

# *Anoto*

QUARTERLY REPORT

Q4 / 2013

Anoto Group AB is a global leader in digital writing solutions, which enables fast and reliable transmission of handwriting into a digital format. Anoto operates worldwide through a global partner network that delivers user-friendly digital writing solutions for efficient capture, transmission, distribution and storage of data. Anoto is currently in use across multiple business segments, e.g. healthcare, banking and finance, transportation and logistics and education. The Anoto Group has around 100 employees and is headquartered in Lund (Sweden). The company also has offices in Guildford, Basingstoke and Wetherby (UK), Amsterdam (NL), Boston (US) and Tokyo (Japan). The Anoto share is traded on the Small Cap list of NASDAQ OMX Stockholm under the ticker ANOT.

This report was published February 6, 2014 at 08.50 CET

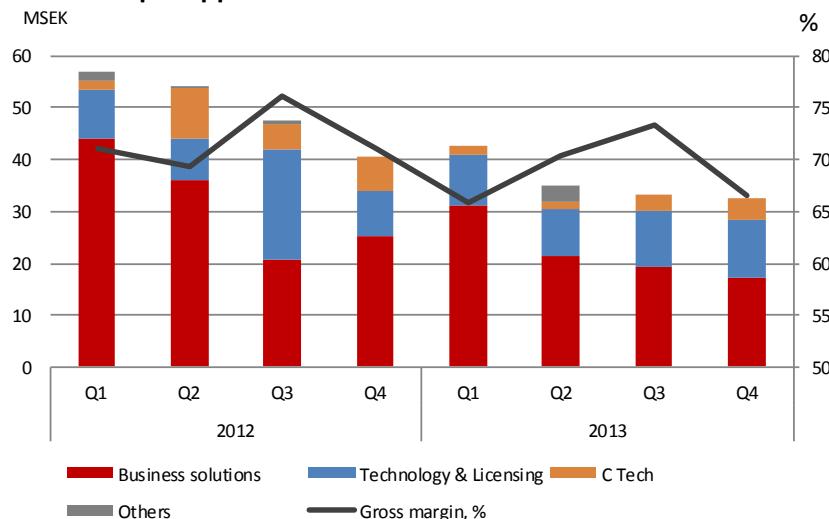
For more information: [www.anoto.com](http://www.anoto.com)

## REPORT JANUARY – DECEMBER 2013

- Net sales in the period amounted to MSEK 144 (199) and Net sales for the fourth quarter were MSEK 33 (41).
- The Gross margin for the period was 68% (72) and Gross margin for the fourth quarter was 61 (76)%. Gross profit for the period was MSEK 97 (144) and Gross profit for the fourth quarter was MSEK 20 (29).
- Earnings before depreciations and amortizations (EBITDA) for the period was MSEK -79 (-26) and EBITDA for the fourth quarter was MSEK -16 (-18).
- The Result after tax for the period was MSEK -168 (-45) including a goodwill write-down of MSEK 69 and Result after tax for the fourth quarter was MSEK -93 (-24) in including a goodwill write-down of MSEK 69.
- Earnings per share before and after dilution for the period was SEK -1.03 (-0.33) and for the fourth quarter SEK -0.42 (-0.17).
- Cash flow during the period was MSEK 2 (-18) and Cash flow for the fourth quarter was MSEK 3 (-5). Cash flow from operating activities before changes in working capital in the period was MSEK -88 (-28) and Cash from operating activities before changes in working capital for the fourth quarter was MSEK -19 (-19). Cash flow from financing activities during the period was MSEK 98 (3) and Cash flow from financing activities during the fourth quarter was MSEK 42 (0).

Key ratios	2013	2012	2013	2012
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales, MSEK	33	41	144	199
Gross profit/loss	20	29	97	144
Gross margin, %	61	71	68	72
Operating profit/loss, MSEK	-90	-23	-163	-42
Profit/loss after tax, MSEK	-93	-24	-168	-45
Earnings per share				
before and after dilution, SEK	-0,42	-0,17	-1,03	-0,33
Cash flow, MSEK	3	-5	2	-18
Cash at end of period, MSEK	7	5	7	5

**Net sales per application area**



## Comments from the CEO

Revenues in Q4 were 33.3 MSEK compared to 33.4 MSEK in Q3. Gross margin was 61% compared to 73% in Q3. Operating expenses were 36.3 MSEK in Q4 compared to 44.0 MSEK in Q3. We reached our OPEX target following the re-organization in Sweden. EBITDA was -16.0 MSEK compared to -19.6 MSEK in Q3. Cash flow for the quarter was 3.4 MSEK, including 54 MSEK of proceeds from the 65 MSEK rights offering in December. Remaining 11 MSEK gross proceeds from the rights offering was received after year end close. The bridge loan entered into in July from Ewig Industries of 13,8 was repaid in December. Included in working capital at year end was a large inventory of 31,600 DP 201 digital pens for business solutions.

