



# Q3

## Interim Report

### July – September 2013

- Sales amounted to SEK 249.3 million (273.9)
- EBIT was SEK 8.6 million (-2.9)
- EBIT margin was 3.4 % (-1.1)
- Net profit after tax for the period was SEK 4.8 million (-4.3)
- Earnings per share were SEK 0.03 (-0.08)

### January – September 2013

- Sales amounted to SEK 881.8 million (985.5)
- EBIT was SEK 38.1 million (-1.0)
- EBIT margin was 4.3 % (-0.1)
- Net profit after tax for the period was SEK 25.2 million (-16.4)
- Earnings per share were SEK 0.14 (-0.29)

### Key events

- Cybercom won a contract with Wireless Maingate for M2M
- Cybercom opened a project office in Kista for agile development close to a client
- Cybercom won an assignment from the eGovernment Delegation for IT standardisation in social services
- A new framework agreement was signed with the Swedish Tax Agency
- Saab appointed Cybercom as a preferred supplier
- Cybercom was named the best IT workplace 2013 in Poland

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Cybercom is an IT consulting company that assists leading companies and organisations to benefit from the opportunities of the connected world. The company's areas of expertise span the entire ecosystem of communications services. Cybercom's domestic market is the Nordic region, and in addition the company offers global delivery capacity for local and international business. Cybercom was founded in 1995 and has been quoted on the NASDAQ OMX Stockholm exchange since 1999.

## Comments from the CEO

The third quarter of the year has been a relatively quiet but stable business period. During the quarter we expanded our business with Ericsson, won significant new business with MTV Oy, Helsingin Energia and Wireless Maingate. In addition, we have extended many of our current assignments and secured a large part of our sales base. I am also pleased that we have won the trust of new and exciting clients such as the eGovernment Delegation in Sweden and Celcom Malaysia.

Cybercom's sales in the third quarter amounted to SEK 249.3 million (273.9). This is a decrease of 9%, which is partly due to a slightly weaker market and partly due to the restructuring carried out at the end of last year. We have significantly strengthened our EBIT compared to the same period last year, to SEK 8.6 million (-2.9), resulting in an operating margin of 3.4% (-1.1). Net profit after tax for the period increased to SEK 4.8 million (-4.3).

The Nordic market was characterised by an unusually long summer period, resulting in a slow start after the holidays. This mainly affected our operations in Sweden. In September, however, business activities increased and we are now seeing a good influx of inquiries, even for large undertakings. At the same time, we are experiencing long decision times and, among some of our larger clients in the industrial segment, there is a reluctance to make investment decisions. It is difficult to interpret market trends for the remainder of the year.

Cybercom continues to develop according to our established strategy, through which we are growing with selected client accounts and balancing our client portfolio through a greater proportion of business in the public sector and industry. We are well positioned in Connectivity and this is an area where demand is expected to grow.

Our main focus is to ensure that our strategic shift takes place according to plan, with long-term sustainable change so that we achieve our financial targets.

Finally, I would like to highlight the fine distinction that Cybercom received in Poland during September when the Audit Survey 2013, conducted by Computer World, voted us the best IT workplace 2013. We are proud of this achievement.

