

Nine-month (July-September) and Q3 2002 report for

Cyber Com Consulting Group Scandinavia AB (publ)

Corporate registration number 556544-6522

- @ Sales reached SEK 264.3 million.
- @ Operating income before goodwill reached SEK 3.2 million or 1.2%.
- @ The International business area (BA) continues to develop in a positive direction.
- @ Important agreements with Sony Ericsson, ASSA ABLOY, and Medtronic Physio-Control in Europe.
- @ In Q3, the proportion of solutions-oriented business increased.

Sales and profit

Amounts in million SEK (MSEK)	Jan.- Sept. 2002	Jan.- Sept. 2001	July- Sept. 2002	July- Sept. 2001	Oct. 2001 -Sept. 2002	Jan.-Dec. 2001
Sales	264.3	297.7	76.1	85.8	362.8	396.2
Operating expense excl. goodwill amortisation	-261.1	-281.0	-75.9	-82.3	-355.2	-375.2
Operating income before goodwill amortisation	3.2	16.7	0.2	3.5	7.6	21.0
Margin %	1.2%	5.6%	0.3%	4.1%	2.1%	5.3%
Goodwill amortisation	-9.7	-8.2	-3.2	-2.7	-10.4	-8.9
Operating income after goodwill amortisation	-6.5	8.5	-3.0	0.8	-2.8	12.1
Operating margin %	-2.5%	2.8%	-3.9%	0.9%	-0.8%	3.1%

January–September 2002

A turbulent market situation characterised the first nine months of 2002. To different degrees, the economic climate affected Cyber Com's Telecom & Services, E-business, and International business areas (BAs). But all three BAs reported better income in Q3, compared to Q2. During the period, the operation in Sweden was restructured to meet changed market demands for solutions; this action cost SEK 5.1 million.

January–September sales reached SEK 264.3 million (297.7) – 11.2% lower than the same period in 2001. Operating income before goodwill amortisation was SEK 3.2 million (16.7), which yields a 1.2% (5.6%) margin. Operating loss after goodwill amortisation was SEK -6.5 million (8.5), which yields a -2.5% (2.8%) operating margin.

The period's net financial items totalled SEK 3.5 million (-1.5). Thanks to strong liquid assets, the company could book SEK 3.9 million in positive net interest income. Loss after net financial items was SEK -3.0 million (7.0), which yields a -1.1% (2.4%) net margin.

Operations generated a negative SEK -10.6 million (21.5) cash flow during the January–September 2002 period. The company's liquid assets were worth at the period's end SEK 116.4 million (112.3).

Third quarter (Q3)

Traditionally, Q3 is the weakest quarter of the year, but despite this, all Cyber Com's BAs improved their income, compared with Q2.

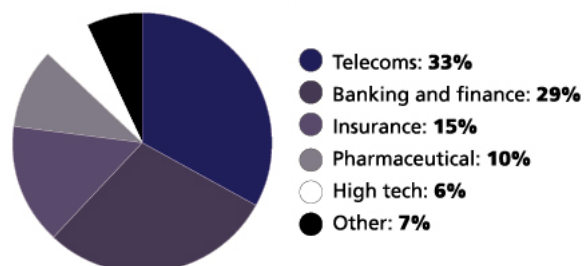
Q3 2002 sales reached SEK 76.1 million (85.8 in Q3 2001). Operating income before goodwill amortisation was SEK 0.2 million (3.5) or 0.3% (4.1%). Goodwill amortisation was SEK -3.2 million, so operating income was SEK -3.0 million (0.8). The operating margin was -3.9% (0.9%).

Q3 2002 net financial items totalled SEK 1.2 million (1.4). Loss after net financial items was SEK -1.8 million (2.2), which yields a -2.4% net margin (2.6%).