In the fourth quarter we decided to write down the goodwill, MSEK 69, related to the purchase of 30% of the shares in Anoto AB from Ericson in 2001. The write down was made following changes in the operations leading to weaker cash flows from the cash generating unit.

Sales in Q4 were disappointing and below expectations. Despite our significant efforts to focus our business on markets and market segments where paper is used for legal, compliance, economic or work habit reasons we have not been able to compensate for the loss of partners in our eco-system. Although our strategy has been to work more closely with larger partners many small partners contributed to sales in the past. Tablet solutions are capturing an increasing market share in developed markets for structured data input and is pushed by all major IT companies. Therefore we have concentrated our efforts to the UK where we have a stronger direct presence especially within healthcare for providing solutions to significantly improve efficiency, reduce costs whilst freeing more time to care for the patients. On December 9<sup>th</sup> the Nurse Tech Fund was released for NHS trusts to apply for a first tranche of GBP 30 million out of the total GBP 100 million plan. Deadline for trusts to submit their applications was set to January 15<sup>th</sup>, 2014. The second tranche of GBP 70 million will be released after April 1<sup>st</sup>, 2014. The announcement slowed down sales in the UK in Q4. However based upon the number of applicants and the increase in activity to access funds from the program we expect a significant positive effect in Q1 2014.

In other markets we continue to work more closely with select partners, including new partners and larger companies to address the need to rationalize paperwork without change in work practice. As an example we delivered a solution together with partner Habitual Data for 500 users for a national police force in Latin America.

Our investments together with OEM partners within business segments education, voting and screens did still not yet materialize into significant revenues although we saw several signals of an increasing positive momentum. TStudy is building a back log of orders for the Chinese education market which is now expected to materialize in 2014. Panasonic started pre-marketing of the Toughpad 4K UT-MB5 with Anoto Touch Pen. The product will initially be marketed to customers within B2B automotive, healthcare, construction and design. Livescribe launched Livescribe 3 and received a large number of positive reviews resulting in demand exceeding supply in the quarter. The product is sold in Apple stores world- wide as well as online and select retail stores. Our partner within voting did not yet announce a date for release of their first applications which we expect will happen during 2014.

### OUTLOOK

We are in the process of consolidating our two operating units in the UK and to capitalize on synergies. We expect business to improve in the first quarter based upon NHS incentives in the UK plus increasing business from OEM partners. After the release of Panasonic's 20 inch tablet with embedded digital writing functionality we see an increasing interest from other companies to evaluate Anoto's technology for screens. We do see a large potential to expand our business with leading screen manufacturers based upon our ability to combine high accuracy and performance with low cost and easier integration, both for smaller and larger screens. The financial situation is still challenging and we continue our efforts to improve efficiency with limited resources and improve working capital.



Stein Revelsby  
CEO  
Anoto Group

## A PARTNER DRIVEN BUSINESS MODEL

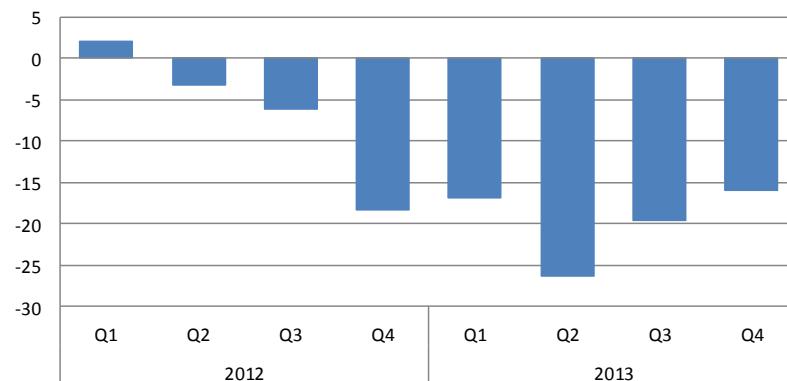
Anoto's business is organized in three business areas: Business Solutions, Technology Licensing (education, note taking, voting, screens) and C Technologies. These three areas generate income in five different categories - licensing, royalty, digital pens, components, NRE (Non Refundable Engineering) and other.

