

hms networks

INTERIM REPORT 2012

JANUARY - SEPTEMBER 2012

First nine months

- ❑ Net sales for the first nine months increased with 2 % reaching SEK 295 m (289), corresponding to a 1 % increase in local currencies
- ❑ Operating profit reached SEK 57 m (62), equal to a 20 % (22) operating margin
- ❑ Order intake for the first nine months increased to SEK 325 m (305) corresponding to a 6 % increase in local currencies
- ❑ Cash flow from operating activities amounted to SEK 63 m (41)
- ❑ Profit after taxes totaled SEK 42 m (46) and result per share amounted to SEK 3.78 (4.13)
- ❑ Net sales for the last twelve months amounted to SEK 389 m (380) corresponding to a 2 % increase in local currencies. Operating result amounted to SEK 67 m (82) corresponding to a 17 % (22) operating margin

Third quarter

- ❑ Net sales for the third quarter reached SEK 99 m (101) corresponding to a 2 % decrease and operating result reached SEK 23 m (24)
- ❑ Order intake during the third quarter was SEK 95 m (108)

Comment from the CEO

During the period we could see a mixed picture of the HMS markets with a relatively good North American market continuing its positive development to new record levels. We noticed a slow down on the European market during the period. The Japanese market is still irregular. Together the market is still cautious with uncertain conditions and we expect our customers will remain cautious until market conditions are more stable. Due to this situation and the strength of the Swedish currency HMS is now in a period of weaker growth.

HMS shows stability in reported figures and its financial position. With a focus on cost control we can now report at operating margin at 20 %, which is in line with our long term goal for profitability. This in combination with a continued in flow of design-wins allows us to continue with our long term strategic plan. The development of new technical platforms in the area of Safety and our new embedded platform continues according to plan.

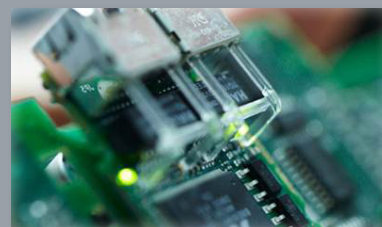
During the period HMS signed an important blanket agreement within Telecom applications for our Remote Management solution. This product is now close to a market break through and we expect to see exciting market opportunities in this area in the future.

Our market is still difficult to predict in the near future, which means that we will continue to balance our long term growth strategy with a cautious approach to our expansion of costs.

“Our solution for Remote Management, Netbiter, is close to a market break through.”



Staffan Dahlström
CEO for HMS Networks AB

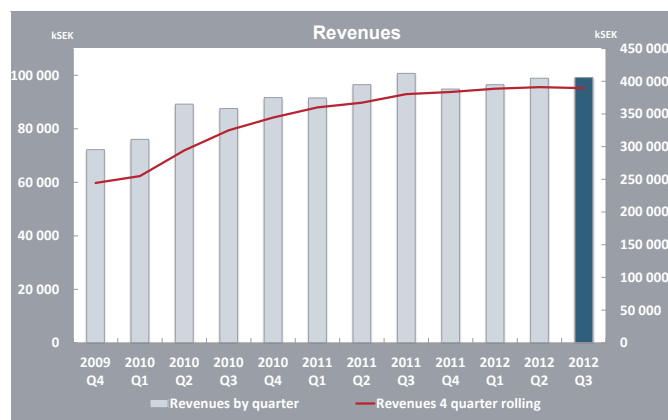


Quarterly data	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
	2012	2012	2012	2011	2011	2011	2011	2010
Net sales (SEK m)	99	99	96	95	101	97	92	92
Order intake (SEK m)	95	113	116	83	108	100	97	88
Operating profit (SEK m)	23	20	14	10	24	20	18	20
Gross margin (%)	59.9	60.6	61.9	60.8	60.6	61.3	59.6	60.4
Operating margin (%)	23.4	20.2	14.9	10.5	24.2	21.0	19.3	21.7
Return on capital (%)	16.2	17.7	17.6	18.6	21.6	22.1	22.6	23.2
Earnings per share (SEK)	1.49	1.36	0.94	0.71	1.67	1.34	1.11	1.31
Equity per share (SEK)	29.43	28.23	27.74	26.77	25.96	24.41	25.08	25.30
Cash flow for operating activities per share (SEK)	2.23	2.63	0.73	0.25	1.74	2.06	-0.08	2.27

Net sales

Net sales for the last twelve months amounted to SEK 389.4 m (380.4) corresponding to a 2.4 % increase. In total the revaluation of the Swedish currency in relation to the major HMS currencies had a SEK 1.5 m positive effect on net sales compared to the previous twelve month period. The order intake for the last four quarters amounted to SEK 407.4 m (392.3).