Stockholm, October 25, 2013

Niklas Flyborg  
President and CEO



## Sales and operating profit

	Q3 2013	Q3 2012	Jan - Sep 2013	Jan - Sep 2012	2012	RTM
<b>Cybercom Group, SEK million</b>						
<b>Sales</b>	<b>249.3</b>	<b>273.9</b>	<b>881.8</b>	<b>985.5</b>	<b>1,339.2</b>	<b>1,235.5</b>
<b>Operating profit/loss, EBIT</b>	<b>8.6</b>	<b>-2.9</b>	<b>38.1</b>	<b>-1.0</b>	<b>-11.4</b>	<b>27.7</b>
<b>EBIT margin, %</b>	<b>3.4</b>	<b>-1.1</b>	<b>4.3</b>	<b>-0.1</b>	<b>-0.9</b>	<b>2.2</b>
Adjustment restructuring costs	-	-	-	5.0	33.4	28.4
Adjustment capital loss	-	0.1	-	11.8	11.8	-
EBIT operating activities	8.6	-2.8	38.1	15.8	33.8	56.1
EBIT margin operating activities, %	3.4	-1.0	4.3	1.6	2.5	4.5
<b>Number of employees at period's end</b>	<b>1,243</b>	<b>1,365</b>	<b>1,243</b>	<b>1,365</b>	<b>1,335</b>	<b>1,243</b>
	Q3 2013	Q3 2012	Jan - Sep 2013	Jan - Sep 2012	2012	RTM
<b>Segment Sweden, SEK million</b>						
<b>Sales</b>	<b>182.0</b>	<b>206.6</b>	<b>655.7</b>	<b>755.0</b>	<b>1,034.1</b>	<b>934.8</b>
<b>Operating profit/loss, EBIT</b>	<b>3.0</b>	<b>3.9</b>	<b>27.3</b>	<b>35.8</b>	<b>43.4</b>	<b>34.9</b>
<b>EBIT margin, %</b>	<b>1.6</b>	<b>1.9</b>	<b>4.2</b>	<b>4.7</b>	<b>4.2</b>	<b>3.7</b>
Adjustment restructuring costs	-	-	-	-	18.2	18.2
EBIT operating activities	3.0	3.9	27.3	35.8	61.6	53.1
EBIT margin operating activities, %	1.6	1.9	4.2	4.7	6.0	5.7
<b>Number of employees at period's end</b>	<b>774</b>	<b>861</b>	<b>774</b>	<b>861</b>	<b>833</b>	<b>774</b>
	Q3 2013	Q3 2012	Jan - Sep 2013	Jan - Sep 2012	2012	RTM
<b>Segment Finland, SEK million</b>						
<b>Sales</b>	<b>44.7</b>	<b>43.3</b>	<b>149.7</b>	<b>153.0</b>	<b>203.1</b>	<b>199.8</b>
<b>Operating profit/loss, EBIT</b>	<b>1.0</b>	<b>-2.2</b>	<b>5.0</b>	<b>-6.3</b>	<b>-14.9</b>	<b>-3.6</b>
<b>EBIT margin, %</b>	<b>2.2</b>	<b>-5.1</b>	<b>3.3</b>	<b>-4.1</b>	<b>-7.3</b>	<b>-1.8</b>
Adjustment restructuring costs	-	-	-	5.0	11.0	6.0
EBIT operating activities	1.0	-2.2	5.0	-1.3	-3.9	2.4
EBIT margin operating activities, %	2.2	-5.1	3.3	-0.8	-1.9	1.2
<b>Number of employees at period's end</b>	<b>246</b>	<b>264</b>	<b>246</b>	<b>264</b>	<b>261</b>	<b>246</b>
	Q3 2013	Q3 2012	Jan - Sep 2013	Jan - Sep 2012	2012	RTM
<b>Segment International, SEK million</b>						
<b>Sales</b>	<b>32.1</b>	<b>33.7</b>	<b>107.3</b>	<b>113.4</b>	<b>149.6</b>	<b>143.5</b>
<b>Operating profit/loss, EBIT</b>	<b>2.9</b>	<b>-0.3</b>	<b>8.0</b>	<b>-6.0</b>	<b>-10.1</b>	<b>3.9</b>
<b>EBIT margin, %</b>	<b>9.0</b>	<b>-0.9</b>	<b>7.5</b>	<b>-5.3</b>	<b>-6.8</b>	<b>2.7</b>
Adjustment restructuring costs	-	-	-	-	2.7	2.7
EBIT operating activities	2.9	-0.3	8.0	-6.0	-7.4	6.6
EBIT margin operating activities, %	9.0	-0.9	7.5	-5.3	-4.9	4.6
<b>Number of employees at period's end</b>	<b>207</b>	<b>217</b>	<b>207</b>	<b>217</b>	<b>217</b>	<b>207</b>

### Changes to segmentation

The Sweden segment refers to the operations in Sweden, which in 2012 also included the Indian operations. The Finland segment refers to the operations in Finland and the discontinued operations in Romania. The International segment refers to the operations in Denmark, India, Poland and Singapore/Dubai as well as the divested operations in China. Operations in India were previously integrated with the Swedish operations, but now also deliver to other parts of Cybercom and are reported in the International segment. The comparative periods have been restated according to the new segmentation.



## Sales and operating profit, continued

### July – September

Sales amounted to SEK 249.3 million (273.9). The decrease in sales stems from lower volumes in the Swedish segment, mainly in the telecom sector related to changes among our larger clients. Business with ST-Ericsson continued to decline, which affected the quarter to a greater extent than before. Some decline was also apparent in the industrial sector, while the public sector grew, particularly with the Swedish E-Identification Board, the Swedish National Police Board and the Swedish Tax Agency.

The Finland segment showed growth again this quarter, primarily related to increased volumes in the public sector.

The Nordic countries were also affected by a late start after the summer.

The International segment was positively impacted by the increased number of projects launched at the start of the year, mainly in Africa, while the Danish operations are smaller compared to last year.

EBIT amounted to SEK 8.6 million (-2.9). This corresponded to an operating margin of 3.4% (-1.1).

Currency effects impacted sales by SEK 1.5 million and operating profit by SEK -0.1 million.

The earnings trend continues in a positive direction, with the impact of actions taken during the previous year resulting in a lower proportion of administrative staff (18%) and lower overheads (SEK 7 million lower) than in the corresponding period last year. Volume reduction in the Swedish operations is negatively affecting profitability compared to last year.

### January – September

Sales amounted to SEK 881.8 million (985.5). The decrease in sales is primarily a consequence of a number of larger completed projects, changes over the period among our major telecom clients and the structural changes implemented last year. The year started strongly, with very good utilisation during the early months related to extensions of ongoing deliveries, but slowed somewhat in the second quarter. The third quarter started slightly weaker than expected, related to the late start in the Nordic countries after the summer. Sales in the International segment were adversely affected by the reduction in the Danish operations and the divestment of China last year. Meanwhile, the Connectivity Management business in the segment has developed positively.

EBIT amounted to SEK 38.1 million (-1.0). This corresponded to an operating margin of 4.3% (-0.1). Currency effects impacted sales by SEK -5.7 million and operating profit by SEK -0.6 million. Last year's earnings were charged with non-recurring expenses for the divestment of the Chinese operations and the closure of Romania, totalling SEK 16.8 million.

## Other income/expense items, January - September

Net financial items amounted to SEK -5.9 million (-12.2). This includes interest costs for bank loans of SEK -4.1 million (-6.0). Net financial items continue to develop according to plan and are positively influenced by the financial restructuring implemented last autumn, when capital was provided in the form of a rights issue, and a factoring solution in the form of invoice sales in the Swedish operations was terminated. Profit before tax improved to SEK 32.2 million (-13.2), which means an improvement in the net margin to 3.7% (-1.3). Period's profit improved to SEK 25.2 million (-16.4). Earnings per share amounted to SEK 0.14 (-0.29).