### Net sales per product group

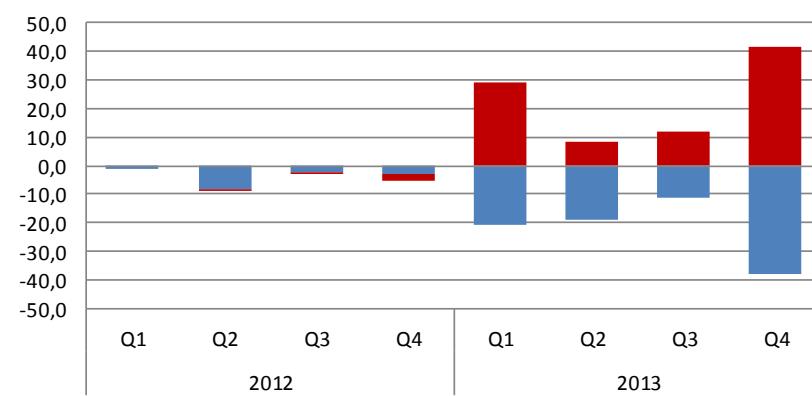
MSEK	2013	2012	2013	2012
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Licenses	6	6	30	46
Royalty	5	7	19	21
Digital pens*	16	25	76	108
NRE	2	2	10	5
Other	5	1	10	19
<b>Total</b>	<b>33</b>	<b>41</b>	<b>144</b>	<b>199</b>

\*Digital pens include the C-Pen

### EBITDA 2011-2013 (MSEK)



### Cash flow 2011-2013 (MSEK)



■ Cash flow from operating activities ■ Cash flow from other activities

## BUSINESS SOLUTIONS

*Business Solutions focuses on systems, products and services that target businesses, primarily in the field of forms processing and data capture. The offering is Pen Solutions which includes solutions for creating a form in digital format, digital processing of handwritten forms and automatic generation of a digital version of a document with handwritten signatures and notes. Anoto has an indirect business model and markets its products through partners, such as system integrators, software developers and IT consulting firms, all of which offer customized solutions with Anoto technology to their customers.*

Q4 was a disappointing quarter and below our expectations for business solutions. Net sales during the quarter amounted to MSEK 17 which was MSEK 8 below the same quarter previous year. We shipped 6,300 pens to partners and customers within business solutions in the quarter. In 2013 we shipped a total of 33,300 pens to business solutions partners and end-users compared to 52,800 pens in 2012. Gross margin was higher due to more software licenses sales as a result of the acquisitions in the UK. The negative trend in revenues is primarily a result of weaker sales via partners due to increasing competition from tablets. Anoto's sales and distribution prior to acquisitions in the UK was primarily via smaller entrepreneurial companies with limited resources. Whilst Anoto took initiatives to realize synergies in the eco-system to shift focus from multiple vendors software development into more marketing and sales, many of these partners have faced financial challenges and difficulties in positioning digital pen solutions alongside the IT industry's roll-out of tablet solutions during the last 2 years. Anoto believes that there is a large potential for paper based digital pen solutions to rationalize paper-flow and reduce costs in many markets and market verticals where tablet solutions are not suitable. Therefore we are concentrating our efforts to those markets in closer co-operation with select partners.

## EMEA

On December 9<sup>th</sup> the Nurse Tech Fund was released for NHS trusts to apply for a first tranche of GBP 30 million out of the total GBP 100 million plan. Deadline for trusts to submit their applications were set to January 15<sup>th</sup>, 2014. Tranche 2 of GBP 70 million will be released after April 1<sup>st</sup>, 2014. The announcement slowed down sales in the UK in Q4. However based upon the number of applicants and the increase in activity to access funds from the program we expect a significant positive effect in Q1 2014. The Nurse Tech Fund is meant for investments in digital devices like tablets, digital pens and smart phones to improve efficiency and security whilst freeing more time for patient care. Although we see a positive momentum in Germany especially within banking no major deals were closed in Q4.

