



## **Interim report for the period from January 1 to March 31, 2001**

The CEO hereby submits this interim report for the period between January 1 and March 31, 2001, at the request of the Board of ENEA DATA AB.

- **Net sales for the Enea Group SEK 235 million (+41%)**
- **Earnings for the Enea Group, excluding amortization of goodwill SEK -27.6 million (16.1)**
- **Net sales Enea OSE Systems SEK 51 million (+35%), earnings SEK -59.4 million (-8.9)**
- **Net sales for the consulting business SEK 202 million (+44%), operating profit SEK 25.8 million (19.9) excluding amortization of goodwill.**
- **The Enea Group as a whole is expected to be profitable for full year 2001 excluding amortization of goodwill**
- **Consulting business continued to show good results during this quarter**
- **The acquisition of Polyhedra is the next phase in the development of OSE**
- **Michael Dager is the new CEO of Enea OSE Systems**

### **The Enea Group**

In March, the Company acquired all the shares of Polyhedra Plc, a British company with one of the most advanced real time database technologies in the world. Preliminarily, the accounts should be consolidated beginning on May 1, 2001.

Peter Johansson assumed the position of deputy CEO of Enea Data AB on April 5, 2001. Prior to that, he served as the CEO of Emerson Energy Systems in Shanghai, China. Peter will primarily work with our international growth.

Staff growth during the first quarter reflects a market that is weaker than it was last year. At the end of the period, there were 889 (728) employees, which represents an increase of 22 percent. The personnel turnover during the first quarter was about 13 percent, converted to a whole year basis.



Jan – March (SEK million)	Net sales		Operating profit/ loss, excl gw amort.		Operating profit/ loss, incl gw amort.		Profit/loss after net financial items	
	Actual	Pro forma	Actual	Pro forma	Actual	Pro forma	Actual	Pro forma
	2001	2000	2001	2000	2001	2000	2001	2000
Enea Realtime*	111.6	81.5	18.5	14.7	16.2	14.1	15.1	14.2
Enea Business Software	43.2	37.6	2.7	3.0	2.0	2.5	1.5	2.5
Enea TekSci**	51.1	21.1	4.6	2.3	4.6	2.3	4.6	2.3
Consulting adjustments	-3.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Consulting business	202.1	140.2	25.8	19.9	22.8	19.0	21.3	19.0
Enea OSE Systems	51.3	37.9	-59.2	-8.8	-59.2	-8.8	-59.4	-8.9
Parent company, gw, other	-18.0	-11.3	0.7	6.2	-5.0	3.4	1.7	2.2
<b>Enea Group</b>	<b>235.4</b>	<b>166.8</b>	<b>-32.6</b>	<b>17.4</b>	<b>-41.4</b>	<b>13.5</b>	<b>-36.4</b>	<b>12.3</b>

	Operating margin excl gw amort.		Operating margin incl gw amort.		Net margin	
	Actual	Pro forma	Actual	Pro forma	Actual	Pro forma
	2001	2000	2001	2000	2001	2000
Enea Realtime*	17%	18%	14%	17%	14%	17%
Enea Business Software	6%	8%	5%	7%	3%	7%
Enea TekSci**	9%	11%	9%	11%	9%	11%
Consulting business	13%	14%	11%	14%	11%	14%
Enea OSE Systems	-115%	-23%	-116%	-23%	-116%	-23%
<b>Enea Group</b>	<b>-14%</b>	<b>10%</b>	<b>-18%</b>	<b>8%</b>	<b>-15%</b>	<b>7%</b>

\* Enea Epect AB is included from 10 March, 2000

\*\* From 1 February, 2000

Any discrepancies in these totals are due to rounding off figures.

## Capital expenditures

The capital expenditures of the Group during the period totaled SEK 10.2 million (269.8).

## Liquid funds and financial position

Liquidity is excellent, with liquid assets of SEK 208.2 million (42.5) at the end of the period.

## Earnings per share

The earnings per share for the period was SEK –0.18 (0.05) before dilution, and SEK –0.17 (0.05) after full dilution.

## The Parent Company Enea Data AB

Net sales during the period totaled SEK 0.0 million (108.0), with profit/loss after net interest income/expense totaling SEK 5.2 million (19.1).

Comparisons with previous years are not relevant, since the parent company has not conducted any consulting business since April 1, 2000.

The net financial income and expense was SEK 5.1 (-2.0) million. Liquid assets totaled SEK 151.5 (0.8) million. The capital expenditures of the Parent Company totaled SEK 1.5 million (293.4).

