



Nolato AB (publ) six-month interim report 2011

Positive development for both Nolato Medical and Nolato Industrial

■ Second quarter of 2011 in brief

- Sales amounted to SEK 766 million (878)
- Operating income (EBITA) was SEK 53 million (69)
- Net income stood at SEK 35 million (52)
- Earnings per share were SEK 1.33 (1.98)
- Cash flow after investments was SEK -36 million (71)

■ First six months of 2011 in brief

- Sales amounted to SEK 1,525 million (1,624)
- Operating income (EBITA) was SEK 97 million (132)
- Earnings per share were SEK 2.39 (3.69)
- Cash flow after investments was SEK 75 million (71)

■ Group highlights

SEK millions unless otherwise specified	Q2 2011	Q2 2010	Q1 - Q2 2011	Q1 - Q2 2010	Rolling 12 months	Full year 2010
Net sales	766	878	1,525	1,624	3,276	3,375
Operating income (EBITDA) 1)	88	105	167	205	369	407
Operating income (EBITA) 2)	53	69	97	132	227	262
EBITA margin, %	6.9	7.9	6.4	8.1	6.9	7.8
Income after financial items	50	65	88	122	209	243
Net income	35	52	63	97	153	187
Earnings per share before and after dilution, SEK*	1.33	1.98	2.39	3.69	5.81	7.11
Adjusted earnings per share, SEK 3) *	1.41	2.01	2.51	3.80	6.08	7.37
Cash flow after investments, excl. acquisitions and disposals	- 36	71	75	71	234	230
Net investm. affecting cash flow, excl. acquisitions and disposals	31	45	55	69	126	140
Return on capital employed, %	—	—	16.4	18.4	16.4	18.4
Return on shareholders' equity, %	—	—	14.0	17.5	14.0	16.5
Equity/assets ratio, %	—	—	50	49	—	50
Net debt	—	—	111	43	—	34

*The company does not have any financial instrument programmes which involve any dilution in the number of shares.

1) Operating income (EBITDA): Earnings before interest, taxes, depreciation and amortisation.

2) Operating income (EBITA): Earnings before interest, taxes and amortisation of intangible assets arising from acquisitions.

3) Adjusted earnings per share: Net income, excluding amortisation of intangibles assets arising from acquisitions, divided by the average number of shares.

Second quarter 2011

- Sales amounted to SEK 766 million (878)
- Positive development for both Nolato Medical and Nolato Industrial
- Volumes within Nolato Telecom remain weak
- Operating income (EBITA) was SEK 53 million (69)

Sales

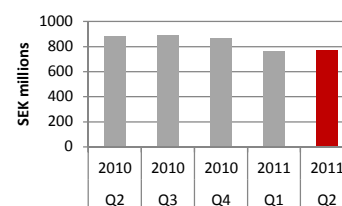
The Group's sales totalled SEK 766 million (878), representing a 13% drop compared with the corresponding period during the previous year. The acquired company Contour Plastics within Nolato Medical accounted for SEK 40 million. Currency exchange rate differences had a negative impact on sales of around 6%.

Nolato Medical saw sales increase by 27% to SEK 235 million (185). Organic growth amounted to 10% excluding currency effects. Including currency conversion effects, sales rose by 5%. Volumes were healthy and well in line with market growth.

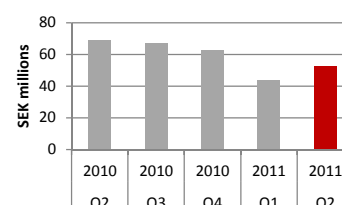
Nolato Telecom's sales fell by 43% to SEK 249 million (434), including the resale of components (touch screens) of approx. SEK 35 million (50). Excluding currency conversion effects, sales fell by 35%. Demand for the product portfolio remains weak, whilst the start-up of a number of projects has been deferred or cancelled, partly due to a component shortage.

Nolato Industrial's sales rose by 9% to SEK 283 million (259). Excluding currency conversion effects, sales increased by 12%. Demand has been strong and increased within most customer segments, particularly the automotive industry.

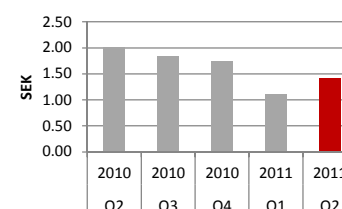
Sales



Operating income (EBITA)



Adjusted earnings per share



Income

The Group's operating income (EBITA) was SEK 53 million (69).

Nolato Medical's operating income (EBITA) was SEK 29 million (24), Nolato Telecom's was SEK 4 million (34) and Nolato Industrial's was SEK 27 million (23).