Net sales for the third quarter 2012 totaled to SEK 99.1 m (100.7), corresponding to a 1.6 % decrease compared to the same quarter the previous year. Adjusted for a SEK -3.2 m currency effect the volume increase was 1.6 % in local currencies. Order intake decreased with SEK 12.6 m to SEK 95.1 m (107.7), of which SEK 90.6 will be delivered during the upcoming twelve months. In local currencies order intake decreased with 8.7 %.

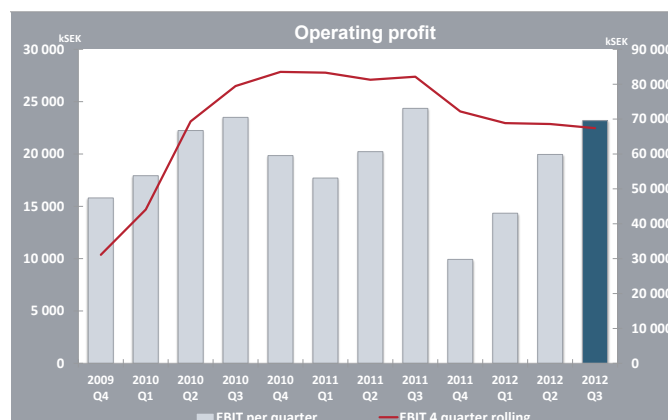


The graph shows turnover per quarter on the bars referring to the scale on the left axis. The line shows turnover for the latest 12 month period referring to the scale on the axis to the right.

Operating profit

Operating profit totaled to SEK 67.4 m (82.1) for the last four quarters, equivalent to an operating margin of 17.3 % (21.6). Currency effects had a positive impact on the operating result with SEK 2.3 m compared to the previous twelve month period.

The operating profit for the third quarter 2012 totaled to SEK 23.2 m (24.4), corresponding to a 23.4 % (24.2) operating margin. Changes in exchange rates had a SEK 1.6 m negative impact compared with the same period the previous year.



The graph shows operating result per quarter in the bars referring to the scale on the left axis. The line shows operating result for the last 12 month period referring to the scale on the axis to the right.

Tax

The tax charge for the first nine months was SEK 15.7 m (17.0). The tax charge for the current period has been calculated on the basis of the tax situation applying to the Group at present and the profit development of the reporting entities belonging to the Group.

Equity

The Group's equity amounted to SEK 333.3 m (289.5). The total number of shares at the end of the period was 11,322,400. The Group's equity/assets ratio improved to 81.1 % (73.5).

Change in Group Equity (SEK 000s)	Sep 30 2012	Sep 30 2011	Dec 31 2011
Balance at 1 january	298,543	285,815	285,815
Total comprehensive income for the period	44,524	22,243	53,261
Issue of new shares through warrants	15,289	0	0
Dividends	-25,094	-22,306	-22,306
Acquisition non-controlling interests	0	-18,227	-18,227
Closing balance	333,262	289,525	298,543

Currency effects

Assets and liabilities in foreign currencies are revaluated at closing date. Currency hedging contracts are revaluated at the date of closing and are also affecting the result on the date of expiration. Changes in book value due to revaluation of operating balance sheet items and currency hedging contracts are disclosed as other operating income and other operating expenses. Changes in book value related to assets in foreign currencies i.e. liquid funds, are disclosed as financial income and expenses. Net sales and expenses are affected by changes in exchange rates. This will have an impact on income and costs.

Net sales for the first nine months consist of 57 % in EURO, 25 % in USD, 10 % in Japanese Yen and 8 % in SEK and other currencies. Cost of goods sold consists of 44 % in EURO, 14 % in USD and 1 % in Japanese Yen. Operating expenses consists of 17 % in EURO, 8 % in USD, 7 % in Japanese Yen and 68 % of SEK and other currencies.