As of March 31, 2001, there were 36 employees.



## **The Enea Realtime subsidiary group**

Sales and profit/loss for the first quarter are reported in a separate table.

Enea Realtime continues to enjoy an excellent market position in all five of its business locations. Our Finnish office is now staffed, and is expected to develop favorably during the year.

The profit margin continues to be good, and recruitment is largely as planned. We expect the greatest growth within areas such as the third generation mobile systems and telephones, as well as Bluetooth. Ericsson is Enea Realtime's largest single customer, and its announced cutbacks are expected to have some affect on margins, beginning in the second quarter.

The market for Bluetooth services continues to increase, and during the period a number of Bluetooth assignments have been received. During the first quarter, a consultant at Enea Realtime received BQB accreditation, and thus became one of only two consultants in the world, working for independent consulting companies, to have earned that distinction. BQB stands for Bluetooth Qualification Body, and gives a right to certify Bluetooth implementations according to the standard.

We are experiencing continued satisfactory demand in this market. Sales volume growth has been limited by labor market shortages, and the fact that about ten employees have transferred to the sister group Enea OSE Systems.

As of December 31, 2001, there were 360 employees.

## **The Enea Business Software subsidiary group**

Sales and profit/loss for the first quarter are reported in a separate table.

Enea Business Software has accepted a number of prestigious projects, including assignments in Biotechnology and also for our Methods and Structured System Development Unit, with its globally unique expertise.

Some of the e-commerce projects that were previously announced, have now been successfully implemented and approved by companies such as Vattenfall and Postgirot Bank. The projects well reflect the Company's skills and expertise in areas such as project management, advanced technology and usability.

In the future, Enea Business Software will increasingly focus on the communications market, in line with the overall objectives of the Group. This means that we expect faster growth in this area than in other fields.

During the first quarter, the level of capacity utilization was somewhat low, as expected, due to excess capacity on the Swedish market. A change is expected earliest this summer.

As of March 31, 2001, the number of employees totaled 163 .



## **The subsidiary Enea TekSci**

Sales and profit/loss for the first quarter are reported in a separate table.

TekSci is continuing to develop favorably, and the synergies between Enea TekSci and Enea OSE continue to grow stronger. We are experiencing a turbulent market in the telecom area in the United States. This forces us to transfer personnel to cope with projects that are discontinued on short notice. Despite the turbulence on the market, sales and profit trends reflect our plans, and this indicates a good ability to handle the situation. This quarter was the strongest one ever for Enea TekSci, both in terms of sales and profits.

A contract for consulting services regarding program system design, development and support, worth approximately 15 MUSD over the course of four years, was signed with Sundstrand Inc. of Chicago, the manufacturer of vital airborne safety equipment.

As of March 31, 2001, the number of employees totaled 125.

## **The Group's overall consulting business**

The net sales for the consulting business was SEK 202 million (+44%). The operating profit/loss was SEK 25.8 million (19.9), not including amortization of goodwill, totaling SEK 3.0 million.

The companies acquired in 1999 and 2000 continue to show satisfactory profits and low personnel turnover.

## **The Enea OSE Systems subsidiary group**

### **Market development**

The market successes of recent years are seen in market studies, which show that we have now captured a global market share of approximately 17 percent, in the communications area. (Source: VDC)

Our customers in the communications sector have experienced weaker demand during this period. This has caused a certain restraint, which is reflected in our sales growth:

- The largest telecom companies are showing restraint, particularly in the United States where sales cycles have become longer, purchasing decisions have been postponed, and licensing levels have been lower.
- In the European market too, we are seeing longer sales cycles and decision-making processes than before, but here our last year's internal restructuring is starting to show results.
- In Asia, trends are going as planned, with a great deal of interest in our products by Asian customers. The first quarter saw the staffing of the Tokyo office, which thereby became our first sales office in Asia.

Despite a weaker market in the communications area, we feel that there are excellent opportunities to greatly increase our market share.



### **Design wins during the period**

During the period, there have been a number of important design wins in the important communications segment (i.e. telecom and datacom) from:

- Aetian Networks
- Coree Networks
- Ennovate Networks
- Maple Networks
- Nauticus Networks
- Huawei
- Ericsson

An important design win in the area of safety has been signed with Aerodata of Germany, covering an airborne certified system, according to the Do178B standard.