## Emerging markets

Our business development efforts in India are paying off resulting in the first paid pilots in the financial services and healthcare sectors. The Indian market has a large potential especially where pens add significant value in remote and rural areas without IT infrastructure. Our technology speeds up the document processing time from actual signature & document capture to final processing in central back-end systems.

In Latin-America we delivered a solution together with partner Habitual Data for 500 users for a national police force. In the last couple of years we have signed up with 5 large police services in different parts of the world where police officers use our solutions "in the street".

## USA

In the USA, our partner Adapx expanded their user base in the oil & gas sector which again proves that our technology fits the requirements for inspection forms in that specific sector. In the community health services, we signed up an initial contract for Anoto Live Forms with a potential to expand to a large user base. Our partner NextGen launched at their user conference the new "NextPen-2". With this pen NextGen will target general practitioners who can both write & record patient information for the electronic medical records. We also received the first important order for our LivePDF solution: a pharmacy chain in Canada will automate the physician orders and prescriptions from long term care facilities to their specialty pharmacy locations. The company services 10,000 beds at 200 facilities.

MSEK	2013	2012	2013	2011
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	17	25	89	126
Gross profit	11	18	61	89

## TECHNOLOGY LICENSING (OEM SALES)

Customers within Technology Licensing develop and sell products based on technology and digital pens provided by Anoto. The main offering is Interactive solutions in the education segment. Interactive solutions create a learning environment that is more oriented towards the individual and where the traditional classroom model is replaced by a more student-centric and interactive approach to teaching. Other end user products are learning toys, visual communication equipment and personal productivity solutions. End product customers are individual consumers as well as enterprises. Since 2012 Anoto has established two new application areas together with partners; voting solutions and digital writing solutions for screens.

Net sales during the period were MSEK 12, which is 3 MSEK higher than the same period last year.

Livescribe launched the new Livescribe 3, a digital pen solution with applications for iPad and iPhone. The product got very positive reviews and demand exceeded supply in the first 2 months after launch. The product is selling at Apple stores as well as online, including amazon.com.

Sales to TStudy for education in China did not materialize in Q4 although they confirm larger orders should be expected in 2014. One significant partner is China Publishing Group and they target the public schools market.

Panasonic started pre-marketing of the Toughpad 4K UT-MB5 with Anoto Touch Pen. The product will initially be marketed to customers within B2B automotive, healthcare, construction and design. Based upon feedback from Panasonic we expect larger orders from Q2 2014. The product is the world's first tablet with embedded digital writing functionality from Anoto. The high performance, accuracy and abilities on larger screens have initiated interest from other screen manufacturers. Anoto sees a long term opportunity to capitalize on the increasing demand from businesses and consumers to write on screens.

Steelcase continues to sell interactive whiteboards under the Polyvision brand and sales improved in Q4 compared to previous quarters.

Anoto's partner within voting continues product development and has not yet announced a date for the commercial launch.

MSEK	2013	2012	2013	2011
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	12	9	42	47
Gross profit	8	8	29	42

## C TECHNOLOGIES

C Technologies develops, manufactures and sells C-Pen®, a handheld scanner solution with character recognition software. The C-Pen captures printed information such as text, numbers and codes, decodes the information and transfers it to computers and smartphones. The products are made available through the C-Pen brand and as OEM-branded versions.

Net sales during the period were MSEK 4 which is MSEK 3 lower than during the third quarter last year. The business was downsized in Q3 2013 and continues to sell to OEM customers as well as in select retail channels.

MSEK	2013	2012	2013	2011
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	4	7	10	23
Gross profit	2	3	4	11

**ANOTO GROUP AB**

As a pure holding company, Anoto Group AB has a limited number of corporate functions.

**ACCOUNTING POLICIES**

This interim report was prepared in accordance with IAS 34, Interim Financial Reporting and applicable parts of the Swedish Annual Accounts Act chapter 9. For information about the accounting policies applied, refer to the 2012 annual report. The accounting policies are unchanged from those applied in 2012.

**RISK FACTORS AND UNCERTAINTIES**

At the close of the quarter, the group's total cash amounted to MSEK 7, which is an increase by MSEK 2 compared to year-end of 2012.

Following continued weak sales during the fourth quarter Anoto are faced with further challenges related to liquidity. Working capital consists of a large amount of pens in inventory and the company's ability to sell these will have a significant impact on cash flow. Unless sales increase significantly in Q1 the company may need to consider options for financing, hence some uncertainty exists regarding going concern.