Nolato Medical's EBITA margin was 12.3% (13.0). Compared with the previous year, the margin was affected by the acquisition. Nolato Telecom's EBITA margin was 1.6% (7.8). Low levels of capacity utilisation and the deferral of new products have affected the margin. Nolato Industrial's EBITA margin was a healthy 9.5% (8.9). Strong demand within most customer segments and a high level of capacity utilisation contributed to the strong margin. Collectively, the Group's EBITA margin was 6.9% (7.9).

Sales, operating income (EBITA) and EBITA margin by business area

SEK millions	Sales Q2/2011	Sales Q2/2010	Operating inc. EBITA Q2/2011	Operating inc. EBITA Q2/2010	EBITA margin Q2/2011	EBITA margin Q2/2010
Nolato Medical	235	185	29	24	12.3%	13.0%
Nolato Telecom	249	434	4	34	1.6%	7.8%
Nolato Industrial	283	259	27	23	9.5%	8.9%
Intra-Group adj., Parent Co	- 1	—	- 7	- 12	—	—
Group total	766	878	53	69	6.9%	7.9%

Operating income (EBITA): Earnings before interest, taxes and amortisation of intangible assets arising from acquisitions.

Currency effects (transaction and conversion effects) affected income by SEK +2 million (-1).

Operating income (EBIT) was SEK 51 million (67).

Income after financial items was SEK 50 million (65). Net financial items included SEK +1 million (0) in currency exchange rate difference effects during the second quarter.

Net income was SEK 35 million (52). Earnings per share, before and after dilution, stood at SEK 1.33 (1.98). Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions were SEK 1.41 (2.01).

First six months 2011

Sales and earnings

The Group's sales during the first six months of 2011 totalled SEK 1,525 million (1,624), which was 6% lower than during the corresponding period of the previous year. Currency effects had a negative impact on sales of 6%.

Nolato Medical's sales rose by 26% to SEK 467 million (371), Nolato Telecom's sales fell by 33% to SEK 508 million (754), while Nolato Industrial's sales increased by 10% to SEK 551 million (500).

The Group's operating income (EBITA) amounted to SEK 97 million (132), whilst the EBITA margin was 6.4% (8.1). Operating income (EBIT) was SEK 93 million (128).

Income after financial items was SEK 88 million (122). Net financial items include currency exchange rate effects of SEK -1 million (-1).

Net income was SEK 63 million (97). Earnings per share, both before and after dilution, were SEK 2.39 (3.69). Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions were SEK 2.51 (3.80). The effective tax rate was 28% (20). The higher tax rate was the result of changes in earnings between countries in which the Group is active, in addition to new taxes for the undertaking in China.

The return on capital employed for the last twelve months was 16.4% (18.4% for the 2010 calendar year). The return on operating capital for the last twelve months was 18.6% (21.6% for the 2010 calendar year).

Nolato Medical

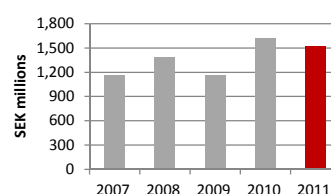
Sales and income Q1-Q2 (SEK millions)	2011	2010
Sales	467	371
Operating income (EBITA)	57	47
EBITA margin (%)	12.2	12.7
Operating income (EBIT)	54	44

Nolato Medical saw sales grow to SEK 467 million (371), which corresponds to an increase of 26%. Organic growth amounted to 10% excluding currency conversion effects. The trend in volumes was good for most of the business area's customer segments and the business has developed well in line with the growth in the market.

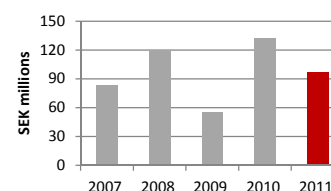
Operating income (EBITA) rose to SEK 57 million (47). The EBITA margin was 12.2% (12.7). Compared with the previous year, the margin was affected by the acquisition.

One year from the Nolato Medicals american acquisition, the business has developed positively and according to plan. Nolato Contour now also offers silicon production to medical customers in North America.

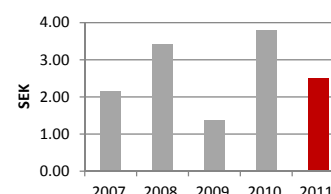
Sales six months



Operating income (EBITA) six months



Adjusted earnings per share six months



■ Nolato Telecom

Sales and income Q1-Q2 (SEK millions)	2011	2010
Sales	508	754
Operating income (EBITA)	0	66
EBITA margin (%)	0.0	8.8
Operating income (EBIT)	0	66

Nolato Telecom's sales fell by 33% to SEK 508 million (754), which includes the resale of components (touch screens) of approximately SEK 90 million (60). Excluding currency conversion effects, sales fell by 26%. After a strong start to the year, demand for the existing product portfolio fell markedly. During the second quarter, the start-up of a number of new projects was either deferred or cancelled, partly due to a shortage of electronic components as a result of the natural disaster in Japan.

