ADDNODE GROUP

ANNUAL REPORT **2014**

IT SOLUTIONS OF THE FUTURE

ADDNODE GROUP IN BRIEF

Addnode Group acquires, manages and develops the IT companies of the future. We are one of the largest suppliers of operation-critical IT-support systems for construction and engineering operations in the Nordic region, and in 2014 we established operations in the UK. Addnode Group is also a leading supplier of IT solutions to the public sector in Sweden.

> Addnode Group offers IT solutions to selected markets within the private and public sectors. We are market-leading in the Nordic region in IT solutions for design, planning and lifecycle management for products and installations. With the acquisition of Symetri in 2014, we established operations in the UK. Addnode Group has a strong offering primarily to the public sector in case management, e-services, management systems and web solutions.

> An important part of Addnode Group's strategy is to acquire and develop entrepreneurial IT companies. Since the Group was formed, we have acquired more than 30 IT companies, which all complement and strengthen our existing business. The acquisitions contribute value to the offering, market, expertise and/or technology. The strategy combines a decentralized decision-making structure in the acquired companies with Addnode Group's financial stability and business know-how.

> Addnode Group's revenue is increasingly derived from business in which customers continuously subscribe to services instead of purchasing a system. This generates recurring revenue from support and maintenance agreements, as well as SaaS solutions in which the customer pays per user.

> Addnode Group has 950 employees and in 2014, net sales amounted to SEK 1,599 M. We have ambitious financial targets. The target operating margin is 10 percent (EBITA) and the annual net sales growth should be at least 10 percent. In 2014, our net sales growth was 11 percent and we achieved an EBITA margin of 9.9 percent. For the 2014 fiscal year, the Board of Directors proposed a dividend of SEK 2.25 per share. Addnode Group's Series B share is listed on the Nasdaq Stockholm, Small Cap.

This document is only a translation of the original document in Swedish, which was approved by the board of directors on 24 March 2015. In case of any differences between the English and the Swedish versions, the Swedish version is valid.

Nº1
in design, planning and product information solutions in the Nordic region

500,000
engineers and officials use our solutions

SEK 1,599 M
net sales in 2014

46 %
recurring revenue 2014

Contents

Addnode Group Annual Report 2014 The annual report can be downloaded from www.addnodegroup.com Production Addnode Group and Appelberg Publishing Group Illustrations Valero Doval/NU Agency Photo Tobias Ohls, Kristofer Samuelsson Printing Trydells

2014 IN FIGURES

SEK 1,599 M

Net sales

SEK 159[1] M

EBITA

SEK 3.38

Earnings per share

SEK 2.25[2]

Dividend per share

KEY FINANCIAL DATA 2014

SEK M	2014	2013	2012
Net sales	1,598.6	1,443.5	1,364.7
EBITA[1]	159.0	110.9	139.6
EBITA margin, %[1]	9.9	7.7	10.2
Operating profit	128.5	85.9	117.7
Operating margin, %	8.0	6.0	8.6
Profit after tax	100.2	62.9	86.8
Earnings per share after dilution, SEK	3.38	2.19	3.06
Dividend per share, SEK	2.25[2]	2.25	2.25
Net cash	33.2	51.3	134.8
Equity/assets ratio, %	56	54	59
Debt/equity ratio, multiple	0.09	0.12	0.03
Average number of employees	890	859	791
Total number of employees at the end of the period	934	951	849

[1] Excluding revaluation of contingent consideration.
[2] Board of Directors' proposal to the Annual General Meeting.

GROWTH AND NET SALES

Q1

NEW GEOGRAPHIC MARKET, GROWTH AND STRONG CASH FLOW
We started 2014 with 11 percent growth and increased earnings – somewhat better than the year-earlier period. Growth, which is both organic and acquisition related, varies within our business areas and geographic markets.

Q2

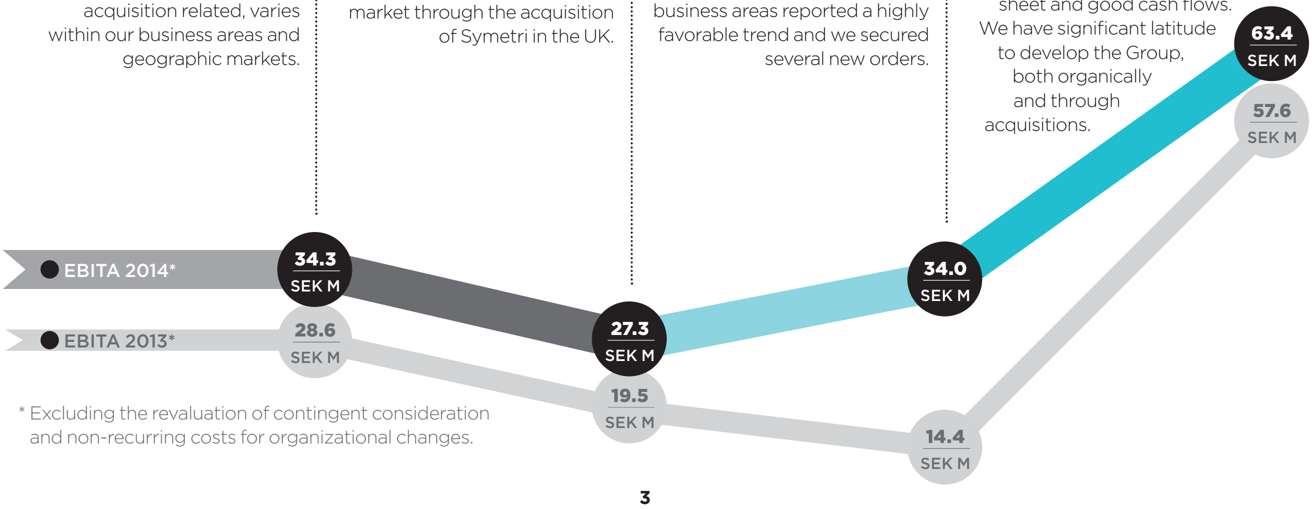
GROWTH IN BOTH SECOND QUARTER AND FIRST HALF YEAR, WITH IMPROVED MARGINS
In the second quarter, we reported growth of 10 percent, we improved our margins and we opened up a new geographic market through the acquisition of Symetri in the UK.

Q3

STRONG EARNINGS AND 18 PERCENT GROWTH IN THE THIRD QUARTER
With long-term customer relationships and niche expertise, we were able to generate good business in a difficult market. The Design Management and PLM business areas reported a highly favorable trend and we secured several new orders.

Q4

GROWTH, GOOD EARNINGS AND CASH FLOW
In a turbulent business world with many changing conditions, we have confirmed that Addnode Group has the ability to capture new business and expand with improved profitability. With a strong balance sheet and good cash flows. We have significant latitude to develop the Group, both organically and through acquisitions.



* Excluding the revaluation of contingent consideration and non-recurring costs for organizational changes.

A STRONG YEAR WITH ESTABLISHMENTS OUTSIDE THE NORDIC REGION

In 2014, we experienced an increase in demand for our products and solutions. We strengthened our positions in many areas with interactive solutions that reached all the way to our customers' customers and individual citizens in society. We also strengthened our international presence through business with key customers in several countries and through our first major acquisition outside the Nordic region. Our stable finances make us well equipped for continued expansion, both organically and through acquisitions.

WHAT ARE YOUR THOUGHTS ABOUT 2014?

2014 was a very good year for us. We continued to build an international group with niche offerings and recurring revenue. We had higher and more stable earnings throughout the year compared with 2013, when turbulence prevailed in several of our markets. I feel it was outstanding that we succeeded so well without the boost of a strong economy. All our companies contributed to the favorable trend and in total we delivered growth of 11 percent in 2014 and an EBITA margin of 9.9 percent, which is in line with our financial targets.

HOW HAVE DESIGN MANAGEMENT AND PLM PERFORMED?

Digitization combined with changed innovation processes with our customers are the factors that drive the development of our offering. We have succeeded well in packaging our offering and increasing the proportion of add-on products, which meant that we succeeded in attracting several new customers in a number of different sectors. In 2014, we also attracted customers with operations in several countries that recognize the advantage of working with us since we are able to offer solutions at the forefront of technology through an organization that spans several countries. The establishment of our offshore company in India will increase our opportunities to meet new demands and broaden our presence further with many of our customers.

HOW HAVE PROCESS MANAGEMENT AND CONTENT MANAGEMENT PERFORMED?

Society is changing to such a great extent that we citizens are able to perform various tasks ourselves using digital services. This trend is the basis of our business development with new platforms and business models. We have a strong position in technical administration, the so-called hard area, and we are increasing our presence in the soft part of the public sector – healthcare, schools and social care. We have clarified and sharpened our offering in web and cooperation solutions to a few specific sectors and we are more focused, which has resulted in several new, major orders.

WHICH ADDITIONAL TRENDS IMPACT YOUR OFFERING?

A number of trends are prominent among our customers, which drives our business forward. In general, there is a broadening in the usage and value of information – from the individual producing it to everyone consuming the information. This generates business to completely new customer groups, which in itself requires other forms of packaged solutions.

Another trend is the demand that it has to be simple to generate value and benefits. Our customers want to get started quickly with new solutions and applications. They do not want unnecessarily extended evaluations and implementation processes. We can get a new customer started in record time by delivering hosted solutions and SaaS services that make processes more efficient. By getting paid for usage and access,

+11%

NET SALES INCREASE 2014 COMPARED WITH 2013

+54%

INCREASE IN EARNINGS PER SHARE 2014 COMPARED WITH 2013

"Digitization trend combined with changed innovation processes benefit us and we will expand with new customers and segments."

STAFFAN HANSTORP, PRESIDENT AND CEO, ADDNODE GROUP

rather than ownership of a product or a project, we also create flexibility and cost-efficiency for the customer.

A third trend is mobility. It has to be possible to do more or less everything from a platform of your choice regardless of your location. We are increasing our efforts to meet this trend and develop lighter versions of more or less all of our solutions in a mobile package.

WHAT WILL HAPPEN IN 2015?

I am confident about 2015. Addnode Group has a customer structure in which no particular segment or individual sector accounts for more than just over 10 percent of our sales. This provides us with a favorable risk spread, but also the opportunity to focus our strength on the segments and markets that are in a positive phase.

We have a large proportion of recurring revenue in the form of support and maintenance agreements, as well as SaaS services. This creation is key to our strategy. During 2014, our recurring revenue increased by SEK 105 M, and it now accounts for a full 46 percent of our net sales. This generates stability and predictability compared with many of our competitors.

We will continue to expand in 2015 both organically and through acquisitions. In 2014, we entered the UK through the acquisition of Symetri, a market-leading supplier of IT solutions for design and engineering operations. This is a successful example of how we establish operations in a new geographic market with an existing offering. With our skilled employees, strong market positions, a stable balance sheet and healthy cash flows, we have the resources to continue developing Addnode Group vigorously.

Staffan Hanstorp
President and CEO

UK

DURING 2014, THE UK BECAME A NEW MARKET THROUGH THE ACQUISITION OF SYMETRI

46%

PROPORTION OF RECURRING REVENUE 2014

WE ACQUIRE, MANAGE AND DEVELOP IT COMPANIES OF THE FUTURE

Addnode Group was formed in 2003. The business concept is to acquire, manage and develop contract-driven companies. The strategy is to focus on a few selected markets in the Nordic region and surrounding areas in which we have, or can secure, a leading position.

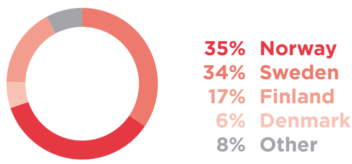
ADDNODE GROUP'S BUSINESS AREAS

Design Management

IT solutions for design and construction.

The Design Management business area is the leading supplier of operation-critical support systems to engineering and construction operations in the Nordic region. Customers are from the construction and property industries, infrastructure, manufacturing industry and the marine industrial sector in the Nordic region and the UK. Sales for 2014 amounted to SEK 780 M.

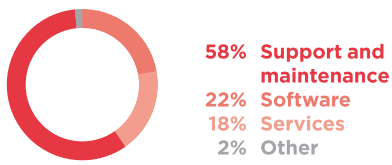
NET SALES BY MARKET



48 %

SHARE OF NET SALES

NET SALES BY TYPE OF REVENUE



38 %

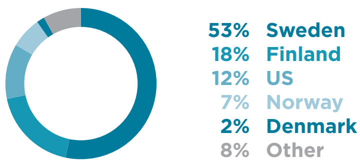
SHARE OF EBITA BEFORE CENTRAL COSTS

Product Lifecycle Management

IT solutions for product information.

The Product Lifecycle Management business area is one of Europe's leading suppliers of IT solutions for product information (PLM systems). Customers are from telecom, construction and vehicle industries, medical technical operations, clothing and service companies. Sales for 2014 amounted to SEK 264 M.

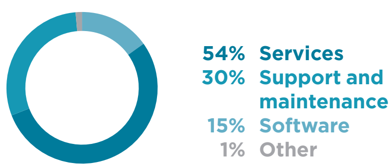
NET SALES BY MARKET



16 %

SHARE OF NET SALES

NET SALES BY TYPE OF REVENUE

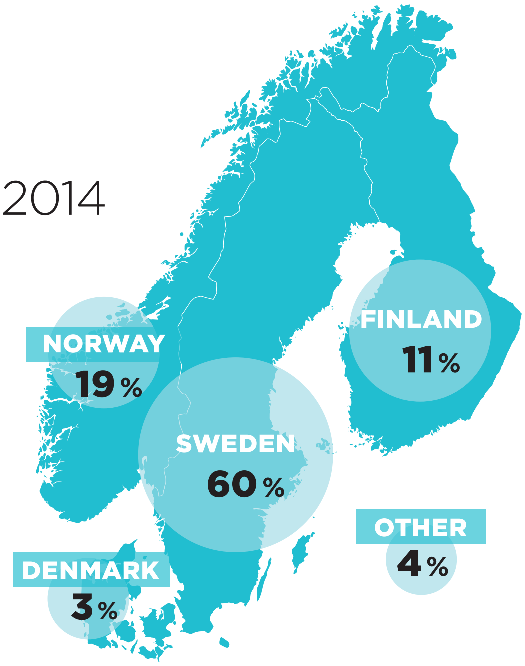


23 %

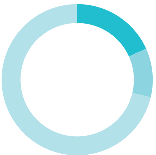
SHARE OF EBITA BEFORE CENTRAL COSTS

OUR MARKET 2014

NET SALES

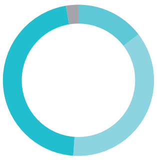


NET SALES PER CUSTOMER



18% Customer 1–20
10% Customer 21–50
72% Customer 51–

NET SALES BY TYPE OF REVENUE



46% Support and maintenance
15% Software
36% Services
3% Other

The Nordic region is Addnode Group's domestic market and accounted for 93 percent of the Group's net sales in 2014. In 2014, we established operations in the UK.

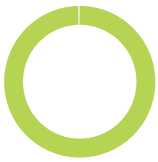
ADDNODE GROUP'S BUSINESS AREAS

Process Management

IT solutions for case management within municipal administration and authorities.

Process Management supplies IT systems and services to the public sector, which facilitates the efficient handling of large amounts of cases and also increases the interaction with citizens and customers. Sales for 2014 amounted to SEK 433 M.

NET SALES BY MARKET

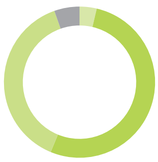


99% Sweden
1% Norway

27 %

SHARE OF NET SALES

NET SALES BY TYPE OF REVENUE



53% Services
38% Support and maintenance
4% Software
5% Other

38 %

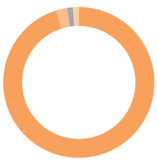
SHARE OF EBITA BEFORE CENTRAL COSTS

Content Management

IT solutions for public websites, cooperation solutions and customer service.

The Content Management business area develops websites, cooperation and intranet solutions, voice-driven and telecom services, as well as e-commerce systems. Our customers are found within the public sector, telecom, bank and finance, manufacturing industry, logistics and the service industry. Sales for 2014 amounted to SEK 142 M.

NET SALES BY MARKET

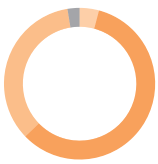


95% Sweden
3% Norway
1% Denmark
1% Other

9 %

SHARE OF NET SALES

NET SALES BY TYPE OF REVENUE



59% Services
35% Support and maintenance
4% Software
2% Other

1 %

SHARE OF EBITA BEFORE CENTRAL COSTS

FOCUS ON SELECTED AREAS

Addnode Group focuses on selected areas, processes and markets in which we will have maximum leverage for our efforts and our expertise. Our companies are independent and operate under a joint brand platform in accordance with the Group's strategies, core values and management policies.

BUSINESS CONCEPT

Addnode Group acquires and develops companies that deliver business-critical IT solutions for specific needs of our customers. We are a leading supplier to selected markets in the private and public sectors. With more than 4,000 customers in 30 countries and a history of stable growth and profitability, we are building a group of strong companies to provide our customers, employees and shareholders with favorable development and high return. Our business is generated in 16 wholly owned companies. The local company culture and knowledge of each market are the basis of our success.

ORGANIZATION AND GOVERNANCE

Addnode Group consists of independent companies that operate under a joint brand platform in accordance with the Group's strategies, core values and management policies. Addnode Group's CEO, CFO and central functions work closely with the business areas and subsidiaries and contribute strategic focus, financial reporting and follow-up, as well as expertise in business models, brands, acquisitions and communication. Group Management comprises the CEO, CFO and the Business Area Manager for Design Management. Members of Group Management are responsible for implementing the strategy in each area of responsibility. Group Management has a joint overriding responsibility for Group-wide topics such as organization, acquisitions, brand, investments and financing.

The subsidiaries in Addnode Group are organized in four business areas: Design Management, Product Lifecycle Management, Process Management and Content Management. In accordance with established strategies and targets, the business area managers are responsible for the subsidiaries in each business area and report to Addnode Group's President and CEO.

"THE LOCAL COMPANY CULTURE IS THE BASIS OF OUR SUCCESS."

Addnode Group's subsidiaries are operated according to the freedom with responsibility principle. This means that the companies are free to run and develop the operative business as long as it complies with Addnode Group's strategies and Group-wide policies. This generates short decision-making processes when business-critical decisions must be made in close collaboration with customers and the market. The Group creates synergies and cooperation within and between the business areas, where commercially justified.

HOW WE CREATE GROWTH AND PROFITABILITY

Addnode Group expands both organically and through acquisitions. The basis for organic growth comes from the innovative IT solutions that we create together with our customers. Acquisition of operations, technologies and solutions are key to our strategy. Acquisitions give us stronger positions and facilitate more rapid expansion into new markets. We value tested business models, skilled employees and recurring revenue.

Our business model combines sales of services, projects and software with recurring revenue from SaaS solutions (Software as a Service), as well as support and maintenance agreements. We assume long-term responsibility for the IT solutions we deliver, which generate added value and stability for customers and profitability for the Group. Addnode Group creates the prerequisites for strong profitability even during weaker economic conditions through long-term customer relations and niche expertise.

WHERE WE ARE

We are market leader in the Nordic region in IT solutions for design, planning and lifecycle management of products and facilities. We established operations in the UK with the acquisition of Symetri in 2014. We are also a leading provider of IT solutions for case management of e-services to the public sector in Sweden.

In addition, we continuously monitor the opportunities in the surrounding geographical areas. We focus on a few carefully selected markets in which we have, or can secure, a leading position and thus contribute to driving our company and social development forward. They include IT solutions for:

> Design, construction, project management and product lifecycle management.

> Planning, maintenance and administration of technical infrastructure in the public sector.

> Decision and case management for the public sector.

> Public websites, cooperation and intranet solutions, as well as customer service systems.

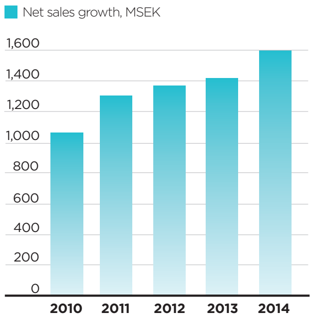
THIS IS HOW WE ARE

Addnode Group is characterized by entrepreneurship with short decision-making processes in a group with independent subsidiaries. Business-critical decisions are taken as close to customers and end-users as possible. The companies' corporate culture and expertise about their own markets are key to our success. Enthusiastic leadership, high ethical standards and respect for each individual are key to our success. An important driving force is creating new business opportunities and innovative solutions for our customers that contribute to their success. We want to contribute our support to a society in which people and companies to a greater extent integrate with the technology surrounding us.

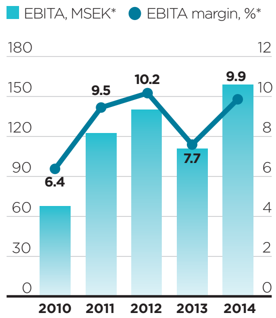
Financial targets

	GROWTH	EARNINGS	DIVIDEND POLICY
TARGETS ESTABLISHED BY THE BOARD OF DIRECTORS	**10%** Annual net sales growth of at least 10 percent.	**10%** Operating margin before amortization and impairment of intangible assets (EBITA margin) of at least 10 percent.	**50%** At least 50 percent of the Group's profit after tax shall be distributed to shareholders, providing that the net cash is sufficient to operate and develop the operation.
RESULTS FOR 2014	**11%** Growth for 2014 was 11 percent. Growth was attributable to organic growth in the PLM business area and acquisitions in the Design Management business area.	**10%** The EBITA margin amounted to 9.9 percent (7.7), adjusted for the revaluation of contingent consideration.	**67 %** The Board of Directors has proposed a dividend of SEK 2.25 (2.25) per share. Based on the average share price for 2014, which amounted to SEK 42.53, the proposed dividend corresponds to a direct yield of 5.3 percent.

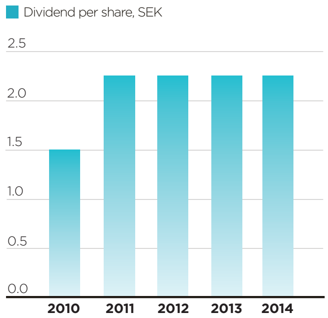
FIVE-YEAR RESULTS



During the period 2010–2014, the average growth rate was 11 percent.



*Excluding capital gains and the revaluation of conditional purchase considerations.



*According to the Board of Directors' proposal.

BUSINESS CONCEPT WITH RISK DIVERSIFICATION

All business operations entail risk-taking. Systematic and structured risk management is a prerequisite for long-term value creation. Addnode Group's business model, combined with conscious risk management, provides the Group with the opportunity to focus on growth and profitability.

CONTINUOUS RISK MANAGEMENT

Within Addnode Group, risks are managed at various levels.

With input from the CEO and Group Management, the Board of Directors analyzes the risks and opportunities that must be managed by the Group. The evaluation of risk management occurs at least once a year.

The CEO and Group Management are responsible for preparing the policies and regulations, as well as ensuring that there are systems for monitoring risks in the operation. Group Management is responsible for the continuous risk management in each area of responsibility.

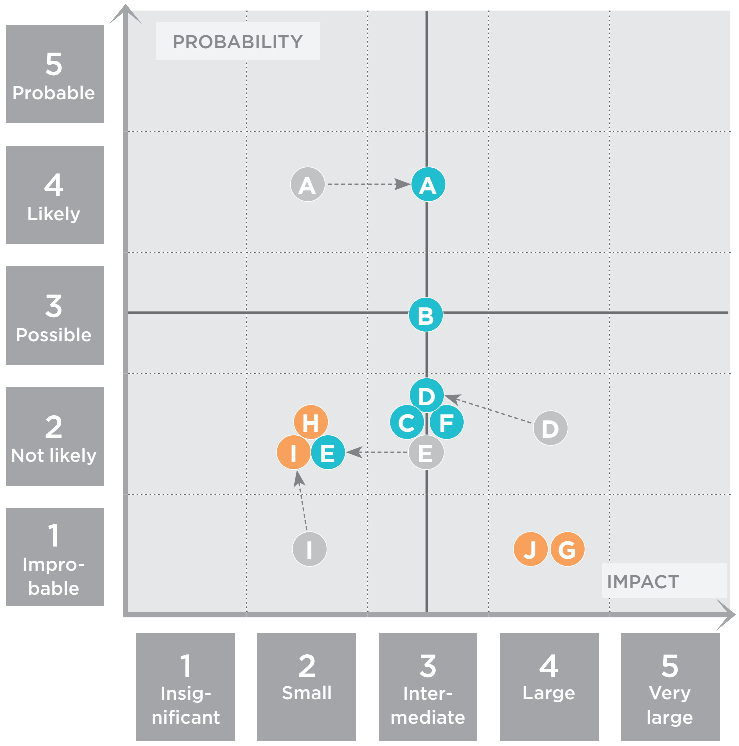
Business Area Managers and managers of subsidiaries are responsible for managing their own opportunities and risks, and ensuring that monitored procedures are in place that are in accordance with the Group's policies.

SENSITIVITY ANALYSIS

Impact	Changes	Impact on earnings*
Net sales	+/-1%	SEK 0.37
Gross margin	+/-1%	SEK 0.54
Payroll expenses	+/-1%	SEK 0.24
Other operating expenses	+/-1%	SEK 0.09

*All else being equal, profit before tax per share for the 2014 fiscal year.

OVERVIEW RISK ANALYSIS



OPERATIONAL RISKS
- A Business cycle and external risks
- B Products and technology
- C Competition
- D Customer structure
- E Revenue structure
- F Organization, competence provision and growing pains

FINANCIAL RISKS
- G Credit risk
- H Exchange-rate risk
- I Interest-rate risk
- J Liquidity risk

In the assessment, the gray items in the diagram have changed since the publication of the annual report for 2013.

RISK AREAS ADDRESSED	DESCRIPTION OF POTENTIAL RISKS	PROBABILITY THAT IT MAY OCCUR (1-5) **1.** Improbable | **2.** Not likely | **3.** Possible | **4.** Likely | **5.** Probable	IMPACT ON OPERATIONS IF IT OCCURS (1-5) 1. Insignificant | 2. Small | 3. Intermediate | 4. Large | 5. Very large	ADDNODE GROUP'S STRATEGY FOR MANAGING IDENTIFIED RISKS
A BUSINESS CYCLE AND EXTERNAL RISKS	Customers' willingness to invest and demand can change with respect to their view of the world around us and the economic situation.	4	3	Addnode Group meets these risks by focusing the operation on both the private and public sectors in several countries, and actively working to adapt the offering and organization to prevailing demand.
B PRODUCTS AND TECHNOLOGY	Practically new amended work methods, behavior and rapid technology shifts could lead to changed customer demands.	3	3	Addnode Group meets this risk by working closely with customers to understand their needs over time. Addnode Group also has well-established and strategic cooperation with several market-leading and global suppliers of IT platforms and software.
C COMPETITION	New and stronger competitors could lead to a decline in demand for offered products and services.	2	3	Addnode Group meets the risk for competition by focusing on selected market segments where it is able to offer cutting-edge expertise and become leader by offering distinct added value to customers.
D CUSTOMER STRUCTURE	A customer structure with one or a few industries/ customers could influence sales and earnings should the individual customer/ industry have a problem.	2	3	Thanks to its business model, Addnode Group is not dependent on individual customers or industries for sales development. The Group has approximately 4,000 customers and the 20 largest customers account for 18 percent of net sales. Individual subsidiaries may be impacted by customer loss, but the size of the Group means that there are resources available to operate the business and find new customers, a security for employees and customers.
E REVENUE STRUCTURE	A revenue structure with a large proportion of hour-based sales and/or with short durations in customer contracts generates short-term planning and small opportunities for offsetting changes.	2	2	The Group has a balanced portfolio of assignments that provides stable earnings over time. Addnode Group's recurring revenue in the form of support and maintenance agreements amounts to 46 percent of net sales, which means that there is a stable cash flow even in troubled times.
F ORGANIZATION, COMPETENCE PROVISION AND GROWING PAINS	In order to expand, an organization must have the ability to attract and retain employees in key positions.	2	3	Addnode Group meets this risk by each company within the Group being responsible for its own competence provision. The individual company has an advantage in recruiting by belonging to a financially stable Group.