### **New Management**

As an important part of the preparations for the upcoming separate listing of the OSE business, the OSE Group is now have an American parent company, as was previously the case. Michael Dager, previously the CEO of the OSE Group's American sales company, has been appointed to be the CEO. The headquarters of the group are located in San Jose, California. Development and the current Swedish functions will continue to be based in Täby, Sweden.

### **The Polyhedra acquisition**

The Polyhedra acquisition lays the groundwork for the next major technological advances for the OSE products. A central component of our next platform for High Availability (HA) systems will be an integrated real time database. This acquisition safeguards our control over global cutting edge database technology, which will be built in to our next HA platform.

There is a great need on the market for greater HA functionality, to enable our customers to quickly get their systems to market. Up until now, there has not been any commercial solution for our primary market. Instead the customers have had to construct their own solutions, to a large extent. The combination between OSE and Polyhedra will mean a great deal of added value for the most demanding customers.

In our opinion, the market for the next generation of HA products possessing greatly enhanced functionality will be significant, over the next several years. Thus far, no supplier has been able to address this market. With the right product at the right time, we should be able to successfully do exactly that.

### **Investments**

The active investment program begun in 2000 has continued with a certain selectiveness during the period. Important investments to additionally strengthen our position on the communications market include the following:

- A new version of the Wireless-platform for 3G-terminals
- The HA platform for the fault-tolerant infrastructure systems of the future.
- Continued opening of new businesses in Asia, according to plan, in order to reach the important Asian communications customers. The opening of a regional office in Hong Kong will take place in the next few months.

Parallel to these investments, there is also an efficiency program aimed at developing these investments into long-term profitability.



## **Others**

Dilution resulting from the U.S. stock option program is currently approximately 5.5 percent of the OSE Group's value.

As of March 31, 2001, there were 205 employees, of which 93 were stationed outside of Sweden.

## **The associated company Combitech Systems**

During the period, Combitech Systems, of which Enea owns a 35 percent interest, showed sales of SEK 57.5 million (43.2). The share of the profit belonging to the Enea Group is reported here as financial income, and totals SEK 1.7 million (1.0). The gross share of the profit is reported.

## **General forecast for 2001**

It is difficult to determine the market for Enea's services and training during the rest of the year, but our market position in the communications area is expected to be more stable than other areas.

The weak telecommunications market can impact negatively on the profits of the OSE area in 2001, but we see a good opportunity to greatly increase our market share in the next few years, by taking steps such as additionally increasing our products' head start. The OSE area is expected to show a profit in 2002, provided that the global telecommunications market becomes stronger during the second half of 2001.

There can be acquisitions during the year in both the service and product areas.

Profits/losses for the subsidiary group Enea OSE Systems are expected to be in the range of last year's losses (SEK -57 million). Net sales are expected to increase by more than 50 percent, which means net sales in excess of SEK 380 million. Profits/losses for individual quarters may vary a great deal, and the forecast for the entire year contains uncertainty due to world economic trends in the telecom/datacom areas.

A profit before amortization of goodwill is expected for the Enea Group, taken as a whole (last year: SEK 26.1 million, after the subtraction of the SPP-repayment). The amortization of goodwill for the entire year is expected to total approximately SEK 39 million.

## **Compliance with the recommendations of the Swedish Financial Accounting Standards Council**

This interim report has been prepared in compliance with the recommendation of the Swedish Financial Standards Council. The accounting principles used in our most recent annual report were also used in this interim report. As a consequence of the recommendations from the Swedish Financial Standards Council that took effect from January 1, 2001, the calculation of earnings per share has been adjusted. Previously reported work on contract are now accounted for as receivables or liabilities for work on contract. The previous year has been adjusted accordingly. The following recommendations are optional and have not yet been implemented: RR1:00, RR15, RR16, RR17 and RR19.