Operating income (EBITA) fell to SEK 0 million (66). The EBITA margin was 0% (8.8). Low volumes have resulted in very weak profitability.

■ Nolato Industrial

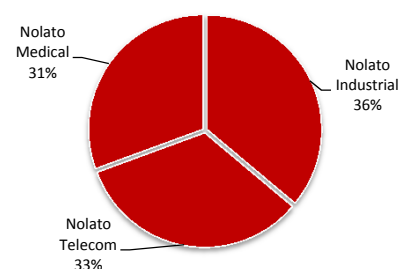
Sales and income Q1-Q2 (SEK millions)	2011	2010
Sales	551	500
Operating income (EBITA)	52	40
EBITA margin (%)	9.4	8.0
Operating income (EBIT)	51	39

Nolato Industrial's sales rose by 10% to SEK 551 million (500). Strong demand, advanced market positions and new products contributed to an increase in sales. Excluding currency conversion effects, sales rose by 13%.

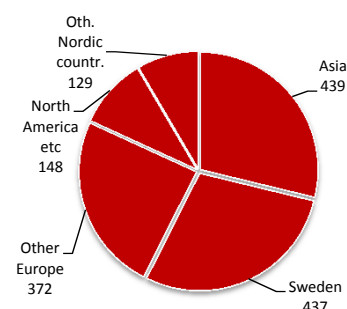
Operating income (EBITA) was SEK 52 million (40), with a strong EBITA margin of 9.4% (8.0). A high level of capacity utilisation has positively affected the margin.

As previously stated, the business area has established a small production unit in Romania. Production has commenced and is progressing according to plan.

■ Business areas' share of sales Q1-Q2 2011



■ Sales by geographic markets Q1-Q2 2011 (SEK millions)



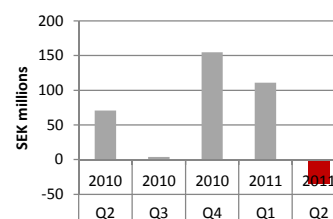
Cash flow

Cash flow before investments totalled SEK 130 million (140). The change in working capital was a positive SEK 9 million (-26). Cash flow after investments was SEK 75 million (71). Net investments affecting cash flow totalled SEK 55 million (69). The requirement for operating capital increased during the second quarter.

Financial position

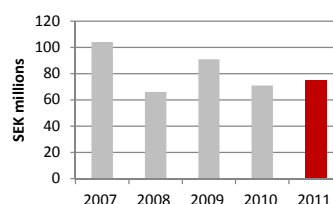
Interest-bearing assets totalled SEK 139 million (186) and interest-bearing liabilities and provisions totalled SEK 250 million (229). Net debt amounted to SEK 111 million (43). Shareholders' equity stood at SEK 1,063 million (1,125). The equity/assets ratio was 50% (49). During the second quarter, dividends totalling SEK 158 million (79) were paid to shareholders.

Cash flow after investments



Excluding acquisitions and disposals

Cash flow after investments first six months



Excluding acquisitions and disposals

Consolidated performance analysis

SEK millions	Q2 2011	Q2 2010	Q1 - Q2 2011	Q1 - Q2 2010	Rolling 12 months	Full year 2010
Net sales	766	878	1,525	1,624	3,276	3,375
Gross income excl. depreciation/amortisation	137	165	264	320	571	627
<i>As a percentage of net sales</i>	<i>17.9</i>	<i>18.8</i>	<i>17.3</i>	<i>19.7</i>	<i>17.4</i>	<i>18.6</i>
Costs	- 49	- 60	- 97	- 115	- 202	- 220
<i>As a percentage of net sales</i>	<i>6.4</i>	<i>6.8</i>	<i>6.4</i>	<i>7.1</i>	<i>6.2</i>	<i>6.5</i>
Operating income (EBITDA)	88	105	167	205	369	407
<i>As a percentage of net sales</i>	<i>11.5</i>	<i>12.0</i>	<i>11.0</i>	<i>12.6</i>	<i>11.3</i>	<i>12.1</i>
Depreciation and amortisation	- 35	- 36	- 70	- 73	- 142	- 145
Operating income (EBITA)	53	69	97	132	227	262
<i>As a percentage of net sales</i>	<i>6.9</i>	<i>7.9</i>	<i>6.4</i>	<i>8.1</i>	<i>6.9</i>	<i>7.8</i>
Amortisation of intang. assets arising from acquisitions	- 2	- 2	- 4	- 4	- 9	- 9
Operating income (EBIT)	51	67	93	128	218	253
Financial items	- 1	- 2	- 5	- 6	- 9	- 10
Income after financial items	50	65	88	122	209	243
Tax	- 15	- 13	- 25	- 25	- 56	- 56
<i>As a percentage of income after financial items</i>	<i>30.0</i>	<i>20.0</i>	<i>28.4</i>	<i>20.5</i>	<i>26.8</i>	<i>23.0</i>
Net income	35	52	63	97	153	187