No significant additional risks are deemed to have arisen beyond those described in the 2012 annual report for the Anoto Group. (Please see Note 4 in the Annual report 2012 for a detailed presentation of the company's risk exposure and management.)

**RELATED PARTY TRANSACTIONS**

The largest shareholder of Anoto, Aurora Investment Ltd (owned by TStone), has been represented in the board of directors since the Annual Meeting in May 2010. Transactions with companies within the TStone group amounts to MSEK 6,5 during 2013. All transactions have been made on normal commercial conditions and at the end of the quarter there are no overdue receivables on entities within the TStone group.

**TRANSACTIONS AND ACTIVITIES AFTER DEC 31, 2013**

There have been no significant activities or transactions after December 31.

**SHARE DATA**

The Anoto share is listed on the NASDAQ OMX Nordic Small Cap List in Stockholm. The total number of shares at the end of the period, including the first tranche of 216,257,883 shares registered in relation to the rights issue, amounts to 389,882,641. After the end of the period, on the 15<sup>th</sup> of January, the remaining 44,179,254 shares from the rights issue has been registered and the total number of outstanding shares amounts to 434,061,895.

**OPTION PROGRAM**

On July 5, 2013, the EGM decided to authorize the Board the mandate to issue, shares, convertibles and warrants with a maximum dilution of 10%. There are currently no outstanding warrants.

Stein Revelsby  
CEO

Anoto Group AB may be required to disclose the information provided herein pursuant to the Securities Markets Act. The information was submitted for publication at 08.50 on February 6, 2014.

A webcast of the Q4 report will be available from 09.00 on February 6 and a Q&A session via audiocast will be held at 11.00 the same day. For more information, see [www.anoto.com/investors](http://www.anoto.com/investors).

**CALENDAR 2014**

Annual report	18 April, 2014
Q1 report	9 May, 2014
AGM	16 May, 2014

**FOR MORE INFORMATION**

Please contact:

Stein Revelsby, CEO  
Phone: +46 (0)733 45 12 05

or

Dan Wahrenberg, CFO  
Phone: +46 (0)733 45 10 19

Anoto Group AB (publ.), Corp. Id. No. 556532-3929  
Box 4106,  
SE-227 22 Lund, Sweden  
Phone: +46 46 540 12 00  
[www.anoto.com](http://www.anoto.com)

## FINANCIAL REPORTS

## Condensed statement of comprehensive income

TSEK	Note	2013	2012	2013	2012
		Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales		33 314	40 593	144 306	198 646
Cost of goods and services sold		-12 995	-11 746	-46 832	-55 083
<b>Gross profit</b>		<b>20 319</b>	<b>28 847</b>	<b>97 474</b>	<b>143 563</b>
Sales, administrative and R&D costs		-39 026	-52 364	-185 417	-188 050
Other operating income/cost		-71 138	646	-75 508	2 335
<b>Operating profit/loss</b>		<b>-89 845</b>	<b>-22 871</b>	<b>-163 451</b>	<b>-42 152</b>
Writedown of shares		0	0	0	-211
Other financial items		-2 961	-679	-4 839	-2 451
<b>Profit before taxes</b>		<b>-92 806</b>	<b>-23 550</b>	<b>-168 290</b>	<b>-44 814</b>
Taxes		-12	-15	-12	-15
<b>Profit/loss for the period</b>		<b>-92 818</b>	<b>-23 565</b>	<b>-168 302</b>	<b>-44 829</b>
<b>Other comprehensive income</b>					
Translation differences for the period		2 624	1 793	5 194	2 811
<b>Other comprehensive income for the period</b>		<b>2 624</b>	<b>1 793</b>	<b>5 194</b>	<b>2 811</b>
<b>Total comprehensive income for the period</b>		<b>-90 194</b>	<b>-21 772</b>	<b>-163 108</b>	<b>-42 018</b>
<b>Total Profit/loss for the period attributable to:</b>					
Shareholders of Anoto Group AB		-91 112	-21 557	-166 231	-42 235
Non controlling interest		-1 706	-2 008	-2 071	-2 594
<b>Total Profit/loss for the period</b>		<b>-92 818</b>	<b>-23 565</b>	<b>-168 302</b>	<b>-44 829</b>
<b>Total comprehensive income for the period attributable to:</b>					
Shareholders of Anoto Group AB		-87 791	-20 268	-161 226	-40 204
Non controlling interest		-2 403	-1 504	-1 882	-1 814
<b>Total comprehensive income for the period</b>		<b>-90 194</b>	<b>-21 772</b>	<b>-163 108</b>	<b>-42 018</b>
<b>Key ratios:</b>					
Gross margin		61,0%	71,1%	67,5%	72,3%
Operating margin		Neg	Neg	Neg	Neg
Earnings per share before and after dilution		-0,42	-0,17	-1,03	-0,33
Average number of shares before and after dilution		221 682 065	137 037 081	162 858 591	137 037 081