Customers and markets

Cyber Com has had long-term, stable customer relations, which also yielded results during Q3. Now, customer demand focuses more and more on solutions. And Cyber Com has responded by further developing its solutions-focused business with ASSA ABLOY, Reuters, Royal Bank of Scotland, Sony Ericsson, and Telia Mobile. Cyber Com also strengthened relations with its master-agreement clientele, AstraZeneca, Alecta (pension insurance), and Tetra Laval, among others. The diagram illustrates Cyber Com's sales by industry.

Largest industries as a percentage of sales



International – new business area (BA)

During Q1 2002, the 18 March extraordinary general meeting approved acquisition of Stratum Project Management Ltd, a UK consulting company (now Cyber Com Stratum Consulting Ltd). As a result of the acquisition, the company decided to build the new *International* business area (BA). This BA covers Cyber Com's operations in Denmark and the UK. All comparable figures for the previous year were adjusted, so Denmark's financial results were eliminated from the Telecom & Services BA.

Telecom & Services BA

Telecom & Services	Jan.-Sept. 2002	Jan.-Sept. 2001	July-Sept. 2002	July-Sept. 2001	Oct. 2001 -Sept. 2002	Jan.-Dec. 2001
Amounts in MSEK						
Sales	152.1	197.2	41.9	58.9	219.4	264.5
Operating income before goodwill amortisation	6.7	25.7	0.4	6.7	14.4	33.4
Margin %	4.4%	13.0%	1.0%	11.4%	6.6%	12.6%
Ave. no. employees	126	131	128	133	128	133

January-September 2002

Long sales cycles and resulting delayed projects – because of the tough market - affected the Telecom & Services BA. Restructuring costs (SEK 2.6 million) also affected income. Despite this, the BA reported profit.

January-September 2002 sales reached SEK 152.1 million (197.2) – a 22.8% reduction compared to the same period in 2001.

Operating income before goodwill amortisation was SEK 6.7 million (25.7), which yields a 4.4 % (13%) margin. Goodwill amortisation was SEK 7.5 million (8.2), so operating loss was SEK -0.8 million (17.5) or -0.5% (8.9%).

During 2002, Cyber Com was named an Ericsson preferred supplier. Cyber Com also signed a long-term agreement with Sony Ericsson for an application management project. The high-tech company customer base expanded – thanks to new assignments from Sony Ericsson (product development), Bombardier, and Micronic.

New customers during Q3 include Hutchison 3G in Austria and Hi3G in Sweden.

Third quarter 2002 (Q3 2002)

In Q3, the BA reported income improvements – compared to Q2 2002. Q3 sales reached SEK 41.9 million (58.9), a 28.9% reduction compared to the same period in 2001.

Operating income before goodwill amortisation was SEK 0.4 million (6.7), which yields a 1% (11.4%) margin. Goodwill amortisation was SEK 2.5 million (2.7), so operating loss was SEK -2.1 million (4.0) or -5% (11.4%).

The BA's Q3 utilisation reached 73% (80%).

The BA employed 126 persons at the period's end. The average number of employees was reduced by 5 persons to 128 persons (133) – a 3.7% reduction compared to the same period in 2001.

E-business BA

E-business	Jan.-Sept. 2002	Jan.-Sept. 2001	July-Sept. 2002	July-Sept. 2001	Oct.. 2001- Sept. 2002	Jan.-Dec. 2001
Amounts in MSEK						
Sales	79.1	117.2	20.9	33.1	118.2	156.3
Operating income before goodwill amortisation	-12.1	0.1	-4.4	-0.3	-12.2	0.0
Margin %	-15.3%	0.1%	-21.1%	-0.9%	-10.3%	0.0%
Ave. no. of employees	117	144	105	144	142	143

January-September 2002

The tough market situation affected the E-business BA to a higher degree than it affected the Telecom & Services BA. Operations were restructured to meet changed market demands for solutions; this cost SEK 2.4 million during the period.

The BA's January-September 2002 sales reached SEK 79.1 million (117.2) – a 32.5% reduction compared to the same period in 2001. Operating loss before goodwill amortisation was SEK -12.1 million (0.1).