The Group applies a policy for currency hedging described in the annual report.

Cash flow, investments and financial position

Cash flow from operating activities in the first nine months 2012 amounted to SEK 62.9 m (41.5).

The investments in tangible assets for the first nine months totaled SEK 10.7 m (7.4). Investments in intangible assets for the period totaled SEK 19.5 m (7.6) and comprise internal development costs. The increase in intangible assets consists of continued development of our new embedded platform, new technical platforms within the safety area and customized projects.

At the end of the period the cash equivalents totaled SEK 25.4 m (31.0) and unutilized credit facilities SEK 30.5 m. The Group's net cash amounted to SEK 24.5 m (1.8). During the second quarter HMS distributed dividend payments to its shareholder equal to SEK 2.25 per share (2.00), in total SEK 25.1 m. During the third quarter a final amortization of the bank loan in the parent company was made. In total, SEK 24.1 m was amortized during 2012, including SEK 16.6 m in the third quarter.

Important events

- ❑ In January, HMS moved into new and extended office premises in Halmstad.
- ❑ HMS received the largest single order in the company's history, SEK 16 m.
- ❑ HMS received a SEK 2 m order from one of the leading manufacturers of industrial energy metering and monitoring in Europe.

- ❑ The 2009 stock option program was completed. In this program participants subscribed to 169,500 new shares in the Company.
- ❑ HMS shipped the 2 millionth Anybus module.
- ❑ HMS signed a blanket agreement worth SEK 6 m with one of Europe's leading manufacturer of industrial equipment.
- ❑ The 2012 Annual General Meeting was held at the Company's head office in Halmstad.
- ❑ HMS signed a global supplier agreement with a world leading supplier of technology to base stations for mobile telephony.
- ❑ HMS received a SEK 7 m order for development and delivery of Anybus network cards to one of Japans leading manufacturer of frequency converters.
- ❑ H.M. King Carl XVI Gustaf and Queen Silvia visited HMS head office in Halmstad.

Outlook

The HMS Group long term growth is supported by a continued inflow of design-wins, a broader product offering within the Gateway product family and Remote Management, the development of new generations of products, a strengthened customer focus and an expansion of the HMS sales channels according to the existing strategy.

The global market for HMS products is expected to remain weak. The market for the HMS product offering and the exchange rate development are still unpredictable but the HMS overall goals are unchanged: A long term average growth of 20 % per year and an operating margin above 20 %.

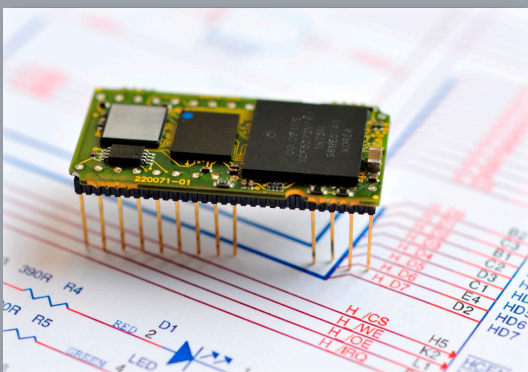
HMS Networks AB's share

HMS Networks AB (publ) is listed on the Nasdaq OMX Stockholm Small Cap list, in the Information Technology sector. The total number of shares amounted to 11,322,400.

During the second quarter participants in the stock option program decided by the 2009 Annual General Meeting subscribed to 169,500 new shares in the Company. The subscription price for each share was SEK 90.20 and the total dilution amounted to 1.5 %.

The parent company

The Parent Company's operations are primarily focused on Group-wide management and financing. Apart from the Group's CEO, the Parent Company has no employees. The operating profit for the first nine months 2012 amounted to SEK 0.4 m (0.7). Cash and cash equivalents amounted to SEK 0.1 m (0.1) and borrowing amounted to SEK 0.0 m (27.9).



Short of the company

Strategies

Growth strategy - HMS's main focus is on organic growth. Expansion on existing markets will be through improved and extended product ranges, new technology, high level of service and new sales channels. A certain degree of growth can be through the selective acquisition of businesses that will be a valuable complement to the company's organic growth strategy.

Development strategy - The Company's core expertise is made up of an extensive understanding of industrial network communication.