Financial position

SEK millions	30/06/2011	30/06/2010	31/12/2010
Interest-bearing liabilities, credit institutions	157	136	180
Interest-bearing pension liabilities	93	93	93
Total borrowings	250	229	273
Cash and bank	- 139	- 186	- 239
Net debt	111	43	34
Working capital	128	176	145
<i>As a percentage of sales (avg.) (%)</i>	<i>4.6</i>	<i>4.4</i>	<i>4.1</i>
Capital employed	1,313	1,354	1,452
<i>Return on capital employed (avg.) (%)</i>	<i>16.4</i>	<i>18.4</i>	<i>18.4</i>
Shareholders' equity	1,063	1,125	1,179
<i>Return on shareholders' equity (avg.) (%)</i>	<i>14.0</i>	<i>17.5</i>	<i>16.5</i>

■ The tax situation in China

With effect from 2011 onwards, China has introduced new taxes and duties for foreign companies which are expected to increase Nolato's tax cost by around SEK 5 – 10 million annually. During the period 2008 - 2010, Nolato enjoyed a tax rate of 15% in China as a result of its "High-Tech Status". The application process for this status for the period 2011 - 2013 is currently under way and notification is anticipated during the third quarter. The tax rate for the first six months has been determined assuming that Nolato will continue to be accorded "High-Tech Status" (15% tax rate in China), but with a supplement for the new non-profit based taxes from 2011 onwards.

■ Personnel

The average number of employees during the period was 5,749 (7,855). The reduction in the number of employees is attributable to Nolato Telecom in China, as a result of lower volumes.

■ Significant risks and uncertainty factors

The business risks and risk management of the Group and the Parent Company, along with the management of financial risks, are described in the 2010 Annual Report on pages 32 – 33 and in Note 4 on pages 49 – 50.

No significant events have occurred during the period which would significantly affect or change these descriptions of the Group and the Parent Company's risks or the management thereof.

■ Events after the balance sheet date

No significant events have occurred since the end of the period.

■ Ownership and legal structure

Nolato AB (publ), Swedish corporate identity number 556080-4592, is the Parent Company of the Nolato Group.

Nolato's B shares have been listed on the NASDAQ OMX Nordic Exchange in the Stockholm Mid Cap segment since 1 January 2011, where they are included under the information technology sector.

The number of shareholders increased by 1% during 2011 and totalled 7,948 as of 30 June. The largest shareholders were the Paulsson family with 12%, the Jorlén family with 10%, the Boström family with 9%, Lannebo Fonder with 9%, Svolder with 5% and Skandia Fonder with 4% of the share capital. The ten largest shareholders hold 60% of the capital and 80% of the votes.

■ The Parent Company

Sales totalled SEK 13 million (12). The increase in sales is a result of higher costs levied on subsidiaries. Income after financial items amounted to SEK 119 million (1). The improved result is primarily the result of higher dividends from subsidiaries.

■ Accounting and valuation principles

Nolato's consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU.

The consolidated accounts have been prepared in accordance with the same principles as those applied to the Annual Report, which are described in the 2010 Annual Report on pages 45–48.

The consolidated year-end report has been prepared in accordance with IAS 34 (Interim Financial Reporting). The applicable provisions of the Swedish Annual Accounts Act and the Swedish Securities Market Act have also been applied.

The Parent Company year-end report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, in line with the provisions of RFR 2, Accounting for Legal Entities.

The new or revised IFRS standards or IFRIC interpretations that entered into force on 1 January 2011 have not had any material effect on the Group's income statements or balance sheets.

The Board of Directors and the President give their assurance that this interim report provides a true and fair view of the operations, financial position and earnings of the company and the Group, and describe the significant risks and uncertainty factors faced by the company and the companies included in the Group.

Torekov 20 July 2011

Fredrik Arp
Chairman of the Board

Gun Boström
Board member

Henrik Jorlén
Board member

Erik Paulsson
Board member

Lars-Åke Rydh
Board member

Anna Malm Bernsten
Board member

Hans Porat
Board member
President

Magnus Bergqvist
Board member
Employee representative

Eva Norrman
Board member
Employee representative

Björn Jacobsson
Board member
Employee representative

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- Per-Ola Holmström, CFO, phone +46431 442293.