Financial risks

Finance-related risks derive mainly from factors outside Addnode Group's own operation and pertain to risks in the form of changed financial conditions. All in all, the Group's total exposure to various financial risks is deemed to be relatively limited. How we handle the most important finance-related risks is described below. For more detailed information about risks and risk management, refer to Note 37 on pages 67-69.

RISK AREAS ADDRESSED	DESCRIPTION OF POTENTIAL RISKS	PROBABILITY	IMPACT	STRATEGY
G CREDIT RISK	For Addnode Group, the credit risk is mostly that customers would not pay the accounts receivable.	1	4	In general, Addnode Group's credit risk is deemed low. Accounts receivable are distributed among a large number of counterparties in various industries, markets and types of customers. The Group has established guidelines to ensure that sales occur to customers with suitable credit backgrounds. Historically, the expenditure for customer losses has been very low and amounted to SEK 1.5 M (1.3) for 2014.
H EXCHANGE-RATE RISK	Exchange-rate risk pertains to the Group's earnings and shareholders' equity being negatively impacted by changes in various currencies.	2	2	The Group's exchange-rate risk is generally low, since Group companies mainly operate in their local markets and have therefore both revenue and costs in the same currency.
I INTEREST-RATE RISK	The risk of being negatively impacted by large increases in interest rates.	2	2	Addnode Group's interest-rate risks are low due to the low loan-to-market ratio. The Group's net interest-bearing assets and liabilities amounted to SEK 33 M as at December 31, 2014.
J LIQUIDITY RISK	The risk of a shortage of cash and cash equivalents to pay obligations.	1	4	Addnode Group's liquidity risk is deemed relatively limited, since the Group has net cash. As at December 31, 2014, Addnode Group's cash and cash equivalents amounted to SEK 72 M and there is an additional unutilized credit facility of SEK 100 M and an unutilized acquisition credit facility of SEK 200 M.

30 ACQUISITIONS

Acquisition-driven growth is key to Addnode Group's strategy. We acquire entrepreneurial companies that are close to their customers and know their markets. At Addnode Group, entrepreneurs will continue to develop in a Group with major operational expertise and financial stability.

ACQUISITION STRATEGY

Addnode Group has completed some 30 acquisitions. The acquisition of IT companies driven by strong entrepreneurs is part of our strategy to develop the operation. Companies and entrepreneurs that choose to become part of Addnode Group join a Group in which they all become part of our core operation. With us, they receive expertise, contacts, stability and commitment. They are able to further develop their operations in a strong Group with major operational expertise. Using our strength, the company is able to utilize its potential and implement activities that were previously impossible. It is an important success factor that the employees and managers that join us through our acquisitions remain and develop with us.

ACQUISITION CRITERIA

We acquire operations with proven business models, skilled employees, recurring revenue and strong leaders. Most important of all is that the operations are close to our existing offering and that they contribute one or more of the following components to the Group:

THE OFFERING	MARKET	EXPERTISE	TECHNOLOGY
Companies with similar or supplementary offerings that facilitate expansion and strengthen the operation.	Companies that strengthen or expand our geographic presence, or provide access to a new customer market.	Skilled employees that represent both innovation and implementation.	New technology that helps us to develop and expand our offerings.

ACQUISITIONS 2014

In 2014, four new operations were acquired by Addnode Group.

> **Symetri**
> Design Management
> Symetri is a supplier of software for design and construction, as well as associated consulting and training services to the UK manufacturing industry and the oil and gas market.

> **Alarmos**
> Process Management
> Alarmos is a product for rescue services, which is used in hundreds of municipalities and rescue services.

> **EG Engineering**
> Design Management
> EG Engineering is a team of simulation analyst experts in strength, dynamics, fatigue, current and heat.

> **Kompanion**
> Process Management
> Kompanion is a web-based planning tool for home-help services, which is used by a large number of municipalities and private companies. (Partly owned, 37%)

ACQUISITION HISTORY 2003–2014

2003
Cartesia
Mogul

2004
Technia

2005
Cad-Q
Prosilia

2006
Centus
Ida Infront

2007
Curalia
Solid Engineer
Solution Provider
Transcat PLM

2008
IT Energy
Ravalik
Sikroma
Strand Interconnect

"BEING PART OF ADDNODE GROUP AND CAD-Q MADE US MORE AGILE. THEY UNDERSTAND OUR REQUIREMENTS, REGARDLESS OF WHETHER THEY INVOLVE EXPANSION, RECRUITMENT OR ENTERING NEW MARKETS."
John Pickering,
Country Manager, Symetri

Knowledge sharpened with Symetri

In April 2014, Addnode Group acquired the UK company Symetri via Cad-Q. The company has more than 20 employees with offices in Aberdeen, Newcastle and Yorkshire.

Symetri is a supplier of software for design and construction to the oil, gas, nuclear, transport and manufacturing industries in the UK. The company is Autodesk's largest cooperation partner in the UK manufacturing industry and in the oil and gas market.

"We are actually a consultative and service business," says John Pickering, Country Manager.

"Our strength lies in simulation, data management and design automation. But the ability to understand the customers' needs and find weak spots in their processes and enhance them is what we are really good at," says Pickering.

All employees welcome the acquisition.

"Collaborative working with divisions of Cad-Q came onstream very quickly, particularly in Norway around oil and gas because of the commonality between Stavanger and Aberdeen. Even the general sharing of experiences and knowledge transfer happened very quickly. Seven months down the line and we are part of the Cad-Q family. And that is how everyone feels," says Pickering.

"Being part of Cad-Q has made us more agile. They understand our requirements, whether those are expansion, recruiting more staff or moving into different markets. If we can justify what we need they will support us. And that is what I really appreciate about being part of the Cad-Q family."

The sharing of knowledge is also a major advantage for Symetri.

"We are all from the manufacturing environment and understand each other," says Pickering. "A company's challenges are the same in Sweden as they are in the UK. It is great that someone in my sales team can pick up the phone and speak to someone in Sweden and get the support and answers they need."

This is well illustrated by the support Symetri received on a new global project.

"We brought in Cad-Q's global sales team to this transaction and they assisted us in developing it into one of the largest transactions ever handled by Symetri. It would have been considerably more difficult had we not been part of Cad-Q."

Both companies benefited from this cooperation.

"Our employees are getting a real skills uplift and we have been sharing skills and knowledge with Cad-Q too, particularly in the simulation and data standard areas. I think this has helped internally. It has helped Symetri employees realize that we are just an extension of the whole organization and our skills and contributions are equally appreciated," says Pickering.

2009
Evitbe

2010
Arkiva
Athena BSD
Cadi
Decerno
Faester SCi
MapFactory
Mittbygge
Tekis

2011
CDLight
Geosol
Kartena

2012
Cad Teknikk
Spatial Technology
Voice Provider

2013
Abou
Basepoint
CAD-Expert Oy
Joint Collaboration

2014
Alarmos
EG
Engineering
Kompanion
Symetri

MARKETS

Addnode Group's domestic market is the Nordic region and also the UK since 2014. We are market leader in the Nordic market in design, project and product information solutions. We are a leading player in the Swedish market for document and case management, e-archives, geographic IT systems and web solutions. Our solutions are used by 400,000 engineers in the private and public sectors and by 100,000 officials in municipalities, county councils and government offices. Our services make it easier for people and companies to integrate with the technology surrounding us. This enables Addnode Group to also contribute to increasing affluence in the entire community.

500,000 engineers and officials use our solutions.

ILLUSTRATION: VALERO DOVAL/NU AGENCY

DESIGN MANAGEMENT AND PRODUCT LIFECYCLE MANAGEMENT

Through the business areas Design Management and Product Lifecycle Management, Addnode Group is market leader in the Nordic region in IT solutions in design, planning, product information and lifecycle management of products and facilities.

DESIGN AND CONSTRUCTION
PLANNING
PROPERTY MANAGEMENT
PRODUCT LIFECYCLE MANAGEMENT

20 %
Addnode Group's share of the Nordic market.*

SEK 4.5 billion
Total sales in the Nordic market, approximately

ARCHITECTS, CONSTRUCTION AND PROPERTY, THE MARINE INDUSTRY, PUBLIC SECTOR, OIL AND GAS, RETAIL, TECHNICAL CONSULTANTS, MANUFACTURING INDUSTRIES AND TELECOM.

PROCESS MANAGEMENT AND CONTENT MANAGEMENT

With the Process Management and Content Management business areas, Addnode Group is a leading player in the Swedish market for document and case management, e-archives, geographic IT systems and web solutions.

DOCUMENT AND CASE MANAGEMENT
E-ARCHIVES
GEOGRAPHIC IT SYSTEMS
WEB SOLUTIONS

11 %
Addnode Group's share of the Swedish market.*

SEK 5 billion
Total sales in the Swedish market, approximately

MUNICIPALITIES, GOVERNMENT AUTHORITIES, COUNTY COUNCILS, BANK AND FINANCING, DEFENSE, FOREST, MANUFACTURING INDUSTRIES AND SERVICE COMPANIES

* Addnode Group's definition of the market and assessment of its size.

DESIGN MANAGEMENT

The Design Management business area is one of the largest suppliers of business-critical support systems to engineering and construction operations in the Nordic region and we established operations in the UK in 2014. With knowledge of customers' processes, we deliver IT solutions that reduce costs, shorten lead times and support operations.

THE OFFERING

Design Management's customers include businesses from the construction and property industries, manufacturing industry and the marine industrial sector in the Nordic region and the UK. With good knowledge of our customers' requirements and processes and a broad product portfolio, we deliver IT solutions that enhance the efficiency of processes for design, construction, manufacturing, project management, simulation analysis and digital archiving.

Important elements in the offering are the development of methods, implementation, training, support and system support. The solutions for design, construction and manufacturing are based on Autodesk's platform, proprietary applications and supplementary products. The offering includes:

- IT solutions for product development, construction and production, as well as technical documentation and management of implementations.
- IT solutions for 3D models for design, construction, planning, documentation and management.
- Planning support and digitization of property portfolios, as well as document and drawing archives.
- Simulation analysis experts in strength, dynamics, fatigue, current and heat.
- Cooperation tool for planning and implementation of construction, installation and infrastructure projects.

MARKET

We are one of the largest suppliers of business-critical support systems for engineering and construction operations in the Nordic region and in the UK, and have a broad customer base within the public and private sectors. We have more than 45,000 users in our web-based cooperation tool for planning and implementation of construction, installation and infrastructure projects. Competitors include primarily all software companies with Nordic organizations, for example, Dassault Systèmes, PTC and Siemens. The business area's Nordic organization and now the UK organization, as well as the portfolio of proprietary services and applications, constitute important competitive advantages.

DESIGN MANAGEMENT IN BRIEF

The operation is conducted in the subsidiaries Cad-Q, Joint Collaboration and Symetri.
Employees, approximately 300.
Offices in Sweden, Norway, Finland, Denmark and the UK.

Examples of customers
A-Insinöörit, Biogen, Cargotec, Delaval, Ericsson, City of Gothenburg, Idec Manufacturing, Kone, Norsk Hydro, Orkla, Outotec, Qinterra Technologies, Riksdag Administration, Sapa, Sellafield, Skanska, Statoil, Statsbygg, Subsea 7, Valmet, Veidekke and ÅF.

48 %

SHARE OF NET SALES

38 %

SHARE OF EBITA BEFORE CENTRAL COSTS

KEY FIGURES

SEK M	2014	2013	2012
Net sales	780.5	649.9	573.0
EBITA	70.3	50.6	57.0
EBITA margin, %	9.0	7.8	9.9
Operating profit	53.6	39.9	49.4
Operating margin, %	6.9	6.1	8.6
Average number of employees	306	252	224

"WE ARE VERY PLEASED WITH HOW THIS SOLUTION WORKS IN PRODUCTION"
Freddy Nygård, Engineer, Rapp Bomek

RAPP BOMEK

Cad-Q opens the door to efficient solutions

Using an Autodesk Engineer-To-Order solution from Cad-Q, the Norwegian company Rapp Bomek has succeeded in bringing the sales organization closer to production while increasing efficiency.

The Norwegian company Rapp Bomek is one of Europe's leading manufacturers of fireproof steel doors. Customers are found primarily in the offshore industry where doors are used on drilling platforms and onboard vessels, but the products can also be used in land-based installations.

Rapp Bomek works actively with Lean processes and as part of this, a project was initiated in 2012 to bring the sales organization closer to production and also increase efficiency. In this context, Cad-Q was contacted and presented an Autodesk ETO solution. This means that Rapp Bomek's sellers in the field are able to enter orders directly into the resource planning system, which will automatically generate cutting files, drawings and material lists for the production hall where the doors are cut by laser.

The testing of the solution commenced after summer 2013 and it has now been put in operation for one of the two types of doors manufactured by Rapp Bomek.

"We are very pleased with how this solution works in production," says Freddy Nygård, Engineer at Rapp Bomek and in charge of the project.

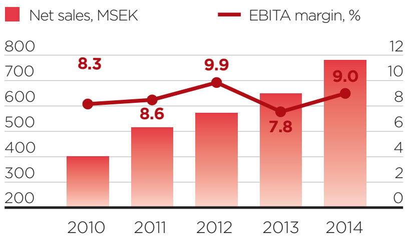
"First and foremost, less control is required in production. Our work also becomes more efficient. In the past, we used a master model, which was always a left door and had to be adapted when generating cutting files. We don't have to do that anymore.The effect of using ETO is substantial. We achieved an increase of about 50 percent in the number of doors produced in the testing phase of the project. "

Rapp Bomek now plans to also use the solution for the second type of door that is offered.

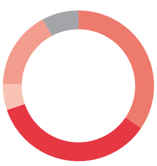
"Rapp is implementing a comprehensive Lean project in which Cad-Q is a central partner," says Anders Mellingen, Business Area Manager MFG at Cad-Q in Norway. "As a supplier with major focus on Lean Engineering, ETO and the automation of the engineering processes are important deliveries for us. The project with Rapp is a project in which the customer knows what is required, gets us involved in the project in a structured way and together we prepare a solution that will hopefully provide the customer with added value in relation to their expectations."

"OUR CUSTOMERS ARE SHOWING GREATER INTEREST THAN EVER IN INNOVATION WITHIN DESIGN, PRODUCTION AND MANAGEMENT. WITH OUR EXPERTISE AND SOLUTIONS, WE ARE VERY WELL POSITIONED FOR GROWTH."
Rolf Kjærnsli, Business Area Manager, Design Management and CEO of Cad-Q.

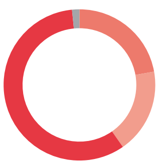
NET SALES & EBITA MARGIN



NET SALES BY MARKET 2014



NET SALES BY TYPE OF REVENUE 2014



PRODUCT LIFECYCLE MANAGEMENT

The Product Lifecycle Management business area is one of Europe's leading suppliers of customized PLM solutions. With expertise in our customers' business and processes and agile methods, we implement PLM solutions in various industries and operations. We have 20 years of experience in delivering systems that provide measurable and continuous improvements for our customers' processes.

THE OFFERING

During the lifetime of a product, installation or service, a large amount of information is generated, which, gathered in a single system, can reduce costs, shorten lead times and improve quality. The business area offers methods and training as well as implementation and system maintenance. The solutions are based primarily on Dassault Systèmes' software and proprietary applications. The offering spans from feasibility studies to application management and outsourcing of a complete PLM environment. In a PLM system:

> The product developers and designers are able to design and simulate design and construction.
> The project managers are able to steer projects via resource management, costs and milestones.
> The buyers will receive support for strategic purchasing and supplier development.
> The quality engineers receive tools to meet environmental and security requirements.
> The sales managers, marketing managers and product planners will be able to find information and analyze outcome.
> The product information can be exported to e-commerce portals and marketing/communication material.
> The partners will be able to participate in the development and production process.

MARKET

Our domestic market is the Nordic region, but we are expanding in Europe and the US. Our customers are found in classic industries, such as telecom, manufacturing, automotive, construction and pharmaceutical industries, medical technical operations and energy production. An increasing number of clothing, retail and service companies have already embraced the concept of PLM.

Competitors include PLM software companies with proprietary Nordic organizations, such as Siemens and PTC, but also system integrators such as Tieto, Tata and Accenture. Competitive advantages include the ability to customize and the possibility to provide service in several countries.

PRODUCT LIFECYCLE MANAGEMENT IN BRIEF

The operation is conducted in the subsidiaries Technia and Infuseit.
Employees, approximately 170.
Offices in Sweden, Finland, Norway, the US and India.

Examples of customers Elekta, Ericsson, European Spallation Source, Fjällräven, FMV, GE Healthcare, JULA, Haglöfs, Husqvarna, Kongsberg Defence & Aerospace, Kalmar Valmet, Microsoft, Mölnlycke Health Care, Nokia, Parker-Hannifin, Porsche, Preem, Seco Tools, Scania, Sony, SSAB, Skanska, Tesla Motors, TUI/Fritidsresor, Under Armour, VF Services and Volvo Car Corporation.

16 %

SHARE OF NET SALES

23 %

SHARE OF EBITA BEFORE CENTRAL COSTS

KEY FIGURES

SEK M	2014	2013	2012
Net sales	263.6	248.7	249.1
EBITA	41.4	26.2	29.5
EBITA margin, %	15.7	10.5	11.8
Operating profit	38.2	23.3	26.1
Operating margin, %	14.5	9.4	10.5
Average number of employees	163	161	140

”THERE IS GREAT POTENTIAL FOR TECHNIA TO CONTINUE TO GROW TOGETHER WITH US.”
Roderik Mooren, CIO, Mölnlycke Health Care

Growth at Mölnlycke Health Care

A 15-year collaboration with Technia has helped Mölnlycke Health Care to build and further develop a PLM system that meets the tough demands of the healthcare industry. Technia is now ready to continue to grow together with Mölnlycke Health Care according to their expansion plans.

Mölnlycke Health Care is a world-leading provider of single-use surgical and wound care products for customers, healthcare professionals and patients. The company was founded in 1849 as a textile manufacturer and has developed into an international group with 7,500 employees and sales and marketing offices in more than 30 countries.

All healthcare companies have to comply with stringent regulation requirements, particularly with respect to patient safety. To be able to meet the requirements, Mölnlycke Health Care has teamed up with Technia since 2001 as the supplier of a solution for Product Lifecycle Management (PLM).

“Mölnlycke Health Care was previously owned by SCA but when we became an independent company, we saw the need for our own PLM system. After a careful selection process, we chose Technia as our partner and that’s when our journey started,” says Roderik Mooren, CIO of Mölnlycke Health Care.

The solution that was selected is based on the PLM system ENOVIA, which was developed by Dassault Systèmes and delivered together with Technia’s proprietary products, Technia Value Components. Using these, Mölnlycke Health Care was able to build and further develop its own customized application and associated user interface.

“Today, the system is distributed throughout the organization and we have about 700 users, from management, research and development, manufacturing and the marketing organization. It is a major advantage for us that everyone is able to work in the same system and this gives us excellent control of all the data that is related to our products and that we need to submit, for example, to authorities and customers,” says Roderik Mooren.

He sees continued development of the PLM system to be able to meet even tougher demands.

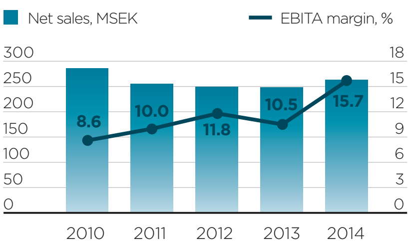
“The biggest potential is in the digital area and the connection between the PLM system and, for example, websites and applications, both internally and externally.

There is no doubt that there are excellent opportunities for Technia to continue to grow together with Mölnlycke Health Care.

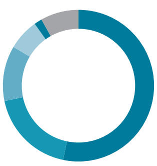
“We’ve planned for a strong growth in the coming years,” says Roderick Morren.

“WE HAVE SUCCEEDED WITH OUR PACKAGING AND OUR OFFERING IS ATTRACTIVE INTERNATIONALLY. 2014 WAS A YEAR WHEN WE INCREASED OUR INTERNATIONAL PRESENCE.”
Jonas Gejer, Business Area Manager of Product Lifecycle Management and CEO of Technia

NET SALES & EBITA MARGIN

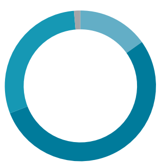


NET SALES BY MARKET 2014



53% Sweden
18% Finland
12% US
7% Norway
2% Denmark
8% Other

NET SALES BY TYPE OF REVENUE 2014



54% Services
30% Support and maintenance
15% Software
1% Other

PROCESS MANAGEMENT

The Process Management business area is a leading supplier of IT systems and services for the public sector in Sweden. With extensive operational expertise and a broad service and product portfolio, we are able to simplify processes and facilitate improved communication between authorities and citizens.

THE OFFERING

The development toward an e-society increases the demands for information and interaction. The solutions within the Process Management business area make it possible to handle large amounts of information while increasing interaction with citizens and customers. Our services make it possible for the public sector in Sweden to use IT as a service and improve its support by providing e-services to its customers.

Our solutions are based on proprietary applications and platforms, combined with external software. We also use open source systems and established software from other suppliers.

The offering includes:

> E-services for communication between municipalities and their citizens.
> Information systems that support case management in government and municipalities.
> Solutions and products for the administration of roads, properties, buildings, building permits and environmental cases.
> Solutions for electronic archiving processes.
> Geographic IT systems (GIS) that store, edit, analyze and illustrate geographic information, for example, school transport planning.

MARKET

We have a strong position in the public sector in Sweden. Customers include government operations, 270 of Sweden's municipalities, as well as a large number of private companies in the engineering, financial and forest industries. There is currently no main competitor to the collective offering of the business area. Examples of competitors are Evry, CGI, Tieto, Esri S-Group, Formpipe and Software Innovation.

PROCESS MANAGEMENT IN BRIEF

The operation is conducted in the subsidiaries Abou, Arkiva, Cartesia, Decerno, Ida Infront, Kartena, Mittbygge, Prosilia, Tekis and partly owned Kompanion.
Employees, approximately 300.
Offices in Sweden and Norway.

Examples of customers
Alfa Laval, Apollo, City of Gothenburg, De Laval, Dynamic Code, EKN, Fastighetsbyrån, KGH (Norway), Keolis, LKAB, Norrtälje Municipality, Norwegian Institute of Public Health (Norway), SCA Skog, Stora Enso Skog, Stockholm Vatten, Stokab, Swea Energi, Swedish Council for Higher Education (UHR), Swedish Higher Education Authority (UKÄ), Swedish Post and Telecom Authority, the National Police Board, the Swedish Defense Materiel Administration, Uppsala Municipality.

27 %

SHARE OF NET SALES

38 %

SHARE OF EBITA BEFORE CENTRAL COSTS

KEY FIGURES

SEK M	2014	2013	2012
Net sales	432.6	410.3	380.5
EBITA	70.9	75.2	68.6
EBITA margin, %	16.4	18.3	18.0
Operating profit	57.5	66.6	61.9
Operating margin, %	13.3	16.2	16.3
Average number of employees	275	269	244

> "WE ARE VERY PLEASED WITH HOW THE SYSTEM WORKS AND IDA INFRONT HAS EXCEEDED OUR EXPECTATIONS."
> Patrick Nimander, Financial Manager, EKN

Ida Infront increases EKN's customer value

Ida Infront's product iipax has given EKN more efficient document management while increasing customer value and reducing risks.

EKN is a government authority that promotes, on behalf of the government, Swedish exports and the internationalization and competitiveness of Swedish industry and commerce. The operation generates an extensive amount of business documentation and in 2014, the government decided to implement a solution using iipax, a product from Ida Infront to enhance the efficiency of the management of business documentation.

"We had a proprietary system that needed modernization and we also had to manage a lot of documents," says Patrick Nimander, Financial Manager of EKN.

"In the proprietary system, everything was integrated while we had to develop all functions ourselves. Firstly we wanted a more standard system in the operation and secondly, we wanted to create a few more modules that could be changed independently."

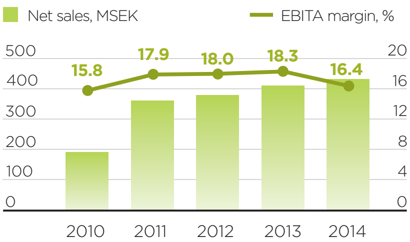
The choice of Ida Infront as supplier occurred after a suborder under a framework agreement with the Legal, Financial and Administrative Services Agency. Ida Infront was number one on the list of selection criteria of operational requirements, integration requirements and cost. The suborder was completed in early 2014 and the first commissioning with EKN's general register occurred before summer. During the first quarter of 2015, EKN estimates that iipax will be deployed throughout the organization.

"We are very pleased with how the system works and Ida Infront has exceeded our expectations. It is too early in the process for us to identify the extent of the efficiency gains but it is important to remember that for us it is about reducing the risks and ultimately increasing customer value," says Nimander.

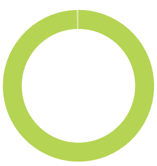
"We are very proud of being entrusted with the project and we see this as an additional confirmation of our offerings of e-services being up to date. This is the beginning of a long and valuable partnership in which we are able to use our products and services to help EKN in its striving to increase customer value and reduce risks," says Stefan Jonegård, President of Ida Infront.

> "WE HAVE LAUNCHED NEW OFFERINGS AND SECURED SEVERAL SYSTEM DEVELOPMENT TRANSACTIONS WHILE RETAINING VERY FAVORABLE PROFITABILITY."
> Staffan Hanstorp, Business Area Manager for Process Management and President and CEO of Addnode Group

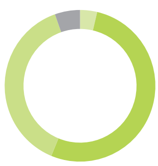
NET SALES & EBITA MARGIN



NET SALES BY MARKET 2014



NET SALES BY TYPE OF REVENUE 2014



CONTENT MANAGEMENT

With platform-independent solutions and expertise in user-friendliness, the business area Content Management helps customers to communicate externally and within their organization.

THE OFFERING

The Content Management business area develops websites, collaboration tools and intranet solutions, voice and telecom services, as well as e-commerce systems. The delivery to customers is made as projects and cloud services.

The offering includes:

- Digital strategies and evaluation of existing systems.
- Documentation of processes, concepts and design.
- Platform selection and development of customized solutions.
- Integration with existing internal and external systems and with social media.
- Operation and administration.

Digital processes and work methods will generate the conditions to facilitate everyone in the organization to join the change more rapidly. It is easier for those who know how to utilize the technology to take the lead. It no longer has to be about extensive and expensive implementation of heavy systems; the new technology allows creative solutions to remove obstacles, minimize waste, connect the organizational silos and engage customers.

Major organizations are complex creatures and cooperation requires control, participation, tools to share information and tools for meeting. When we succeed in coordinating all these components using modern technology, individual productivity and organizational efficiency will be generated. The power of change will also increase. The potential in this area is often larger than expected, since the borders between proprietary operations, suppliers and customers can be opened up.

MARKET

Our domestic market is Sweden, but we have customers in countries including Norway, Finland and Denmark. Our customers are found within banking and finance, property, logistics, telecom, manufacturing industry, service industry and the public sector.

The market is fragmented with many different players. Examples of companies with similar offerings are Knowit, HiQ, Connecta, Valtech and Creuna.

CONTENT MANAGEMENT IN BRIEF

The operation is conducted in the subsidiaries Mogul AB and Voice Provider Sweden AB.
Employees, approximately 160.
Offices in Sweden and Serbia.

Examples of customers Bluestep, Elgiganten, Fonus, Färdtjänst, Holmen, Swedish Enforcement Agency, the Royal Opera, Midroc, Miljonlotteriet, Munters, Nordax, Plantagen, Porsche Sweden, Posten, SAS, SIS, SKF, SL, Sodexo, Stena Line, the Swedish Building Centre, Svensk Försäkring, Telge Energi and Uppsalahem.