During 2002, Cyber Com signed master agreements with the Tetra Laval group, Alecta, and AstraZeneca. The AstraZeneca agreement could lead to assignments in the UK. Cyber Com entered an agreement with ASSA ABLOY which covers an internal procurement system (eProcurement); initial order value is SEK 3 million. Cyber Com's focus on the insurance market was strengthened through several assignments within the life and pension insurance areas. New customers include DeLaval Holding in Stockholm.

During Q3, Cyber Com and Medtronic Physio-Control in Europe signed a partnership agreement in which Medtronic named Cyber Com as its supplier of electronic documentation systems for ambulance journals.

Third quarter 2002 (Q3 2002)

Repositioning of the BA's operation beefed up Q3 income, compared to Q2 2002.

Q3 sales reached SEK 20.9 million (33.1) – a 36.8% reduction compared to the same period in 2001.

Operating loss before goodwill amortisation was SEK -4.4 million (-0.3), which yields a -21.1% (-0.9%) operating margin.

Q3 utilisation reached 57% (72%).

The BA employed 100 persons at the period's end. The average number of employees was reduced by 39 persons to 105 persons, which is 27% reduction compared to 2001.

International BA

Cyber Com has had this new BA since Q1 2002. The BA includes operations at Cyber Com Danmark A/S (Denmark) and Cyber Com Stratum Consulting (UK).

International	Jan.-Sept. 2002	Jan.-Sept. 2001	July-Sept. 2002	July-Sept. 2001	Oct. 2001- Sept. 2002	Jan.-Dec. 2001
Amounts in MSEK						
Sales	53.8	0.8	18.8	0.7	55.4	2.4
Operating income before goodwill amortisation	8.4	-3.3	3.8	-1.8	6.5	-5.2
Margin %	15.6%	n/a	20.2%	n/a	11.7%	n/a
Ave. no. of employees	37	7	39	7	30	8

January-September 2002

The BA's January-September 2002 sales reached SEK 53.8 million (0.8). Operating income before goodwill amortisation was SEK 8.4 million (-3.3), which yields a 15.6% operating margin. Goodwill amortisation was SEK 2.2 million (-), so operating income was SEK 6.2 million (-3.3) or 11.5%.

The UK operation's larger customers include Reuters and the Royal Bank of Scotland, among others. The Denmark operation serves customers such as Telia Danmark and Nordea (a bank); in Q3, Cyber Com Danmark A/S acquired a new customer – Grundejernes Investeringsfond.

Third quarter 2002 (Q3 2002)

The BA's financial position was fortified during Q3, and income picked up considerably compared to Q2 – despite intense competition in the Danish and British markets. The BA's business situation improved significantly thanks to new assignments from existing customers. The UK operation demonstrated good profitability. The Denmark operation is developing in a positive direction and now reports profitability.

The BA's Q3 sales reached SEK 18.8 million (0.7). Operating income before goodwill amortisation was SEK 3.8 million (-1.8), which yields a 20.2% operating margin. Goodwill amortisation was SEK 0.8 million (-), so operating income was SEK 3.0 million (-1.8) or 16%.

During Q3, the average number of employees increased from 37 to 39 persons. At period's end, the number of employees was 41 persons.

Personnel

During Q3 2002, the average number of employees in the group was 298. At the quarter's end, the average number of employees in the group was 294 – a net reduction of 21 persons compared to the same period in 2001.

Investments

For the January-September period, investments in tangible fixed assets reached SEK 2.7 million (5.3). Investments in intangible fixed assets totalled SEK 29 million (32.1).

Cash flow

As of 30 September 2002, the group's liquid assets totalled SEK 116.4 million, compared to SEK 120.8 million on 31 December 2001, that is, a negative SEK -4.4 million cash flow; SEK 23.6 million of the liquid assets are deposited as security for loan notes issued in connection with acquisition of Stratum in the UK.

Financial position

On 30 September 2002, equity totalled SEK 234.7 million (223.5 on 31 December 2001), which yields a 75.7% (72.2%) equity/assets ratio. Shareholders' equity per share reached SEK 22.40 (23.82) with full dilution.