Product strategy - HMS markets three product lines, which to a certain degree are based on a common technical platform:

- ☐ Anybus Embedded - Embedded network interface cards
- ☐ Anybus Gateways - Communication translators between different networks
- ☐ Netbiter Remote Management - Remote monitoring and controlling of industrial devices

Production strategy - HMS maintains an in-house low-volume production of Anybus products in Halmstad. Volume production takes place in close partnership with subcontractors in Europe and Asia in order to achieve flexible costs and to make use of economies of scale.

Marketing strategy - The Anybus network interface cards are marketed and sold to players in industrial and infrastructure automation and Anybus Gateways to system integrators, machine manufacturers and end-users in industrial and infrastructure automation. Netbiter products are marketed and sold to a wide range of customers, from device manufacturers to owners of installations in need of remote management.

Sales strategy - Sales take place via the company's sales offices on defined key markets in 10 countries. Sales on the company's other markets, in some 50 countries, takes place via agents/ distributors.

Business model

HMS has designed its business models to fit each market and product line. For the Embedded market, most business is via framework agreements (i.e. design-wins). The sales cycle is relatively long and the design phase is performed in close cooperation with the customer. After that, there is steady revenue over a long period of time. For Gateways and Remote Management, the business model is more traditional, with a short business cycle and manufacturing based on customer orders.

HALMSTAD GÖTEBORG PUNE
COVENTRY BEIJING TOKYO
COPENHAGEN KARLSRUHE
MILAN MUMBAI CHICAGO

Accounting policies

This report has been prepared in accordance with International Financial Reporting Standards (IFRS) and IAS 34, for Interim Reporting. Amendments to existing standards, new interpretations and new standards that came into effect as of January 1, 2012 did not affect the Groups reporting as of September 30, 2012.

As of the first quarter 2012 customer orders related to development projects including future volume commitments and blanket agreements with estimated future volumes, are included in the period's order intake. As clarification, information about which part of the order intake that will be shipped during the following twelve months, is disclosed.

HMS continues to apply the same accounting principles and valuation methods as those described in the most recent Annual Report. The parent company report is prepared in accordance with RFR 2, accounting for legal entities, and the Swedish Annual Accounts Act and accounting principles and the valuation methods as those described in the most recent Annual Report.

Risk management

The HMS Group is exposed to business and financial risks through its operations. These risks have been described at length in the Company's annual report 2011. In addition to the risks described in these documents, no additional significant risks have been identified.

Nomination committee

In accordance with principles adopted at HMS 2012 annual general meeting, the following persons have been assigned to be a part of the Nomination Committee: Nicolas Hassbjer representing 29 % of the shares, Jan Svensson, Investment AB Latour, representing 22 % of the shares, Evert Carlsson, Swedbank Robur Fonder AB representing 10 % of the shares and Urban Jansson, Chairman of the Board. The Nomination Committee has appointed Jan Svensson as its Chairman.

Shareholders who wish to present proposals to HMS's Nomination Committee may do so by e-mail to: valberedning@hms.se or in writing to: HMS Networks AB, Investors Relations, Att: Nomination Committee, Box 4126, SE 300 04 Halmstad, Sweden no later than February 1, 2013.

Reporting occasions

- ☐ Year-end Report 2012 will be published on February 7, 2013
- ☐ Annual General Meeting will be held on April 19, 2013
- ☐ Q1 Report 2013 will be published on April, 19, 2013
- ☐ Half-year Report 2013 will be published on July 16, 2013
- ☐ Q3 Report 2013 will be published on October 16, 2013

Halmstad October 23, 2012

Staffan Dahlström
Chief Executive Officer

Further information can be obtained from:
CEO Staffan Dahlström, telephone +46 (0) 35-17 29 01 or
CFO Gunnar Högborg, telephone +46 (0) 35-17 29 95

Report of Review of Interim Financial Information

Introduction

We have reviewed this report for the period 1 January 2012 to 30 September 2012 for HMS Networks AB (publ). The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Halmstad October 23, 2012
PricewaterhouseCoopers