9%

SHARE OF NET SALES

1%

SHARE OF EBITA BEFORE CENTRAL COSTS

KEY FIGURES

SEK M	2014	2013	2012
Net sales	142.0	152.4	175.6
EBITA	1.8	-14.3	11.5
EBITA margin, %	1.3	-9.4	6.5
Operating profit	0.3	-16.9	9.2
Operating margin, %	0.2	-11.1	5.2
Average number of employees	138	169	175

"IT IS A GREAT ADVANTAGE FOR US TO HAVE A COMPREHENSIVE SOLUTION."
Joakim Gustafsson,
Project Manager, SEB

Mogul enhances the efficiency of SEB's events

Using Mogul's tool Evitbe, SEB has a comprehensive solution that handles events at all levels in the bank group. It also saves time and the environment.

SEB is a leading Nordic business bank with representation in 20 countries. The bank started its partnership with Mogul in conjunction with its 150th anniversary in 2006 when Mogul's event tool, Evitbe, was used for the first time.

Today, Evitbe is used annually in more than 200 events held by the bank on all levels in the group – from small events at office level to major central events. Using Evitbe, the organizer is able to manage the entire event in an integrated tool that handles everything from invitations, registrations and ticket dispatch to information and interaction during the event itself.

"We have a very good relationship with Mogul and for us it is a major advantage having a comprehensive solution instead of having to hire several suppliers for various parts of the event. We are also able to use the bank's graphic profile in the system interface, which is positive but also a requirement from our side. This means that there will be no doubt that SEB is the sender," says Joakim Gustafsson, Project Manager for sponsoring and events at SEB.

One example in which the bank uses Evitbe is the SEB Business Day, which is one of the largest public relations activities for the bank and directed mainly towards mid-size corporate customers. During 2014, the event was held at four locations – Stockholm, Gothenburg, Malmö and Umeå – with a total of about 1,000 participants. One new feature for the year was the mobile app that was integrated in the tool and facilitated interactivity with participants during the event.

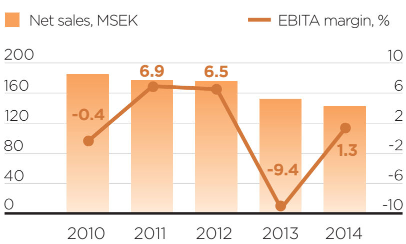
"Using the app, participants were able to ask questions to those on stage, which worked quite well. It was considerably more effective than having someone walk around the public with a microphone and it also encouraged more people to ask questions," says Lena Nordström, Head of Corporate Market at SEB.

According to Joakim Gustafsson, using Evitbe in the bank has continuously increased from year to year and this is a trend that he believes will continue.

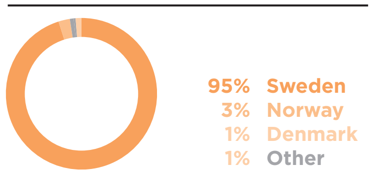
"It is a tool that can be used at all our units and bank offices. It saves a great deal of time, since no manual management of registration is necessary via e-mails or telephone, which must then be ticked off on an Excel page or the like. In addition, there is an environmental aspect, since we save a great deal of printed material," he says.

"DURING THE YEAR, WE HAVE BEEN EVEN MORE FOCUSED. WE HAVE CLARIFIED AND SHARPENED OUR OFFERING TO THE INDUSTRIES IN WHICH WE WILL BE ABLE TO CONTRIBUTE MOST VALUE."
Joakim Dahlgren, CEO of Mogul

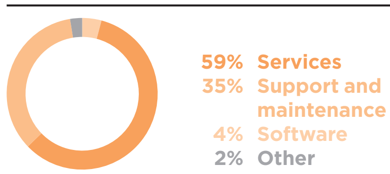
NET SALES & EBITA MARGIN



NET SALES BY MARKET 2014



NET SALES BY TYPE OF REVENUE 2014



CHALLENGE, DEVELOPMENT AND INSPIRATION

By virtue of our size and leading positions in several areas, the Group is currently involved in several of the most exciting IT projects in the Nordic region. Together with our customers, our employees contribute to expand the frameworks for how modern information technology is used to drive society forward.

EXPERTISE AND PERSONAL ABILITY

In order to meet our customers' varying requirements, we are creating tomorrow's IT solutions today. This challenges the demands on the expertise and personal ability of our employees. Each employee in our knowledge-intensive organization is fundamentally responsible for innovation and execution. It is also primarily the individual employee who meets the customers. Accordingly, it is ultimately the employees' strength, knowledge and ability to take initiative that make it possible for Addnode Group to remain market leader.

JUNIORS AND SENIORS IN COLLABORATION

Addnode Group is always searching for employees with eagerness, passion and drive. In return, the Group offers personal development and challenging projects. Our projects need junior employees as well as more senior specialists and leaders on various levels. Balance is key and accordingly, we recruit both newly graduated talents and individuals with extensive experience. We attract the best, but it is also equally important to ensure that everyone is contented, that they develop and stay with us for a long time.

KNOWLEDGE EXCHANGE

Our employees have widely varying expertise and experience from many different industries and technology areas. Regular exchange and sharing of knowledge on a regular basis between employees is an important part of the daily work. This provides personal development for our employees and creates added value for our customers in the long term. Subsidiaries within Addnode Group are largely self-governing and each operation is responsible for the knowledge development and career advancement of its employees.

POSITIVE LEADERSHIP

Committed and skilled leaders are a crucial success factor. Enthusiastic leaders with respect for individuals encourage every employee to flourish and develop in their assignments. By investing in passionate employees, Addnode Group has succeeded in its objective to recruit many managers internally. Continuous new exciting challenges and personal development opportunities also encourage employees to stay within the Group.

Employee statistics for 2014

890

AVERAGE NUMBER OF EMPLOYEES

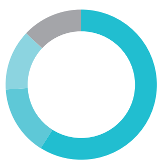
SEK 749 M

TOTAL PERSONNEL COSTS

EMPLOYEES BY COUNTRY

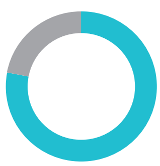
Sweden 68%; Norway 12%; Finland 9%; Denmark 3%; India 3%; Serbia 2%; UK 2%; US 1%

EMPLOYEES BY FUNCTION



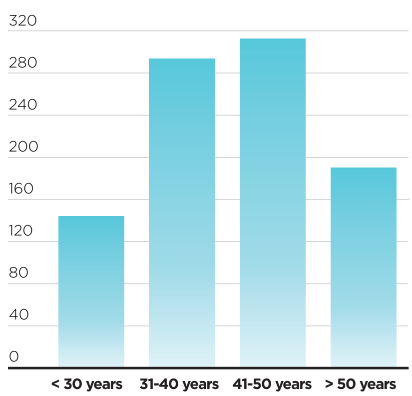
59% Consultants
15% Sales
13% Maintenance and support
13% Management and administration

GENDER DISTRIBUTION



78% Men
22% Women

AGE STRUCTURE



Technology with multiple dimensions

LARS NYSTRÖM
Technical Manager of CAD Solutions, Cad-Q

Cad-Q is market leader in the Nordic region within model and drawing-related IT, primarily Cad-related systems for the construction, property and industrial sectors.

One of the employees who contributed to Cad-Q being at the forefront in terms of design solutions is Lars Nyström, who is a Technical Manager Cad Solutions. He has a background in technical wood design and became more interested in the digital elements of the design.

"I discovered that it was much more fun producing designs digitally. To begin with, it was mostly about 2D but I rapidly got into 3D design as well," he says.

Lars Nyström began Cad training in industrial production at Cad-q after having been recruited from a consulting position in Luleå. He then took up a position that entailed more technical sales support and collaboration with the sales team.

"We work a lot with customer analyses and help to remove obstacles and time thieves. I get to meet a large number of different customers and work with things as diverse as scissor lift tables to bulldozers. This is exactly the range that I like; you never get bored and the job is always challenging.

According to Lars Nyström, there is no doubt that Cad technology is the future.

"In the past, this was something that was difficult to develop but there are now software programs and services that make it possible for practically anyone to use Cad technology. I believe it drives creativity and opens the door to a great number of innovations."

Focusing on the social structure

KARIN WIKLANDER
Program Manager, Tekis

Tekis is one of Sweden's largest suppliers of system solutions for the municipal market and has 270 of the country's 290 municipalities as customers. It was from one of these municipalities that Karin Wiklander realized the potential of Tekis as a workplace.

"I studied technical land surveying at Royal Swedish Institute of Technology and after that I worked for six years as a developer at an IT company in the GIS sector. I then worked a couple of years as a GIS coordinator and system administrator at Nacka Municipality. Tekis was one of our suppliers and it was at one of their user group meetings where I thought, 'It would be cool if I was the one standing there giving the presentation," she says.

Karin applied and got a position as support manager at Tekis. She soon felt that she wanted more responsibility and was promoted to Product Manager for one of Tekis' larger products in property and population services.

The next step was taken two years ago when she was appointed Program Manager and from July 2014 until January 2015 she was also the interim Development Manager.

"For those six months, I was responsible for the entire development division with 20 developers and consultants. We work on preparing software for municipalities, for example, a case management system for building permits, the rescue services and technical administration. It is fun working on developing products that support the entire social structure process and is of real benefit to administrators and, ultimately, citizens in the municipalities," says Karin Wiklander.

CORE VALUES

- We care about our customers, employees, suppliers and partners, as well as other stakeholders. and our commitments are long-term.
- We find innovative solutions for our customers' requirements.
- We create value through proactive employees who want to make a difference.

LEADERSHIP POLICIES

- We are driven by leadership based on a positive view of people, whereby we trust and respect every individual.
- We feel that good and enthusiastic leadership is crucial for the development of our employees, our collective performances and our financial results.
- We think about and assume responsibility for the whole and strive to develop proprietary products, services and solutions in our team, companies and areas.
- We have a high ethical standard and honesty toward our customers to generate commitment, positive energy and favorable results.

ADDNODE GROUP SHARE

Addnode Group's Series B share is listed on NASDAQ Stockholm Small Cap, where it is traded under the symbol ANOD B. On December 31, 2014, the number of shareholders was 4,826 and the proportion of foreign-owned shares was 10.1 percent. The proportion of total institutional owners was 28.6 percent.

SHARE PRICE PERFORMANCE

At the end of 2014, the Addnode Group share was traded at SEK 46.10 (38.80). The highest share price in 2014 was SEK 48.80 (May 15, 2014) and the lowest was SEK 35.10 (October 16, 2014). At the end of the year, the market value was SEK 1,365 M (1,141). The number of shares traded on Nasdaq Stockholm in 2014 was 4,050,950, corresponding to an average daily turnover per trading day of 16,400 shares (8,743).

SHARE DATA

On December 31, 2014, the number of registered shares in Addnode Group was 30,088,517, of which 1,053,247 were Series A shares, and 29,035,270 Series B shares. Each Series A share carries 10 votes, each Series B and C share one vote each. Addnode Group's shares are denominated in SEK and the quotient value per share amounted to SEK 12.00. Series A and Series B shares carry entitlement to a dividend. Series C shares do not carry entitlement to a dividend. No Series C shares were outstanding at December 31, 2014.

OWNERSHIP STRUCTURE

The largest shareholders in Addnode Group AB as of December 31, 2014, are shown in the adjoining table. As of December 31, 2014, the number of shareholders amounted to 4,826.

SHARE-SAVINGS PROGRAM

The Annual General Meeting on May 4, 2011 resolved to introduce a share-savings program for all employees of Addnode Group. In brief, the program entails that in August 2014 participating employees, on condition that they have made their own individual investment in Addnode Group shares, will be allotted Series B Addnode shares, free of charge, so-called matching and performance shares. In order for participants to be entitled to receive matching shares, a requirement is continued employment in the Group and that the investment in Addnode Group shares has remained intact up to the date of allotment of the shares. Allocation of performance shares is also conditional upon the Group achieving certain financial targets for the years 2011, 2012 and 2013. The financial targets for maximum allocation of performance shares for 2011 and 2012 have been achieved, but not for 2013. At the end of the registration period, a total of 303 employees had registered for the share-savings program. During 2014, a total of 194,340 shares were allocated to employees in accordance with the share-savings program.

DIVIDEND POLICY

Addnode Group's policy is that at least 50 percent of the Group's profit after tax shall be distributed, providing that the net cash is sufficient to operate and develop the operation.

PROPOSED DIVIDEND

The Board of Directors proposes the Annual General Meeting resolve to pay an unchanged dividend of SEK 2.25 per share. The proposed divided amounts to a total of approximately SEK 68 M. Based on the average share price for 2014, which amounted to SEK 42.53, the proposed dividend corresponds to a direct yield of 5.3 percent.

SEK 3.38

EARNINGS PER SHARE AFTER DILUTION 2014

SEK 2.25

BOARD OF DIRECTORS' DIVIDEND PROPOSAL FOR 2014

19%

CHANGE IN SHARE PRICE FOR ADDNODE SERIES B SHARE 2014

Analysts: Addnode Group good at acquisitions

“Addnode Group’s major opportunities lie in the range of the offering and a documented high ability to acquire companies,” says Nils Sjögren, who monitors Addnode Group as an analysis at Remium.

DO ADDNODE GROUP’S EARNINGS FOR 2014 CORRESPOND TO YOUR EXPECTATIONS?

“When we entered 2014, we knew that the company would have excellent prerequisites for reporting growth and improved results. Partly due to a relatively weak 2013, with losses in Content Management and a historically weak third quarter. Partly, the acquisition of Joint Collaboration was to contribute to earnings for the full year, which also gave a push. My forecast was quite spot on.”

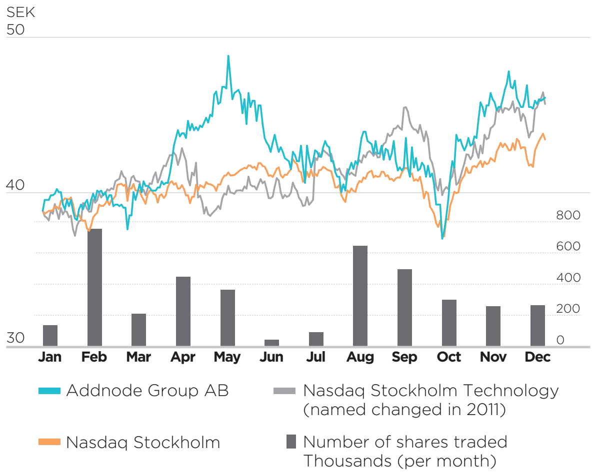
WHEN YOU ANALYZE ADDNODE GROUP, WHAT ARE THE MOST IMPORTANT, MOST CRITICAL ITEMS?

“It is a Group with many different operations, which means that I must understand several businesses in order to assess the whole Group. However, the company rarely causes any major surprises, neither downwards or upwards. In addition to the actual figures and forecasts, it mostly involves assessing the company’s ability to add further successful acquisitions for continued growth and how they resolve the challenges that arise in the various business areas. If you look at external factors, the Group’s risk distribution, with respect to customers and sectors, means that the ability to resist regional and industry-specific downturns is good. Naturally, you always have to take into account the general economic trends, exchange rates and industrial business cycles primarily in the Nordic region. This applies to all companies.”

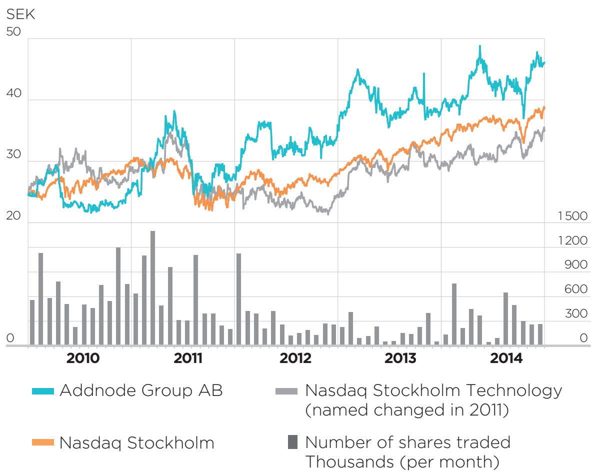
IN YOUR OPINION, WHERE ARE THE GREATEST OPPORTUNITIES AND RISKS FOR ADDNODE GROUP IN THE COMING YEARS?

“The company’s opportunities lie in the range of the company’s offering, which also mean that Addnode Group is not as exposed to changes in technology as other engineering and IT companies. In addition, the company has historically shown very good acquisition ability and being able to profitably integrate these companies into the Group. Addnode Group’s largest opportunities to further acquisitions are perhaps in completely new markets, since the company’s market share in certain areas makes expanding in the Nordic region a challenge. The company’s strategy to consolidate partners, for example, in Autodesk, will probably also be suitable in new markets. The biggest risks are probably in changes in sales conditions for third-party solutions or a general economic downturn. However, pure cyclical risks are smaller than in many other comparable companies considering the company’s insignificant debt and the large proportion of recurring revenue. At the same time, the large spread means that the upside is smaller than for companies with narrower operations.”

ADDNODE GROUP 2014



ADDNODE GROUP 2010–2014



SHARE CAPITAL TREND IN ADDNODE GROUP

Year	Transaction	Number of shares after transaction	Total share capital after transaction, SEK
2000	New share issue - in redemption of warrants program for employees	2,752,184	1,376,092
2000	Non-cash issue - for GCI Interactive Europe AB	2,823,518	1,411,759
2000	Split 5:1	14,117,590	1,411,759
2000	New and non-cash issue for companies acquired in 2000	18,766,817	1,876,681
2000	New issue in connection with the broadening of ownership	21,266,817	2,126,681
2000	Withdrawing of shares/reduction of share capital	18,365,626	1,836,562
2002	Bond issue in connection with change in the share's quotient value	18,365,626	2,203,875
2003	Non-cash issue in the acquisition of 100% of Teknik i Media Sv AB	477,029,244	57,243,509
2003	Non-cash issue in the acquisition of 97% of Cartesia Info. Teknik AB	757,023,700	90,842,844
2003	Consolidation of shares 1:100	7,570,237	90,842,844
2003	Non-cash issue – acquisition of 74.85% in Mogul Holding AB	8,493,512	101,922,144
2003	Non-cash issue – acquisition of 15.3% in Mogul Holding AB and 1.9% in Cartesia Informationsteknik AB	8,728,013	104,736,156
2004	Non-cash issue – acquisition of 100% of Technia Holding AB	17,227,984	206,735,808
2005	Non-cash issue – acquisition of 100% of CAD-Quality i Sverige AB and CAD-Quality AS	21,227,984	254,735,808
2006	Non-cash issue – acquisition of 100% of Ida Infront AB	22,427,984	269,135,808
2008	Non-cash issue – Partial payment in the acquisition of Strand Interconnect AB	23,550,698	282,608,376
2009	Non-cash issue – Partial payment in the acquisition of Strand Interconnect AB	23,645,408	283,744,896
2010	Non-cash issue – Partial payment in the acquisition of 100% of Decerno AB, Tekis AB and Mittbygge AB	28,145,408	337,744,896
2011	New issue pertaining to the share-saving program	28,819,632	345,835,584
2013	Non-cash issue – Partial payment in the acquisition of 100% of Abou AB	28,916,740	347,000,880
2013	Non-cash issue – Partial payment in the acquisition of 100% of Joint Collaboration AS	30,088,517	361,062,204

SHAREHOLDERS, DECEMBER 31, 2014

Owners	Number of Series A shares	Number of Series B shares	Total number of shares	Number of votes	Share of equity	Voting rights
Vidinova [1]	361,667	7,159,783	7,521,450	10,776,453	25.0%	27.2%
Aretro Capital Group [2]	625,332	3,254,624	3,879,956	9,507,944	12.9%	24.0%
Lannebo funds	0	2,299,725	2,299,725	2,299,725	7.6%	5.8%
Swedbank Robur funds	0	2,119,446	2,119,446	2,119,446	7.0%	5.4%
Handelsbanken Funds	0	1,401,614	1,401,614	1,401,614	4.7%	3.5%
Insurance company, Avanza Pension	0	1,180,961	1,180,961	1,180,961	3.9%	3.0%
Didner & Gerge Funds	0	998,032	998,032	998,032	3.3%	2.5%
Fourth AP Fund	0	813,720	813,720	813,720	2.7%	2.1%
Multiple Choice Företagsservice	66,073	9,000	75,073	669,730	0.2%	1.7%
E Öhman Jr Funds	0	658,120	658,120	658,120	2.2%	1.7%
Other shareholders	175	9,140,245	9,140,420	9,141,995	30.4%	23.1%
Total	**1,053,247**	**29,035,270**	**30,088,517**	**39,567,740**	**100.0%**	**100.0%**

1) Board member Dick Hasselström is the principal owner of Vidinova.

2) The Aretro Capital Group is jointly owned by Staffan Hanstorp, Addnode Group's CEO, and Jonas Gejer, the Business Area Manager of Product Lifecycle Management.

DISTRIBUTION OF SHAREHOLDINGS, DECEMBER 31, 2014

Shareholding	No. of shareholders	Proportion of equity, %	Proportion of votes, %
1–500	3,651	1.4%	1.0%
501–1,000	553	1.6%	1.2%
1,001–2,000	260	1.4%	1.1%
2,001–5,000	184	2.1%	1.6%
5,001–10,000	70	1.7%	1.6%
10,001–20,000	41	2.0%	1.6%
20,001–50,000	27	2.7%	2.0%
50,001–100,000	12	2.5%	3.4%
100,001–500,000	16	13.6%	10.4%
500,001–1,000,000	6	9.9%	7.6%
1,000,001–5,000,000	5	36.2%	41.7%
5,000,001–10,000,000	1	25.0%	27.2%
Total, December 31, 2014	**4,826**	**100.0%**	**100.0%**

SHARE DATA

	2014	2013	2012	2011	2010
Average number of shares outstanding after dilution, millions	29.6	28.8	28.3	28.1	24.0
Total number of shares outstanding, millions	29.6	29.4	28.1	28.1	28.1
Earnings per share after dilution, SEK	3.38	2.19	3.06	3.73	2.13
Equity per share, SEK	29.47	28.36	28.16	27.42	25.21
Dividend per share, SEK	2.25[1)]	2.25	2.25	2.25	1.50
Share price on closing date, SEK	46.10	38.80	36.50	27.80	25.60
P/E ratio	14	18	12	7	12
Share price/shareholders' equity	1.56	1.37	1.30	1.01	1.02
Cash flow per share, SEK	5.15	4.13	4.14	5.11	2.85

1) Board of Directors' proposal.

BEST ANNUAL REPORT 2013 SMALL CAP

The jury's citation: "Addnode Group's Annual Report is a great example in terms of layout, simplicity and clarity. No other company uses so little text and so many graphs and graphics as Addnode Group. Efficient information at its best."

ANALYSTS AND FURTHER INFORMATION

The analysts who regularly monitor Addnode Group include John Helgesson, Redeye; and Nils Sjögren, Remium.

INVESTOR RELATIONS

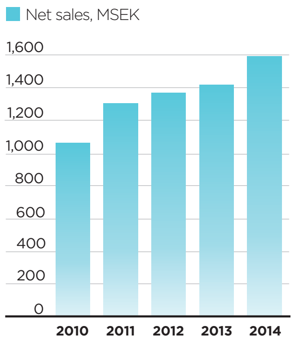
Addnode Group conducts long-term communication work in the capital market. An important part of the work is to provide shareholders, institutional investors, analysts, the media and other stakeholders with transparent, reliable and accurate information about Addnode Group's activities and financial performance.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE CFO AND IR MANAGER

Johan Andersson
+46 8 506 66 214
johan.andersson@addnodegroup.com

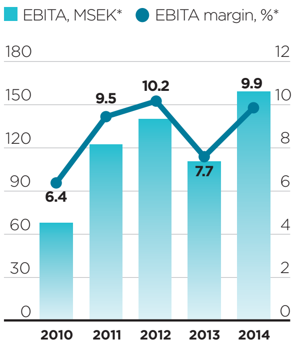
FIVE-YEAR SUMMARY

NET SALES



Net sales increased during the period from SEK 1,060 M to SEK 1,599 M. Annual average growth was 11 percent for the five-year period. The Group's target is an annual growth of at least 10 percent.

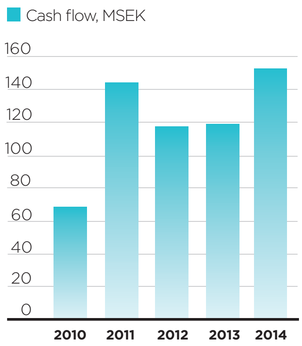
EBITA*



The improved EBITA result in 2014 compared with 2013 was due to improved earnings in the Design Management, Product Lifecycle Management and Content Management business areas.

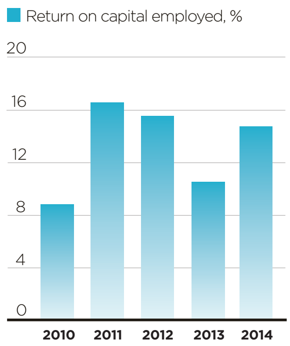
*Excluding capital gains and the revaluation of conditional purchase considerations.

CASH FLOW FROM OPERATING ACTIVITIES



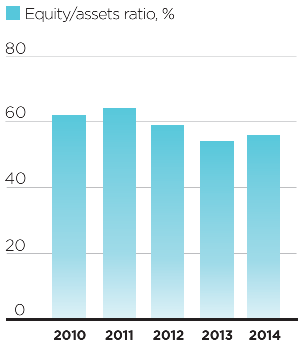
Addnode Group business concept, with a large proportion of prepaid support and maintenance agreements, entails that the operation ties up relatively little capital. Historically, cash flow from operating activities has been equal to the EBITA results.

RETURN ON CAPITAL EMPLOYED



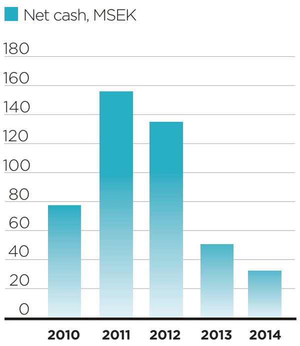
Return on capital employed amounted to 14.7 percent in 2014. The higher return compared with the preceding year was due to improved operating results.

EQUITY/ASSETS RATIO



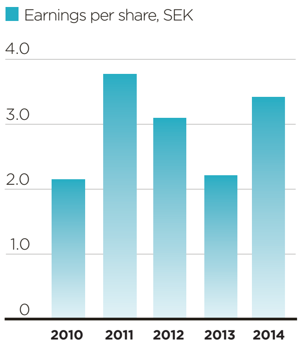
The equity ratio improved in 2014 and has never been lower than 54 percent.

NET CASH



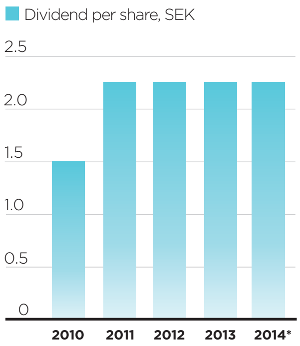
In 2013, Addnode Group raised external interest-bearing loans. At December 31, 2014, cash and cash equivalents amounted to SEK 72 M.

EARNINGS PER SHARE



Earnings per share rose in 2014 by 54 percent, compared with 2013. This was due to a strong improvement in operating profit.

DIVIDEND PER SHARE



At least 50 percent of the Group's profit after tax shall be distributed to shareholders, providing that the net cash is sufficient to operate and develop the operation.

* According to the proposal of the Board of Directors.