The parent company

The parent company's operation primarily consists of support functions such as finance, administration, PR & communications, and IS/IT. At the period's end, the parent company employed 27 (29) persons.

January-September 2002 sales reached SEK 24.7 million (26.7). Operating income was SEK 0.2 million (-6.2). Loss after financial items was SEK -1.7 million (-4.0), which means a write-down of shares in the subsidiaries because during Q1, Cyber Com Consulting A/S in Denmark received a shareholders' contribution of SEK 5.1 million to cover loss in 2001.

On 30 September 2002, the parent company's liquid assets totalled SEK 101.8 million (71); SEK 23.6 million of the liquid assets are deposited as security for loan notes issued in connection with acquisition of Stratum.

Investments in computers and other equipment totalled SEK 0.3 million (0.5).

Warrant programme

The 11 January 2002 extraordinary general meeting decided to take out a new subordinated loan, worth at most SEK 10,000, through issue of a subordinated debenture with at most 500,000 detachable warrant rights to subscribe to shares.

Outlook

During the rest of 2002 and into 2003, the market will continue to be turbulent and hard to predict. To deal with this trend, the company is adapting its service offerings and its organisation. The operation focuses more and more on solutions. The company forecasts that for all of 2002, the margin will land in the 1-3% interval, before goodwill amortisation.

Forthcoming reports

2002 year-end financial report, 5 February 2003

Accounting principles

The company applies the same accounting principles as for the previous year.

Income statement summary

	Jan.-Sept. 2002	Jan.- Sept. 2001	July- Sept. 2002	July- Sept. 2001	Oct. 2001- Sept. 2002	Jan.-Dec. 2001
Amounts in MSEK						
Sales	264.3	297.7	76.1	85.8	362.8	396.2
Operating expense						
Other external expenses	-77.6	-88.9	-22.2	-25.1	-105.0	-116.4
Expenses for personnel	-178.7	-187.3	-52.1	-55.5	-244.0	-252.6
Operating income before depreciation, EBITDA	8.0	21.5	1.8	5.2	13.8	27.2
Depreciation of tangible fixed assets	-4.8	-4.8	-1.6	-1.7	-6.2	-6.2
Operating income before depreciation, EBITA	3.2	16.7	0.2	3.5	7.6	21.0
Depreciation of intangible fixed assets	-9.7	-8.2	-3.2	-2.7	-10.4	-8.9
Operating income , EBIT	-6.5	8.5	-3.0	0.8	-2.8	12.1
Financial items						
Income from other securities	0.1	-5.0	0.0	-	0.1	-5.0
Interest income & similar items	3.9	3.5	1.3	1.3	5.1	4.8
Interest expense & similar items	-0.5	0.0	-0.1	0.1	-0.7	-0.2
Income after financial items, EBT	-3.0	7.0	-1.8	2.2	1.7	11.7
Taxes **)	-3.8	-4.4	-0.8	0.4	-6.3	-6.8
Minority share	0.0	0.0	0.0	0.0	0.0	0.0
Profit for the period	-6.8	2.6	-2.6	2.6	-4.6	4.9
**) current taxes	-4.1	-6.8	-0.7	-0.1	-4.3	-9.1
deferred taxes	0.3	2.4	-0.1	0.5	-2.0	2.3

Share information

	Jan.-Sept. 2002	Jan.-Sept. 2001	Jan.-Dec. 2001
Amount in SEK			
Before dilution			
Profit/share, SEK	-0.75	0.30	0.56
Shareholders' equity/share, SEK	25.37	25.20	25.52
No. of shares at period's end	9 251 777	8 757 279	8 757 279
Ave. no. of shares	9 141 889	8 676 512	8 696 703
After dilution			
Earnings per share, SEK	-0.61	0.37*)	0.65*)
Shareholders' equity/share, SEK	22.40	23.52	23.82
No. of shares at period's end	10 476 743	9 384 553	9 384 553
Ave. no. of shares	10 300 701	9 435 604	9 422 841

*) The difference in profit per share at full dilution (compared with before dilution) primarily consists of effects that resulted from warrant programme 4, in which shares must be purchased during the autumn of 2002 at an SEK 144 subscription rate. The period's profit was adjusted to the current value of the subscription liquidity, according to "Accounting recommendation 18: profit per share" (RR18). If such adjustment had not been done, then profit per share after full dilution would total SEK 0.28 for Q3 2001 and SEK 0.52 for all of 2001.