During the period the group's effective tax rate was 21.7% (-24.3). The tax expense has been calculated using the current tax rates for the parent company and each subsidiary.

## Market and business

Cybercom's principal market is the Nordic region, with operations in Sweden, Finland and Denmark. The company also has operations in Poland, Dubai and Singapore, as well as in India through a joint venture. At September 30, 2013, 85% (86) of Cybercom's employees were operating in the Nordic countries and 64% (65) in Sweden.

Cybercom provides services in the entire ecosystem around communications – Connectivity. Cybercom's expertise is in four areas:

- Connected Engineering
- Connectivity Management
- Digital Solutions
- Secure Connectivity

Within these areas, Cybercom's consultants design and incorporate intelligence into products and devices, make contact channels efficient and easy, and provide a future connected world with useful and attractive solutions, always in a secure manner. Cybercom's consulting services include strategy and advice, testing and quality assurance, security solutions, system development, systems integration, system management and hosting. The company's ability to deliver is both local and global.

With more connected devices, mobile phones, machines and people, demand for secure technical solutions continues to increase. Business is being digitised, and the expectations of what technology can achieve are expanding. This market is being driven forward rapidly and is expected to show good growth in the next decade.

### Connected Engineering



Connected Engineering accounted for approximately 45% of Cybercom's sales in the quarter. This area includes many of Cybercom's industrial clients, and is also the operation most associated with R&D. The largest proportion of sales comes from Sweden, in the Mid and South regions, as well as from Poland and Finland. The market is expected to remain strong.

In the Swedish operations, Cybercom was awarded an important contract by Wireless Maingate. Wireless Maingate is a pioneer in M2M (machine-to-machine) communication, with a focus on services for energy efficiency. Together with Wireless Maingate, Cybercom is developing and integrating its service platform in order to deliver a solution to enhance the user's ability to measure and optimise their energy consumption.

Cooperation with Ericsson has expanded and Cybercom has also established a project office in Kista, Stockholm, for close collaboration in agile development. The business for testing with ST-Ericsson has continued to decline, but is now included in the Ericsson account. Cybercom's development of Bluetooth software has met success, with new business in the automotive industry internationally. Development takes place in Sweden and Poland. In Poland, Cybercom also had success on the local market through a new deal with a world leader in electronic equipment that has an R&D centre in Warsaw. In Cybercom's Finnish operations, Cybercom's business with Helsingin Energia developed positively during the quarter, with new assignments. Other major clients here are Outotec and Kone.

### Connectivity Management



Approximately 8% of Cybercom's sales were generated from Connectivity Management during the quarter, and these mostly take place within the international operations through the office in Dubai. The market is international and is expected to be good. Millicom is one important client, with operations around the world. Cybercom's contracts in Africa continue to develop well. Cybercom won a new contract with Emtel Mauritius for quality and customer experience of networks, Customer Experience Management. Other assignments during the period included those for Celcom Malaysia and a leading national operator in Poland, where Cybercom has started to address the market with its offering.

### Digital Solutions



During the quarter, Digital Solutions accounted for 42% of Cybercom's sales, with the largest share in the Swedish Northeast region and in Finland. The market for Digital Solutions is broad, but also highly competitive. The sector distribution is mixed but a large proportion of Cybercom's assignments are in the public sector. During the period the company has had several assignments in e-health, which is a growing area. One assignment was the development of an e-service for social advice online, and Cybercom is also involved in developing guidance for local authorities when it comes to using mobile services in home care and home medical care. Another assignment in e-health in the period has been to produce a report for the eGovernment Delegation on IT standardisation in social services. Increasing interoperability and understanding the needs of these activities generates opportunities for more e-services that lead to higher quality and accessibility for citizens and users.

Cloud services are increasingly in demand from the company's clients, and Cybercom's business is growing in this area. One important assignment during the period has been an enterprise cloud solution for digital campaign sites that Cybercom is providing for a large Swedish company with global retail operations. Cybercom is also responsible for the implementation and management of these campaign sites. In Finland, Cybercom has a stable business in hosting for the company's major media clients. Cybercom also won a major new project for MTV Oy during the period.