Group	2014	2013	2012	2011	2010
Income statement (SEK M)					
Net sales	1,598.6	1,443.5	1,364.7	1,300.4	1,059.9
of which, outside Sweden	646.2	538.1	461.0	427.0	324.9
Operating profit before depreciation/amortization	205.7	123.6	149.5	148.5	78.4
EBITA	193.3	110.7	137.7	137.3	67.5
Operating profit	128.5	85.9	117.7	119.6	52.1
Net financial items	1.3	-0.2	1.5	1.4	1.0
Profit before tax	129.8	85.7	119.2	121.0	53.1
Tax	-29.6	-22.8	-32.4	-15.1	-1.9
Profit for the year	100.2	62.9	86.8	105.9	51.2
Balance sheet (SEK M)					
Intangible fixed assets	874.9	865.8	674.7	625.0	615.0
Tangible fixed assets	27.2	26.3	29.2	26.2	22.9
Financial fixed assets	34.9	45.5	48.3	75.8	75.6
Inventories	1.0	1.2	1.2	2.0	2.0
Other receivables	546.5	489.5	450.9	324.7	355.6
Cash and cash equivalents	72.4	114.8	132.3	153.3	77.5
Total assets	1,556.9	1,543.1	1,336.6	1,207.0	1,148.6
Equity	872.7	834.5	793.8	772.8	714.8
Provisions	5.4	63.2	25.9	19.8	11.1
Interest-bearing loan liabilities	40.4	65.3	0.0	0.7	3.1
Other liabilities, non-interest-bearing	638.4	580.1	516.9	413.7	419.6
Total equity and liabilities	1,556.9	1,543.1	1,336.6	1,207.0	1,148.6
Cash flow					
Cash flow per share, SEK	5.15	4.13	4.14	5.11	2.85
Cash flow from operating activities, SEK M	152.5	118.8	117.1	143.9	68.4
Cash flow from investing activities, SEK M	-109.8	-126.1	-73.1	-22.7	-50.2
Cash flow from financing activities, SEK M	-86.8	-6.7	-63.5	-45.0	-41.8
- of which, dividend to shareholders and share buyback	-66.2	-63.5	-63.3	-42.2	-35.5
Yield indicators					
Change in net sales, %	11	6	5	23	7
Return on capital employed, %	14.7	10.5	15.5	16.5	8.8
Return on equity, %	11.9	7.9	11.3	14.4	8.6
EBITA margin, %	12.1	7.7	10.1	10.6	6.4
Operating margin, %	8.0	6.0	8.6	9.2	4.9
Profit margin, %	8.1	5.9	8.7	9.3	5.0
Financial ratios					
Interest coverage ratio, multiple	59	57	431	440	195
Equity/assets ratio, %	56	54	59	64	62
Debt/equity ratio, multiple	0.09	0.12	0.04	0.04	0.05
Net debt, SEK M	-33.2	-51.3	-134.8	-155.6	-78.0
Acid test, %	98	102	114	122	110
Shareholders' equity, SEK M	872.7	834.5	793.8	772.8	714.8
Equity per share, SEK	29.47	28.36	28.16	27.42	25.20
Share of risk-bearing capital, %	56	55	60	65	63
Employees					
Number of employees, December 31	934	951	849	809	775
Average number of employees	890	859	791	758	629
Net sales per employee, SEK thousand	1,796	1,680	1,725	1,716	1,685

A PROFITABLE GROWTH JOURNEY WITH FINANCIAL GOVERNANCE

During 2014, Addnode Group delivered growth, earnings and a strong cash flow throughout the entire year. Excellent management and financial governance provide us with the opportunity to continue our growth journey.

"We have received excellent returns on our acquisition strategy every year – the key is to give operational freedom to our managers and to combine it with strong financial control and governance."

JOHAN ANDERSSON, CFO, ADDNODE GROUP

2014 – GROWTH, STABLE EARNINGS AND CASH FLOW

2014 was a year when we achieved our growth target of 10 percent and essentially also our EBITA target of 10 percent. The entire operation performed strongly during all quarters. Our strong cash flow is based on stability and predictability in the operation in which recurring revenue accounted for 46 percent of the net sales in 2014. We implemented our first acquisition outside the Nordic region and entered the UK. Our financial target stands firm also for 2015 and we will continue to expand according to our strategy without relinquishing our earnings requirements.

FINANCIAL CONTROL AND FOLLOW-UP

Since 2006, we have implemented one to six acquisitions per year and our sales have increased from SEK 269 M to SEK 1.6 billion. We have received excellent returns on our acquisition strategy in all these years. During rapid expansion, it is even more important to be able to accept new companies into the organization. The key is that we delegate responsibility to our operations managers and the latitude to drive the operation according to the business plan and budget, while we contribute strong financial control and follow-up. We work with detailed monthly management reports and quarterly forecasts to Group management. These reports contain not only financial data but also information about the organization, market, the outside world and customers. As CFO, I am active in the operations and on the Board of Directors for our business areas. This creates knowledge and insight, which is key to the entire Group.

GOOD FINANCIAL POSITION GENERATES THE OPPORTUNITY TO CONTINUED GROWTH

We have financed our acquisitions primarily with our own funds or by issuing new shares. For the first time, early in 2015, we raised our acquisition credit facility for SEK 200 M. Our good equity ratio, net position, operating credit of SEK 100 M and SEK 200 M in acquisition credit facility provide us with excellent prerequisites to continue our growth journey.

Johan Andersson
CFO

ANNUAL REPORT 2014

The Board of Directors and President of Addnode Group AB (publ), with its registered office in Stockholm and Corporate Registration Number 556291-3185, hereby submit the Annual Report for fiscal year 2014 for the Parent Company and the Group. The Annual Report and Corporate Governance Report, as well as the Auditors' Report, are on pages 33–82. The results of the year's operations, as well as the Parent Company's and the Group's financial position, are stated in the Report of the Board of Directors, as well as the subsequent income statements and balance sheets, statement of comprehensive income, cash-flow statements, specification of changes in shareholders' equity and supplementary disclosures and notes, which comprise the comprehensive annual report.

Report of the Board of Directors

FOCUS OF OPERATIONS

Addnode Group is an IT Group with operations in the Nordic countries. We acquire, operate and develop IT companies of the future. We supply comprehensive solutions comprising software, systems and various services. Our strategy is to focus on selected niches in which to become market leading.

The operation is organized in four business areas:

- Design Management – IT solutions for design and construction.
- Product Lifecycle Management – IT solutions for product information.
- Process Management – IT solutions for case management in municipal administration and authorities.
- Content Management – IT solutions for public websites, cooperation solutions and customer service.

NET SALES AND EARNINGS

During 2014, the Group's net sales amounted to SEK 1,598.6 M (1,443.5), an increase of 11 percent. The increase was mainly due to acquisitions during in 2013 and 2014. For comparable units, net sales were on par with the preceding year. The Group's revenue from support and maintenance agreements increased by 17 percent from 2013 to 2014. EBITA amounted to SEK 193.3 M (110.7), corresponding to an EBITA margin of 12.1 percent (7.7). Amortization according to plan on intangible fixed assets amounted to SEK 34.8 M (24.8) and impairment of goodwill amounted to SEK 30.0 M (0.0). Operating profit amounted to SEK 128.5 M (85.9), corresponding to an operating margin of 8.0 percent (6.0). Earnings for 2014 include revenue of SEK 34.3 M (expense: 0.2) related to the revaluation of the conditional purchase consideration. Excluding these revaluations, EBITA for 2014 amounted to SEK 159.0 M (110.9), corresponding to an EBITA margin of 9.9 percent (7.7). Due to the business development and acquisitions, the proportion of proprietary software and applications has increased in the IT solutions that the group offers to customers. During 2014, expenses totaling SEK 29.9 M (20.2) for investments in proprietary software and applications were capitalized.

Net sales and EBITA for the Design Management business area rose strongly compared with the preceding year, which was mainly due to acquisitions implemented in 2014 and 2013. Net sales for Product Lifecycle Management increased while EBITA rose significantly. Net sales for Process Management increased, while EBITA was slightly lower compared to 2013. Net sales for Content Management declined slightly, but EBITA improved strongly.

The Group's net financial items amounted to SEK 1.3 M (expense: -0.1). Tax on earnings for the period amounted to an expense of SEK 29.5 M (expense: 22.8). Profit after tax amounted to SEK 100.2 M (62.9).

DEVELOPMENT FOR THE BUSINESS AREAS

Addnode Group's operations are organized in four business areas: Design Management, Product Lifecycle Management, Process Management and Content Management.

KEY FIGURES BY BUSINESS AREA

	Net sales		EBITA		Operating profit		Average no. of employees	
	2014	2013	2014	2013	2014	2013	2014	2013
Design Management	780.5	649.9	70.3	50.6	53.6	39.9	306	252
Product Lifecycle Management	263.6	248.7	41.4	26.2	38.2	23.3	163	161
Process Management	432.6	410.3	70.9	75.2	57.5	66.6	275	269
Content Management	142.0	152.4	1.8	–14.3	0.3	–16.9	138	169
Central functions	9.4	8.5	–25.4	–26.8	–25.4	–26.8	8	8
Elimination/Others	–29.5	–26.3	34.3[1]	–0.2[1]	4.3[2]	–0.2[2]	—	—
Addnode Group	**1,598.6**	**1,443.5**	**193.3**	**110.7**	**128.5**	**85.9**	**890**	**859**

[1] The amount pertains to earnings impact, SEK 34.3 M (expense: 0.2), in the revaluation of the contingent consideration for acquired companies.
[2] The amount pertains to earnings impact, SEK 34.3 M (expense: 0.2), in the revaluation of the contingent consideration for acquired companies and the impairment of goodwill of SEK 30.0 M (0).

Design Management business area

The Design Management business area is one of the largest suppliers of operation-critical support systems to engineering and construction operations in the Nordic region. In 2014, we established operations in the UK through the acquisition of Symetri. The solutions are based on software from the company Autodesk combined with proprietary applications and supplementary products. The operations in the business area are conducted through Cad-Q, Joint Collaboration and Symetri.

Net sales in Design Management amounted to SEK 780.5 M (649.9). EBITA amounted to SEK 70.3 M (50.6), corresponding to an EBITA margin of 9.0 percent (7.8). The increased net sales were largely attributable to the acquisitions in Norway and the UK in 2014 and 2013. The business area secured several new orders in which our expertise, geographic coverage and ability to meet the needs of major customers have been crucial factors. The operation in Norway performed well, but investment willingness from customers in the oil and gas sector has been affected by the declining oil price. In Sweden and Finland, performance was stable while the operation in Denmark, which is the smallest unit in the business area, reported a weak development.

Product Lifecycle Management business area

The Product Lifecycle Management business area is the leading supplier of customized PLM solutions in the Nordic region and one of the leading suppliers in Europe. The solutions are primarily based on software from Dassault Systèmes and proprietary products. The operation in the business area is conducted through the Technia and Infuseit subsidiaries.

Net sales in Product Lifecycle Management amounted to SEK 263.6 M (248.7). EBITA amounted to SEK 41.4 M (26.2), corresponding to an EBITA margin of 15.7 percent (10.5). The increased net sales were mainly due to better service sales to a broad customer structure, as well as strong sales of support and maintenance agreements. The Swedish operation directed at the industrial sector reported positive development, and the offering to consumer and life-science customers developed very strongly. Profitability improved strongly due to higher sales, excellent consulting utilization, as well as increased efficiency in the delivery organization.

Process Management business area

The Process Management business area offers systems and software for case management, municipal management, e-archives and geographic IT systems primarily to the public sector. The solutions are based on proprietary systems, applications and supplementary products. The operations in the business area in Sweden and Norway are conducted through the subsidiaries Abou, Arkiva, Cartesia, Decerno, Ida Infront, Kartena, Mittbygge, Prosilia and Tekis.

Net sales in Process Management amounted to SEK 432.6 M (410.3). EBITA amounted to SEK 70.9 M (75.2), corresponding to an EBITA margin of 16.4 percent (18.3). The operations in the business area reported stable performance with good demand for system development services for operation-critical systems in both private and public sectors. We secured several transactions from forest companies and customers in the public sector where our GIS offering played a decisive role. We secured several new transactions for case management systems and e-archives.

Content Management business area

The Content Management business area offers IT solutions in the form of public websites, cooperation and voice-driven and telecom services, intranet solutions, as well as e-commerce systems. The operation in the business area is conducted through the Mogul and Voice Provider subsidiaries.

Net sales in Content Management amounted to SEK 142.0 M (152.4). EBITA amounted to SEK 1.8 M (neg: 14.3), corresponding to an EBITA margin of 1.3 percent (neg: 9.4). The business area's offering in the areas of web, intranet and e-commerce recorded slightly lower sales compared with the preceding year. Earnings were positively impacted by lower cost levels as a result of organizational changes undertaken. The business area's consulting offering secured several new large transactions and we continue our efforts to improve profitability. The offering with systems and solutions for telecom and voice-driven services reported stable performance.

ACQUISITIONS IN 2014

On April 1, 2014, an agreement was signed to acquire the UK operation Symetri through an asset-transfer acquisition. Transfer was completed on June 2, 2014. The consideration amounted to SEK 28 M and was paid in cash in connection with the transfer. The operation focuses on IT solutions with software for design and engineering, as well as associated consulting and training services. Symetri is the largest Autodesk distributor to the manufacturing, as well as oil and gas industries in the UK. Annual net sales are anticipated to amount to approximately SEK 80 M and the operation has 23 employees.

Addnode Group is already the largest supplier of operation-critical support systems to design and engineering operations in the Nordic region and has established operations in the UK through the acquisition of Symetri. The acquisition also means that Addnode Group will obtain greater expertise and the potential for synergy effects. Symetri has been included in the Design Management business area from June 2014.

EVENTS AFTER THE END OF THE FISCAL YEAR

In addition to existing credit facilities, the Parent Company signed an agreement with Nordea in January 2015 for an optional credit facility of up to SEK 200 M to finance future acquisitions. The agreement has a duration of four years and the loans can be requested successively.

In other respects, no significant events occurred after the balance-sheet date.

LIQUIDITY, CASH FLOW AND FINANCIAL POSITION

Cash and cash equivalents totaled SEK 72.4 M (114.8) on December 31, 2014. Cash flow from operating activities amounted to SEK 152.5 M (118.8) in 2014. Cash flow from investing activities for 2014 included payments of contracted and already indebted contingent consideration totaling SEK 26.7 M for company and business acquisitions implemented in prior years. In addition, payments of SEK 29.9 M (20.2) were made for proprietary software.

During the second quarter, a share dividend totaling SEK 66.2 M was paid. On December 31, 2014, the Group's interest-bearing liabilities amounted to SEK 40.4 M (65.3) and the net interest-bearing assets and liabilities amounted to SEK 33.2 M (51.3). The equity/assets ratio was 56 percent (54) on December 31, 2014. The Parent Company has an existing agreement for a credit facility amounting to SEK 100 M. In addition, the Parent Company signed an agreement with Nordea in January 2015 for an optional credit facility of up to SEK 200 M to finance future acquisitions.

INVESTMENTS

Investments in intangible and tangible fixed assets amounted to SEK 53.9 M (30.4), of which SEK 29.9 M (20.2) pertained to proprietary software, SEK 8.2 M (0.4) to customer agreements and SEK 13.8 M (9.8) pertained to equipment.

DEVELOPMENT OF SOFTWARE

Through operational development and acquisitions, the proportion of proprietary software and applications has increased in the IT solutions that the Group offers to customers. During 2014, expenses totaling SEK 29.9 M (20.2) for investments in proprietary software and applications were capitalized. Expenditure for customer-financed development, as well as certain development work, which did not fulfill the criteria for capitalization, was expensed in profit and loss.

GOODWILL AND OTHER INTANGIBLE ASSETS

The consolidated carrying amount of goodwill on December 31, 2014 amounted to SEK 738.7 M (739.9). In 2014, goodwill increased by SEK 22.7 M in connection with the acquisition of Symetri and declined by SEK 30.0 M through impairment pertaining to the Content Management business area. The carrying amount on brands with indefinite useful lives totaled SEK 12.4 M (12.5). Other intangible assets amounted to SEK 123.8 M (113.4) and pertained primarily to customer agreements and software.

DEFERRED TAX ASSETS

On December 31, 2014, total recognized deferred tax assets amounted to SEK 21.1 M, of which SEK 15.5 M pertained to tax loss carryforwards. The Group's accumulated tax loss carryforwards amounted to approximately SEK 95 M on December 31, 2014. The deferred tax assets attributable to loss carryforwards are recognized as assets insofar as it is probable that the loss carryforwards will be deductible against surpluses in future taxation.

SHAREHOLDERS' EQUITY

Shareholders' equity totaled SEK 872.7 M (834.5) on December 31, 2014. During the second quarter, share dividends totaling SEK 66.2 M were paid. Changes in consolidated shareholders' equity are shown on page 41.

The Annual General Meeting in May 2011, resolved to implement a share-savings program for all employees of the Group. The share-savings program concluded in August 2014 (see the section on Acquisitions, transfers and holdings of treasury shares, as well as the section on the Share-savings program below and Note 4 on page 52). On December 31, 2014, there were no outstanding share-savings, options or convertibles programs.

PROVISIONS

Provisions, which in the consolidated balance sheet are included among long-term and current liabilities, amounted to SEK 5.4 M on December 31, 2014, of which SEK 4.2 M pertained to estimated contingent consideration for implemented company acquisitions and SEK 0.6 M related to provisions for restructuring measures. During the second and third quarters, payments relating to conditional purchase consideration previously recognized as liabilities were made in the amount of SEK 18.0 M. In connection with the annual accounts for 2014, conditional purchase consideration totaling SEK 34.3 M previously recognized as liabilities was reversed to the consolidated income statement since it was not expected to be paid.

EMPLOYEES

During 2014, the average number of employees in the Group was 890 (859). At the end of the year, the number of employees was 934 (951).

ACQUISITIONS, TRANSFERS AND HOLDINGS OF TREASURY SHARES

Pursuant to the authorization from the 2011 Annual General Meeting and a decision by the Board of Directors in September 2011, 674,224 Series C shares were issued to Nordea Bank AB (publ) and thereafter immediately bought back. The aim of this holding was to secure future delivery of Series B shares to employees who participated in Addnode Group's share-savings program (see the section on the Share-savings program below and Note 4 on page 52). The new share issue and the buyback were implemented in September 2011 and corresponded to 2.4 percent of the share capital in Addnode Group prior to the new share issue. The price per share for the new share issue and buyback amounted to SEK 12.00, corresponding to the share's quotient value. Liquidity for the new share issue and the buyback remuneration amounted to SEK 8.1 M.

At December 31, 2013, Addnode Group's holdings of treasury shares totaled 674,224 Series C shares, corresponding to 2.2 percent of the share capital. During the third quarter of 2014, all Series C shares were converted to Series B shares, after which 194,340 Series B shares, corresponding to 0.6 percent of the share capital, were transferred to the participants of the share-savings program. At December 31, 2014, Addnode Group's holdings of treasury shares totaled 479,884 Series B shares, corresponding to 1.6 percent of the share capital. The quotient value is SEK 12.00 per share. Pursuant to a resolution by the Annual General Meeting on May 7, 2014, the remaining holding of Series B shares may be used to be transferred to a third party listed or not listed on Nasdaq Stockholm in accordance with the authorization for the Board of Directors to make decisions about acquisitions, and transfer of treasury shares (see the section on Authorization below). The purpose of the remaining holding of treasury shares is that Addnode Group shall be able to transfer shares in connection with the financing of company acquisitions, as well as other types of strategic investments.

PARENT COMPANY

The Parent Company's operations comprise Group-wide functions for market communication, financial reporting and control, financing, tax issues, operational development and company acquisitions. In 2014, net sales amounted to SEK 6.6 M (5.4), which pertained primarily to invoicing to subsidiaries for services rendered. Profit before tax amounted to SEK 68.6 M (68.0), including dividends from subsidiaries totaling SEK 44.2 M (47.6), Group contributions received from subsidiaries totaling SEK 21.4 M (63.6), as well as impairment of shares in subsidiaries totaling SEK 28.2 M (28.0) and the reversal of previous impairments of shares in subsidiaries totaling SEK 47.0 M (0.0).

Cash and cash equivalents totaled SEK 11.2 M (38.4) on December 31, 2014. No significant investments were made in intangible, tangible or financial fixed assets. During the second quarter, share dividends totaling SEK 66.2 M were paid. During the third quarter, payments relating to conditional purchase consideration previously recognized as liabilities were made in the amount of SEK 16.7 M. In connection with the annual accounts for 2014, conditional purchase consideration totaling SEK 34.3 M previously recognized as liabilities was reversed to shares in Group companies since it was not expected to be paid. At December 31, 2014, the Parent Company's provision for estimated conditional purchase consideration amounted to SEK 4.2 M, which is expected to be paid in 2015. The Parent Company has an existing agreement for a credit facility amounting to SEK 100 M. In addition, the Parent Company signed an agreement with Nordea in January 2015 for an optional credit facility of up to SEK 200 M to finance future acquisitions.

ENVIRONMENTAL IMPACT

The Group has no operations that require permits according to applicable environmental regulations.

SENSITIVITY ANALYSIS

The table below shows the earnings impact for changes in various influential factors.

Impact	Changes	Impact on earnings*
Net sales	+/– 1%	SEK 0.37
Gross margin	+/– 1%	SEK 0.54
Payroll expenses	+/– 1%	SEK 0.24
Other operating expenses	+/– 1%	SEK 0.09

*All else being equal, profit before tax per share for the 2014 fiscal year.

RISKS AND UNCERTAINTIES

In general, Addnode Group's earnings capacity and financial position are impacted by customers' demand, the ability to retain and recruit competent employees, the integration of new acquisitions, as well as risks connected to individual customers and current assignments. The Group's financial risks are primarily related to changes in customers' payment ability, exchange rates and interest rates. The list below does not purport to be exhaustive, and risks are not listed in any order of significance.

Earnings capacity

Business cycle and external risks

Demand from customers is largely connected to their belief in the future and their willingness to invest and may therefore change at short notice. A decline in economic growth can have a negative impact on revenue and profitability. Addnode Group meets these risks by conducting operations in several business areas with various customer groups and technologies, which generate risk spread and security. The operation is directed at both the private and public sectors and conducted in several countries. The Group works actively to adapt the offering and operation to the prevailing demand. With several business areas, the Group's resources can be focused on the operational areas and market segments in which the conditions for long-term growth and profitability are favorable and where we recognize the potential to build and retain leading market positions.

Customer structure, revenue and cost structure

There is always the risk that one of Addnode Group's major customers may be impacted by the market trend and reduce its purchasing, which may entail lower revenue in the short term. Addnode Group has a broad customer base with approximately 4,000 customers and is not dependent on individual customers. The 20 largest customers in 2014 accounted for 18 percent of net sales. The Group's customers are found primarily in Sweden, Norway, Finland, Denmark and the UK and within a large number of industries such as engineering, medical technical, telecom, the public sector, construction and property, technical consulting and the media.

In recent years, the proportion of recurring revenue from software with associated support and maintenance agreements has increased, generating a more stable earnings capacity. The largest expense items for Addnode Group are purchase of goods and services, as well as personnel expenses. Historically, we have largely been able to meet changed costs with more efficient deliveries and adjusted end-customer prices.

Competition

There are no individual competitors to Addnode Group's total offering. In the various sub-markets, Addnode Group encounters a large number of local players and a small number of national or multinational companies. Addnode Group's strategy is to be market-leading in niche areas to secure good competitiveness and a strong market position.

Employees and organization

In order to continue expanding, Addnode Group is dependent on being able to attract, recruit and develop new employees, as well as retain existing employees and key individuals. Each company within the Group is responsible for its own competence provision. Managers are largely recruited internally or through acquisitions.

Products and technology

Addnode Group has a large proportion of proprietary software, SaaS services and systems in the solutions that we supply. To be able to meet changed customer requirements over time, proximity to customers and strategic cooperation with developers of IT platforms and software are significant to Addnode Group's growth strategy. Several of the software suppliers with whom we cooperate, for example, Microsoft, Dassault Systèmes and Autodesk, are market leading global companies in each niche and there are no indications that they will not remain competitive suppliers in the future.

Integration of acquisitions

Acquisition is a natural part of Addnode Group's operations and contributes to the Group's development and growth. To increase growth, as well as recruit skilled employees and managers, we continuously acquire new operations. Several company acquisitions were implemented in recent years and more will be implemented in the future. Company acquisitions are always associated with risks. Miscalculation of synergies and market potential could have both positive and negative impact on earnings.

Financial risks

The Group's exposure to various financial risks, including market risks (currency risks, interest-rate risks and other price risks), as well as credit risks and liquidity risks, is deemed to be relatively limited. Responsibility for the Group's financial transactions and risks is managed centrally by the Parent Company. The overall objective is to provide cost-efficient financing and to minimize the negative impact on the consolidated income and financial position arising from market fluctuations or credit losses. See also Note 37 on pages 67-69 for description of the financial risks identified and managed by Addnode Group.

Other

In Addnode Group, there are certain agreements containing stipulations that the agreement may be discontinued if control of Addnode Group changes as a result of a public takeover bid. However, the Board of Addnode Group has deemed that these agreements are not significant to Addnode Group's operations.

ANTICIPATED FUTURE DEVELOPMENT

The Board has not changed its assessment of the future outlook compared with the publication of the year-end report for 2014. The Board submitted the following future outlook in the year-end report:

In the long term, the areas in which Addnode Group is active are deemed to have a strong underlying potential. Addnode Group's growth strategy is to grow both organically and through the acquisition of new operations in order to add new complementary offerings and additional competence. The policy of not issuing a forecast stands firm.

ADDNODE GROUP SHARE AND OWNERSHIP STRUCTURE

Addnode Group's Series B share has been listed on the Nasdaq Stockholm since 1999. Series A shares carry ten votes, Series B and C shares carry one vote, and only Series B shares are listed. Series C shares do not carry entitlement to dividend. At December 31, 2014, the number of Series A shares was 1,053,247, the number of Series B shares was 29,035,270 and the number of Series C shares was 0.

The largest shareholder is Vidinova AB with 27.2 percent of the votes and 25.0 percent of the share capital. The principal owner of Vidinova AB is Dick Hasselström, who is also a Board member of Addnode Group. The second-largest shareholder is Aretro Capital Group AB with 24.0 percent of the votes and 12.9 percent of the share capital. Aretro Capital Group AB is jointly owned by Staffan Hanstorp and Jonas Gejer. Staffan Hanstorp is President and CEO of Addnode Group AB. Jonas Gejer is President of Technia AB and Business Area Manager of Product Lifecycle Management.

As far as the Board of Addnode Group AB is aware, there are no agreements between major shareholders to restrict the transferability of shares. Neither are there any restrictions in the transferability of shares due to stipulations in the law or the Articles of Association. There is no limitation on the number of votes each shareholder is entitled to at the Annual General Meeting. According to the Articles of Association, the Board of Directors must comprise three to eight members, with a maximum of two deputy members. Election of Board members and any deputy members must take place at the Annual General Meeting. The Articles of Association do not contain any general stipulations concerning election or dismissal of Board members or changes to the Articles of Association.

SHARE-SAVINGS PROGRAM

The Annual General Meeting on May 4, 2011 resolved, in accordance with the Board's proposal, to introduce a share-savings program for all employees of Addnode Group, which extended from June 2011 to August 2014. In brief, the share-savings program entails that in August 2014 participating employees, on condition that they had made their own individual investment in Addnode Group shares through successive savings during the period June 2011 - April 2012,could be allotted Series B Addnode shares, free of charge, a combination of so-called matching and performance shares. In order for participants to be entitled to receive matching shares, a requirement was continued employment in the Group and that the investment in Addnode Group shares has remained intact up to the date of allotment of the shares. Allocation of performance shares was also conditional upon the Group achieving certain financial targets with respect to the EBITA margin (earnings before amortization and impairment of intangible assets in relation to net sales) for the years 2011, 2012 and 2013. According to the resolution by the Annual General Meeting, the share-savings program could entail a maximum allocation of 674,224 Series B shares in Addnode Group. The Board was entitled to reduce the allocation on condition that there had been significant changes in Addnode Group or its business environment, which would result in the resolved conditions for allocation no longer being appropriate.

To ensure delivery of Series B shares under the share-savings program, a resolution was passed by the 2011 AGM concerning an amendment of the Articles of Association whereby a new class of shares, designated Series C shares, would be introduced. The Board of Directors was authorized to make a decision on a directed new share issue of Series C shares to Nordea Bank AB (publ), and to make a decision on the repurchase of the same shares. The AGM also resolved that the Series C shares repurchased by Addnode Group, after conversion to Series B shares, would be transferable to the participants in the share-savings program. The new share issue and immediate repurchase of 674,224 Series C shares was implemented in September 2011. During the third quarter of 2014, all Series C shares were converted to Series B shares.