Balance sheet summary

	30 Sept. 2002	30 Sept. 2001	31 Dec. 2001
Amounts in MSEK			
Assets			
Intangible fixed assets			
Licence rights	0.3	0.7	0.6
Goodwill	102.0	92.8	82.7
Tangible fixed assets	9.9	12.1	11.3
Financial fixed assets	3.2	2.6	3.0
Current assets			
excl. liquid assets	78.4	86.9	91.1
Liquid assets	116.4	112.3	120.8
Total assets	310.2	307.4	309.5
Shareholders' equity and liabilities			
Shareholders' equity	234.7	220.7	223.5
Minority holdings	0.0	0.0	0.0
Provisions	5.9	20.6	6.1
Interest-bearing liabilities	29.7	-	-
Non-interest-bearing liabilities	39.9	66.1	79.9
Total shareholders' equity and liabilities	310.2	307.4	309.5

Cash flow statement summary

	Jan.-Sept. 2002	Jan.-Sept. 2001	Jan.-Dec. 2001
Amounts in MSEK			
Cash flow from running operations			
Cash flow before change in working capital	-8.7	21.1	21.2
Change in working capital	-1.9	0.4	10.2
Cash flow from running operations	-10.6	21.5	31.4
Cash flow from investment operations *)	5.0	-22.2	-23.4
Cash flow from financing operations	1.4	1.1	0.9
Change in liquid assets	-4.4	0.4	8.9
Liquid assets at period's start	120.8	111.9	111.9
Liquid assets at period's end	116.4	112.3	120.8
*) Subsidiary acquisition affected the group's liquid assets by	-15.2	-16.6	-16.6

Key data and ratios

	Jan.-Sept. 2002	Jan.-Sept. 2001	Jan.-Dec. 2001
Amounts in MSEK			
Operating margin before goodwill amortisation (EBITA), %	1.2 %	5.6 %	5.3 %
Operating margin (EBIT), %	-2.5 %	2.8 %	3.1 %
Net margin, %	-1.1 %	2.4 %	3.0 %
No. employees at period's end	294	315	300
Ave. no. of employees	306	313	312
Sales/employee, in thousand SEK	864	951	1270
Return on shareholders' equity, %	-4.0 %	1.7 %	2.3 %
Return on used capital, %	-1.2 %	7.1 %	7.6 %
Equity/assets ratio, %	75.7 %	71.8 %	72.2 %

Change in shareholders' equity and such

Amounts in MSEK	Jan.-Sept. 2002	Jan.-Sept. 2001	Jan.-Dec. 2001
Opening shareholders' equity	223.5	194.8	195.4
New issue shares	16.6	23.5	23.5
New issue of warrants	1.5	-	-
Issue expenses	0.0	-0.2	-0.0
Translation differences	-0.1	0.0	-0.3
Profit for the period	-6.8	2.6	4.9
Closing shareholders' equity	234.7	220.7	223.5
No. shares at start of year	8 757 279	8 439 803	8 439 803
New issue shares	494 498	317 476	317 476
No. of shares at period's end	9 251 777	8 757 279	8 757 279
No. outstanding warrants at year's start	627 274	977 229	977 229
New issue of warrants	824 966	-	-
Warrants exercised	-227 274	-215 955	-215 955
Warrants not exercised	-400 000	-134 000	-134 000
No. outstanding warrants at period's end	824 966	627 274	627 274

The company's auditors did not review this report.

Stockholm 16 October 2002

**The board and CEO of
Cyber Com Consulting Group Scandinavia AB (publ)**