### Secure Connectivity

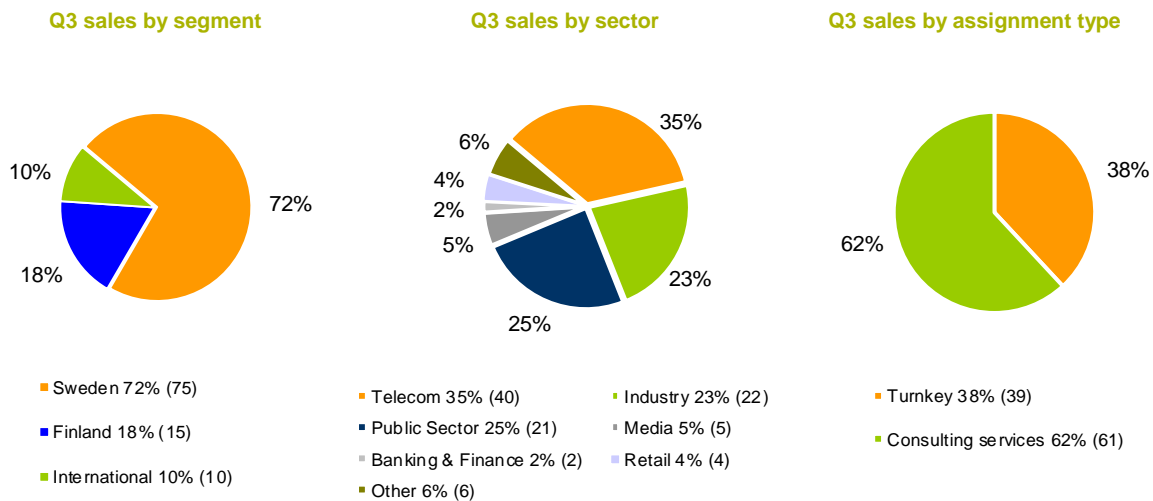


The Cybercom consultants that specialise in Secure Connectivity are mainly found in the Swedish Northeast and Mid regions, and in Poland. The area accounts for approximately 5% of sales, but is expected to have great potential ahead. Security is in many cases crucial for businesses and government agencies that invest in digital services. For example, for a government agency Cybercom has performed a security audit of infrastructure and applications on a central function with very high security requirements. Cybercom performed

the task using so-called blended delivery through its security resources in Sweden and Poland. The assignment from the Swedish E-Identification Board regarding Swedish e-identification is an important assignment that started during the period. Cybercom's business with Compliance Portal, a GRC tool for security governance, is developing well, with a new client in the Swedish Tax Agency. In Poland, Cybercom conducted a security audit for a major European payment card operator that provides support services to retailers in 19 countries.

### Clients

Cybercom works with leading companies such as Alma Media, Ericsson, Millicom, MTV Media, Outotec, SAAB, Sony Mobile, TeliaSonera, the Swedish Transport Administration and Volvo. The ten largest clients accounted for 45% (48) of total sales. The single largest client accounted for 14% (11) of sales. Cybercom is striving to broaden its client base, with the goal of the ten largest clients accounting for 35% of sales, and with no individual client accounting for more than 15% of sales.



Cybercom's sales are distributed primarily in telecom 35% (40), the public sector 25% (21) and industry 23% (22). Cybercom's goal is, within three years, to have a balanced client portfolio with 30% of sales from telecom, 30% from the public sector and 30% from manufacturing industry. Cybercom has a broad platform of framework agreements. Sales from assignments with framework agreement clients increased during the quarter and amounted to 64% (59). New framework agreements were signed with the Swedish Tax Agency and Saab. Turnkey assignments made up 38% (39) of sales.

### Employees

The average number of employees (full-time equivalents) in the group during January – September was 1,171 (1,389). At the end of the period, the number of group employees was 1,243 (1,365), of which 17% (18) women. Compared to last year, Cybercom has 122 fewer employees, partly as a consequence of redundancies that took place in conjunction with the cost-cutting programme in December.

In general, staff turnover in the industry has increased in recent years and this has also affected the company. In 2013, Cybercom has recruited mainly in Finland, Sweden and Poland, and has a good influx of new employees.

In Poland, Cybercom was named the best IT Workplace 2013 in the Audit Survey 2013, conducted by Computer World.

### Investments

Net investments in tangible and intangible assets during the quarter amounted to SEK 1.1 million (8.0) and during the year to SEK 7.0 million (15.1). Investments consist primarily of computers and equipment for group data centres.

### Liquidity and financial position

Cash flow from operating activities during the quarter amounted to SEK 3.9 million (-85.4) and during the year to SEK 69.8 million (-76.2). Cash flow before changes in working capital during the quarter was SEK 3.5 million (0.2) and during the year SEK 9.5 million (-4.3). Payments related to the restructuring programme in December last year, for which a total of SEK 28.4 million was allocated, were made during the quarter in the amount of SEK 3.5 million and during the year SEK 26.6 million. Changes in working capital during the quarter were SEK 0.4 million (-85.6) and

during the year SEK 69.8 million (-71.9). Last year, working capital was negatively affected in conjunction with changes in funding, when invoice sales were terminated and replaced by an overdraft facility.

Group cash and cash equivalents amounted to SEK 26.6 million (29.1) on September 30, 2013. Interest-bearing liabilities amounted to SEK 121.9 million (274.9). Net debt (interest-bearing liabilities less cash and cash equivalents) amounted to SEK 95.3 million (245.8), which gave debt to equity of 11% (34). The unutilised overdraft facility amounts to SEK 75 million, whereas last year SEK 65.2 million was unutilised.

Equity on September 30, 2013 was SEK 834.4 million (727.3), which corresponds to a 69.8% (56.6) equity/assets ratio. Equity per share amounted to SEK 4.62 SEK (20.15).

## Outlook

Cybercom does not publish forecasts.

## Risk assessment

Cybercom is, like other companies, exposed to various kinds of risk in its operations. Among the most notable are risks related to the general financial climate and economy, client contracts and clients' ability to pay, staff recruitment and retention, and various financial risks such as currency risks, credit risks and refinancing risks. Risk management is an integral part of Cybercom's management and the financial risks are described in greater detail in the 2012 annual report, note 26. The risks described for the group can also have an indirect effect on the parent company.

In the short and medium terms, the overall global uncertainty and the uncertainty this in turn creates for the business climate are among the more significant risks.

## Annual general meeting

Cybercom's annual general meeting 2014 will be held on May 7 in Stockholm. Shareholders wishing to have matters considered at the meeting must submit these to Cybercom by March 19 to be included in the notice. Requests should be addressed to the board and be posted to The General Counsel, Cybercom Group AB (publ) at Box 7574, 103 93 Stockholm, Sweden.