The share-savings program concluded in August 2014 through the transfer of 194,340 Series B shares, free of charge, to participants in the program. The Group's total personnel cost for the share-savings program for the 2011-2014 years amounted to SEK 8,231 K of which SEK 2,284 K pertained to social security contributions. Further information about the share-savings program is available in Note 4 on page 52. There were no other outstanding share-savings, options or convertible programs.

CORPORATE GOVERNANCE REPORT, WORK OF THE BOARD OF DIRECTORS AND THE NOMINATION COMMITTEE

A separate Corporate Governance Report, including a description of the work of the Board of Directors and Nomination Committee, has been prepared and is presented on pages 73-81 in the printed version of this document. Disclosures about key elements of the Group's systems for internal control and risk management in connection with the preparation of the consolidated financial statements are available on pages 78–79 of the Corporate Governance Report.

AUTHORIZATION

The 2014 AGM authorized the Board, during the period until the next Annual General Meeting, on one or several occasions, to decide on the acquisition of a maximum number of Series B treasury shares so that the company's holding following the acquisition does not exceed 10 percent of all the shares in the company at any time. The purpose of any repurchase of treasury shares is firstly to be able to transfer shares in connection with the financing of company acquisitions, as well as other types of strategic investments. The 2014 AGM also authorized the Board, on one or several occasions prior to the next Annual General Meeting, to decide on the transfer of treasury Series B shares in the company to a third party. The number of shares transferred may not exceed the total number of shares held by the company at any time. Transfers may be executed on or outside of Nasdaq Stockholm, entailing entitlement to decide on deviation from shareholders' preferential right. The reason for permitting the Board to disapply the preferential rights of shareholders is to enable financing of potential company acquisitions and other types of strategic investments in a cost-efficient manner. Up to the issuance of this annual report, no shares were acquired or transferred with the support of this authorization.

In order to finance potential company acquisitions using treasury shares, the Board received a mandate at the 2014 AGM, for the period until the next Annual General Meeting, to decide on new share issues. Through the decision, according to the authorization, the share capital could increase by a maximum total of SEK 36 M by the issuance of a maximum of 3,000,000 shares at full subscription. Up to the issuance of this annual report, no shares were issued according to this authorization.

GUIDELINES FOR REMUNERATION AND OTHER EMPLOYMENT TERMS FOR SENIOR EXECUTIVES

Guidelines for remuneration and other employment terms for senior executives, which were adopted by the 2014 AGM, are described in Note 5 on page 53.

The 2015 Annual General Meeting is to resolve on guidelines for remuneration to senior executives. Senior executives pertain to the President of the Parent Company, other members of Group Management, as well as other senior executives according to the description in the Corporate Governance Report on page 81. The Board of Directors' proposal for guidelines ahead of the 2015 AGM is as follows:

Remuneration of the President of the Parent Company, other members of Group Management, as well as other senior executives is to normally consist of a fixed salary, variable remuneration, share-based incentive programs and other standard benefits and pensions. Fixed salary must be competitive and ensure that Addnode Group is able to recruit competent executives. As a general rule, the fixed salary is reviewed once per year and must take into account the individual's qualitative performance. In addition to the fixed salary, variable remuneration can be paid. Variable remuneration must be based on results achieved and/or individually set and specific targets. For the President of the Parent Company, the variable remuneration in cash shall be based on results achieved in the Group. The variable remuneration in cash shall be a maximum of 12 months' salary. For other executives in Group Management, as well as other senior executives, the variable remuneration in cash shall be a maximum of six months' salary and mainly based on the part of the operation for which the individual is responsible. Share-based incentive programs are to ensure long-term commitment to the Group's development and promote own shareholding in the company.

Pensions must always be based on defined-contribution in order to generate predictability with respect to the company's future commitments. Pension premiums are to be paid in a maximum amount of 30 percent of the current fixed annual salary.

Other remuneration and benefits are to be on market terms and shall support the senior executive's ability to perform his/her work duties. Other benefits pertain primarily to company vehicle or mileage allowance.

Senior executives' employment agreements include stipulations concerning periods of notice. The policy is that employment could be terminated at the request of one party with a period of notice of a minimum of six and a maximum of 12 months. During the period of notice, unchanged salary, remuneration and benefits will be paid.

The guidelines are to apply for employment agreements signed after the AGM, and for any amendments to existing conditions. The Board is entitled to deviate from these guidelines if specific reasons to motivate this are found in individual cases.

PROPOSED APPROPRIATION OF PROFITS

Profit for the year of SEK 67,523,069 and other unrestricted shareholders equity of SEK 299,272,456, totaling SEK 366,795,525, is at the disposal of the Annual General Meeting. The Board of Directors proposes that the profit be appropriated as follows:

Dividend to shareholders of SEK 2.25 per share	67,699,163
To be carried forward:	299,096,362
Total	**366, 795, 525**

The Board's motivated statement concerning the appropriation proposal is available on the company's website, www.addnodegroup.com. The statement can also be received upon request.

Consolidated income statement

SEK 000S JANUARY 1 – DECEMBER 31	Note	2014	2013
Net sales	2, 3, 39	1,598,574	1,443,537
OPERATING EXPENSES			
Purchases of goods and services	39	–515,868	–458,021
Other external costs	6, 9	–191,979	–177,065
Personnel costs	4, 5	–749,237	–704,807
Capitalized work performed by the company for its own use	16	29,927	20,167
Revaluation of conditional purchase price	27	34,324	–189
Depreciation and write-downs of intangible and tangible fixed assets	16, 17	–77,271	–37,761
Operating profit		**128,470**	**85,861**
Financial income	10	4,169	1,885
Financial expenses	11	–2,884	–2,034
Profit before tax		**129,755**	**85,712**
Tax	12, 13	–29,518	–22,775
PROFIT FOR THE YEAR		**100,237**	**62,937**
Attributable to:			
Parent Company's shareholders		100,193	62,897
Non-controlling interests		44	40
SHARE INFORMATION			
Earnings per share before dilution, SEK	15	3.40	2.20
Earnings per share after dilution, SEK	15	3.38	2.19
Equity per share outstanding, SEK		29.47	28.36
Average number of shares outstanding before dilution, 000s		29,481	28,609
Average number of shares outstanding after dilution, 000s		29,609	28,784
Number of shares outstanding at year-end, 000s		29,609	29,414
Number of registered shares at year-end, 000s		30,089	30,089

Consolidated statement of comprehensive income

SEK 000S JANUARY 1 – DECEMBER 31	Note	2014	2013
Net profit for the year		100,237	62,937
Other comprehensive income, items which may be reclassified to the consolidated income statement:			
Exchange-rate differences in translation of foreign operations		5,160	–9,580
Hedging of net investments in foreign operations		–1,015	1,015
Cash-flow hedges:			
Revaluation to fair value		—	–6
Revaluation transferred to income statement		–30	–47
Total other comprehensive income for the year, net after tax	12	**4,115**	**–8,618**
COMPREHENSIVE INCOME FOR THE YEAR		**104,352**	**54,319**
Attributable to:			
Parent Company's shareholders		104,308	54,279
Non-controlling interests		44	40

Consolidated balance sheet

SEK 000S ON DECEMBER 31	Note	2014	2013
ASSETS			
FIXED ASSETS			
Intangible fixed assets	16	874,930	865,818
Tangible fixed assets	17	27,199	26,280
Deferred tax assets	13	21,140	36,558
Long-term holdings of securities	20	6,231	731
Long-term receivables	21	7,489	8,230
Total fixed assets		**936,989**	**937,617**
CURRENT ASSETS			
Inventories		972	1,169
Accounts receivable		387,975	351,514
Tax receivable		11,482	16,621
Other receivables		8,535	12,137
Prepaid expenses and accrued income	22	138,541	109,284
Cash and cash equivalents	36	72,397	114,772
Total current assets		**619,902**	**605,497**
TOTAL ASSETS		**1,556,891**	**1,543,114**
SHAREHOLDERS' EQUITY AND LIABILITIES			
EQUITY	24		
Share capital	24	361,062	361,062
Other capital contributions		200,911	200,911
Reserves		–17,153	–21,268
Profit brought forward		327,813	293,469
Shareholders' equity attributable to Parent Company shareholders		**872,633**	**834,174**
Non-controlling interests		**34**	**326**
Total shareholders' equity		**872,667**	**834,500**
LONG-TERM LIABILITIES			
Long-term interest-bearing liabilities	25	15,501	40,417
Other long-term liabilities	26	1,104	—
Deferred tax liabilities	13	36,499	37,495
Provisions	27	341	36,779
Total long-term liabilities		**53,445**	**114,691**
CURRENT LIABILITIES			
Current interest-bearing liabilities	25, 28	24,916	24,916
Accounts payable		92,474	73,855
Tax liabilities		9,024	11,601
Advances from customers		40,239	24,005
Other liabilities		101,079	102,478
Accrued expenses and prepaid income	29	358,023	330,676
Provisions	27	5,024	26,392
Total current liabilities		**630,779**	**593,923**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**1,556,891**	**1,543,114**

Pledged assets and contingent liabilities recognized in Note 30 and Note 31, respectively.

Consolidated cash-flow statement

SEK 000S JANUARY 1 – DECEMBER 31	Note	2014	2013
OPERATING ACTIVITIES			
Profit before tax	32	129,755	85,712
Adjustments for items not included in cash flow	33	31,497	47,796
Income tax paid		–12,412	–20,618
Cash flow from operating activities before changes in working capital		**148,840**	**112,890**
Changes in working capital:			
- Decrease in inventories		200	11
- Increase in receivables		–50,647	–18,489
- Increase in current liabilities		54,088	24,402
Total changes in working capital		**3,641**	**5,924**
CASH FLOW FROM OPERATING ACTIVITIES		**152,481**	**118,814**
INVESTING ACTIVITIES			
Acquisition of			
- Intangible fixed assets		–35,541	–20,550
- Tangible fixed assets	34	–13,817	–9,775
– Financial fixed assets		–5,500	—
- Subsidiaries and operations	35	–56,079	–97,587
Sale of tangible fixed assets		1,183	1,786
Sale of financial fixed assets		—	29
CASH FLOW FROM INVESTING ACTIVITIES		**–109,754**	**–126,097**
FINANCING ACTIVITIES			
Dividend paid		–66,182	–63,546
Loans raised		—	62,000
Repayment of loans		–20,666	–5,167
CASH FLOW FROM FINANCING ACTIVITIES		**–86,848**	**–6,713**
Change in cash and cash equivalents		**–44,121**	**–13,996**
Cash and cash equivalents on January 1		114,772	132,340
Exchange-rate difference in cash and cash equivalents		1,746	–3,572
CASH AND CASH EQUIVALENTS ON DECEMBER 31	36	**72,397**	**114,772**

Changes in consolidated shareholders' equity

SEK 000S	Share capital	Other contributed capital	Reserves [1]	Profit brought forward	Non-controlling interests	Total shareholders' equity
	Attributable to the Parent Company's shareholders.					
SHAREHOLDERS' EQUITY, JANUARY 1, 2013	**345,836**	**166,975**	**–12,650**	**292,379**	**1,288**	**793,828**
Total earnings						
Net profit for the year	–	–	–	62,897	40	62,937
Other comprehensive income/loss						
Exchange-rate differences in translation of foreign operations	–	–	–9,580	–	–	–9,580
Hedging of net investments in foreign operations	–	–	1,015	–	–	1,015
Cash-flow hedges:						
Revaluation to fair value	–	–	–6	–	–	–6
Revaluation transferred to income statement	–	–	–47	–	–	–47
Total other comprehensive income	**–**	**–**	**–8,618**	**–**	**–**	**–8,618**
Total comprehensive income	**–**	**–**	**–8,618**	**62,897**	**40**	**54,319**
Transactions with shareholders						
New issues in company acquisitions	15,226	34,043	–	–	–	49,269
Issue costs	–	–107	–	–	–	–107
Dividend	–	–	–	–63,546	–	–63,546
Acquisition from non-controlling interests	–	–	–	–454	–1,002	–1,456
Incentive programs	–	–	–	2,193	–	2,193
Total transactions with shareholders	**15,226**	**33,936**	**–**	**–61,807**	**–1,002**	**–13,647**
SHAREHOLDERS' EQUITY, 31 DECEMBER 2013	**361,062**	**200,911**	**–21,268**	**293,469**	**326**	**834,500**
Total earnings						
Net profit for the year	–	–	–	100,193	44	100,237
Other comprehensive income/loss						
Exchange-rate differences in translation of foreign operations	–	–	5,160	–	–	5,160
Hedging of net investments in foreign operations	–	–	–1,015	–	–	–1,015
Cash-flow hedges:						
Revaluation transferred to income statement	–	–	–30	–	–	–30
Total other comprehensive income	**–**	**–**	**4,115**	**–**	**–**	**4,115**
Total comprehensive income	**–**	**–**	**4,115**	**100,193**	**44**	**104,352**
Transactions with shareholders						
Dividend	–	–	–	–66,182	–	–66,182
Acquisition from non-controlling interests	–	–	–	–534	–336	–870
Incentive programs	–	–	–	867	–	867
Total transactions with shareholders	**–**	**–**	**–**	**–65,849**	**–336**	**–66,185**
SHAREHOLDERS' EQUITY, 31 DECEMBER 2014	**361,062**	**200,911**	**–17,153**	**327,813**	**34**	**872,667**

[1] Pertains to exchange-rate differences in the translation of foreign operations, gains and losses attributable to hedging of net investments in foreign operations, as well as gains and losses attributable to non-settled cash-flow hedging (refer also to Note 24).

Parent Company income statement

SEK 000S JANUARY 1 – DECEMBER 31	Note	2014	2013
Net sales	39	6,565	5,422
OPERATING EXPENSES			
Other external costs	6, 39	–9,415	–10,223
Personnel costs	4	–15,350	–15,026
Depreciation of tangible fixed assets	17	–5	–11
Operating profit/loss		**–18,205**	**–19,838**
RESULT FROM FINANCIAL ITEMS			
Results from participations in Group companies	10	84,417	88,042
Interest income and similar items	10	5,445	3,145
Interest expense and similar items	11	–3,089	–3,345
Profit before tax		**68,568**	**68,004**
Tax	12, 13	–1,045	–9,881
PROFIT FOR THE YEAR		**67,523**	**58,123**

Parent Company statement of comprehensive income

SEK 000S JANUARY 1 – DECEMBER 31	Note	2014	2013
Net profit for the year		67,523	58,123
Total other comprehensive income for the year, net after tax		**0**	**0**
COMPREHENSIVE INCOME FOR THE YEAR		**67,523**	**58,123**

Balance sheet, Parent Company

SEK 000S ON DECEMBER 31	Note	2014	2013
ASSETS			
FIXED ASSETS			
Tangible fixed assets			
Equipment and installations	17	16	22
Total tangible fixed assets		**16**	**22**
Financial fixed assets			
Participations in Group companies	18	994,132	1,005,187
Other long-term holdings of securities	20	5,500	—
Deferred tax assets	13	12,564	13,609
Receivables from Group companies		1,052	1,058
Other long-term receivables	21	568	801
Total financial fixed assets		**1,013,816**	**1,020,655**
Total fixed assets		**1,013,832**	**1,020,677**
CURRENT ASSETS			
Current receivables			
Receivables from Group companies	23	82,927	107,558
Tax receivable		473	425
Other receivables		37	163
Prepaid expenses and accrued income	22	—	147
Total current receivables		**83,437**	**108,293**
Cash and bank balances	23	**11,226**	**38,421**
Total current assets		**94,663**	**146,714**
TOTAL ASSETS		**1,108,495**	**1,167,391**
SHAREHOLDERS’ EQUITY AND LIABILITIES			
EQUITY	24		
Restricted shareholders’ equity			
Share capital	24	361,062	361,062
Statutory reserves		88,965	88,965
Unrestricted shareholders’ equity			
Share premium reserve		111,944	111,944
Profit brought forward		187,329	194,521
Net profit for the year		67,523	58,123
Total shareholders’ equity		**816,823**	**814,615**
PROVISIONS			
Other provisions	27	4,757	55,621
Total provisions		**4,757**	**55,621**
LONG-TERM LIABILITIES			
Liabilities to credit institutions	25	15,501	36,167
Other long-term liabilities		—	4,250
Total long-term liabilities		**15,501**	**40,417**
CURRENT LIABILITIES			
Liabilities to credit institutions	25	20,666	20,666
Accounts payable		676	957
Liabilities to Group companies	23	237,814	219,195
Other liabilities		4,910	9,371
Accrued expenses and prepaid income	29	7,348	6,549
Total current liabilities		**271,414**	**256,738**
TOTAL SHAREHOLDERS’ EQUITY AND LIABILITIES		**1,108,495**	**1,167,391**
Pledged assets	30	6,068	1,248
Contingent liabilities	31	1,522	None

Cash-flow statement, Parent Company

SEK 000S JANUARY 1 – DECEMBER 31	Note	2014	2013
OPERATING ACTIVITIES			
Profit before tax	32	68,568	68,004
Adjustments for items not included in cash flow	33	–43,283	–40,577
Cash flow from operating activities before changes in working capital		**25,285**	**27,427**
Changes in working capital:			
- Change in current receivables		225	–150
- Change in current liabilities		592	–732
Total changes in working capital		**817**	**–882**
CASH FLOW FROM OPERATING ACTIVITIES		**26,102**	**26,545**
INVESTING ACTIVITIES			
Acquisition of tangible fixed assets		—	–26
Acquisition and investments in participations in Group companies		–26,648	–183,646
Liquidation of Group companies		2	4,834
Acquisition of other long-term holdings of securities		–5,500	—
CASH FLOW FROM INVESTING ACTIVITIES		**–32,146**	**–178,838**
FINANCING ACTIVITIES			
Dividend paid		–66,182	–63,546
Loans raised		—	62,000
Repayment of loans		–20,666	–5,167
Changes in intra-group receivables and liabilities		2,137	37,631
Group contribution received		63,560	87,115
CASH FLOW FROM FINANCING ACTIVITIES		**–21,151**	**118,033**
Change in cash and cash equivalents		**–27,195**	**–34,260**
Cash and cash equivalents on January 1		38,421	72,681
CASH AND CASH EQUIVALENTS ON DECEMBER 31	23	**11,226**	**38,421**

Statement of changes in equity, Parent Company

SEK 000S	Restricted shareholders' equity: Share capital	Restricted shareholders' equity: Statutory reserves	Unrestricted shareholders' equity	Total shareholders' equity
SHAREHOLDERS' EQUITY, JANUARY 1, 2013	**345,836**	**88,965**	**333,882**	**768,683**
Total earnings				
Net profit for the year	–	–	58,123	58,123
Total other comprehensive income	**–**	**–**	**0**	**0**
Total comprehensive income	**–**	**–**	**58,123**	**58,123**
Transactions with shareholders				
New issues in company acquisitions	15,226	–	34,043	49,269
Issue costs	–	–	–107	–107
Dividend	–	–	–63,546	–63,546
Incentive programs	–	–	2,193	2,193
Total transactions with shareholders	**15,226**	**–**	**–27,417**	**–12,191**
SHAREHOLDERS' EQUITY, DECEMBER 31, 2013	**361,062**	**88,965**	**364,588**	**814,615**
Total earnings				
Net profit for the year	–	–	67,523	67,523
Total other comprehensive income	**–**	**–**	**0**	**0**
Total comprehensive income	**–**	**–**	**67,523**	**67,523**
Transactions with shareholders				
Dividend	–	–	–66,182	–66,182
Incentive programs	–	–	867	867
Total transactions with shareholders	**–**	**–**	**–65,315**	**–65,315**
SHAREHOLDERS' EQUITY, DECEMBER 31, 2014	**361,062**	**88,965**	**366,796**	**816,823**

Supplementary disclosures and notes

NOTE 1 ACCOUNTING POLICIES AND VALUATION PRINCIPLES

The most important accounting policies applied when preparing these consolidated financial statements are stipulated below. These policies were applied consistently for all years presented, unless otherwise indicated.

The consolidated financial statements were prepared in accordance with the Swedish Annual Accounts Act, recommendation RFR 1 Supplementary Accounting Rules for Groups from the Swedish Financial Reporting Board and the International Financial Reporting Standards (IFRS), as approved by the EU. The consolidated financial statements were prepared under the historical cost convention, except for revaluations of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) measured at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 38.

During the year, the Group implemented the following new, revised and amended IFRSs which became effective on January 1, 2014.

> IFRS 10 Consolidated Financial Statements (effective January 1, 2013 according to the IASB, but January 1, 2014 according to the EU [1)]). The purpose of IFRS 10 is to establish principles for the preparation and presentation of consolidated financial statements when a company controls one or more other companies. The standard defines the concept of "control" and stipulates control as a basis for consolidation. The standard provides guidance on determining whether a company controls another and thus this company is to be consolidated in the consolidated financial statements. The standard also states how the consolidated financial statements are to be prepared.

> IFRS 11 Joint Arrangements (effective January 1, 2013 according to the IASB, but January 1, 2014 according to the EU [1)]). IFRS 11 focuses on the rights and obligations rather than the legal form of an arrangement. There are two types of "joint arrangements": "joint operations" and "joint ventures." A joint operation arises when a joint operator has direct rights to the assets and obligations for the liabilities in a joint arrangement. In such an arrangement, the recognition of assets, liabilities, revenue and expenses is based on the owner's share of these. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets in the arrangement. In such an arrangement, the joint venturer is to report its portion in accordance with the equity method. The proportional method is no longer permitted.

> IFRS 12 Disclosure of Interests in Other Entities (effective January 1, 2013 according to the IASB, but January 1, 2014 according to the EU [1)]). IFRS 12 includes the disclosure requirements for subsidiaries, joint arrangements, associated companies and unconsolidated structured entities.

[1)] A later effective date than that stated by the IASB applies to companies in the EU. However, early adoption of the standard by companies in the EU is permitted. Addnode Group has elected not to apply early adoption of these standards.

The implementation of the above-mentioned IFRS did not have any effect on the Group's financial position or financial statements for 2014, except for the addition of more detailed disclosures regarding participations in other companies. Other new standards, amendments and interpretations of existing standards that came into effect in 2014 had no impact on the Group's financial position or financial statements.

The standards and amendments to existing standards below have been published but had not yet been applied in 2014.

> IFRS 9 Financial Instruments (effective January 1, 2018, not adopted by the EU). IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014 and replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. The standard retains, but simplifies, the measurement models and contains three measurement categories for financial assets: amortized cost, fair value through other comprehensive income and fair value through profit or loss. Classification depends on the company's business model and the characteristics of the instrument. Investments in equity instruments are to be measured at fair value through profit or loss, but there is the option to recognize the instrument's value changes in other comprehensive income on initial recognition. No reclassification to profit or loss may then take place when the instrument is divested. IFRS 9 also introduces a new model for the calculation of a credit loss reserve based on expected credit losses.

The classification and measurement of financial liabilities is not changed, except for liabilities measured at fair value through profit or loss based on the fair value option. Changes in value attributable to changes in own credit risk are to be presented in other comprehensive income.

IFRS 9 reduces the requirements for the application of hedge accounting by replacing the 80-125 criterion with a requirement for the economic relationship between the hedging instrument and the hedged item and for the hedge ratio to be the same as that actually used in risk management. Hedge disclosures have also been changed slightly compared with those provided under IAS 39.

The Group is yet to assess the effects of introducing the standard.

> IFRS 15 Revenue from Contracts with Customers (effective January 1, 2017, not adopted by the EU). IFRS 15 is the new standard for revenue recognition and replaces IAS 18 Revenue and IAS 11 Construction Contracts and all associated interpretations (IFRIC and SIC). Revenue is to be recognized when control of the goods or service is passed to the customer. A customer has control of a good or service when it can direct the use of the asset and obtain benefits from it. The core principle of IFRS 15 is that companies recognize revenue that best depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A five-step model framework provides guidance for recognition:
Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognize revenue when the entity satisfies a performance obligation

IFRS 15 contains significantly expanded disclosure requirements. The disclosure objective is to disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The Group is yet to assess the effects of introducing the standard. Other published, new and amended standards and interpretations of existing standards that have not yet come into effect in 2014 are not expected to have any material impact on the consolidated financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the Parent Company and the companies over which the Parent Company, directly or indirectly, has a controlling influence. The Parent Company has a controlling influence and controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its influence over the entity.

The consolidated financial statements were prepared in accordance with the acquisition method, which entails that the shareholders' equity of subsidiaries on acquisition, determined as the difference between the fair values of the assets and the liabilities, is eliminated in its entirety. Only the part of the subsidiaries' shareholders' equity that accrued after the acquisition is included in consolidated shareholders' equity.

The purchase consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred to the former owners of the acquiree, the liabilities incurred to the former owners and the new shares issued by the Group. The consideration transferred includes the fair value of assets or liabilities resulting from a conditional purchase consideration arrangement. Subsequent changes in the fair value of conditional purchase consideration are recognized through profit or loss. Transaction costs in conjunction with acquisitions are expensed in the consolidated income statement when they arise.

During the year, acquired companies were included in the consolidated financial statements at amounts pertaining to the period after the acquisition. Profit from companies sold during the year is included in the consolidated income statement for the period until the divestment date.

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency). Swedish kronor (SEK), which is the Parent Company's functional currency and presentation currency, is utilized in the consolidated financial statements. All foreign subsidiaries are translated to SEK by applying the current method. This means that all of the assets and liabilities of foreign subsidiaries are translated at the closing day rate. All of the items in the income statements were translated at the average rate for the year. Translation differences are recognized in the consolidated statement of comprehensive income

Intra-Group transactions and balance-sheet items, as well as unrealized gains on transactions between Group companies, are eliminated in their entirety. Unrealized losses are also eliminated, unless the transaction provides evidence of impairment of the transferred asset. Where necessary, the accounting policies for subsidiaries have been adjusted to guarantee consistent application of the Group's policies.

The consolidated income statement includes non-controlling interests (previously termed "minority shares") under net profit for the year. In the consolidated balance sheet, non-controlling interests are recognized as a separate item under consolidated shareholders' equity.

For each individual company acquisition, the Group determines whether all non-controlling interests are to be measured at either fair value or at the proportionate share of net assets of the acquired company. Transactions with non-controlling interests that do not result in a change in the controlling influence are recognized in shareholders' equity. When the Group no longer holds a controlling influence, each remaining holding is measured at fair value at the date on which the controlling influence ceased. Changes in the carrying amounts are then recognized in the consolidated income statement. The fair value subsequently comprises the basis of future recognition of the remaining holding as an associated company, joint venture or financial asset.

REVENUE RECOGNITION

Service assignments performed on a current account basis are recognized in revenue at the same rate as the services are performed, meaning both revenue and expenses are recognized in the period in which they are earned and consumed, respectively. Fees earned as per the balance-sheet date, that have not been invoiced, are recognized as accrued revenue. When the outcome of a fixed-price assignment can be reliably calculated, income and expenses attributable to the assignment are recognized as revenue and expenses in relation to the degree of completion on the balance-sheet date (percentage of completion). The degree of completion is primarily determined based on the number of hours as per the balance-sheet date in relation to the estimated total number of hours for the assignment. If it is difficult to calculate the earnings of an assignment, yet nevertheless probable that costs incurred will be covered by the customer, revenue is recognized on the balance-sheet date at an amount corresponding to the costs incurred for the assignment. Accordingly, no profit is recognized.

When the outcome of an assignment cannot be reliably calculated, only the expenses that the client is expected to pay are recognized as revenue. No revenue is recognized if it is probable that costs incurred will not be paid by the client. An expected loss is immediately recognized as an expense to the extent that it can be calculated.

Fixed-price assignments currently comprise a small portion of the Group's net sales. Invoiced fees for fixed-price service assignments that have not been performed are recognized as advances from customers.

Revenue for sales of goods is recognized on complete delivery to the customer and revenue for data operation services is recognized in relation to the services being performed. License fees for software and program service agreements for which companies in the Group do not have any commitments to customers are recognized as revenue on delivery date. Revenue from support and maintenance agreements for which the companies in the Group have a commitment to customers are allocated over the period of agreement.