Olof Enerbäck
Authorised Public Accountant

Financial accounts

	Q3 2012	Q3 2011	Q1-Q3 2012	Q1-Q2 2011	Q1-Q4 2011	1110-1209 12 months
Net increase in revenue (%)	-1.6	15.0	2.0	14.2	11.3	2.4
Gross margin (%)	59.9	60.6	60.8	60.5	60.6	60.8
Operating margin EBIT (%)	23.4	24.2	19.5	21.6	18.8	17.3
Return on capital employed (%)*	21.4	26.5	21.4	26.5	23.2	21.4
Return on total equity (%)*	16.2	21.6	16.2	21.6	18.6	16.2
Working capital in relation to sales (%)*	8.9	7.6	8.9	7.6	8.3	8.9
Capital turnover rate	0.97	0.98	0.97	0.98	0.98	0.97
Debt/equity ratio	-0.07	-0.01	-0.07	-0.01	0.00	-0.07
Equity/assets ratio (%)	81.1	73.5	81.1	73.5	76.3	81.1
Capital expenditure in property, plant and equipment (SEK 000s)	1,273	2,632	10,679	7,428	9,341	12,592
Capital expenditure in intangible fixed assets (SEK 000s)	7,645	576	19,464	7,600	10,744	22,607
Depreciation of property, plant and equipment (SEK 000s)	-1,640	-1,243	-4,606	-3,597	-4,661	-5,670
Amortisation of intangible fixed assets (SEK 000s)	-1,200	-1,574	-3,514	-3,982	-5,539	-5,071
Number of employees (average)	240	224	238	208	213	235
Revenue per employee (SEK m)*	1.6	1.7	1.6	1.8	1.8	1.7
Total equity per share, SEK	29.43	25.96	29.43	25.96	26.77	29.43
Total equity per share, diluted, SEK	29.43	25.95	29.43	25.95	26.76	29.43
Cash flow from operations per share before dilution, SEK	2.23	1.74	5.60	3.72	4.13	6.01
Cash flow from operations per share after dilution, SEK	2.23	1.73	5.60	3.71	4.12	6.01
Basic number of shares, average, thousands	11,322	11,153	11,228	11,153	11,153	11,209
Number of shares, diluted average, thousands	11,322	11,157	11,232	11,173	11,169	11,213

* The key ratio has been translated into 12 months rolling value when applicable.

Income statements

(SEK 000s)	Q3 2012	Q3 2011	Q1-Q3 2012	Q1-Q3 2011	Q1-Q4 2011	1110-1209 12 months
Revenue	99,144	100,720	294,539	288,744	383,592	389,387
Cost of goods and services sold	-39,762	-39,658	-115,437	-113,937	-151,099	-152,599
Gross profit	59,382	61,062	179,102	174,807	232,493	236,788
Sales and marketing costs	-23,343	-20,991	-74,109	-64,431	-92,543	-102,222
Administrative expenses	-7,610	-7,147	-25,343	-22,888	-30,643	-33,098
Research and development costs	-5,385	-9,903	-21,192	-27,083	-36,725	-30,834
Other operating income	2,252	1,845	2,795	2,366	1,120	340
Other costs	-2,110	-505	-3,774	-484	-1,490	-3,572
Operating profit	23,186	24,360	57,478	62,288	72,213	67,403
Financial income	35	1,413	1,164	1,473	2,591	1,769
Financial costs	-122	-229	-446	-708	-1,036	-261
Profit before tax	23,100	25,544	58,196	63,053	73,768	68,911
Tax	-6,237	-6,906	-15,714	-17,033	-19,839	-18,520
Profit for the period	16,863	18,638	42,483	46,020	53,929	50,391
Basic earnings per share, SEK	1.49	1.67	3.78	4.13	4.84	4.50
Earnings per share, diluted, SEK	1.49	1.67	3.78	4.12	4.83	4.49

Statements of comprehensive income

(SEK 000s)	Q3 2012	Q3 2011	Q1-Q3 2012	Q1-Q3 2011	Q1-Q4 2011	1110-1209 12 months
Profit for the period	16,863	18,638	42,483	46,020	53,929	50,391
Other comprehensive income						
Income/expense recognized directly in equity						
Cash flow hedges	297	-1,516	3,344	-2,219	-1,035	4,528
Translation differences	-295	-193	-424	-143	94	-187
Income tax relating to components of other comprehensive income	-78	399	-880	584	273	-1,191
Other comprehensive income for the period, net of tax	-75	-1,309	2,041	-1,777	-668	3,150
Total comprehensive income for the period	16,787	17,329	44,524	44,243	53,261	53,541