## Nomination committee

Cybercom's nomination committee consists of

- Ulf Gillberg, JCE Group AB (chairman of the nomination committee)
- Evert Carlsson, Swedbank Robur Fonder
- Henrik Didner, Didner & Gerge Fonder
- John Örtengren, representative for minority shareholders
- Hampus Ericsson, JCE Group AB, is chairman of Cybercom and participates in the nomination committee without voting rights.

Shareholders wishing to submit proposals to Cybercom's nomination committee can contact the chairman of the nomination committee, Ulf Gillberg, by e-mail: [ulf.gillberg@jcegroup.se](mailto:ulf.gillberg@jcegroup.se). Please note that proposals must be received by the nomination committee by March 19, 2014.

## Forthcoming reporting dates

Year-end Report, January – December 2013	February 13, 2014
Interim Report, January – March 2014	May 5, 2014
Annual General Meeting 2014	May 7, 2014
Interim Report, January – June 2014	July 15, 2014
Interim Report, January – September 2014	October 24, 2014
Year-end Report, January – December 2014	February 13, 2015

Cybercom's annual reports, year-end reports and interim reports are published in Swedish and English. In the event of differences between the English translation and the Swedish original, the Swedish text shall prevail.



### Forward-looking statements

This report contains statements concerning, among other things, Cybercom's financial position and performance as well as statements on market conditions that may be forward-looking. Cybercom believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions. However, forward-looking statements involve inherent risks and uncertainties and actual results or outcomes may differ materially from those expressed. Forward-looking statements relate only to the date they were made and, other than as required by applicable law, Cybercom undertakes no obligation to update any of them in light of new information or future events.

**Note:** Cybercom Group AB (publ) is required to make the information in this interim report public in compliance with the Swedish Securities Market Act. The information was submitted for publication on October 25, 2013 at 07.30.

Stockholm, October 25, 2013

Niklas Flyborg  
President and CEO

## Report on review on interim financial information

### Introduction

We have reviewed the summary interim financial information (interim report) of Cybercom Group AB (publ), corporate identity number 556544-6522, as of September 30, 2013 and the nine-month period then ended. The Board of Directors and the President are responsible for the preparation and fair presentation of this interim financial information in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim annual report based on our review.

### Scope of review

We conducted our 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 of interim financial information 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 and other generally accepted auditing practises. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance expressed based on an audit.

### 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 Annual Accounts Act for the Group and in accordance with the Annual Accounts Act for the Parent Company.

Stockholm, October 25, 2013

KPMG AB

Helena Arvidsson Älgne  
Certified public accountant



## Condensed income statement

Cybercom Group, SEK million	Note	Q3 2013	Q3 2012	Jan-Sep 2013	Jan-Sep 2012	2012	RTM
<b>Sales</b>		<b>249.3</b>	<b>273.9</b>	<b>881.8</b>	<b>985.5</b>	<b>1,339.2</b>	<b>1,235.5</b>
Operating expenses							
Other external expenses		-67.7	-83.3	-235.9	-287.1	-383.2	-332.0
Restructuring costs		-	-	-	-5.0	-33.4	-28.4
Employee benefits expenses		-167.0	-186.1	-588.0	-660.0	-892.4	-820.4
Depreciation and amortisation		-6.0	-7.3	-19.8	-22.6	-29.8	-27.0
Capital loss from disposal of subsidiaries	4	-	-0.1	-	-11.8	-11.8	-
<b>Operating profit/loss, EBIT</b>		<b>8.6</b>	<b>-2.9</b>	<b>38.1</b>	<b>-1.0</b>	<b>-11.4</b>	<b>27.7</b>
Finance income		0.4	0.5	1.6	1.8	2.2	2.0
Finance costs		-2.6	-3.4	-7.5	-14.0	-18.6	-12.1
<b>Profit/loss before tax</b>		<b>6.4</b>	<b>-5.8</b>	<b>32.2</b>	<b>-13.2</b>	<b>-27.8</b>	<b>17.6</b>
Current tax		-3.3	0.1	-6.8	-2.2	-10.2	-14.8
Deferred tax		1.7	1.4	-0.2	-1.0	-15.1	-14.3
<b>Period's profit/loss</b>		<b>4.8</b>	<b>-4.3</b>	<b>25.2</b>	<b>-16.4</b>	<b>-53.1</b>	<b>-11.5</b>

## Earnings per share

Cybercom Group, SEK	Q3 2013	Q3 2012	Jan-Sep 2013	Jan-Sep 2012	2012	RTM
<b>Total operation</b>						
Earnings per share, basic and diluted	0.03	-0.08	0.14	-0.29	-0.67	-0.07
Average number of shares, basic and diluted	180,439,495	55,850,320	180,439,495	55,850,320	79,383,831	172,324,491

## Statement of comprehensive income

Cybercom Group, SEK million	Q3 2013	Q3 2012	Jan-Sep 2013	Jan-Sep 2012	2012	RTM
Period's profit/loss	4.8	-4.3	25.2	-16.4	-53.1	-11.5
<b>Items that can or has been reclassified to profit or loss</b>						
Translation differences in translating data in foreign operations	-3.1	-7.2	0.1	-11.0	-8.2	2.9
Translation differences included in profit and loss	-	-	-1.6	-	-	-1.6
Currency risk hedging in foreign operations	-	2.5	-	3.9	2.4	-1.5
Tax effect on items in other comprehensive income	-	-0.6	-	-1.0	-0.6	0.4
<b>Other comprehensive income</b>	<b>-3.1</b>	<b>-5.3</b>	<b>-1.5</b>	<b>-8.1</b>	<b>-6.4</b>	<b>0.2</b>
<b>Total comprehensive income</b>	<b>1.7</b>	<b>-9.6</b>	<b>23.7</b>	<b>-24.5</b>	<b>-59.5</b>	<b>-11.3</b>