INCOME TAX

Income taxes recognized comprise tax to be paid or received for the current year, adjustments regarding current tax for previous years and changes in deferred tax.

The measurement of all tax liabilities/assets is based on nominal amounts, and is undertaken in accordance with the tax regulations and tax rates determined or announced, and which are likely to be adopted.

Tax is recognized through profit or loss, except when the tax pertains to items recognized in other comprehensive income or directly in shareholders' equity. In such cases, tax is also recognized in other comprehensive income or shareholders' equity.

Deferred tax is calculated using the balance-sheet method on all temporary differences arising between the recognized and fiscal values of assets and liabilities. Deferred tax assets referring to tax loss carryforwards or other future fiscal deductions are recognized to the extent that it is likely that the deductions can be offset against surpluses in conjunction with future taxation.

RECEIVABLES AND RECEIVABLES AND LIABILITIES IN FOREIGN CURRENCY

Loan receivables and accounts receivable are non-derivative financial assets with fixed or determinable payments that are not listed on an active market. These items are distinguished by the fact that they arise when the Group supplies funds, goods or services directly to a customer without intending to trade in the receivable. These amounts are included under current assets, with the exception of items falling due more than 12 months after the balance-sheet date, which are classified as fixed assets. Loan receivables and accounts receivable are initially measured at fair value and, subsequently, at amortized cost by applying the effective interest method, less any provisions for impairment. A reserve is established for impairment when the amount that is expected to be paid following an individual assessment is less than the carrying amount of the asset.

Receivables and liabilities in foreign currency are measured at the closing day rate. For cases in which hedging measures have been applied, for example forward cover, both the hedged item and the hedging instrument are measured at fair value. Transactions in foreign currency are translated at the spot rate on the transaction date. Exchange-rate differences pertaining to operating receivables and liabilities are recognized in operating profit, while exchange-rate differences pertaining to cash and cash equivalents and loans are recognized as financial income and expenses in the income statement. Revaluation of provisions for estimated conditional purchase consideration in foreign currency at the balance-sheet date are recognized in the consolidated statement of comprehensive income if the requirements for hedge accounting of net investments in foreign operations are met.

FIXED ASSETS

Fixed assets are measured at cost less accumulated depreciation and any impairment.

If there is an indication that an asset has declined in value, the recoverable amount of the asset is calculated. The carrying amount of an asset is immediately written down to its recoverable amount if the carrying amount exceeds the recoverable amount of the asset.

INTANGIBLE FIXED ASSETS

Expenses for the development of software

Development of software mainly takes place within the framework of customer assignments.

Expenses that are directly related to identifiable and unique software that is controlled by the Group are recognized as intangible fixed assets if there is a clearly defined development project with specific plans for how and when the asset is to be used in the operations, the expenses can be calculated reliably and the asset is expected to generate future financial benefits. Furthermore it should also be technically possible to carry out the project and the resources required for completing development must be available. Other development expenditure that does not meet these criteria are expensed as incurred. Development expenditure previously expensed is not recognized as an asset in subsequent periods.

The cost of the intangible fixed asset includes direct costs for, for example, consultants and personnel developing proprietary software, and a reasonable share of relevant indirect costs. Amortization according to plan takes place straight line over the estimated useful life, which amounts to a maximum of five years for operational central software. Amortization is recognized from the date on which the software is utilized.

Goodwill and intangible fixed assets with indefinite useful lives

Goodwill comprises the amount by which the cost on the acquisition of companies or operations exceeds the fair value of the acquired identifiable net assets on the acquisition date. In the acquisition assessment, acquired intangible fixed assets, for example, customer relationships and brands, are recognized at market value before the remainder is attributed to goodwill.

Goodwill and other intangible fixed assets with indefinite useful lives, for example, certain brands, are measured at cost less any impairment. Amortization according to plan is not conducted, instead impairment requirements are tested every year or more often if there is an indication of a decline in value.

Other intangible fixed assets

Other intangible fixed assets mainly refer to customer agreements, acquired software and certain brands. These assets are recognized at cost with deductions for amortization according to plan. Amortization takes place straight-line over the estimated useful life, which is normally between three and ten years. Ten-year amortization periods are applied for long-term agreements with companies with a strong market position and very long customer relationships.

TANGIBLE FIXED ASSETS

Tangible fixed assets are recognized at cost less depreciation. Expenses for repairs and maintenance are recognized as costs.

Tangible fixed assets are depreciated systematically over the estimated useful lives of the assets. Any residual value of the asset is taken into account when determining the depreciable amount of the asset. Equipment and fixtures and fittings are depreciation over a period of three to five years. Depreciation of buildings takes place at 4 percent per year.

FINANCIAL LEASE AGREEMENTS

When the lease agreement means that the Group, in its capacity as lessee, essentially enjoys the economic benefits and carries the financial risks attributable to the leasing object, then the object is recognized as a fixed asset in the consolidated balance sheet. A corresponding obligation to pay future leasing charges is recognized as a liability. Each lease payment is divided into amortization of the liability and financial expenses to achieve a fixed interest rate for the liability recognized in each respective period. The Group did not have any financial lease agreements in 2013 or 2014.

OPERATING LEASE AGREEMENTS

Lease agreements under which a significant portion of the risks and benefits associated with ownership are retained by the lessor are classified as operating leases. Leasing charges for operating lease agreements are expensed in profit or loss on a straight-line basis over the term of the lease.

FINANCIAL INSTRUMENTS

Financial instruments include cash and cash equivalents, holdings of securities, receivables, operating liabilities, liabilities under financial lease agreements, borrowing and any derivative instruments. Purchases and sales of securities and derivative instruments are recognized on the trade date, meaning the date on which a binding purchase or sale contract was signed.

Securities intended to held in the long term are attributed to the measurement categories of either “Available-for-sale financial assets,” which are measured at fair value, or “Financial assets at fair value through profit or loss.” Holdings of short-term investments are attributed to the measurement categories of either “Held-to-maturity investments,” which are measured at amortized cost, or “Financial assets at fair value through profit or loss.” The measurement category is determined separately for each holdings of securities based on nature and the purpose of the holdings.

For the “Financial assets at fair value through profit or loss” category, changes in fair value are recognized as financial income and financial expenses, respectively, in profit or loss. However, changes in value regarding foreign exchange forward contracts are recognized in operating profit (see below). For the “Financial liabilities at fair value through profit or loss” category (primarily provisions for calculated conditional purchase considerations), changes in value are recognized in operating profit. Changes in fair value for the “Available-for-sale financial assets” category are recognized in the consolidated statement of comprehensive income over the holding period and accumulated changes in values in conjunction with sales are recognized as financial income and financial expenses, respectively, in profit or loss. If objective evidence exists to impair the value of the latter valuation category, for example, a significant or prolonged decline in fair value, the impairment is recognized as a financial expense in profit or loss. The fair value of market-listed securities is based on buying rates on the balance-sheet date.

Outstanding foreign exchange forward contracts are measured at fair value. Foreign exchange forward contracts pertain to hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction (cash-flow hedges). Hedge accounting according to IAS 39 is applied to certain foreign exchange forward contracts. This means that unrealized changes in value are recognized in the consolidated statement of comprehensive income until the hedged item is to be recognized in the consolidated income statement, at which point the profit or loss for the corresponding foreign exchange forward contract is recognized in the consolidated income statement. When the formal conditions for hedge accounting are not met, outstanding foreign exchange forward contracts are measured as independent financial instruments on their respective balance-sheet dates, for which both realized and unrealized changes in value are recognized in operating profit. There were no outstanding foreign exchange forward contracts at year-end 2014 (see also Note 7).

Other financial liabilities are recognized at amortized cost. However, liabilities attributable to future minimum leasing charges under financial lease agreements are recognized at present value.

INVENTORIES

Inventories are measured at the lower of cost or net realizable value. Cost is calculated by applying the first-in, first-out principle. Net realizable value comprises the sales price of the operating activities less the estimated selling expenses.

SHAREHOLDERS' EQUITY

Common shares are classified as shareholders' equity. Transaction costs directly attributable to the issuance of new shares are recognized, net after tax, in shareholders' equity as a deduction from the issue proceeds.

When one of the Group companies purchases Parent Company shares (buyback of treasury shares), the purchase consideration paid, including any directly attributable transaction costs (net after tax), reduces the profit brought forward until the shares are canceled or divested. If these common shares are subsequently divested, the amount received for them (net after any transaction costs and tax effects) is recognized in profit brought forward.

SHARE-BASED REMUNERATION

On May 4, 2011, the Annual General Meeting resolved to implement a share-savings program, entailing that the Group's companies receive service from employees in exchange for remuneration in the form of future allotment of shares in the Parent Company.

The Group's expenses for the share-savings program are recognized in accordance with IFRS 2 Share-based Payment. The total personnel costs are allocated over the vesting period of June 2011-June 2014 and are based on a calculation of the fair value of the allotment shares at the start of the vesting period and certain assumptions for calculating the number of allotment shares in August 2014. There are no market-related vesting conditions. At the end of every reporting period, the Group reassesses its calculations of the number of shares that are expected to be allocated, and any changes compared with previous assessments are recognized through profit or loss and the corresponding adjustments are made in shareholders' equity. Reserves for social security contributions arising in connection with the share-savings program are recognized continuously based on the share price trend during the vesting period. Further details about the share-savings program are available in Note 4.

PROVISIONS

Provisions are defined as obligations that are attributable to the fiscal year or previous fiscal years and that on the balance-sheet date are certain or will probably arise, but for which the amount and the date on which the obligations are to be realized are unknown. Provisions for estimated conditional purchase consideration attributable to acquisitions of operations and decided restructuring measures are recognized in the balance sheet. A provision for restructuring costs is recognized when a detailed plan for the implementation of the measures exists and when this plan has been communicated to those affected.

PENSIONS

The Group's pension plans are administered by different insurance institutions. The Group primarily has defined-contribution pension plans, although defined-benefit pension plans do exist to a certain extent. The defined-benefit plans refer to commitments for retirement pensions and family pensions for salaried employees in Sweden, which are secured through insurance with Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10, this is a defined-benefit multi-employer plan. For the 2014 fiscal year, the Group did not have access to the type of information required for recognizing these plans as defined-benefit plans. Accordingly, the ITP (individual supplementary pension) plans that are secured through insurance with Alecta are recognized as defined-contribution plans. Contributions are recognized as personnel costs in profit or loss when they fall due for payment. Fees for pension insurance taken out with Alecta amounted to SEK 4,907 K (4,112) in 2014 and are expected to be the same in 2015. Alecta's surplus can be distributed to the policy holders and/or insured parties. At the end of 2014, Alecta's surplus in the form of its collective funding ratio was 143 percent (148). The collective funding ratio is defined as the market value of Alecta's assets as a percentage of its commitments to policyholders calculated using Alecta's actuarial assumptions, which do not comply with IAS 19.

BORROWING

Borrowing is initially measured net at fair value after transaction costs. Borrowing is subsequently recognized at amortized cost and any difference between the amount received (net after transaction costs) and the amount repaid is recognized through profit or loss, distributed over the loan period, using the effective interest method.

Borrowing is classified as current liabilities, unless the Group has an unconditional right to defer payment of the liability for at least 12 months after the balance-sheet date.

ACCOUNTS PAYABLE

Accounts payable are commitments to pay for goods or services acquired in operating activities from suppliers. Accounts payable are classified as current liabilities if they fall due within one year after the balance-sheet date; otherwise they are recognized as long-term liabilities. Accounts payable are initially measured at fair value and, thereafter, at amortized cost by applying the effective interest method.

IMPAIRMENT

Assets with an indefinite useful life, for example goodwill, are not amortized but are tested at least annually for any impairment. When impairment tests are performed, goodwill is distributed between the cash-generating units or groups of cash-generating units, determined in accordance with the Group's operating segments, that are expected to benefit from the business combination in which the goodwill item arose.

Depreciated/amortized assets are evaluated with regard to a reduction in value, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment is effected in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less selling expenses, and its value in use.

REPORTING FOR OPERATING SEGMENTS

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker is the function that is responsible for allocating resources and assessing the performance of the operating segments. For the Group, this function has been identified as the President of the Parent Company.

DISCONTINUED OPERATIONS

When an independent line of business or a significant operation that is conducted in a geographical area is discontinued, all of the revenue and expenses, including capital gains/loss, of the discontinued line of business or operation are recognized as profit from discontinued operations on a separate line in the consolidated income statement, in accordance with IFRS 5. A split is also made in the cash flow statement between continuing and discontinued operations.

CASH FLOW STATEMENT AND CASH AND CASH EQUIVALENTS

The cash flow statement was prepared in accordance with the indirect method. The recognized cash flow includes only transactions that involve cash payments and disbursements.

Cash and cash equivalents include cash, bank balances and short-term investments with a remaining term of less than three months from the acquisition date.

PARENT COMPANY

The Parent Company's accounts were prepared in accordance with the Swedish Annual Accounts Act and recommendation RFR 2 Accounting for Legal Entities from the Swedish Financial Reporting Board. The recommendation entails that legal entities whose securities are listed on a Swedish stock exchange on the balance-sheet date are, in principle, to apply the IFRS applied to the consolidated financial statements, with the recommendation stating certain exemptions and additions.

The accounting policies and calculation methods for the Parent Company remain unchanged compared with the preceding year.

Financial instruments, for example, long-term holdings of securities, are measured at fair value. Changes in fair value are recognized following the same principles as for the Group (see the description above). Participations in Group companies are recognized at acquisition cost, less any impairment. The acquisition cost of participations in Group companies includes transaction costs that arose in conjunction with the acquisition. Contingent consideration is recognized as a portion of acquisition cost if it is probable that such consideration is to be paid. Any revaluations of calculated contingent consideration in subsequent periods is recognized as a change in acquisition cost for participations in Group companies. Provisions for calculated contingent consideration in foreign currency can, from 2013, in certain cases be treated in the accounts as hedging of net investments in foreign operations. The Parent Company then recognizes the provisions at the currency rate on the acquisition date until they are settled, at which point realized exchange-rate differences are recognized as a change in acquisition cost for participations in Group companies. Other assets and liabilities are recognized at historical cost less depreciation/amortization and any impairment. Dividends received and Group contributions received are recognized as financial income.

All lease agreements, irrespective of whether they are operating or financial, are recognized in the Parent Company as rental agreements (operating lease agreements).

NOTE 2 OPERATING SEGMENTS

The Group's operations are organized and managed based on the business areas: Design Management, Product Lifecycle Management (PLM), Process Management and Content Management, which are the Group's operating segments. The segment division is based on the Group's products and services. There were no changes in the segment division or calculation of segment results during 2014.

Company management used revenue, EBITA and operating profit to make decisions on the allocation of resources, earnings analyses and assessing the performance of the segments. Financial income, financial expenses and income tax are managed at Group level. Segments are reported according to the same accounting policies as the Group. The difference between the amount of the segment's operating profit and the consolidated profit before tax, except for the items in the column "Elimination/other" above, pertains to financial income SEK 4.2 M (1.9) and financial expenses SEK 2.9 M (exp: 2.0).

Design Management sells IT solutions for design and construction. Product Lifecycle Management offers IT solutions for product information. The operations of Process Management are directed to IT solutions for case management in municipal administration and authorities. Content Management offers IT solutions for public websites, cooperation solutions and customer service. Central work comprises market communication, financial reporting and control, financing, tax issues, operational development and company acquisitions.

A specification of the Group's net sales by different type of revenue is provided in Note 3. All of the business areas receive revenue from consulting services, licenses, software and support and maintenance services, although the portion of revenue from each type of revenue varies between the business areas. Design Management primarily receives revenue from support and maintenance services. Consulting services are the main type of revenue for Product Lifecycle Management, Process Management and Content Management. Revenue for central units primarily pertains to invoicing subsidiaries for services performed. Transactions between business areas normally take place on commercial conditions that are applied to external parties.

	Design Mgt		PLM Mgt		Process Mgt		Content Mgt		Central		Elimination/ Other [1]		Group	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
REVENUE AND EARNINGS														
Revenue from external customers	778.6	649.2	263.6	248.7	429.4	409.4	126.9	135.9	0.1	0.3	—	—	1,598.6	1,443.5
Transactions between segments	1.9	0.7	—	—	3.2	0.9	15.1	16.5	9.3	8.2	-29.5	-26.3	0.0	0.0
Total revenue	**780.5**	**649.9**	**263.6**	**248.7**	**432.6**	**410.3**	**142.0**	**152.4**	**9.4**	**8.5**	**-29.5**	**-26.3**	**1,598.6**	**1,443.5**
EBITA	70.3	50.6	41.4	26.2	70.9	75.2	1.8	-14.3	-25.4	-26.8	34.3	-0.2	193.3	110.7
Operating profit/loss	53.6	39.9	38.2	23.3	57.5	66.6	0.3	-16.9	-25.4	-26.8	4.3	-0.2	128.5	85.9
OTHER INFORMATION														
Total assets	778.0	702.7	232.5	197.9	597.9	606.4	224.0	235.1	115.3	167.7	-390.8	-366.7	1,556.9	1,543.1
Investments in tangible and intangible fixed assets	23.3	7.6	4.7	4.4	24.7	16.6	1.2	1.4	—	—	—	—	53.9	30.0
Depreciation/amortization and impairment of intangible and tangible fixed assets	-21.0	-14.3	-4.9	-4.8	-17.2	-12.3	-4.2	-6.4	—	—	-30.0	—	-77.3	-37.8
Average no. of employees	306	252	163	161	275	269	138	169	8	8	—	—	890	859

[1] In the column "Elimination/other" for 2014 above, EBITA was impacted by SEK 34.3 M (-0.2) due to the revaluation of conditional purchase consideration for acquired companies. In the same column, operating profit was also negatively impacted by SEK -30.0 M (0.0) due to goodwill impairment. Impairment is also stated on the line "Depreciation/amortization and impairment of intangible and tangible fixed assets."

GEOGRAPHIC INFORMATION

The Group conducts operations primarily in the Nordic countries, the UK and the US. Most of the Group's operations are in Sweden, where all of the business areas conduct operations. The operations in Norway are mainly conducted by Design Management, but also Product Lifecycle Management and Process Management. The operations in Finland are conducted by Design Management and Product Lifecycle Management and the operations in Denmark by Design Management. The operations in the UK are conducted by Design Management and the operations in the US by Product Lifecycle Management.

The disclosures below regarding revenue from external customers are based on the registered office of the customer.

	Sweden		Norway		Finland		Denmark		Other		Group	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenue from external customers	952.4	905.4	301.2	235.0	179.1	181.6	50.0	58.3	115.9	63.2	1,598.6	1,443.5
Intangible and tangible fixed assets	585.3	605.2	211.2	212.1	48.8	49.1	21.0	20.6	35.8	5.1	902.1	892.1

NOTE 3 REVENUE DISTRIBUTION

Net sales comprise:

	Group		Parent Company	
	2014	2013	2014	2013
Consulting services	583,330	549,116	—	—
Licenses and software	233,603	218,002	—	—
Support and maintenance	739,251	634,025	—	—
Other	42,390	42,394	6,565	5,422
Total	**1,598,574**	**1,443,537**	**6,565**	**5,422**

NOTE 4 SALARIES, OTHER REMUNERATION AND SOCIAL SECURITY CONTRIBUTIONS

	Group		Parent Company	
	2014	2013	2014	2013
Salaries and other remuneration to:				
– Board of Directors, President and senior executives	85,835	79,321	8,511	7,112
– Other employees	436,765	406,959	2,965	3,698
Pension expenses for:				
– Boards of Directors, Presidents and senior executives	10,951	11,000	1,218	966
– Other employees	45,631	44,189	487	668
Other social security costs	137,661	131,102	3,420	3,782
Total	**716,843**	**672,571**	**16,601**	**16,226**
Salaries and other remuneration to Boards of Directors, Presidents and senior executives above includes bonus of	12,337	9,541	2,175	1,454
Number of individuals included in the group Boards of Directors, Presidents and senior executives	87	85	10	9

SHARE-SAVINGS PROGRAM

The Annual General Meeting on May 4, 2011 resolved, in accordance with the Board's proposal, to introduce a share-savings program for all employees of Addnode Group, which extended from June 2011 to August 2014. The Group does not have any other share-based incentive programs.

Summary of conditions and assurance of delivery of Series B shares

In brief, the share-savings program entails that in August 2014 participating employees, on condition that they have made their own individual investment in Addnode Group shares through successive savings during the period June 2011 - April 2012, would be allotted free of charge Series B Addnode shares, a combination of so-called matching and performance shares. In order for participants to be entitled to receive matching shares, a requirement is continued employment in the Group and that the investment in Addnode Group shares has remained intact up to the date of allotment of the shares. Allocation of performance shares is also conditional upon the Group achieving certain financial targets with respect to the EBITA margin (earnings before amortization and impairment of intangible assets in relation to net sales) for the years 2011, 2012 and 2013. According to the resolution by the Annual General Meeting, the share-savings program could entail a maximum allocation of 674,224 Series B shares in Addnode Group. The Board was entitled to reduce the allocation on condition that there had been significant changes in Addnode Group or its business environment, which would result in the resolved conditions for allocation no longer being appropriate.

To ensure delivery of Series B shares under the share-savings program, a resolution was passed by the 2011 AGM concerning an amendment of the Articles of Association whereby a new class of shares, designated Series C shares, will be introduced. The Board of Directors was authorized to make a decision on a directed new share issue of Series C shares to Nordea Bank AB (publ), and to make decisions on the buyback of the same shares. The AGM also resolved that the Series C shares bought back by Addnode Group, after conversion to Series B shares, would be transferable to the participants in the share-savings program. The new share issue and immediate buyback of 674,224 Series C shares were implemented in September 2011 (see also Note 24).

Participation, calculations of future allotment and actual allotment

At the end of the registration period in May 2011, a total of 303 employees had registered for the share-savings program. Based on initial participation and share price at the beginning of the vesting period, it was calculated in June 2011 that future allotment would amount to a maximum of 253,232 Series B shares. Up to and including December 31, 2011, the estimated maximum number had reduced by 8,489 Series B shares to 244,743 Series B shares due to initial participants either ending their employment or reducing their savings of Addnode Group shares.

When the savings period expired in 2012, it was concluded that the actual share price during the savings period was lower than the assumption made in conjunction with the original calculations in June 2011 and that the participants' savings amounts were thus sufficient to acquire more saving shares compared with the original assumption. This meant that the maximum future allotment increased in 2012. Furthermore, the maximum future allotment was reduced due to initial participants either ending their employment or reducing their savings of Addnode Group shares. In total, this resulted in the maximum future allocation increasing net by 21,352 Series B shares in 2012 and amounting to 266,095 Series B shares on December 31, 2012.

During 2013, the maximum future allocation declined by 62,715 Series B shares, primarily due to no performance shares being issued for 2013 (see below). The maximum future allocation amounted to 203,380 Series B shares on December 31, 2013. During 2014, the maximum number reduced by 9,040 Series B shares due to initial participants either ending their employment or reducing their holdings of saving shares. The share-savings program concluded in August 2014 through the transfer of 194,340 Series B shares, free of charge, to 254 participants in the program.

Outcome regarding performance requirements for 2013, 2012 and 2011

One of the conditions for allotting performance shares under the share-savings program in 2013 was that the EBITA margin was to amount to at least 8.0 percent. The actual EBITA margin for 2013 amounted to 7.7 percent and accordingly, no performance shares were issued for 2013. The conditions for maximum allotment of performance shares were achieved in 2012 and 2011.

Calculation of market value

Addnode Group utilized generally accepted valuation principles in its calculation of the market value of the share-savings program. The calculated market value at the beginning of the vesting period in June 2011 amounted to SEK 30.60 per share, mainly based on the listed share price over the last five trading days in May 2011 and the present value calculation of Addnode Group's assumptions regarding future payments during the vesting period.

Expenses for the year and total expenses, 2011-2014 according to IFRS 2

The Group's expenses for the share-savings program are recognized in accordance with IFRS 2 Share-based Payment (see Note 1 on page 49). The Group's personnel costs for the share-savings program in 2014 amounted to SEK 1,172 K (3,049 in 2013), of which SEK 867 K (2,193) was recognized against shareholders' equity and SEK 305 K (856) pertained to social security contributions. The Group's total personnel costs for the share-savings program for the years 2011-2014 amounted to SEK 8,231 K, of which SEK 2,284 K pertained to social security contributions.

NOTE 5 REMUNERATION OF THE BOARD AND SENIOR EXECUTIVES

REMUNERATION AND OTHER BENEFITS IN 2014

	Basic salary/fee	Variable remuneration	Other benefits	Pension expenses	Share-based remuneration [1]	Total 2014
Chairman of the Board, Sigrun Hjelmquist	385	–	–	–	–	385
Board member Jan Andersson	213	–	–	–	–	213
Board member Kristofer Arwin	190	–	–	–	–	190
Board member Dick Hasselström	185	–	–	–	–	185
Board member Annika Viklund	114	–	–	–	–	114
Board member Thord Wilkne	170	–	–	–	–	170
Former Board member Eva Listi	70	–	–	–	–	70
President Staffan Hanstorp	1,959	1,540	112	568	–1	4,178
Other senior executives (7 individuals)	8,897	2,304	349	1,839	–10	13,379 [2]
Total	**12,183**	**3,844**	**461**	**2,407**	**–11**	**18,884**

[1] Refers to expenses for the year for share-based remuneration under the share-savings program resolved by the Annual General Meeting held on May 4, 2011. Recognition in accordance with IFRS 2. The share-savings program expired in 2014, when it was concluded that the expense for the senior executives was negative in 2014 due to slightly excessively high expenses being recognized in previous years. See also the heading "Share-based remuneration" under Note 1 on page 49 and Note 4 on page 52.

[2] The amount for 2014 includes salaries, other remuneration and pension costs for period of notice that does not include an obligation to work totaling SEK 806 K.

REMUNERATION AND OTHER BENEFITS IN 2013

	Basic salary/fee	Variable remuneration	Other benefits	Pension expenses	Share-based remuneration [3]	Total 2013
Chairman of the Board, Sigrun Hjelmquist	378	–	–	–	–	378
Board member Jan Andersson	196	–	–	–	–	196 [4]
Board member Kristofer Arwin	167	–	–	–	–	167
Board member Dick Hasselström	182	–	–	–	–	182
Board member Thord Wilkne	167	–	–	–	–	167
Former Board member Eva Listi	207	–	–	–	–	207
President Staffan Hanstorp	1,825	958	132	540	35	3,490
Other senior executives (5 individuals)	6,697	1,422	284	1,230	175	9,808 [5]
Total	**9,819**	**2,380**	**416**	**1,770**	**210**	**14,595**

[3] Refers to expenses for the year for share-based remuneration under the share-savings program resolved by the Annual General Meeting held on May 4, 2011. Recognition in accordance with IFRS 2. See also the heading "Share-based remuneration" under Note 1 on page 49 and Note 4 on page 52.

[4] Remuneration for work in addition to Board assignments was paid by the Group's companies for 2013 in a total amount of SEK 40 K to a company owned by Jan Andersson. The amount is not included in the table above.

[5] The amount for 2013 includes salaries, other remuneration and pension costs for period of notice that does not include an obligation to work totaling SEK 1,276 K.

GUIDELINES RESOLVED BY THE ANNUAL GENERAL MEETING IN MAY 2014

Senior executives pertain to the President of the Parent Company, other members of Group Management, as well as other senior executives according to the description in the Corporate Governance Report on page 81. The following guidelines for remuneration and other employment terms for senior executives resolved by the AGM held in May 2014:

Remuneration of the President of the Parent Company, other members of Group Management, as well as other senior executives is to normally consist of a fixed salary, variable remuneration, share-based incentive programs and other standard benefits and pensions. Fixed salary must be competitive and ensure that Addnode Group is able to recruit competent executives. As a general rule, the fixed salary is reviewed once per year and must take into account the individual's qualitative performance. In addition to the fixed salary, variable remuneration can be paid. Variable remuneration must be based on results achieved and/or individually set and specific targets. For the President of the Parent Company, the cash variable remuneration must be based on results achieved in the Group. The cash variable remuneration is to be a maximum of 12 months' salary. For other executives in Group Management, as well as other senior executives, the cash variable remuneration is to be a maximum of six months' salary and mainly based on the portion of the operation for which the individual is responsible. Share-based incentive programs are to ensure long-term commitment to the Group's development and promote own shareholding in the company.