Balance Sheets

(SEK 000s)	Sep 30 2012	Sep 30 2011	Dec 31 2011
ASSETS			
Goodwill	236,071	236,071	236,071
Other intangible assets	38,894	21,769	23,353
Property, plant and equipment	21,321	14,580	15,347
Deferred tax assets	726	763	770
Total fixed assets	297,012	273,182	275,541
Inventories	25,783	31,263	35,584
Trade and other receivables	45,815	47,663	42,781
Other current receivables	16,769	10,647	10,634
Cash and cash equivalents	25,367	30,984	26,573
Total current assets	113,734	120,558	115,572
TOTAL ASSETS	410,746	393,740	391,113
EQUITY AND LIABILITIES			
Equity	333,262	289,525	298,543
Liabilities			
Non-current liabilities	859	29,186	25,192
Deferred income tax liabilities	25,696	17,185	20,705
Total non-current liabilities	26,555	46,371	45,897
Trade payables	23,350	22,838	22,216
Other current liabilities	27,579	35,005	24,457
Total current liabilities	50,929	57,843	46,673
TOTAL EQUITY AND LIABILITIES	410,746	393,740	391,113

Cash flow statements

(SEK 000s)	Q3 2012	Q3 2011	Q1-Q3 2012	Q1-Q3 2011	Q1-Q4 2011	1110-1209 12 months
Cash flow from operating activities before changes in working capital	24,346	24,131	56,053	59,102	64,986	61,937
Cash flow from changes in working capital	953	-4,779	6,808	-17,631	-18,977	5,462
Cash flow from operating activities	25,299	19,352	62,861	41,471	46,009	67,399
Cash flow from investing activities	-8,919	-2,010	-30,144	-32,057	-37,114	-35,201
Cash flow from financing activities	-16,618	-3,608	-33,923	-33,414	-37,306	-37,815
Cash flow for the period	-238	13,734	-1,206	-24,000	-28,411	-5,617
Cash and cash equivalents at beginning of the period	25,605	17,250	26,573	54,984	54,984	30,984
Cash and cash equivalents at end of period	25,367	30,984	25,367	30,984	26,573	25,367

Changes in current receivables/liabilities related to derivate financial instruments are reported as cash flow from operating activities before changes in working capital.

Quarterly data

Revenue, per, region (SEK,000s)	Q3 2012	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q4 2009
EMEA	60,049	59,169	60,387	55,876	64,900	61,757	60,379	55,109	57,441	53,697	47,979	46,284
Americas	22,687	20,813	20,429	20,330	18,844	17,418	17,167	19,354	15,715	14,206	12,611	13,373
Asia	16,408	18,920	15,677	18,642	16,976	17,322	13,981	17,184	14,423	21,339	15,471	12,558

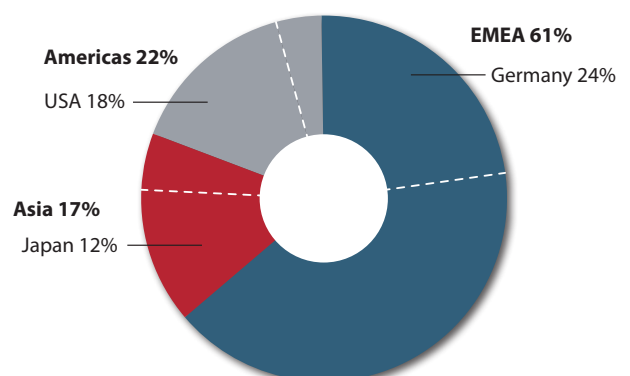
Income, statement, (SEK,000s)	Q3 2012	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Q4 2009
Revenue, (SEK, m)	99,144	98,902	96,493	94,848	100,720	96,498	91,527	91,647	87,579	89,242	76,061	72,215
Gross, profit	59,382	59,953	59,766	57,686	61,062	59,193	54,552	55,385	53,931	53,723	44,518	43,408
Gross, margin	59.9%	60.6%	61.9%	60.8%	60.6%	61.3%	59.6%	60.4%	61.6%	60.2%	58.5%	60.1%
Operating, profit	23,186	19,953	14,338	9,925	24,360	20,224	17,704	19,848	23,502	22,242	17,932	15,802
Operating, margin	23.4%	20.2%	14.9%	10.5%	24.2%	21.0%	19.3%	21.7%	26.8%	24.9%	23.6%	21.9%
Profit, before, tax	23,100	20,810	14,286	10,715	25,544	20,536	16,973	20,232	22,702	22,834	18,295	15,965

Sales

Sales by geographical area for the first nine months 2012 are presented in the graph to the right.