## Condensed statement of changes in equity

Cybercom Group, SEK million	Share capital	Other capital contributions	Translation reserve	Retained earnings	Total equity
Opening balance January 1, 2012	36.1	855.4	0.5	-140.1	751.9
Period's comprehensive income	-	-	-8.1	-16.4	-24.5
New share issue	-	-0.1	-	-	-0.1
<b>Closing balance September 30, 2012</b>	<b>36.1</b>	<b>855.3</b>	<b>-7.6</b>	<b>-156.5</b>	<b>727.3</b>
Opening balance January 1, 2013	45.1	964.8	-5.9	-193.2	810.8
Period's comprehensive income	-	-	-1.5	25.2	23.7
New share issue	-	-0.1	-	-	-0.1
<b>Closing balance September 30, 2013</b>	<b>45.1</b>	<b>964.7</b>	<b>-7.4</b>	<b>-168.0</b>	<b>834.4</b>

## Condensed balance sheet

Cybercom Group, SEK million	Note	30/09/2013	30/09/2012	31/12/2012
<u>Assets</u>				
Goodwill		785.8	783.3	785.2
Customer value		30.4	38.2	36.4
Other intangible assets		17.0	21.9	20.2
Property, plant, and equipment		22.7	29.4	26.4
Financial assets		0.1	0.2	1.0
Deferred tax assets		23.0	42.2	24.8
<i>Total non-current assets</i>		<i>879.0</i>	<i>915.2</i>	<i>894.0</i>
Current assets excl. cash and cash equivalents		290.4	340.0	439.9
Cash and cash equivalents		26.6	29.1	20.3
<i>Total current assets</i>		<i>317.0</i>	<i>369.1</i>	<i>460.2</i>
<b>Total assets</b>		<b>1,196.0</b>	<b>1,284.3</b>	<b>1,354.2</b>
<u>Equity and liabilities</u>				
Equity		834.4	727.3	810.8
Non-current liabilities, interest-bearing		80.1	88.2	109.1
Non-current liabilities, non-interest-bearing		14.6	21.7	17.7
<i>Total non-current liabilities</i>		<i>94.7</i>	<i>109.9</i>	<i>126.8</i>
Current liabilities, interest-bearing		41.8	186.7	67.4
Current liabilities, non-interest-bearing		225.1	260.4	349.2
<i>Total current liabilities</i>		<i>266.9</i>	<i>447.1</i>	<i>416.6</i>
<b>Total equity and liabilities</b>		<b>1,196.0</b>	<b>1,284.3</b>	<b>1,354.2</b>
Pledged assets and contingent liabilities	2	See note	See note	See note

The carrying amount is believed to represent a realistic estimate of fair value of all financial assets and financial liabilities. The financial assets and liabilities are attributable to measurement categories 2 and 3. For information on measurement methods, please refer to Note 25 in the 2012 annual report.

## Condensed statements of cash flow

Cybercom Group, SEK million	Q3 2013	Q3 2012	Jan - Sep 2013	Jan - Sep 2012	2012	RTM
Cash flow before changes in working capital	3.5	0.2	9.5	-4.3	16.8	30.6
Changes in working capital	0.4	-85.6	60.3	-71.9	-117.5	14.7
<b>Cash flow from operating activities</b>	<b>3.9</b>	<b>-85.4</b>	<b>69.8</b>	<b>-76.2</b>	<b>-100.7</b>	<b>45.3</b>
Investments in tangible and intangible fixed assets	-1.1	-8.0	-7.0	-15.1	-15.2	-7.1
Acquisition in subsidiaries/net assets	-	-	-0.7	-4.5	-4.5	-0.7
Divestment of subsidiaries	-	-1.7	-	-7.1	-7.4	-0.3
Other items	0.1	0.2	0.1	0.2	0.1	0.1
<b>Cash flow from investing activities</b>	<b>-1.0</b>	<b>-9.5</b>	<b>-7.6</b>	<b>-26.5</b>	<b>-27.0</b>	<b>-8.0</b>
New share issue	-0.1	-0.1	-0.1	-0.1	115.8	115.8
Change in factoring and overdraft facilities	-	55.4	-43.4	94.0	43.4	-94.0
Change in other financial liabilities	1.4	5.2	-11.1	-21.0	-70.4	-60.5
<b>Cash flow from financing activities</b>	<b>1.3</b>	<b>60.5</b>	<b>-54.6</b>	<b>72.9</b>	<b>88.8</b>	<b>-38.7</b>
<b>Period's cash flow</b>	<b>4.2</b>	<b>-34.4</b>	<b>7.6</b>	<b>-29.8</b>	<b>-38.9</b>	<b>-1.4</b>
Cash and cash equivalents at period's start	23.2	65.2	20.3	62.4	62.4	29.1
Exchange differences in cash and cash equivalents	-0.8	-1.7	-1.3	-3.5	-3.2	-1.1
<b>Cash and cash equivalents at period's end</b>	<b>26.6</b>	<b>29.1</b>	<b>26.6</b>	<b>29.1</b>	<b>20.3</b>	<b>26.6</b>