Pensions must always be defined-contribution in order to generate predictability with respect to the company's future commitments. Pension premiums are to be paid in a maximum amount of 30 percent of the current fixed annual salary.

Other remuneration and benefits are to be on market terms and contribute to facilitating the senior executive's ability to complete his/her work duties. Other benefits pertain primarily to company vehicle or mileage allowance.

Senior executives' employment agreements include stipulations concerning periods of notice. The policy is that employment could be terminated at the request of one party with a period of notice of a minimum of six and a maximum of 12 months. During the period of notice, unchanged salary, remuneration and benefits will be paid.

The guidelines are to apply for employment agreements signed after the AGM, and for any amendments to existing conditions. The Board is entitled to deviate from these guidelines if specific reasons to motivate this are found in individual cases.

REMUNERATION OF AND BENEFITS TO THE BOARD AND SENIOR EXECUTIVES IN 2014

Parent Company Board of Directors

For the period between the 2014 and 2015 Annual General Meetings, a fixed remuneration amount of SEK 340 K will be paid to the Chairman of the Board and SEK 170 K to each of the other Board members. A remuneration of SEK 50 K is paid to the Chairman of the Board's Audit Committee and SEK 30 K to each of the two other members of the Audit Committee. The two members of the Board's Remuneration Committee will each be paid SEK 15 K. No remuneration for work in addition to Board assignments or work on the Audit or Remuneration Committees was paid in 2014. There are no agreements concerning pension, severance pay or other benefits for Board members.

Boards of subsidiaries

Separate remuneration is not generally paid to Board members of the Group's subsidiaries, or any pension benefits or other benefits.

President of the Parent Company

The President, Staffan Hanstorp, is employed in the Parent Company. Under his employment contract, remuneration is paid in the form of basic salary of SEK 158,000 every month, variable remuneration, other benefits and premiums for occupational pension insurance. Variable remuneration for the 2014 fiscal year pertains to expensed bonus, which is to be paid in 2015. Variable remuneration is based on the Group's earnings after amortization of intangible fixed assets. Variable salary is maximized to 12 fixed monthly salaries. Other benefits primarily comprise mileage allowance. Pension costs pertain to the cost that impacted net profit for the year. Premiums for occupational pension insurance are paid at an amount corresponding to 30 percent of fixed salary. The amount of share-based remuneration in the table above refers to the cost of the share-savings program that impacted net profit for the year according to IFRS 2.

The employment contract has a mutual period of notice of six months including an obligation to work. If employment is terminated by the company, severance pay corresponding to six fixed monthly salaries and other benefits are paid for the same period.

Remuneration of the President of the Parent Company is addressed and established by the Board's Remuneration Committee.

Other senior executives

The group of other senior executives in the table above for 2014 pertained to Group Management, in addition to the President of the Parent Company, as well as other senior executives according to the description in the Corporate Governance Report on page 81. Remuneration of other senior executives comprises basic salary, variable remuneration, other benefits and premiums for occupational pension insurance. Variable remuneration for the 2014 fiscal year pertains to expensed bonus, which is to be paid in 2015. Variable remuneration is largely based on operating profit for the year for the executive's area of responsibility before, or for certain executives after, amortization of intangible fixed assets. Variable salary is maximized to an amount that normally corresponds to six fixed monthly salaries. The amount for other benefits in the table above mainly refers to company car or mileage allowance. Pension costs pertain to the cost that impacted net profit for the year. Premiums for occupational pension insurance are paid at an amount corresponding to a maximum of about 30 percent of fixed salary. The amount of share-based remuneration in the table above refers to the cost of the share-savings program that impacted net profit for the year according to IFRS 2.

The employment contracts have a mutual period of notice of six months including an obligation to work.

Remuneration of other senior executives in the Group is addressed and established by the President of the Parent Company following consultation with the Board's Remuneration Committee.

NOTE 6 AUDITOR'S FEES

	Group		Parent Company	
	2014	2013	2014	2013
AUDITING ASSIGNMENTS				
PricewaterhouseCoopers	1,588	1,561	397	389
Other auditors	790	681	–	–
AUDIT IN ADDITION TO THE AUDIT ASSIGNMENT				
PricewaterhouseCoopers	173	227	100	147
Other auditors	13	133	–	–
TAX ADVICE				
PricewaterhouseCoopers	282	59	144	47
Other auditors	65	70	–	–
OTHER SERVICES				
PricewaterhouseCoopers	34	42	34	42
Other auditors	107	43	–	–
Total	**3,052**	**2,816**	**675**	**625**

Fees for auditing activities in addition to the audit assignment include reviews of the interim reports for both 2014 and 2013. 2013 also includes fees for statements in connection with non-cash issues, which were included in the issues costs that reduced contributed shareholders' equity for the new share issue.

Of the total amounts in the table for the Parent Company in 2013 above, SEK 22 K was capitalized as cost of acquired subsidiaries. There is no corresponding amount for 2014.

NOTE 7 EXCHANGE-RATE DIFFERENCES

Operating profit for the Group includes exchange-rate differences attributable to operating receivables and operating liabilities in a net amount of SEK -7 K (-550 K). Foreign-exchange forward contracts are used to a certain extent to secure amounts for future payment flows in foreign currencies. Outstanding foreign exchange forward contracts are measured at fair value. Foreign exchange forward contracts pertain to hedges of a particular risk associated with a recognized asset or liability or a highly probable forecast transaction (cash-flow hedges). Hedge accounting according to IAS 39 is applied to certain foreign exchange forward contracts. This means that unrealized changes in value are recognized in the consolidated statement of comprehensive income until the hedged item is to be recognized in the consolidated income statement, at which point the profit or loss for the corresponding foreign exchange forward contract is recognized in the consolidated income statement (see also Note 24). Accordingly, the purpose of hedge accounting is for the gain/loss for the hedged item and the corresponding foreign exchange forward contract to be recognized through profit or loss during the same period. Both realized and unrealized changes in value of foreign exchange forward contracts, for which the formal conditions for hedge accounting are not met, are recognized in operating profit.

There were no outstanding foreign exchange forward contracts at year-end 2014.

At year-end 2013, the expected future inflows of a total of USD 659 K were hedged against the SEK at an exchange rate of approximately SEK 6.70, which roughly corresponded to the spot rate when the foreign exchange forward contract was signed in April 2012. The expiry date of this foreign exchange forward contract was in April 2014. In addition, the expected future outflows of a total of USD 74 K were hedged against the SEK at an exchange rate of approximately SEK 6.70, which roughly corresponded to the spot rate when the foreign exchange forward contract was signed in April 2012. The expiry date of this foreign exchange forward contract was in January 2014. On the balance-sheet date December 31, 2013, unrealized exchange-rate gains on outstanding foreign exchange forward contracts amounted to SEK 185 K, which are included in the balance-sheet item other current receivables in the consolidated balance sheet.

Further information about the hedging policy is found in Note 37 on financial risks and risk management.

NOTE 8 RESEARCH AND DEVELOPMENT

Expenses for the year for research and development amounted to SEK 12,908 K (9,430 K). During 2014, expenses totaling SEK 29,927 K (20,167 K) for investments in proprietary software and applications were capitalized (see Note 16). Amortization of capitalized amounts for proprietary software and applications for the year and previous years amounted to SEK 13,838 K (8,920 K) for 2014.

NOTE 9 OPERATING LEASE AGREEMENTS

The maturity dates of the nominal value of future minimum leasing charges regarding non-cancellable operating lease agreements is distributed as follows:

	Group	
	2014	2013
Falls due for payment within one year	39,164	37,123
Falls due for payment after one, but within five years	59,860	53,329
Falls due for payment after more than five years	7,148	9,984
Total	**106,172**	**100,436**

Leasing costs for operating lease agreements amounted to the following during the year:

	Group	
	2014	2013
Rental and leasing costs	42,127	35,920
Total	**42,127**	**35,920**

The operating lease agreements were primarily rental agreements for premises.

NOTE 10 FINANCIAL INCOME

	Group	
	2014	2013
Interest income	1,053	1,964
Capital gains	—	19
Exchange-rate difference	3,116	–98
Total	**4,169**	**1,885**

	Parent Company	
	2014	2013
Results from participations in Group companies		
Dividends	44,195	47,648
Group contribution received	21,420	63,560
Capital gains	2	4,834
Impairment	–28,200	–28,000
Reversal of previous impairment losses	47,000	—
Total	**84,417**	**88,042**
Interest income and similar items		
External interest income	244	366
Interest income from Group companies	1,701	2,123
Exchange-rate difference	3,500	656
Total	**5,445**	**3,145**

NOTE 11 FINANCIAL EXPENSES

	Group	
	2014	2013
Interest expense	–2,507	–1,784
Exchange-rate difference	–310	–95
Other financial expenses	–67	–155
Total	**–2,884**	**–2,034**

	Parent Company	
	2014	2013
Interest expense and similar items		
External interest expense	–2,335	–1,675
Interest expense to Group companies	–754	–1,515
Other financial expenses	—	–155
Total	**–3,089**	**–3,345**

NOTE 12 TAX

	Group		Parent Company	
	2014	2013	2014	2013
Current tax on profits for the year	–15,784	–15,454	–	–
Adjustments in respect of prior years	893	143	–	–
Deferred tax (see Note 13)	–14,627	–7,464	–1,045	–9,881
Total	**–29,518**	**–22,775**	**–1,045**	**–9,881**

Tax attributable to subcomponents of other comprehensive income for the Group in 2014 totaled SEK 9 K (15) and pertained solely to cash-flow hedges, of which SEK 0 K (2) pertained to remeasurement to fair value and SEK 9 K (13) pertained to revaluation transferred to profit or loss.

The difference between tax calculated according to the nominal Swedish tax rate on profit after tax and effective tax according to the income statement arises as follows:

	Group		Parent Company	
	2014	2013	2014	2013
Profit before tax	**129,755**	**85,712**	**68,568**	**68,004**
Tax calculated according to nominal Swedish tax rate 22% (22%)	–28,546	–18,857	–15,085	–14,961
Non-deductible expenses	–8,117	–1,574	–6,303	–6,520
Dividend from Group companies	–	–	9,723	10,483
Other non-taxable income	8,063	404	10,397	1,117
Utilization of loss carry-forwards and temporary differences for which no deferred income tax asset was previously capitalized	618	77	223	–
Increase in loss carry-forwards and temporary differences for which no deferred tax assets were capitalized	–1,016	–338	–	–
Revaluation of deferred tax assets and deferred tax liability due to changes in foreign tax rates	116	–	–	–
Effect of foreign tax rates	–1,529	–2,630	–	–
Adjustments in respect of prior years	893	143	–	–
Tax according to the income statement	**–29,518**	**–22,775**	**–1,045**	**–9,881**

Non-deductible expenses for the Group in 2014 include goodwill impairment and non-taxable revenue includes the revaluations of conditional purchase consideration for acquired companies recognized in the consolidated income statement.

Non-deductible expenses for the Parent Company include impairment of the value of participations in Group companies for both 2014 and 2013 and non-taxable revenue includes reversal of previous impairment of the value of participations in Group companies.

NOTE 13 DEFERRED TAX

Deferred tax assets and deferred tax liabilities pertain to temporary differences and tax loss carryforwards. Temporary differences exist for cases in which the carrying amount and fiscal values of the assets and liabilities are different. Deferred tax assets referring to tax loss carryforwards or other fiscal deductions are recognized only to the extent that it is likely that the deductions can be offset against surpluses in conjunction with future taxation.

Deferred tax assets and deferred tax liabilities pertain to temporary difference and tax loss carryforwards on each balance-sheet date as follows:

	Group		Parent Company	
	2014	2013	2014	2013
DEFERRED TAX ASSETS				
Intangible fixed assets	4,583	7,577	–	–
Tangible fixed assets	601	658	–	–
Temporary differences in receivables and liabilities	417	1,468	79	115
Tax loss carryforwards	15,539	26,855	12,485	13,494
Total deferred tax assets	**21,140**	**36,558**	**12,564**	**13,609**
DEFERRED TAX LIABILITIES				
Capitalized expenditure for development work	5,558	3,371	–	–
Brands, customer agreements, software, etc.	24,320	27,322	–	–
Untaxed reserves	6,621	6,793	–	–
Temporary differences in receivables and liabilities	–	9	–	–
Total deferred tax liabilities	**36,499**	**37,495**	**–**	**–**
Net deferred tax assets and deferred tax liabilities	**–15,359**	**–937**	**12,564**	**13,609**

The net amount of deferred tax assets and deferred tax liabilities changed during the year as follows:

	Group		Parent Company	
	2014	2013	2014	2013
Opening balance	–937	19,570	13,609	23,490
Acquired Group companies	–	–13,588	–	–
Recognized in the income statement (see Note 12)	–14,627	–7,464	–1,045	–9,881
Recognized in other comprehensive income (see Note 12)	9	15	–	–
Translation difference	196	530	–	–
Closing balance	**–15,359**	**–937**	**12,564**	**13,609**

The amounts recognized in the balance sheet include the following:

	Group	
	2014	2013
Deferred tax assets that can be utilized after 12 months at the earliest	4,974	7,573
Deferred tax liability that must be paid after 12 months at the earliest	–31,860	–31,665

DEFERRED TAX ASSETS NOT RECOGNIZED AS ASSETS

The Group's total tax loss carryforwards amounted to approximately SEK 95 M on December 31, 2014. Deferred tax assets are recognized in the amount of SEK 15.5 M in the consolidated balance sheet, as a value of these tax loss carryforwards. The deferred tax assets attributable to tax loss carryforwards are recognized as assets insofar as it is probable that the tax loss carryforwards will be deductible against surpluses in future taxation. The Group's total tax loss carryforwards are partly attributable to foreign companies, where the opportunities for utilization may be limited since the Group does not currently conduct any operating activities in the countries in which these tax loss carryforwards are found. Deferred tax assets that were not recognized as assets amounted to approximately SEK 5 M (4) on December 31, 2014. There are no established maturity dates for the tax loss carryforwards that the Group had on December 31, 2014.

NOTE 14 DIVIDEND PER SHARE

A dividend for 2014 of SEK 2.25 per share is proposed at the Annual General Meeting to be held on May 6, 2015.
A dividend of SEK 2.25 per share was paid in 2014.

NOTE 15 EARNINGS PER SHARE

	Group	
	2014	2013
EARNINGS PER SHARE BEFORE DILUTION		
Recognized earnings attributable to Parent Company's shareholders	100,193	62,897
Earnings for calculating earnings per share	100,193	62,897
Average number of shares outstanding before dilution, 000s	29,481	28,609
Earnings per share before dilution, SEK	**3.40**	**2.20**
EARNINGS PER SHARE AFTER DILUTION		
Recognized earnings attributable to Parent Company's shareholders	100,193	62,897
Earnings for calculating earnings per share	100,193	62,897
Average number of shares outstanding after dilution, 000s	29,609	28,784
Earnings per share after dilution, SEK	**3.38**	**2.19**

The difference between the average number of shares outstanding before and after dilution pertains to the share-savings program that was approved by the AGM on May 4, 2011 (see Note 4).

NOTE 16 INTANGIBLE FIXED ASSETS

	Goodwill	Brands [1]	Customer agreement and similar rights	Expenses for software development	Total
AT JANUARY 1, 2013					
Cost	593,995	12,885	118,502	50,209	775,591
Accumulated depreciation and impairment losses	—	—	-82,301	–18,557	–100,858
Carrying amount	**593,995**	**12,885**	**36,201**	**31,652**	**674,733**
January 1 – December 31, 2013					
Opening carrying amount	593,995	12,885	36,201	31,652	674,733
Addition from acquired companies	—	—	438	478	916
Acquisitions for the year [2]	151,505	—	383	70,143	222,031
Amortization during the year	—	—	–10,766	–14,120	–24,886
Translation difference	–5,625	–415	–22	–914	–6,976
Closing carrying amounts	**739,875**	**12,470**	**26,234**	**87,239**	**865,818**
AT DECEMBER 31, 2013					
Cost	739,875	12,470	117,301	119,916	989,562
Accumulated amortization and impairment losses	—	—	–91,067	–32,677	–123,744
Carrying amount	**739,875**	**12,470**	**26,234**	**87,239**	**865,818**
January 1 – December 31, 2014					
Opening carrying amount	739,875	12,470	26,234	87,239	865,818
Acquisitions for the year [2]	24,158	—	14,737	29,927	68,822
Depreciation, amortization and impairment for the year	–30,000	—	–11,597	–23,204	–64,801
Translation difference	4,641	–24	616	–142	5,091
Closing carrying amounts	**738,674**	**12,446**	**29,990**	**93,820**	**874,930**
AT DECEMBER 31, 2014					
Cost	768,674	12,446	132,654	149,701	1,063,475
Accumulated amortization and impairment losses	–30,000	—	–102,664	–55,881	–188,545
Carrying amount	**738,674**	**12,446**	**29,990**	**93,820**	**874,930**

[1] Pertains to brands with indefinite useful lives, which are not amortized continuously, instead impairment requirements are tested every year or more often if there is an indication of a decline in value.
[2] The proportion of proprietary software and applications rose in the IT solutions that the Group offers to customers through operational development and acquisitions. During 2014, expenses for investments and applications in proprietary software and applications that fulfill the criteria for capitalization amounted to SEK 29,927,000 (20,167,000).

IMPAIRMENT TESTING OF GOODWILL AND OTHER INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIVES

Goodwill is distributed among the Group's cash-generating units identified by operating segments. A summary of the distribution of goodwill on operating segments level is stated in the following tables:

	Design Mgt	PLM Mgt	Process Mgt	Content Mgt	Total
AT DECEMBER 31, 2014					
Sweden	86,742	70,146	237,087	88,994	482,969
Norway	162,742	—	—	—	162,742
Finland	19,685	24,741	—	—	44,426
Denmark	19,469	—	—	—	19,469
UK	24,449	—	—	—	24,449
Serbia	—	—	—	4,619	4,619
Total	**313,087**	**94,887**	**237,087**	**93,613**	**738,674**

	Design Mgt	PLM Mgt	Process Mgt	Content Mgt	Total
AT DECEMBER 31, 2013					
Sweden	85,292	70,146	237,087	118,994	511,519
Norway	163,733	—	—	—	163,733
Finland	18,504	23,252	—	—	41,756
Denmark	18,259	—	—	—	18,259
Serbia	—	—	—	4,608	4,608
Total	**285,788**	**93,398**	**237,087**	**123,602**	**739,875**

Impairment testing of goodwill and other intangible assets with indefinite useful lives is conducted annually or more often if there are indications of a decline in value.

The recoverable amount for a cash-generating unit is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets and forecasts approved by company management and covering a five-year period. The cash-flow forecasts are based on an assessment of the anticipated growth rate and development of the EBITA margin (operating margin before amortization and impairment of intangible fixed assets), starting from the budget for the next year, forecasts for the next four years, management's long-term expectations on the operations, and the historical trend. The calculated value-in-use is most sensitive to changes in the assumption about growth rate, EBITA margin and discount rates. Applied assumptions are based on previous experience and the market trend. The cash-flow forecasts for years two to five are based on an annual growth rate of 4 percent (4) for Design Management, Product Lifecycle Management and Process Management, as well as 2 percent (4) for Content Management. Cash flow beyond the five-year period is extrapolated using an estimated long-term growth rate of 2 percent (2). The growth rate does not exceed the long-term average growth rate according to industrial reports for the markets in which each cash-generating unit operates. The discount rate used in calculating the recoverable amount is 13 percent (13) before tax. The yield requirement was established based on the Group's current capital structure and reflects the risks that apply for the various operating segments.

In 2014, goodwill declined SEK 30,000 K through impairment pertaining to the Content Management business area due to a weak earnings trend in the past years. The estimated recoverable amount comprises the value-in-use and amounts to SEK 101,500 K. The calculation of this value is based on the budget for the coming year, an annual growth rate of 2 percent (4) for years two to five, an estimated long-term growth rate of 2 percent (2) and a discount rate of 13 percent (13) before tax. Changed conditions would independently impact the recoverable amount for Content Management as follows: An increase of the discount rate by 2 percentage points would generate a recoverable amount of SEK 81,600 K, a decrease in the operating margin before amortization and impairment of intangible fixed assets (EBITA margin) by 2 percentage points would generate a recoverable amount of SEK 71,200 K and a reduction in the estimated long-term growth rate by 2 percentage points would generate a recoverable amount of SEK 91,100 K.

According to implemented testing for impairment requirements, there are no impairment requirements for goodwill or other intangible assets with indefinite useful lives at December 31, 2014 for other business areas. An increase of the discount rate by 2 percentage points, a decrease in the operating margin before amortization and impairment of intangible fixed assets (EBITA margin) by 2 percentage points or a reduction in the estimated long-term growth rate by 2 percentage points would independently not result in any impairment requirements.

NOTE 17 TANGIBLE FIXED ASSETS

	Group		Parent Company	
Equipment and installations	**Dec 31, 2014**	**Dec 31, 2013**	**Dec 31, 2014**	**Dec 31, 2013**
Opening cost	71,641	66,620	202	176
Addition from acquired companies	—	1,832	—	—
Purchasing for the year	14,336	9,775	—	26
Sales/ disposals	–7,238	–6,399	—	—
Translation difference	496	–187	—	—
Closing accumulated cost	**79,235**	**71,641**	**202**	**202**
Opening depreciation	–45,790	–37,957	–180	–169
Sales/ disposals	6,144	4,768	—	—
Translation difference	–349	149	—	—
Amortization during the year	–12,345	–12,750	–6	–11
Closing accumulated depreciation	**–52,340**	**–45,790**	**–186**	**–180**
Closing residual value according to plan	**26,895**	**25,851**	**16**	**22**

	Group	
Buildings and land	**Dec 31, 2014**	**Dec 31, 2013**
Opening cost	814	814
Closing accumulated cost	**814**	**814**
Opening depreciation	–385	–260
Depreciation during the year	–125	–125
Closing accumulated depreciation	**–510**	**–385**
Closing residual value according to plan	**304**	**429**

Buildings and land pertain to assets in Sweden.

NOTE 18 PARTICIPATIONS IN GROUP COMPANIES

	Parent Company	
	Dec 31, 2014	**Dec 31, 2013**
Opening cost	1,124,817	893,906
Investments in subsidiaries for the year	870	230,722
Contributed capital to subsidiaries	3,195	—
Increase in contingent consideration	404	189
Decrease in contingent consideration	–34,324	—
Closing accumulated cost	**1,094,962**	**1,124,817**
Opening impairment	–119,630	–91,630
Impairment losses during the year	–28,200	–28,000
Reversal of previous impairment losses	47,000	—
Closing accumulated impairment losses	**–100,830**	**–119,630**
Closing carrying amounts	**994,132**	**1,005,187**

Company	Corp. Reg. No.	Registered office	Number percentage	Share/ percentage of votes, %	Carrying amount Dec 31, 2014	Carrying amount Dec 31, 2013
Cartesia GIS AB	556522-5678	Lycksele	5,000	100	21,250	21,250
Cartesia Oy	1617126-9	Helsinki, Finland	500	100	54	54
Mogul Holding AB	556300-0073	Stockholm	10,275,103	100	62,140	62,140
Mogul AB	556531-1890	Stockholm	20,000	100	–	–
Mogul Services AB	556557-7599	Stockholm	20,000	100	–	–
Joint Collaboration Sverige AB	556565-2590	Stockholm	500,000	100	–	–
Clockwork Group AB	556535-3918	Stockholm	4,586,000	100	–	–
Mogul Balkan d.o.o	17598732	Belgrade, Serbia	1	100	–	–
Symetri Ltd	3239798	Newcastle, UK	500,000	100	–	–
Optosof GmbH	HRB 27754	Wiesbaden, Germany	3	100	–	–
Technia Holding AB	556516-7367	Stockholm	4,533,500	100	136,624	96,624
Technia AB	556481-3193	Stockholm	5,000	100	–	–
Addnode India Private Limited [1]	U72200MH2012FTC229607	Thane, India	100	100	–	–
Technia AS	880,823,582	Moss, Norway	250	100	–	–
Technia PLM Oy	0755401-4	Tampere, Finland	77	100	–	–
Cad-Quality Europe AB	556524-6989	Borlänge	1,000	100	–	–
Mogul Sweden AB	556511-2975	Stockholm	1,000	100	–	–
Addnode Inc	75-3269017	Naperville, IL, USA	100	100	–	–
Infuseit AS	998,653,886	Oslo, Norway	100	100	137	137
Cad-Quality i Sverige AB	556359-5429	Borlänge	10,000	100	93,399	93,399
Cad Quality AS	957,168,868	Oslo, Norway	200	100	70,896	70,896
Cad-Quality Finland Oy	1058681-8	Helsinki, Finland	3,000	100	36,986	36,986
Cad Quality A/S	13,737,436	Copenhagen, Denmark	60	100	14,184	24,189
Joint Collaboration AS	983,443,117	Oslo, Norway	3,644	100	155,359	186,779
Ida Infront AB	556316-2469	Linköping	5,894,650	100	119,577	119,577
Ida Infront AS	988,393,568	Oslo, Norway	100	100	692	114
Prosilia Software AB	556325-7913	Stockholm	1,000	100	19,417	19,417
Decerno AB	556498-5025	Täby	10,000	100	43,352	43,352
Tekis AB	556550-6309	Köping	5,000	100	100,874	100,874
Arkiva AB	556313-5952	Västerås	1,000	100	–	–
Mittbygge AB	556586-1555	Växjö	1,000	100	4,000	4,000
Kartena AB (publ)	556564-9885	Gothenburg	27,952,170	99.83	16,422	15,552
Abou AB	556786-8046	Stockholm	1,000	100	20,456	37,956
Voice Provider Sweden AB	556598-3276	Stockholm	215,960	100	36,903	36,903
Mogul Strand AB	556537-5606	Stockholm	62,815,985	100	41,410	34,410
Mogul Göteborg AB	556633-3877	Gothenburg	100,000	100	–	–
Adera Germany GmbH	HRB 27745	Wiesbaden, Germany	1	100	–	–
Merged direct holdings in 2014:						
Mogul Media Services AS [2]	988,376,906	Oslo, Norway	5,000	100	–	578
Total carrying amount					**994,132**	**1,005,187**

[1] Technia AB owns 99 percent of the company and Technia PLM Oy owns 1 percent.
[2] During 2014, Mogul Media Services AS merged with Ida Infront AS.

All Group companies are consolidated in the financial statements. The non-controlling interest in Kartena AB (publ) amounted to 0.17 percent on December 31, 2014 and is not significant. The operations of Group companies are conducted primarily in the countries in which they are registered. There are no significant restrictions to gaining access to the assets of the Group companies and settling the Group's liabilities.

NOTE 19 INFORMATION ABOUT FINANCIAL INSTRUMENTS

The carrying amount of the Group's financial instruments, distributed in measurement categories according to IAS 39, is summarized in the table below. No financial assets or liabilities are recognized at a value that considerably deviates from the fair value. More detailed description of certain items is available in separate notes according to the instructions below. Financial risks and risk management are described in Note 37.