Embedded products reached 69 % of the Group's total sales, Gateway products 27 % and Remote Management amounted to 3 %.

All product groups are based on a common technology platform and are marketed and sold in the common sales channels. Therefore, no complete segment reporting is disclosed.



Parent company income statements

(SEK 000s)	Q3 2012	Q3 2011	Q1-Q3 2012	Q1-Q3 2011	Q1-Q4 2011	1110-1209 12 months
Revenue	1,878	1,701	6,247	5,823	7,428	7,852
Cost of sales and services	0	0	0	0	0	0
Gross profit	1,878	1,701	6,247	5,823	7,428	7,852
Administrative expenses	-1,785	-1,424	-5,892	-5,117	-6,589	-7,364
Operating profit	93	277	355	706	839	488
Interest expense and similar items	-93	-221	-355	-650	-839	-544
Profit before tax	0	56	0	56	0	-56
Tax	0	-15	0	-15	-8	-8
Profit for the period	0	41	0	41	-8	-64

Parent company balance sheets

(SEK 000s)	Sep 30 2012	Sep 30 2011	Dec 31 2011
ASSETS			
Financial fixed assets	244,039	244,039	244,039
Total financial fixed assets	244,039	244,039	244,039
Other receivables	419	318	444
Cash and cash equivalents	143	85	18
Total current assets	562	403	462
TOTAL ASSETS	244,601	244,442	244,501
EQUITY AND LIABILITIES			
Equity	123,292	133,147	133,098
Untaxed reserves	8	8	8
Liabilities			
Non-current liabilities	0	27,868	24,118
Trade payables	122	8	525
Liabilities to Group companies	119,154	81,511	85,769
Other current liabilities	2,025	1,900	983
Total current liabilities	121,301	83,419	87,277
TOTAL EQITY AND LIABILITIES	244,601	244,442	244,501

Definitions

Return on shareholders' equity

Share of profit after tax attributable to the parent company's shareholders in relation to the average shareholders' equity excluding non-controlling interests.

Return on capital employed

Share of the profit after financial income in relation to the average capital employed.

Capital employed

Total assets less non interest bearing current liabilities and provisions, as well as total deferred tax liabilities.

Capital turnover rate

Operating income in relation to total assets.

Earnings per share

Share of the profit after tax attributable to the parent company's shareholders in relation to the average number of outstanding shares.

Earnings per share after dilution

Share of the profit after tax attributable to the parent company's shareholders in relation to the average number of outstanding shares with addition for the average number of shares that are added when converting the outstanding number of convertible securities and options.

Working capital

Current assets less cash equivalents and current liabilities.

Operating margin

Operating income in relation to net sales.

Equity/assets ratio

Shareholders' equity in relation to total assets.

Net debt

Long-term and current financial liabilities less financial assets.

Net debt/equity ratio

Net debt in relation to shareholders' equity including non-controlling interests.

Total equity per share

Total equity attributable to the parent company's shareholders in relation to total outstanding shares by the end of the period.



HMS Networks (publ) is a world-leading supplier of communication technology for industrial automation. Sales for 2011 totaled SEK 384 million. Over 90% of these sales were to customers located outside Sweden. All product development and parts of the manufacturing are performed at the head office in Halmstad. Sales offices are located in Tokyo, Beijing, Karlsruhe, Chicago, Milan, Mulhouse, Pune, Coventry and Copenhagen. HMS has 240 employees and produces network interface cards and Gateways to interconnect different networks under the trademark Anybus® and products for remote management under the trademark Netbiter®. HMS is listed on the Nasdaq OMX Stockholm Small Cap list, in the Information Technology sector.



Our vision

“The vision of HMS is that all automation devices will be intelligent and networked. HMS shall be the market leader in connectivity solutions for industrial devices”.

Our purpose

“To create long term value for our customers, employees and investors”.

Our mission

“We provide world class solutions to connect industrial devices to networks and products enabling interconnection between different industrial networks”.