The information contained in this interim report is the information which Nolato must make public in accordance with the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. This information was made public on 20 July 2011 at 15:00 pm.

This report has been reviewed by the Company's auditors.

■ Review report

Introduction

I have reviewed the summary interim financial information (interim report) for Nolato AB (publ) as at 30 June 2011 and the six-month period ending on that date. It is the Board of Directors and the President who are responsible for the preparation and accurate presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. My responsibility is to express a conclusion on this interim report based on my review.

Focus and scope of review

I have conducted my review in accordance with the Standard on Review Engagements (SÖG) 2410, Review of Interim Financial Information 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 different in focus and considerably less far-reaching in focus and scope than an audit conducted in accordance with the Standards on Auditing in Sweden (RS) and other generally accepted auditing practices. The procedures performed in a review do not enable me to obtain a level of assurance that would make me aware of all significant circumstances that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the attached interim financial report has not been prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act in terms of the Group, and in accordance with the Swedish Annual Accounts Act in terms of the Parent Company.

Torekov 20 July 2011

Alf Svensson
Authorised public accountant

■ Consolidated income statement (summary)

SEK millions	Q2 2011	Q2 2010	Q1 - Q2 2011	Q1 - Q2 2010	Rolling 12 months	Full year 2010
Net sales	766	878	1,525	1,624	3,276	3,375
Cost of goods sold	- 660	- 748	- 1,325	- 1,375	- 2,839	- 2,889
Gross profit	106	130	200	249	437	486
Other operating income	3	1	5	1	9	5
Selling expenses	- 19	- 19	- 36	- 37	- 75	- 76
Administrative expenses	- 39	- 44	- 76	- 82	- 154	- 160
Other operating expenses	0	- 1	0	- 3	1	- 2
	- 55	- 63	- 107	- 121	- 219	- 233
Operating income	51	67	93	128	218	253
Financial items	- 1	- 2	- 5	- 6	- 9	- 10
Income after financial items	50	65	88	122	209	243
Tax	- 15	- 13	- 25	- 25	- 56	- 56
Net income	35	52	63	97	153	187
All earnings are attrib. to the Parent Co.'s shareholders						
Depreciation/amortisation	37	38	74	77	151	154
Earnings per share before and after dilution (SEK)	1.33	1.98	2.39	3.69	5.81	7.11
Number of shares at the end of the period	26,307,408	26,307,408	26,307,408	26,307,408	26,307,408	26,307,408
Average number of shares	26,307,408	26,307,408	26,307,408	26,307,408	26,307,408	26,307,408

■ Consolidated comprehensive income (summary)

SEK millions	Q2 2011	Q2 2010	Q1 - Q2 2011	Q1 - Q2 2010	Rolling 12 months	Full year 2010
Net income	35	52	63	97	153	187
Other comprehensive income						
Translation differences for the period	7	23	- 20	21	- 58	- 17
Cash flow hedges	- 3	0	- 1	0	1	2
Tax attributable to cash flow hedges	0	0	0	0	0	0
Other comprehensive income, net of tax	4	23	- 21	21	- 57	- 15
Total comp. income for the period attributable to the Parent Co.'s shareholders	39	75	42	118	96	172

■ Consolidated balance sheet (summary)

SEK millions	30/06/2011	30/06/2010	31/12/2010
Assets			
Fixed assets			
Intangible fixed assets	431	370	441
Tangible fixed assets	689	693	718
Other securities held as fixed assets	2	2	2
Other long-term receivables	1	1	1
Deferred tax assets	31	34	30
Total fixed assets	1,154	1,100	1,192
Current assets			
Inventories	221	254	222
Accounts receivable	515	680	616
Other current assets	86	74	81
Cash and bank	139	186	239
Total current assets	961	1,194	1,158
Total assets	2,115	2,294	2,350
Shareholders' equity and liabilities			
Shareholders' equity	1,063	1,125	1,179
Long-term liabilities and provisions ¹⁾	201	194	203
Short-term liabilities and provisions ¹⁾	851	975	968
Total liabilities and provisions	1,052	1,169	1,171
Total shareholders' equity and liabilities	2,115	2,294	2,350
¹⁾ Interest-bearing/non-interest-bearing liabilities and provisions:			
Interest-bearing liabilities and provisions	250	229	273
Non-interest-bearing liabilities and provisions	802	940	898
Total liabilities and provisions	1,052	1,169	1,171

■ Changes in consolidated shareholders' equity (summary)

SEK millions	Q1 - Q2 2011	Q1 - Q2 2010	Full year 2010
Shareholders' equity at the beginning of the period	1,179	1,086	1,086
Total comprehensive income for the period	42	118	172
Dividends	- 158	- 79	- 79
Shareholders' equity at the end of period attrib. to Parent Co's shareholders	1,063	1,125	1,179

During 2011, a dividend totalling SEK 158 million was paid to the Parent Company's shareholders, corresponding to an ordinary of SEK 3.00 and extra of SEK 3.00, totalling SEK 6.00 per share. The Group does not have any incentive programmes resulting in a dilutive effect.