## Consolidated balance sheet in summary

TSEK	2013-12-31	2012-12-31
Intangible fixed assets	71 318	128 389
Tangible assets	3 084	4 493
Financial fixed assets	3 605	3 782
<b>Total fixed assets</b>	<b>78 007</b>	<b>136 664</b>
Inventories	27 985	30 916
Accounts receivable	27 502	24 037
Other current assets	31 347	19 631
<b>Total short-term receivables</b>	<b>58 849</b>	<b>43 668</b>
Liquid assets, including current investments	7 008	5 459
<b>Total current assets</b>	<b>93 842</b>	<b>80 043</b>
<b>Total assets</b>	<b>171 849</b>	<b>216 707</b>
Equity attributable to shareholders of Anoto Group AB	82 657	130 686
Non controlling interest	-16 770	-14 883
<b>Total equity</b>	<b>65 887</b>	<b>115 803</b>
Loans	18 332	18 235
Other long term liabilities*	0	0
<b>Total long-term liabilities</b>	<b>18 332</b>	<b>18 235</b>
Provisions	493	152
Loans	0	0
Other current liabilities*	87 137	82 517
<b>Total current liabilities</b>	<b>87 630</b>	<b>82 669</b>
<b>Total liabilities and shareholders equity</b>	<b>171 849</b>	<b>216 707</b>

## Changes in shareholders equity

TSEK	Share capital	Ongoing share issue	Other capital contributed	Reserves	Profit/loss for the year	Shareholders equity	Non-controlling interest	Total equity
<b>Opening balance 1 January 2012</b>	<b>2 606</b>		<b>453 648</b>	<b>433</b>	<b>-303 699</b>	<b>152 988</b>	<b>-13 074</b>	<b>139 914</b>
Profit/loss for the year					-42 235	-42 235	-2 594	-44 829
Other comprehensive income				2 031		2 031	780	2 811
<b>Total comprehensive income</b>				<b>2 031</b>	<b>-42 235</b>	<b>-40 204</b>	<b>-1 814</b>	<b>-42 018</b>
New share issue	135		17 772			17 907		17 907
<b>Closing balance 31 December 2012</b>	<b>2 741</b>		<b>471 420</b>	<b>2 464</b>	<b>-345 934</b>	<b>130 691</b>	<b>-14 888</b>	<b>115 803</b>
Profit/loss for the year					-166 231	-166 231	-2 071	-168 302
Other comprehensive income				5 005		5 005	189	5 194
<b>Total comprehensive income</b>				<b>5 005</b>	<b>-166 231</b>	<b>-161 226</b>	<b>-1 882</b>	<b>-163 108</b>
Acquisitions*	216		18 225			18 441		18 441
New share issue	4 840		78 866			83 706		83 706
Ongoing share issue		884	10 161			11 045		11 045
<b>Closing balance 31 Dec 2013</b>	<b>7 797</b>	<b>884</b>	<b>578 672</b>	<b>7 469</b>	<b>-512 165</b>	<b>82 657</b>	<b>-16 770</b>	<b>65 887</b>