## Other information

Cybercom Group, SEK million	Q3 2013	Q3 2012	Jan - Sep 2013	Jan - Sep 2012	2012	RTM
<b>Share information</b>						
Earnings per share, SEK*	0.03	-0.08	0.14	-0.29	-0.67	-0.07
Number of shares at period's end, basic and diluted	180,439,495	36,087,899	180,439,495	36,087,899	180,439,495	180,439,495
Average number of shares, basic and diluted*	180,439,495	55,850,320	180,439,495	55,850,320	79,383,831	172,324,491
<b>Financial position</b>						
Equity	834.4	727.3	834.4	727.3	810.8	834.4
Equity/assets ratio, %	69.8	56.6	69.8	56.6	59.9	69.8
Equity/share, SEK	4.62	20.15	4.62	20.15	4.49	4.62
Net investments in tangible and intangible fixed assets	1.1	8.0	7.0	15.1	15.2	7.1
Cash and cash equivalents	26.6	29.1	26.6	29.1	20.3	26.6
Net debt	95.3	245.8	95.3	245.8	156.2	95.3
<b>Employees</b>						
Number of employees at period's end	1,243	1,365	1,243	1,365	1,335	1,243
Of which women at period's end, %	17	18	17	18	17	17
Average number of FTEs	1,145	1,299	1,174	1,389	1,368	1,205
Revenue per FTE, SEKk	218	211	751	710	979	1,025
<b>Key figures</b>						
Operating margin (EBITDA), %	5.9	1.6	6.6	3.4	2.3	4.4
Operating margin (EBIT), %	3.4	-1.1	4.3	-0.1	-0.9	2.2
Net margin (profit/loss before tax), %	2.6	-2.1	3.7	-1.3	-2.1	1.4

\* Historical information on average number of shares and earnings per share was recalculated as a consequence of the rights issue as per IAS 33. The recalculation effect arises when the issue price is below the market price on the allocation date of the warrants.

## Operating segments

An operating segment is a part of the group that engages in activities that may generate revenue and incur expenses and for which separate financial information is available. Operating segment results are regularly reviewed by the company's CEO to assess performance and allocate resources to the segment.

Q3 2013	Group				Cybercom
SEK million	Sweden	Finland	International	functions and eliminations	Group
<b>Sales to external customers</b>	<b>180.7</b>	<b>44.3</b>	<b>25.1</b>	<b>-0.8</b>	<b>249.3</b>
Sales to other segments	1.3	0.4	7.0	-8.7	-
<b>Operating profit/loss, EBITDA</b>	<b>5.2</b>	<b>3.6</b>	<b>3.0</b>	<b>2.8</b>	<b>14.6</b>
Depreciation and amortisation	-2.2	-2.6	-0.1	-1.1	-6.0
<b>Operating profit/loss, EBIT</b>	<b>3.0</b>	<b>1.0</b>	<b>2.9</b>	<b>1.7</b>	<b>8.6</b>
Financial items					-2.2
<b>Profit/loss before tax</b>					<b>6.4</b>
Number of employees	774	246	207	16	1,243

Group functions include parent company EBIT of SEK 3.0 million.

Q3 2012	Group				Cybercom
SEK million	Sweden	Finland	International	functions and eliminations	Group
<b>Sales to external customers</b>	<b>204.8</b>	<b>42.3</b>	<b>26.8</b>	<b>0.0</b>	<b>273.9</b>
Sales to other segments	1.8	1.0	6.9	-9.7	-
<b>Operating profit/loss, EBITDA</b>	<b>6.5</b>	<b>0.7</b>	<b>0.1</b>	<b>-2.8</b>	<b>4.5</b>
Depreciation and amortisation	-2.6	-2.9	-0.4	-1.4	-7.3
Capital loss from disposal of subsidiaries	-	-	-	-0.1	-0.1
<b>Operating profit/loss, EBIT</b>	<b>3.9</b>	<b>-2.2</b>	<b>-0.3</b>	<b>-4.3</b>	<b>-2.9</b>
Financial items					-2.9
<b>Profit/loss before tax</b>					<b>-5.8</b>
Number of employees	861	264	217	23	1,365

Group functions include parent company EBIT of SEK -3.5 million.

Jan - Sep 2013	Group				Cybercom
SEK million	Sweden	Finland	International	functions and eliminations	Group
<b>Sales to external customers</b>	<b>649.5</b>	<b>148.3</b>	<b>85.0</b>	<b>-1.0</b>	<b>881.8</b>
Sales to other segments	6.2	1.4	22.3	-29.9	-
<b>Operating profit/loss, EBITDA</b>	<b>34.8</b>	<b>13.1</b>	<b>8.8</b>	<b>1.3</b>	<b>58.0</b>
Depreciation and amortisation	-7.5	-8.1	-0.8	-3.4	-19.8
<b>Operating profit/loss, EBIT</b>	<b>27.3</b>	<b>5.0</b>	<b>8.0</b>	<b>-2.2</b>	<b>38.1</b>
Financial items					-5.9
<b>Profit/loss before tax</b>					<b>32.2</b>
Number of employees	774	246	207	16	1,243

Group functions include parent company EBIT of SEK -2.4 million.

Jan - Sep 2012	Group				Cybercom
SEK million	Sweden	Finland	International	functions and eliminations	Group
<b>Sales to external customers</b>	<b>746.0</b>	<b>150.7</b>	<b>90.0</b>	<b>-1.2</b>	<b>985.5</b>
Sales to other segments	9.0	2.3	23.4	-34.7	-
<b>Operating profit/loss, EBITDA</b>	<b>43.6</b>	<b>3.0</b>	<b>-4.3</b>	<b>-8.9</b>	<b>33.4</b>
Depreciation and amortisation	-7.8	-9.3	-1.7	-3.8	-22.6
Capital loss from disposal of subsidiaries	-	-	-	-11.8	-11.8
<b>Operating profit/loss, EBIT</b>	<b>35.8</b>	<b>-6.3</b>	<b>-6.0</b>	<b>-24.5</b>	<b>-1.0</b>
Financial items					-12.2
<b>Profit/loss before tax</b>					<b>-13.2</b>
Number of employees	861	264	217	23	1,365

Group functions include parent company EBIT of SEK -11.8 million.