Consolidated cash flow statement (summary)

SEK millions	Q2 2011	Q2 2010	Q1 - Q2 2011	Q1 - Q2 2010	Rolling 12 months	Full year 2010
Cash flow from op. activities bef. changes in work. cap.	61	90	121	166	295	340
Changes in working capital	- 66	26	9	- 26	65	30
Cash flow from operations	- 5	116	130	140	360	370
Cash flow from investment activities	- 31	- 45	- 55	- 69	- 272	- 286
Cash flow before financing activities	- 36	71	75	71	88	84
Cash flow from financing activities	- 82	- 16	- 170	- 63	- 117	- 10
Cash flow for the period	- 118	55	- 95	8	- 29	74
Liquid funds at the beginning of the period	254	124	239	172	—	172
Exchange rate difference in liquid funds	3	7	- 5	6	—	- 7
Liquid funds at the end of the period	139	186	139	186	—	239

Earnings per share

SEK millions	Q2 2011	Q2 2010	Q1 - Q2 2011	Q1 - Q2 2010	Rolling 12 months	Full year 2010
Net income	35	52	63	97	153	187
Adjusted earnings:						
Amortisation of intangible assets arising from acquis.	2	2	4	4	9	9
Tax on amortisation	0	- 1	- 1	- 1	- 2	- 2
Adjusted earnings	37	53	66	100	160	194
Average number of shares *	26,307,408	26,307,408	26,307,408	26,307,408	26,307,408	26,307,408
Earnings per share before and after dilution (SEK) *	1.33	1.98	2.39	3.69	5.81	7.11
Adjusted earnings per share (SEK) *	1.41	2.01	2.51	3.80	6.08	7.37

* The company does not have any ongoing financial instrument programmes which involve any dilution in the number of shares.

Five-year overview

	2010	2009	2008	2007	2006
Net sales (SEK millions)	3,375	2,602	2,824	2,421	2,702
Operating income (EBITA) (SEK millions)	262	166	240	197	79
EBITA margin (%)	7.8	6.4	8.5	8.1	2.9
Operating income (EBIT) (SEK millions)	253	158	232	190	78
Income after financial items (SEK millions)	243	148	216	171	69
Net income (SEK millions)	187	123	178	150	48
Return on capital employed (%)	18.4	12.1	18.4	16.3	7.4
Return on shareholders' equity (%)	16.5	11.5	18.4	18.0	5.9
Equity/assets ratio (%)	50	51	50	46	46
Earnings per share (SEK)	7.11	4.68	6.77	5.70	1.82
Adjusted earnings per share (SEK)	7.37	4.90	6.99	5.32	6.08

■ Quartely data (summary)

		Q1	Q2	Q3	Q4	Full year
Net sales (SEK millions)	2011	759	766	—	—	—
	2010	746	878	887	864	3,375
	2009	606	557	653	786	2,602
Operating income (EBITDA) (SEK millions)	2011	79	88	—	—	—
	2010	100	105	103	99	407
	2009	56	77	84	126	343
Operating income (EBITA) (SEK millions)	2011	44	53	—	—	—
	2010	63	69	67	63	262
	2009	16	39	48	63	166
EBITA margin (%)	2011	5.8	6.9	—	—	—
	2010	8.4	7.9	7.6	7.3	7.8
	2009	2.6	7.0	7.4	8.0	6.4
Operating income (EBIT) (SEK millions)	2011	42	51	—	—	—
	2010	61	67	65	60	253
	2009	14	37	46	61	158
Income after financial items (SEK millions)	2011	38	50	—	—	—
	2010	57	65	60	61	243
	2009	6	42	42	58	148
Net income (SEK millions)	2011	28	35	—	—	—
	2010	45	52	47	43	187
	2009	4	29	33	57	123
Cash flow after inv., excl. acq. and disp. (SEK millions)	2011	111	– 36	—	—	—
	2010	0	71	4	155	230
	2009	56	35	– 31	79	139
Earnings per share before and after dilution (SEK)	2011	1.06	1.33	—	—	—
	2010	1.71	1.98	1.78	1.64	7.11
	2009	0.15	1.10	1.26	2.17	4.68
Adjusted earnings per share (SEK)	2011	1.10	1.41	—	—	—
	2010	1.79	2.01	1.83	1.74	7.37
	2009	0.23	1.14	1.29	2.24	4.90
Return on total capital (%)	2011	10.9	10.0	—	—	—
	2010	10.2	11.3	11.5	11.3	11.3
	2009	9.4	8.8	7.1	7.5	7.5
Return on capital employed (%)	2011	17.6	16.4	—	—	—
	2010	16.1	18.4	18.6	18.4	18.4
	2009	14.7	13.7	11.3	12.1	12.1
Return on operating capital (%)	2011	20.6	18.6	—	—	—
	2010	18.0	20.8	20.5	21.6	21.6
	2009	16.5	14.4	12.7	13.9	13.9
Return on shareholders' equity (%)	2011	14.6	14.0	—	—	—
	2010	14.9	17.5	18.6	16.5	16.5
	2009	14.2	13.0	11.2	11.5	11.5