## Future information

Second quarter report: Aug. 3, 2001

Third quarter report: Nov. 2, 2001

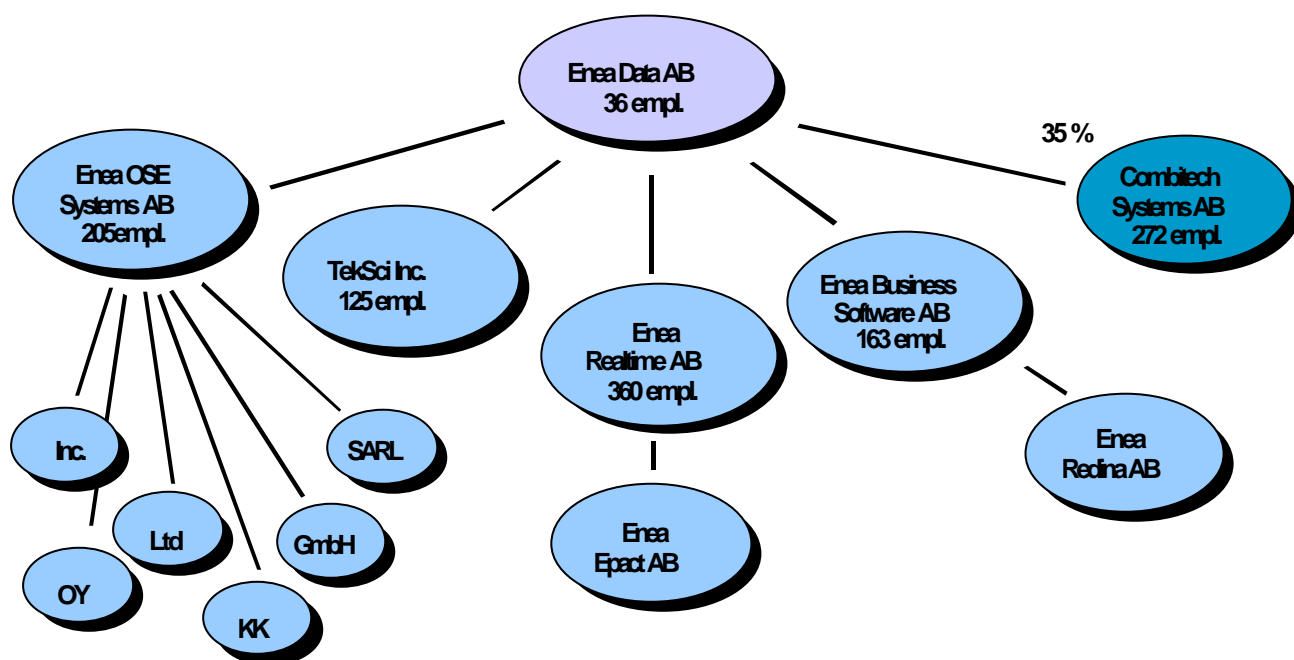
Preliminary report of 2001 Earnings: Feb. 8, 2002

Ola Berglund  
CEO

This report has not been reviewed by the Company's auditors.

Questions can be directed to Ola Berglund, telephone +46 709 - 71 44 17

Group structure:





## Income Statement (SEK million)

## Group

	Jan-March 2001	Jan-March 2000	Jan-Dec 2000
Net sales	235.4	166.8	847.2
Changes in work on contract	-0.2	5.1	10.6
Other operating income	<u>4.6</u>	<u>1.7</u>	<u>10.9</u>
<b>Operating income</b>	<b>239.8</b>	<b>173.6</b>	<b>868.7</b>
Raw materials and warehouse supplies	-21.1	-5.9	-73.4
Other external costs	-58.1	-30.6	-155.0
Personnel costs	-187.1	-114.9	-601.9
Depreciation and amortization excl goodwill	-4.6	-4.0	-17.7
Items affecting comparability	0.0	0.0	29.1
Other operating costs	<u>-1.5</u>	<u>-0.9</u>	<u>-4.3</u>
<b>Operating profit before amortization of goodwill</b>	<b>-32.6</b>	<b>17.3</b>	<b>45.5</b>
Amortization of goodwill	<u>-8.8</u>	<u>-3.8</u>	<u>-27.8</u>
<b>Operating profit</b>	<b>-41.4</b>	<b>13.5</b>	<b>17.7</b>
<i>Profit/loss from financial income and expense</i>			
Profit from shares in associated companies	1.7	1.0	9.7
Profit from other securities and receivables	-0.1	0.1	0.2
Other interest income and similar revenue	3.5	0.3	7.3
Interest expense and similar costs	<u>-0.1</u>	<u>-2.6</u>	<u>-7.5</u>
<b>Pre-tax profit</b>	<b>-36.4</b>	<b>12.3</b>	<b>27.4</b>
Tax on profit	5.2	-3.9	-21.0
Minority	<u>0.0</u>	<u>-0.1</u>	<u>-1.1</u>
<b>Net profit</b>	<b>-31.2</b>	<b>8.3</b>	<b>5.3</b>
Earnings per share (SEK)	-0.18	0.05	0.03
Earnings per share with full dilution (SEK)	-0.17	0.05	0.03



