	-61.0
Items affecting comparability incl. goodwill impairment*	-7.3	-56.1	-7.3	-6.4	-189.1
Other operating costs	-3.9	-35.3	-3.3	-24.0	-34.8
Operating profit/loss	-31.8	-162.3	-18.3	-50.3	-387.8
<i>Financial income and expenses</i>					
Financial income**	1.5	95.1	1.1	1.9	96.6
Financial expenses	<u>-0.6</u>	<u>-0.6</u>	<u>-0.6</u>	<u>-0.5</u>	<u>-1.1</u>
Pre-tax profit/loss	-30.9	-67.8	-17.8	-48.9	-292.3
Tax on profit	-2.5	-9.6	-1.1	12.6	-19.7
Minority	<u>0.0</u>	<u>0.0</u>	<u>-0.1</u>	<u>0.0</u>	<u>0.0</u>
Net profit	-33.4	-77.4	-19.0	-36.3	-312.0
Earnings per share (SEK)	-0.18	-0.43	-0.10	-0.21	-1.75
Earnings per share with full dilution (SEK)	-0.18	-0.43	-0.10	-0.21	-1.75

* including goodwill impairment of SEK 45 million Q1 2002, SEK 173 million Year 2002

** including capital gains from Combitech sale of SEK 91 million Q1 2002

Balance Sheet (SEK million)

	Group		
	30 June 2003	30 June 2002	31 Dec 2002
ASSETS			
<u>Fixed assets</u>			
Intangible fixed assets	133.0	297.2	148.8
Tangible fixed assets	28.1	50.9	33.7
Financial assets	<u>2.6</u>	<u>27.4</u>	<u>3.6</u>
	163.7	375.5	186.1
<u>Current assets</u>			
Current receivables	248.6	193.0	172.2
Current investments	0.0	10.1	0.0
Cash and bank balances	<u>57.3</u>	<u>134.5</u>	<u>73.3</u>
	305.9	337.6	245.5
TOTAL ASSETS	469.6	713.1	431.6

STOCKHOLDERS' EQUITY AND LIABILITIES

Stockholders' equity	175.7	465.2	221.3
Minority interests	0.0	0.0	0.0
Provisions	0.6	3.8	0.0
Long-term liabilities *)	10.5	51.0	11.6
Current liabilities *)	<u>282.8</u>	<u>193.1</u>	<u>198.7</u>
TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES	469.6	713.1	431.6

*) Non-interest bearing

Change in Stockholders' Equity (SEK million)

	Group		
	Jan-June 2003	Jan-June 2002	Jan-Dec 2002
At the beginning of the period	221.3	561.7	561.7
New capital stock issue	0.0	0.0	0.1
Non-cash issue/New capital stock issue at premium	0.0	5.1	5.0
Own stocks	0.0	0.1	0.1
Translation difference for the period	-12.2	-24.3	-33.6
Profit/loss for the period	-33.4	-77.4	-312.0
At the end of the period	175.7	465.2	221.3

Cash Flow Analysis (SEK million)	Group				
	Jan-June 2003	Jan-June 2002	April-June 2003	April-June 2002	Jan-Dec 2002
Cash flow from business activities before change in working capital	-13,6	-55.0	-8,4	-14.4	-201.8
Cash flow from change in working capital	<u>-0,8</u>	<u>5.0</u>	<u>5,6</u>	<u>-7.7</u>	<u>90.4</u>
Cash flow from business activities	-14,4	-50.0	-2,8	-22.1	-111.4
Cash flow from investment activities	-1.7	79.7	-0.2	-6.0	79.2
Cash flow from financing activities	<u>0.0</u>	<u>5.1</u>	<u>0.0</u>	<u>0.0</u>	<u>5.1</u>
Cash flow for the period	-16,1	34.8	-3,0	-28.1	-27.1
Liquid funds at the beginning of the period	73.3	113.3	60.3	179.4	113.3
Exchange rate difference in liquid funds	<u>-0,1</u>	<u>-3.5</u>	<u>0,0</u>	<u>-6.7</u>	<u>-12.9</u>
Liquid funds at the end of the period	57.3	144.6	57.3	144.6	73.3

PERIOD IN SUMMARY – GROUP

	Jan- June 2003	Jan- June 2002	Jan-Dec 2002
Net sales (SEK million)	267.7	367.8	684.4
Sales (SEK million)	286.1	397.0	715.7
Operating profit/loss excl. items affecting comparability (SEK million)	-24.5	-106.2	-198.7
Operating profit/loss (SEK million)	-31.8	-162.3	-387.8
Profit/loss after financial items (SEK million)	-30.9	-67.8	-292.3
Operating margin %	-11.9	-44.1	-56.7
Net margin %	-11.6	-18.4	-42.7
Stockholders' equity (SEK million)	175.7	465.2	221.3
Balance sheet total (SEK million)	469.6	713.1	431.6
Capital employed (SEK million)	176.2	465.2	221.3
Equity/assets ratio %	37	65	51
Liquidity %	108	175	124
Earnings per share (SEK)	-0.18	-0.43	-1.75
Earnings per share with full dilution (SEK)	-0.18	-0.43	-1.75
Equity per share (SEK)	0.96	2.61	1.24
Number of outstanding shares as per balance day (thousands)	182 157	178 404	178 404
Number of outstanding shares with full dilution (thousands)	183 957	178 404	178 404
Average number of outstanding shares (thousands)	179 374	178 199	178 289
Average number of outstanding shares with full dilution (thousands)	180 178	178 199	178 289
Share price as per balance day (SEK)	1.40	2.07	1.53