■ Quartely data business areas

Net sales (SEK millions)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2011	232	235	—	—	—
	2010	186	185	202	235	808
	2009	178	177	159	178	692
Nolato Telecom	2011	259	249	—	—	—
	2010	320	434	444	377	1,575
	2009	226	183	309	372	1,090
Nolato Industrial	2011	268	283	—	—	—
	2010	241	259	241	253	994
	2009	206	197	185	236	824
Group adjustments, Parent Company	2011	—	– 1	—	—	—
	2010	– 1	—	—	– 1	– 2
	2009	– 4	—	—	—	– 4
Group total	2011	759	766	—	—	—
	2010	746	878	887	864	3,375
	2009	606	557	653	786	2,602

Operating income (EBITA) (SEK millions)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2011	28	29	—	—	—
	EBITA-margin (%)	12.1	12.3	—	—	—
	2010	23	24	25	28	100
	EBITA-margin (%)	12.4	13.0	12.4	11.9	12.4
	2009	24	23	20	22	89
	EBITA-margin (%)	13.5	13.0	12.6	12.4	12.9
Nolato Telecom	2011	– 4	4	—	—	—
	EBITA-margin (%)	– 1.5	1.6	—	—	—
	2010	32	34	32	24	122
	EBITA-margin (%)	10.0	7.8	7.2	6.4	7.7
	2009	0	32	24	30	86
	EBITA-margin (%)	0.0	17.5	7.8	8.1	7.9
Nolato Industrial	2011	25	27	—	—	—
	EBITA-margin (%)	9.3	9.5	—	—	—
	2010	17	23	21	18	79
	EBITA-margin (%)	7.1	8.9	8.7	7.1	7.9
	2009	– 1	– 7	9	18	19
	EBITA-margin (%)	– 0.5	– 3.6	4.9	7.6	2.3
Group adjustments, Parent Company	2011	– 5	– 7	—	—	—
	2010	– 9	– 12	– 11	– 7	– 39
	2009	– 7	– 9	– 5	– 7	– 28
Group total	2011	44	53	—	—	—
	EBITA-margin (%)	5.8	6.9	—	—	—
	2010	63	69	67	63	262
	EBITA-margin (%)	8.4	7.9	7.6	7.3	7.8
	2009	16	39	48	63	166
	EBITA-margin (%)	2.6	7.0	7.4	8.0	6.4

Depreciation/amortisation (SEK millions)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2011	14	16	—	—	—
	2010	12	12	13	16	53
	2009	11	11	11	12	45
Nolato Telecom	2011	13	10	—	—	—
	2010	16	14	14	13	57
	2009	18	16	15	40	89
Nolato Industrial	2011	10	11	—	—	—
	2010	11	12	11	10	44
	2009	13	13	12	13	51
Group total	2011	37	37	—	—	—
	2010	39	38	38	39	154
	2009	42	40	38	65	185

■ Group financial highlights

	Q2 2011	Q2 2010	Q1 - Q2 2011	Q1 - Q2 2010	Rolling 12 months	Full year 2010
Net sales (SEK millions)	766	878	1,525	1,624	3,276	3,375
Sales growth (%)	- 13	58	- 6	40	7	30
Percentage of sales outside Sweden (%)	72	77	72	75	73	76
Operating income (EBITDA) (SEK millions)	88	105	167	205	369	407
Operating income (EBITA) (SEK millions)	53	69	97	132	227	262
EBITA margin (%)	6.9	7.9	6.4	8.1	6.9	7.8
Income after financial items (SEK millions)	50	65	88	122	209	243
Profit margin (%)	6.5	7.4	5.8	7.5	6.4	7.2
Net income (SEK millions)	35	52	63	97	153	187
Return on total capital (%)	—	—	10.0	11.3	10.0	11.3
Return on capital employed (%)	—	—	16.4	18.4	16.4	18.4
Return on operating capital (%)	—	—	18.6	20.8	18.6	21.6
Return on shareholders' equity (%)	—	—	14.0	17.5	14.0	16.5
Equity/assets ratio (%)	—	—	50	49	—	50
Debt/equity (%)	—	—	24	20	—	23
Interest coverage ratio (times)	16	22	18	24	19	25
Net investments affecting cash flow, excl. acq. and disposals (SEK millions)	31	45	55	69	126	140
Cash flow after investments, excl. acq. and disposals (SEK millions)	- 36	71	75	71	234	230
Net debt (SEK millions)	—	—	111	43	—	34
Earnings per share before and after dilution (SEK)	1.33	1.98	2.39	3.69	5.81	7.11
Adjusted earnings per share (SEK)	1.41	2.01	2.51	3.80	6.08	7.37
Cash flow per share (SEK)	- 1.37	2.70	2.85	2.70	8.89	8.74
Shareholders' equity per share (SEK)	—	—	40	43	—	45
Average number of employees	—	—	5,749	7,855	—	7,563