\* See Note 1

## Consolidated Cash flow statement in summary

TSEK	2013	2012	2013	2012
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
<b>Profit/loss after financial items</b>	<b>-92 806</b>	<b>-23 550</b>	<b>-168 290</b>	<b>-44 814</b>
Depreciation, amortisation and write-downs	73 837	4 492	84 711	16 463
Other items not included in cash flow	46	-37	341	-88
<b>Total items not included in cash flow</b>	<b>73 883</b>	<b>4 455</b>	<b>85 052</b>	<b>16 375</b>
<b>Cash flow from operating activities</b>				
before change in working capital	-18 923	-19 095	-83 238	-28 439
Change in working capital	-19 207	16 202	-7 262	17 996
<b>Cash flow from operating activities</b>	<b>-38 130</b>	<b>-2 893</b>	<b>-90 500</b>	<b>-10 443</b>
Cash flow from investments activities	-780	-1 778	-5 870	-10 579
<b>Total cash flow before financing activities</b>	<b>-38 910</b>	<b>-4 671</b>	<b>-96 370</b>	<b>-21 022</b>
Cash flow from financing activities	42 272	-452	97 919	2 540
<b>Cash flow for the period</b>	<b>3 362</b>	<b>-5 123</b>	<b>1 549</b>	<b>-18 482</b>
Liquid assets at the beginning of the period	3 646	10 582	5 459	23 941
<b>Liquid assets at the end of the period</b>	<b>7 008</b>	<b>5 459</b>	<b>7 008</b>	<b>5 459</b>

## Key ratios

TSEK	2013	2012	2013	2012
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
<b>Cash flow for the period</b>	3 362	-5 123	1 549	-18 482
Cashflow / share before and after dilution (SEK) <sup>1</sup>	0,28	-0,04	0,01	-0,13
			2013-12-31	2012-12-31
Equity/assets ratio			48,1%	60,3%
Number of shares			389 882 641	137 037 081
Shareholders equity per share (kr)			0,21	0,95

<sup>1</sup> Based on the weighted average number of shares and outstanding warrants for each period. Only warrants for which the present value of the issue price is lower than the fair value of the ordinary share are included in the calculation.

## Parent company, summary of income statement

TSEK	2013	2012	2013	2012
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	2 129	1 787	6 804	6 561
<b>Gross profit</b>	<b>2 129</b>	<b>1 787</b>	<b>6 804</b>	<b>6 561</b>
Administrative costs	-1 513	-1 624	-5 565	-6 223
<b>Operating profit</b>	<b>616</b>	<b>163</b>	<b>1 239</b>	<b>338</b>
Profit/loss from shares in Group companies	-143 604	-29 500	-143 604	-29 500
Financial items	-420	-	-583	-
<b>Profit for the period</b>	<b>-143 408</b>	<b>-29 337</b>	<b>-142 948</b>	<b>-29 162</b>

## Parent company, balance sheet in summary

TSEK	2013-12-31	2012-12-31
Intangible fixed assets	221	258
Tangible assets	0	5
Financial fixed assets	114 385	153 489
<b>Total fixed assets</b>	<b>114 606</b>	<b>153 752</b>
Other short-term receivables	103 862	13 973
Liquid assets, including current investments	3 933	56
<b>Total current assets</b>	<b>107 795</b>	<b>14 029</b>
<b>Total assets</b>	<b>222 401</b>	<b>167 781</b>
Equity	131 711	161 476
Other current liabilities	90 690	6 305
<b>Total liabilities and shareholders equity</b>	<b>222 401</b>	<b>167 781</b>

## Note 1 - Acquisitions 2013

### Shanwell Holdings Ltd

On May 1, 2013 the Group acquired all shares in the UK based unlisted company Shanwell Holdings Ltd with its operating unit Develop IQ Ltd for MSEK 18.4. Develop IQ which is active within Business Solutions has been a long standing Anoto partner. Anoto has consolidated the acquired entity as from May 1, 2013.

Through this acquisition Anoto increases its presence on the UK market.

During the period May 1 through Dec 31 Develop IQ's contribution to Net sales was MSEK 10,0.

### Effects from acquisitions

The acquired company's net assets at the time of acquisition:

(KSEK)	
Intangible assets	0
Tangible assets	334
Inventory	41
Current assets	4 853
Liquid assets	780
Interest bearing liabilities	0
Current liabilities	-6 032
<b>Net identifiable assets and liabilities</b>	<b>-24</b>
Group goodwill	18 465
<b>Consideration</b>	<b>18 441</b>

### Goodwill

The goodwill value includes additional sales resources and an increased presence on the UK market.

No part of the goodwill is expected to be tax deductible.

### Acquisition related expenses

Expenses related to the acquisition amounts to 1.2 MSEK and includes fees to consultants in relation to the due diligence.

These expenses have been accounted as operating expenses in the Condensed statement of comprehensive income.

### Consideration

(KSEK)	
Issued shares	18 441
<b>Total consideration</b>	<b>18 441</b>

Fair value of the 10,847,740 shares issued as part of the total consideration paid for the shares in Shanwell Holding Ltd is based on the price for the Anoto share on the day of the transaction.