## Note 1 – Accounting policies

The interim report for the group has been prepared in accordance with IAS 34 Interim Reporting and applicable provisions of the Annual Accounts Act. The interim report for the parent company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act, Interim Reporting. In the segment reporting, the operations in India have been moved from the Sweden segment to the International segment from January 1, 2013. Comparative periods have been restated. The accounting policies and measurement methods are otherwise unchanged from those applied in the most recent annual report.

## Note 2 – Pledged assets and contingent liabilities

The shares in Cybercom Sweden AB have been pledged as collateral for the obligations within existing loan agreements with Nordea. The group value of the pledged assets on September 30, 2013 amounted to SEK 784.3 million (645.4). In addition, floating charges in Cybercom Sweden AB of SEK 200.0 million (-) have been pledged as collateral for the loan agreement. For further information please refer to the annual report for 2012.

## Note 3 – Purchase of net assets

Under the purchase agreement between Teleca and Cybercom for the acquisition of auSystems, Teleca will receive 50% of the tax effect Cybercom benefits from for tax depreciation on the goodwill from transfer of assets included in the acquisition. In the second quarter of 2013, SEK 0.7 million (4.5) was paid and the remaining consideration amounts to SEK 1.1 million.

## Note 4 – Divestment of subsidiary

In June 2012, Cybercom divested the Chinese operations with 126 employees for a negative consideration of SEK 1.4 million, which resulted in a capital loss of SEK 11.8 million and impacted cash flow from investment activities by SEK -7.4 million. The transaction took place through a share transfer, whereby the purchaser took over all assets, client contracts, employment agreements and other obligations on June 6, 2012. The activities are included in the consolidated financial information until April 2012.

## Note 5 – Tax

The difference between tax recognised in the income statement and tax based on the parent company's current tax rate 22% (26.3).

Cybercom Group, SEK million	Jan - Sep 2013	Jan - Sep 2012	Jan - Dec 2012
<b>Profit/loss before tax in income statement</b>	<b>32.2</b>	<b>-13.2</b>	<b>-27.8</b>
Tax as per applicable tax rate for parent company	-7.1	3.5	7.3
Tax attributable to prior years	0.2	-	-21.5
Effect of changed tax rate in Sweden	-	-	-4.1
Tax at source on foreign dividends	-0.3	-0.7	-0.7
Tax effect of non-deductible costs	-0.4	-4.3	-4.4
Tax effect of tax-exempt revenue	0.4	0.1	0.1
Tax on standard interest, tax allocation reserves	0.0	-0.1	-0.1
Tax effect on unrecognised tax asset	-	-0.8	-0.8
Effect of foreign tax rates	0.2	-0.9	-1.1
<b>Tax on period's profit/loss as per income statement</b>	<b>-7.0</b>	<b>-3.2</b>	<b>-25.3</b>
Effective tax rate	21.7%	-24.3%	-90.9%



## Parent company

The operations of the parent company comprise primarily the management of group-wide functions, such as finance, PR and marketing communications, administration and internal systems. At the end of the period 10 (13) people were employed by the parent company. The average number of employees (full-time equivalents) during the period was 10 (12). The profit/loss from financial items includes dividends from subsidiaries of SEK 19.0 million (-). Through intra-group restructuring in conjunction with mergers the book value of shares in subsidiaries has increased by SEK 200 million with a corresponding liability to group companies.

<b>Condensed income statement - parent company</b>	<b>Q3</b>	<b>Q3</b>	<b>Jan-Sep</b>	<b>Jan-Sep</b>	
<b>SEK million</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2012</b>
Operating revenue	10.0	7.4	29.6	23.6	39.5
Operating costs	-12.1	-12.5	-36.7	-40.1	-52.4
<b>Operating profit/loss</b>	<b>-2.1</b>	<b>-5.1</b>	<b>-7.1</b>	<b>-16.5</b>	<b>-12.9</b>
Financial items	1.9	4.8	18.7	1.4	1.2
<b>Profit/loss after financial items</b>	<b>-0.2</b>	<b>-0.3</b>	<b>11.6</b>	<b>-15.1</b>	<b>-11.7</b>
Appropriations	-	-	-	-	-14.3
Tax on period's profit/loss	-0.8	0.2	0.3	3.2	4.0
<b>Period's profit/loss</b>	<b>-1.0</b>	<b>-0.1</b>	<b>11.9</b>	<b>-11.9</b>	<b>-22.0</b>

### Condensed balance sheet - parent company

<b>SEK million</b>	<b>30/09/2013</b>	<b>30/09/2012</b>	<b>31/12/2012</b>
<b>Assets</b>			
Non-current assets	929.1	729.7	737.4
Current assets	40.6	31.2	78.0
<b>Total assets</b>	<b>969.7</b>	<b>760.9</b>	<b>815.4</b>
<b>Equity and liabilities</b>			
Equity	740.7	620.6	728.9
Untaxed reserves	11.2	16.5	11.2
Non-current liabilities	200.6	0.8	1.5
Current liabilities	17.2	123.0	73.8
<b>Total equity and liabilities</b>	<b>969.7</b>	<b>760.9</b>	<b>815.4</b>
Pledged assets and contingent liabilities	650.0	-	450.1