## Balance Sheet (SEK million)

	<b>Group</b>		
	<b>March 31,</b>	<b>March 31,</b>	<b>Dec 31,</b>
<b>ASSETS</b>	<b>2001</b>	<b>2000</b>	<b>2000</b>
<u>Fixed assets</u>			
Intangible fixed assets	321.4	273.2	317.3
Tangible fixed assets	57.4	51.2	51.4
Financial assets	<u>31.4</u>	<u>30.0</u>	<u>34.4</u>
	410.2	354.4	403.1
<u>Current assets</u>			
Current receivables	317.5	184.7	355.6
Cash and bank balances	<u>208.2</u>	<u>42.5</u>	<u>236.1</u>
	525.7	227.2	591.7
<b>TOTAL ASSETS</b>	<b>935.9</b>	<b>581.6</b>	<b>994.8</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Shareholders' equity	708.8	208.1	728.0
Minority interests	0.6	1.2	2.1
Provisions	19.0	21.1	18.8
Long-term liabilities	2.8	30.3	21.4
Current liabilities	<u>204.7</u>	<u>320.9</u>	<u>224.5</u>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>935.9</b>	<b>581.6</b>	<b>994.8</b>

## Change in Shareholders' Equity (SEK million)

	<b>Group</b>		
	<b>Jan-March</b>	<b>Jan-March</b>	<b>Jan-Dec</b>
	<b>2001</b>	<b>2000</b>	<b>2000</b>
At the beginning of the period	728.0	155.5	155.5
New issue	0.0	0.0	498.1
Non-cash issue	0.0	44.2	44.2
Stock options	-4.3	0.0	16.0
Dividend	0.0	0.0	-7.9
Translation difference for the period	16.3	0.1	16.8
Profit for the period	-31.2	8.3	5.3
<b>At the end of the period</b>	<b>708.8</b>	<b>208.1</b>	<b>728.0</b>

**Cash Flow Analysis  
(SEK million)****Group**

	<b>Jan-March 2001</b>	<b>Jan-March 2000</b>	<b>Jan-Dec 2000</b>
Cashflow from operating activities before change in working capital	-48.6	22.3	23.8
Cashflow from change in working capital	<u>24.9</u>	<u>44.4</u>	<u>3.8</u>
<b>Cashflow from operating activities</b>	<b>-23.7</b>	<b>66.7</b>	<b>27.6</b>
<b>Cashflow from investing activities</b>	<b>-6.1</b>	<b>-225.0</b>	<b>-297.7</b>
<b>Cashflow from financing activities</b>	<b><u>0.0</u></b>	<b><u>168.2</u></b>	<b><u>473.2</u></b>
<b>Cashflow for the period</b>	<b>-29.8</b>	<b>9.9</b>	<b>203.1</b>
Liquid funds at the beginning of the period	<u>236.1</u>	<u>32.6</u>	<u>32.6</u>
Exchange rate difference on liquid funds	1.9	0.0	0.4
Liquid funds at the end of the period	208.2	42.5	236.1



## Period in summary

	<b>Group</b>		
	<b>Jan-March 2001</b>	<b>Jan-March 2000</b>	<b>Jan-March 2000</b>
Net sales (SEK m.)	235.4	166.8	847.2
Sales (SEK m.)	239.8	173.6	868.7
Operating profit before amortization of goodwill (SEK m.)	-32.6	17.3	45.5
Operating profit after amortization of goodwill (SEK m.)	-41.4	13.5	17.7
Profit after financial items (SEK m.)	-36.4	12.3	27.4
Operating margin %	-17.6	8.1	2.1
Net margin %	-15.5	7.4	3.2
Shareholders' equity (SEK m.)	708.8	208.1	728.0
Balance sheet total (SEK m.)	935.9	581.6	994.8
Capital employed (SEK m.)	714	405	730
Equity/assets ratio %	76	36	73
Earnings per share (SEK)	-0.18	0.05	0.03
Earnings per share with full dilution (SEK)	-0.17	0.05	0.03
Equity per share (SEK)	4.07	1.32	4.38
Number of outstanding shares as per balance day (thousands)	174,245	158,404	174,245
Number of outstanding shares with full dilution (thousands)	179,577	165,286	180,057
Average number of outstanding shares (thousands)	174,245	157,904	166,200
Average number of outstanding shares with full dilution (thousands)	179,577	164,787	172,012
Share price as per balance day (SEK)	12.50	66.00	37.60