Definitions

Return on total capital

Income after financial items plus financial expenses as a percentage of average total capital in the balance sheet.

Return on capital employed

Income after financial items plus financial expenses as a percentage of average capital employed. Capital employed consists of total capital less non-interest-bearing liabilities and provisions.

Return on operating capital

Operating income as a percentage of average operating capital. Operating capital consists of total capital less non-interest-bearing liabilities and provisions, less interest-bearing assets.

Return on shareholders' equity

Net income as a percentage of average shareholders' equity.

EBITA margin

Operating income (EBITA) as a percentage of net sales.

Adjusted earnings per share

Net income, excluding amortisation of intangible assets arising from acquisitions, divided by the average number of shares.

Cash flow per share

Cash flow before financing activities, divided by average number of shares.

Net debt

Interest-bearing liabilities and provisions less interest-bearing assets.

Earnings per share

Net income, divided by average number of shares.

Interest coverage ratio

Income after financial items plus financial expenses, divided by financial expenses.

Operating income (EBITDA)

Earnings before interest, taxes and depreciation/amortisation.

Operating income (EBITA)

Earnings before interest, taxes and amortisation of intangible assets arising from acquisitions.

Operating income (EBIT)

Income before tax, financial income and expenses.

Debt/equity ratio

Interest-bearing liabilities and provisions divided by shareholders' equity.

Equity/assets ratio

Shareholders' equity as a percentage of total capital in the balance sheet.

Profit margin

Income after financial items as a percentage of net sales.

■ Parent Company income statement (summary)

SEK millions	Q2 2011	Q2 2010	Q1 - Q2 2011	Q1 - Q2 2010	Rolling 12 months	Full year 2010
Net sales	6	7	13	12	24	23
Other operating income	2	0	4	0	8	4
Selling expenses	-3	-3	-5	-6	-14	-15
Administrative expenses	-11	-16	-21	-27	-37	-43
Operating income	-6	-12	-9	-21	-19	-31
Result from shares in Group companies	77	1	125	21	203	99
Financial income	3	1	5	4	10	9
Financial expenses	3	-2	-2	-3	-3	-4
Income after financial items	77	-12	119	1	191	73
Appropriations	—	—	—	—	-32	-32
Tax	1	4	2	6	10	14
Net income	78	-8	121	7	169	55
Depreciation/amortisation	0	0	0	0	0	0

■ Parent Company balance sheet (summary)

SEK millions	30/06/2011	30/06/2010	31/12/2010
Assets			
Tangible fixed assets	1	0	0
Financial fixed assets	956	946	877
Deferred tax assets	8	4	6
Total fixed assets	965	950	883
Other receivables	131	107	251
Cash and bank	53	3	105
Total current assets	184	110	356
Total assets	1,149	1,060	1,239
Shareholders' equity and liabilities			
Shareholders' equity	799	686	837
Untaxed reserves	125	93	125
Other provisions	3	5	2
Long-term liabilities	17	17	17
Current liabilities	205	259	258
Total shareholders' equity and liabilities	1,149	1,060	1,239
Collateral pledged	—	—	—
Contingent liabilities	99	92	92

Transactions with related parties:

Related party	Period	Services sold	Services bought	Interest income	Interest expenses	Res. from shares in Group comp.	Rec. fr. rel. part. on bal. sh. date	Liab. to rel. part. on bal. sh. date
Subsidiary	Jan-Jun 2011	13	-5	4	-1	125	573	120
Subsidiary	Jan-Jun 2010	12	-7	4	—	21	308	131

None of the company's Board members or senior executives currently has, or has previously had, any direct or indirect involvement in any business transaction with the company which is, or was, of an unusual character in terms of its conditions. Nor has the Group issued any loans, pledged any guarantees or entered into any surety arrangements for any of the company's Board members or senior executives.