Assets	Note	Group Dec 31, 2014	Group Dec 31, 2013
Loans and accounts receivable			
Long-term receivables	21	7,489	8,230
Accounts receivable		387,975	351,514
Other receivables		8,535	11,952
Available for-sale financial assets			
Long-term holdings of securities[1)]	20	6,231	731
Financial assets measured at the fair value through profit and loss			
Other receivables[2)]	7	—	185
Cash and cash equivalents	36	72,397	114,772
Liabilities			
Financial liabilities measured at fair value through profit and loss			
Provisions for calculating contingent consideration [3)]	27	4,189	55,054
Other financial liabilities			
Long-term and current interest-bearing liabilities	25	40,417	65,333
Other long-term liabilities	26	1,104	—
Accounts payable		92,474	73,855

[1)]Long-term holdings of securities pertain to unlisted shares and participations and are attributable to level three in the hierarchy for fair value according to IFRS 13. Level three entails that the fair value measurement is not based on observable market data. The opening carrying amount for the year on unlisted shares and participations amounted to SEK 731 K (741), the year's investments amounted to SEK 5,500 K (-), the year's divestments amounted to SEK - (10) and the year's closing carrying amount amounted to SEK 6,231 K (731) (see Note 20). The total results recognized in the income statement for 2014 from unlisted shares and participations amounted to SEK - (19). For shareholdings and participations remaining at December 31, 2014, no gains or losses were recognized in the income statement or in other comprehensive income for 2014 or prior years. The carrying amounts for the unlisted shareholdings and participations at December 31, 2014 correspond to the cost for each holding. Reasonable possible alternative assumptions in the assessment of the fair value would not result in any significant impact on the Group's accounting.

[2)]The amount on December 31, 2014 pertained to unrealized exchange-rate gains on outstanding foreign-exchange forward contracts and related to level two in the fair value hierarchy according to IFRS 13. There were no outstanding foreign exchange forward contracts at year-end 2014. Level two entails that the fair value measurement is based on other market data than listed prices in active markets for identical assets or liabilities. The assets and liabilities whose fair value derived from direct observable prices in active markets for identical assets and liabilities are accordingly referred to level two. The fair value of outstanding foreign exchange forward contracts at December 31, 2013 is based on a calculation performed by a bank based on listed prices on the currency market.

[3)]Provisions for the calculation of contingent consideration pertaining to acquisitions are attributable to level three in the hierarchy for fair value according to IFRS 13. Provisions have been measured at fair value based on an assessment of future results and to a certain extent future revenue in the acquired companies or businesses. The opening carrying amount of provisions for contingent consideration for the year amounted to SEK 55,054 K (23,796), future provisions in acquisitions for the year amounted to SEK - (54,677), revaluation for the year amounted to an expense of SEK 34,324 K (189), contingent consideration paid for the year amounted to a negative SEK 18,031 K (neg: 22,707), exchange-rate differences for the year amounted to SEK 1,490 K (expense: 901) and the closing carrying amount for the year amounted to SEK 4,189 K (55,054). The total results recognized in the income statement for 2014 from revaluation of contingent consideration amounted to SEK 34,324 K (neg: 189), of which SEK 34,324 K (-) pertained to unrealized gains. Furthermore, the exchange-rate results totaling a negative SEK 475 K (neg: 113) were recognized in the income statement, of which a negative SEK 71 K (neg: 36) pertained to unrealized gains. Unrealized exchange-rate results pertaining to contingent consideration consisting of hedging of net investment in foreign operations were recognized in other comprehensive expense of SEK 1,015 K (exp: 1,015). Further information about contingent consideration and their measurements are available in Notes 27 and 35.

During 2014 and 2013, there were no transfers between the hierarchy levels for fair value according to IFRS 13. The tables below show revenue, expense, gains and losses attributable to financial instruments distributed in measurement categories according to IAS 39.

	Group 2014			Group 2013		
	Profit/Loss	Interest income	Interest expense	Profit/Loss	Interest income	Interest expense
Loans and accounts receivable						
Long-term receivables and other current receivables	—	472	—	—	650	—
Available for-sale financial assets						
Long-term holdings of securities[4)]	—	—	—	19	—	—
Financial assets measured at fair value through profit and loss						
Foreign exchange forward contracts (see Note 7) [5)]	-166	—	—	60	—	—
Cash and cash equivalents	—	581	—	—	1,314	—
Financial liabilities measured at fair value through profit and loss						
Revaluation of contingent consideration (see Note 27)	34,324	—	—	-189	—	—
Other financial liabilities						
Interest expense on liabilities to credit institutions	—	—	-2,083	—	—	-940
Other interest expense	—	—	-424	—	—	-844
Earnings effect	**34,158**	**1,053**	**-2,507**	**-110**	**1,964**	**-1,784**

[4)] The amount for gain/loss for 2013 pertains to realization gains of SEK 19 K.
[5)] Pertains to the amount recognized in the income statement, meaning excluding the amount recognized in other comprehensive income.

NOTE 20 OTHER LONG-TERM SECURITIES HOLDINGS

	Group		Parent Company	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Opening cost	731	741	0	0
Investments during the year	5,500	–	5,500	–
Divestments for the year	–	-10	–	–
Closing accumulated cost	**6,231**	**731**	**5,500**	**0**
Closing carrying amounts	**6,231**	**731**	**5,500**	**0**

Company	Corp. Reg. No.	Registered office	Number percentage	Share of votes, %	Carrying amount Dec 31, 2014	Carrying amount Dec 31, 2013
Projektstyrning Prima AB	556710-4244	Gothenburg	68,800	37.03	5,500	
Total holding in Parent Company					**5,500**	**0**
Accrue in the Group:						
ChartIKS AB	556751-4749	Lycksele	260	19.70	400	400
HSB:s Brf Ingeborg i Borlänge	716456-4408	Borlänge			330	330
Other					1	1
Closing carrying amounts					**6,231**	**731**

The Group's holdings of securities are recognized at fair value, which corresponds to the acquisition value for each holding at December 31, 2014. The equity method is not applied for these holdings since the effects of the Group's accounting would be insignificant. The significance of the information about the company's and association's earnings and shareholders' equity is minor taking into account the requirement for a true and fair view.

All the Group's holdings of securities at both December 31, 2014 and December 31, 2013 are attributable to the measurement category "available-for-sale financial assets" according to IAS 39 (see also Note 19).

NOTE 21 OTHER LONG-TERM RECEIVABLES

	Group		Parent Company	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Opening cost	8,230	4,362	801	969
Accrued from acquired companies	–	2,339	–	–
Loans provided	115	252	–	–
Endowment insurance (see Notes 27 and 30)	-233	-168	-233	-168
Loan repayment	-633	-1,194	–	–
Reclassification	–	2,626	–	–
Exchange-rate difference	10	13	–	–
Closing accumulated cost	**7,489**	**8,230**	**568**	**801**
Closing carrying amounts	**7,489**	**8,230**	**568**	**801**

Of the long-term receivables in the Group at December 31, 2014, SEK 1,225 K (1,858) carries an interest rate of 5 percent. Of these receivables, no part SEK (-) falls due for payment later than five years after the balance-sheet date.

NOTE 22 PREPAID EXPENSES AND ACCRUED INCOME

	Group		Parent Company	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Prepaid rent and leasing charges	7,908	7,396	–	–
Prepaid licenses and service agreements	64,051	44,564	–	–
Other prepaid expenses	41,113	30,485	–	147
Accrued income	25,469	26,839	–	–
Closing balance	**138,541**	**109,284**	**0**	**147**

NOTE 23 CASH AND CASH EQUIVALENTS IN GROUP ACCOUNT

	Parent Company	
	Dec 31, 2014	Dec 31, 2013
Cash and cash equivalents in Group account	11,225	37,973

Cash and cash equivalents on the Group account comprise cash and cash equivalents invested through the Parent Company in a bank account in a Group joint central account system in Sweden. The funds are available without prior notice.

Current receivables in Group companies include SEK 45,425 K (79,016) which is attributable to the Group account, of which SEK 3,195 K (17) was offset against the Parent Company's liabilities to the same Group companies. Current receivables to Group companies include SEK 259,110 K (258,909) which is attributable to the Group account, of which SEK 21,395 K (39,768) was offset against the Parent Company's receivables to the same Group companies.

NOTE 24 SHAREHOLDERS' EQUITY

The specification of changes in shareholders' equity is in the report under Changes in the consolidated and Parent Company statements of changes in equity (see pages 41 and 45). Changes in the number of registered shares are stated in the following table:

	Series A shares	Series B shares	Series A shares	Total no. of shares
No. on Dec 31, 2011	**1,053,247**	**27,092,161**	**674,224**	**28,819,632**
New issues in company acquisitions	—	1,268,885	—	1,268,885
No. on Dec 31, 2013	**1,053,247**	**28,361,046**	**674,224**	**30,088,517**
Conversion of Series C to Series B shares	—	674,224	–674,224	0
No. on Dec 31, 2014	**1,053,247**	**29,035,270**	**0**	**30,088,517**

The quotient value is SEK 12.00 per share. Series A shares carry ten votes, Series B and Series C shares carry one vote per share. Series C shares do not carry entitlement to dividend. All shares have been fully paid.

	Group	
Exchange-rate differences in shareholders' equity	**Dec 31, 2014**	**Dec 31, 2013**
Opening balance	–22,313	–12,733
Changes in translation of foreign subsidiaries for the year	5,160	–9,580
Closing balance	**–17,153**	**–22,313**

	Group	
Hedging of net investments in foreign operations recognized in shareholders' equity	**Dec 31, 2014**	**Dec 31, 2013**
Opening balance	1,015	0
Revaluation to fair value	–1,015	1,015
Closing balance	**0**	**1,015**

	Group	
Cash-flow hedging recognized in shareholders' equity	**Dec 31, 2014**	**Dec 31, 2013**
Opening balance	30	83
Revaluation to fair value	—	–6
Revaluation transferred to income statement	–30	–47
Closing balance	**0**	**30**

Recognition pertaining to cash-flow hedges is described in Note 7.

INFORMATION ABOUT CAPITAL

Total capital is calculated as shareholders' equity in the consolidated balance sheet. The Group's equity/assets ratio, defined as total shareholders' equity in relation to the balance-sheet total, amounted to 56 percent (54) at December 31, 2014. The Group's dividend policy is described on page 26.

ACQUISITIONS, TRANSFERS AND HOLDINGS OF TREASURY SHARES

Addnode Group's holdings of treasury shares totaled 674,224 Series C shares at December 31, 2013. The purpose of this holding was to secure future delivery of Series B shares to employees who participated in Addnode Group's share-savings program (see description in Note 4). During the third quarter of 2014, all Series C shares were converted to Series B shares, after which 194,340 Series B shares were transferred to the participants of the share-savings program. Addnode Group's holdings of treasury shares totaled 479,884 Series B shares at December 31, 2014. Pursuant to a resolution by the Annual General Meeting on May 7, 2014, the remaining holding of Series B shares may be used to be transferred to a third party listed or unlisted on Nasdaq Stockholm in accordance with the authorization for the Board of Directors to make decisions about acquisitions, as well as the transfer of treasury shares (see the description in the Report of the Board of Directors). The purpose of the remaining holding of treasury shares is that Addnode Group must be able to transfer shares in connection with the financing of company acquisitions, as well as other types of strategic investments. The number of shares outstanding was 29,414,293 on December 31, 2013 and 29,608,633 on December 31, 2014.

TRANSACTIONS WITH NON-CONTROLLING INTERESTS

The carrying amount for the non-controlling interests pertains to the subsidiary Kartena AB (publ). During 2014, the Parent Company acquired an additional 591,278 shares and the ownership share amounted to 99.83 percent at December 31, 2014.

NOTE 25 INTEREST-BEARING LIABILITIES

	Group	
	Dec 31, 2014	**Dec 31, 2013**
Long-term interest-bearing liabilities		
Liabilities to credit institutions	15,501	36,167
Other long-term interest-bearing liabilities	—	4,250
Total long-term interest-bearing liabilities	**15,501**	**40,417**
Current interest-bearing liabilities		
Liabilities to credit institutions	20,666	20,666
Other current interest-bearing liabilities	4,250	4,250
Total current interest-bearing liabilities	**24,916**	**24,916**
Total interest-bearing liabilities	**40,417**	**65,333**

LIABILITIES TO CREDIT INSTITUTIONS

The long-term and current liabilities to credit institutions pertain to bank loans for the original SEK 62,000 K, which was raised in August 2013 in conjunction with the acquisition of Joint Collaboration AS. The bank loan will be repaid successively over three years and carries a variable interest rate corresponding to STIBOR 3 months plus 1.5 percentage points, with quarterly interest-rate adjustments. The debt is in SEK.

OTHER INTEREST-BEARING LIABILITIES

The other long-term and current interest-bearing liabilities pertain to liabilities for consideration for company acquisitions, which carry a 5 percent interest rate. The debt is in SEK.

The long-term liabilities fall due for payment as follows:

	Group	
	Dec 31, 2014	**Dec 31, 2013**
Between one and two years after the balance-sheet date	15,501	24,916
Between two and five years after the balance-sheet date	—	15,501
Total	**15,501**	**40,417**

FAIR VALUE

The carrying amount for interest-bearing liabilities represents a good approximation of the fair value of the liabilities.

NOTE 26 OTHER LONG-TERM LIABILITIES

The other long-term liabilities at December 31, 2014 arose in conjunction with acquisitions in 2014 and will be paid in 2016. The carrying amount represents a good approximation of the fair value of the liabilities.

NOTE 27 PROVISIONS

	Group		Parent Company	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Calculated contingent consideration pertaining to acquisitions	4,189	55,054	4,189	54,713
Approved restructuring measures	608	5,337	—	—
Pension debt (see below and Note 21)	568	801	568	801
Social-security contributions for incentive program	—	1,979	—	107
Total	**5,365**	**63,171**	**4,757**	**55,621**
Of which, expected to be regulated within 12 months	**5,024**	**26,392**	**4,416**	**18,208**
Of which, expected to be regulated after more than 12 months	**341**	**36,779**	**341**	**37,413**

	Group		Parent Company	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Provisions at the beginning of the period	63,171	25,888	55,621	22,116
Provisions for restructuring measures for the period	944	7,495	—	—
Utilized during the period	–5,673	–2,158	—	—
Calculated contingent consideration pertaining to acquisitions	—	54,677	—	54,677
Revaluation of contingent consideration	-34,324	189	-34,324	189
Contingent consideration paid	–18,031	–22,707	–16,676	–21,352
Pension debt (see below and Note 21)	–233	–168	–233	–168
Social-security contributions for incentive program	–1,979	856	–107	46
Exchange-rate difference	1,490	–901	476	113
Total	**5,365**	**63,171**	**4,757**	**55,621**

CALCULATED CONDITIONAL PURCHASE CONSIDERATION PERTAINING TO ACQUISITIONS

In connection with the annual accounts for 2014, conditional purchase consideration totaling SEK 34,324 M previously recognized as liabilities were reversed to the consolidated income statement according to IFRS 3 accounting standard, since they were not expected to be paid. Both the revaluation and payment of the conditional purchase consideration in 2014 pertained mainly to Joint Collaboration AS (see Note 35). The final conditional purchase consideration corresponding to the remaining provisions at December 31, 2014 is mainly dependent on the earnings trend and to a certain extent the revenue trends in the acquired companies. Payment of the remaining provisions is expected to occur in 2015.

PROVISIONS FOR RESTRUCTURING MEASURES AND UTILIZATION FOR THE PERIOD

The amount of the provisions and utilization during the period pertains to costs for personnel.

PENSION DEBT

The recognized provision pertains to the Parent Company's commitment to pay pension to two former employees. The commitment corresponds to the exact value of two mortgaged company-owned endowment insurance policies (see Note 21).

NOTE 28 OVERDRAFT FACILITIES

At December 31, 2014, the Group's companies had been granted overdraft facilities totaling SEK 100,000 K (100,529), of which SEK 100,000 K (100,000) pertained to the Parent Company. Since April 2008, the Parent Company has an agreement for overdraft facilities of SEK 100,000 K with Nordea. The overdraft facilities were unutilized at both December 31, 2014 and December 31, 2013.

NOTE 29 ACCRUED EXPENSES AND DEFERRED INCOME

	Group		Parent Company	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Personnel-related expenses	111,015	100,999	4,148	3,366
Other accrued expenses	26,177	34,167	3,200	3,183
Prepaid income	220,831	195,510	—	—
Closing balance	**358,023**	**330,676**	**7,348**	**6,549**

NOTE 30 ASSETS PLEDGED

	Group		Parent Company	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
For overdraft facility				
– Chattel mortgages	—	529	—	—
For lease agreements				
– Bank funds in blocked accounts	31	108	—	—
– Long-term receivables	5,695	5,571	—	—
– Current receivables	802	436	—	—
For consideration pertaining to shares in subsidiaries				
– Bank funds in blocked accounts	—	447	—	447
For fulfillment of obligations according to agreement				
– Long-term holdings of securities	5,500	—	5,500	—
For pension debt (see Notes 21 and 27)				
– Long-term receivables	568	801	568	801
Total	**12,596**	**7,892**	**6,068**	**1,248**

NOTE 31 CONTINGENT LIABILITIES

	Group		Parent Company	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Payment guarantee for lease agreements	1,432	–	1,432	–
Payment guarantee for accounts payable	–	–	90	–
Conditional government assistance	850	–	–	–
Total	**2,282**	**None**	**1,522**	**None**

NOTE 32 INTEREST RECEIVED AND DIVIDEND, AS WELL AS INTEREST PAID

	Group		Parent Company	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Interest received	1,053	1,964	1,945	2,489
Dividends received	–	–	44,195	47,648
Interest paid	–2,684	–1,430	–3,266	–2,836
Total	**–1,631**	**534**	**42,874**	**47,301**

NOTE 33 ADJUSTMENTS FOR ITEMS NOT INCLUDED IN CASH FLOW

	Group		Parent Company	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Depreciation, amortization and impairment	77,271	37,761	28,205	28,011
Reversal of previous impairment losses	–	–	–47,000	–
Capital gains	–88	–139	–2	–4,834
Unrealized exchange-rate differences	–7,805	1,600	–3,154	–356
Revaluation of contingent consideration	–34,324	189	–	–
Personnel expenses for incentive program	1,172	3,049	88	162
Changes in provisions	–4,729	5,336	–	–
Recognized Group contribution	–	–	–21,420	–63,560
Total	**31,497**	**47,796**	**–43,283**	**–40,577**

NOTE 34 ACQUISITION OF TANGIBLE FIXED ASSETS

	Group	
	Dec 31, 2014	Dec 31, 2013
Investments during the year	–14,336	–9,775
Of which, obtained through an asset transfer acquisition of operations	519	–
Cash flow from acquisition of tangible fixed assets	**–13,817**	**–9,775**

NOTE 35 ACQUISITION OF SUBSIDIARIES AND OPERATIONS

ACQUISITIONS IN 2014

Company/operations	Business	Date of acquisition
Symetri Ltd (asset transfer acquisition)	IT solutions for software for design and construction	June 2, 2014

On April 1, 2014, an agreement was signed to acquire the UK operation Symetri through an asset-transfer acquisition. The acquisition was conditional upon the transfer of certain leases and customer-related contracts. Following compliance with conditions, the operation was transferred on June 2, 2014. The operation focuses on IT solutions with software for design and engineering, as well as associated consulting and training services. Symetri is the largest Autodesk distributor to the manufacturing, as well as oil and gas industries in the UK. Annual net sales are anticipated to amount to approximately SEK 80 M and the operation has 23 employees.

Addnode Group is already the largest supplier of operation-critical support systems to design and engineering operations in the Nordic region and has established operations in the UK through the acquisition of Symetri. The acquisition also means that Addnode Group will gain greater expertise and the potential for synergy effects. Symetri is included in the Design Management business area from June 2014.

The consideration amounted to SEK 28 M and was paid in cash in connection with the transfer. According to the acquisition analysis, goodwill amounted to about SEK 23 M and other acquisition-related intangible assets that arose through the acquisition amounted to approximately SEK 6 M, totaling about SEK 29 M, which has been deemed as tax deductible. The goodwill amount is attributable to the worked-up expertise of the staff and the employees' collective knowledge about software and IT systems, as well as synergy effects to a certain extent. Other acquired assets and liabilities pertain primarily to equipment and prepaid income. During 2014, Symetri contributed net sales of approximately SEK 44 M to the Group, and had a positive impact of SEK 2 M on profit after tax. If the acquisitions had been implemented on January 1, 2014, consolidated net sales for 2014 would have amounted to approximately SEK 1,632 M and profit after tax to about SEK 103 M. Costs totaling SEK 1.3 M for implementing the acquisition are included in the Group's other external costs for 2014.

ACQUISITIONS IN 2013

Company/operations	Business	Date of acquisition	Share of votes, %
Abou AB	IT solutions for municipal e-services	March 1, 2013	100
Basepoint Kajaani Oy	IT solutions for infrastructure projects	May 24, 2013	100
Joint Collaboration AS	IT solutions for project management and interaction	August 30, 2013	100

The tables below contain information about consideration, identifiable net assets and goodwill.

	Joint Collaboration	Other acquisitions	Total acquisitions in 2013
Consideration			
– Cash paid	92,055	22,313	114,368
– Fair value on issued shares	44,996	4,273	49,269
– Long-term and current liabilities to seller	–	8,935	8,935
– Calculated contingent consideration	48,096	6,581	54,677
Total consideration	**185,147**	**42,102**	**227,249**
Identifiable net assets (see below)	–67,464	–8,280	–75,744
Goodwill	**117,683**	**33,822**	**151,505**

The acquired companies are knowledge companies and goodwill is therefore attributable to the worked-up expertise of the staff and the employees' collective knowledge about each software and IT system, as well as synergy effects to a certain extent. The fair value of issued shares has been based on the final listed price paid for Addnode Group's Series B share at Nasdaq Stockholm on each transfer date. The issue costs of SEK 0.1 M reduced the contributed capital.

The fair value of the identifiable assets and liabilities included in the acquisition was as follows:

	Joint Collaboration	Other acquisitions	Total acquisitions in 2013
Customer agreements and software	43,376	6,600	49,976
Other intangible fixed assets	438	478	916
Tangible fixed assets	1,558	274	1,832
Receivables [1]	20,215	4,717	24,932
Cash and cash equivalents	36,988	7,302	44,290
Current liabilities	–23,322	–9,292	–32,614
Deferred tax, net	–11,789	–1,799	–13,588
Identifiable net assets	**67,464**	**8,280**	**75,744**

[1] Contractual gross amounts correspond, in all material respects, to the above stated fair values of the acquired receivables.

On March 1, 2013, an agreement was signed to acquire all shares in Abou AB, with transfer on the same date, During 2012, the company had net sales of SEK 23 M and 20 employees. The company's operations focus on e-services for municipalities and are based on a platform with more than 200 complete e-services. The acquisition entails that the Process Management business area's offering to the municipal market will be supplemented and expanded with respect to products and services, and that synergy effects may be achieved with the Group's existing operation. According to the acquisition assessment, goodwill and other acquisition-related intangible assets arising through the acquisition amounted to about SEK 37 M. Depending on the actual outcome of the company's income and EBITDA result in 2013 and 2014, a cash conditional purchase consideration within the interval zero up to a maximum undiscounted amount of SEK 10 M may be payable. The provisions recognized for the estimated conditional purchase consideration was SEK 5.5 M at December 31, 2013. In connection with the annual accounts for 2014, the provision for the conditional purchase consideration was revalued, whereby SEK 2.5 M was reversed to the consolidated income statement since this amount was not expected to be paid. Other acquired assets and liabilities pertain primarily to accounts receivable, cash and cash equivalents and deferred income.

On May 24, 2013, an agreement was signed to acquire all shares in the Finnish company Basepoint Kajaani Oy, with transfer on the same date. The company has annual sales of approximately SEK 10 M and six employees. The operation focuses on IT solutions for the infrastructure market and was integrated into Addnode Group's existing operation within the Design Management business area. According to the acquisition assessment, goodwill and other acquisition-related intangible assets arising through the acquisition amounted to SEK 3 M. Other acquired assets and liabilities pertain primarily to cash and cash equivalents, accrued expenses and deferred income.

On July 1, 2013, an agreement was signed to acquire all shares in the Norwegian company Joint Collaboration AS, with a transfer date of August 30, 2013. The agreement's terms and conditions for completion of the acquisition, which included approval from the Norwegian Competition Authority, were met before the date of transfer. The operation focuses on IT-based cooperation tools for project management and interaction between companies and their external customers and suppliers during development and construction projects primarily in the oil, gas and construction industries. For the 12-month period April 2012 – March 2013, net sales amounted to NOK 120 M. The company has about 50 employees.

The Addnode Group is already one of the largest suppliers of operation-critical support systems to engineering and construction operations in the Nordic region and has strong offerings of IT solutions for the design of products, facilities and infrastructure, as well as for the lifecycle management of the products. The acquisition of Joint Collaboration will supplement and expand the Group's existing offering in the Design Management and PLM Management business areas, provide Addnode Group with increased expertise and the opportunity for synergy effects and strengthen the Group in the Norwegian market. Joint Collaboration is included in the Design Management business area from the date of transfer.

The consideration paid on the transfer date comprised a cash payment of SEK 61 M, which was financed by a new bank loan, and a new share issue of Series B shares in Addnode Group, valued at SEK 45 M. During the fourth quarter of 2013, SEK 31 M in cash was paid to the sellers pertaining to the settlement of the actual size of the net cash and the level of working capital of Joint Collaboration at the date of transfer. Depending on the actual outcome of the company's EBITDA result during the 2013-2015 period, a conditional purchase cash consideration within the interval zero up to a maximum undiscounted amount of NOK 95 M, equivalent to about SEK 102 M, may be payable. According to the acquisition assessment, identified acquisition-related intangible assets amounted to SEK 43 M, signifying a deferred tax liability of SEK 12 M. Goodwill amounted to SEK 118 M and the provision for conditional purchase consideration amounted to about SEK 48 M at December 31, 2013. Other acquired assets and liabilities pertain primarily to accounts receivable, cash and cash equivalents and accrued expenses. Of the conditional purchase consideration previously recognized as liability, SEK 16.7 M was paid in cash to the sellers in 2014. In connection with the annual accounts for 2014, the provision for the conditional purchase consideration was revalued, whereby SEK 31.8 M was reversed to the consolidated income statement since this amount was not expected to be paid. In the annual accounts at December 31, 2014, there were no remaining provisions for contingent consideration pertaining to Joint Collaboration AS.

During 2013, all acquired subsidiaries contributed net sales of approximately SEK 70 M to the Group, and had a positive impact of SEK 8 M on the Group's profit after tax. If the acquisitions had been implemented on January 1, 2013, consolidated net sales for 2013 would have amounted to approximately SEK 1,530 M and profit after tax to about SEK 63 M. Costs totaling SEK 2.0 M for implementing the acquisitions are included in the Group's other external costs for 2013.

CASH FLOW FROM ACQUISITION OF SUBSIDIARIES AND OPERATIONS

	Group	
Company/operations	**Dec 31, 2014**	**Dec 31, 2013**
Cash consideration paid	–56,079	–141,877
Cash and cash equivalents in acquired subsidiaries	—	44,290
Change in consolidated cash and cash equivalents on acquisition	**–56,079**	**–97,587**

Cash consideration paid in 2014 included payments of contracted and already expensed contingent consideration totaling SEK 26,686 K (26,053) for company and business acquisitions implemented in prior years, as well as payments in conjunction with the acquisition of additional shares in Kartena AB (publ) of SEK 870 K (1,456).

NOTE 36 CASH AND CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS

Cash and cash equivalents in the Group and Parent Company included no holdings of short-term investments at December 31, 2014 or December 31, 2013.

Cash and cash equivalents in blocked accounts in the Group amounted to SEK 31 K (555) at December 31, 2014. The Parent Company had no cash and cash equivalents in blocked bank accounts at December 31, 2014 (SEK 447 K in the preceding year).

NOTE 37 FINANCIAL RISKS AND RISK MANAGEMENT

FINANCIAL RISKS

Through its operations, Addnode Group is exposed to various financial risks, market risks (including currency risks, interest-rate risks and other price risks), as well as credit risks and liquidity risks. Managing these risks is governed in the finance policy established by the Board of Directors. The Parent Company has the overall responsibility for the Group's financial risk management. The overall objective is to provide cost-efficient financing and to minimize the negative impact on the consolidated income and position arising from market fluctuations or credit losses. All in all, the Group's total exposure to various financial risks is deemed to be relatively limited. There has been no change in this assessment since the publication of the preceding annual report, neither have there been any significant changes in the Group's targets, policies or methods for managing financial risks. Should the Group's risk exposure increase, for example, through acquisition or other events, the Board will make a new assessment of the Group's risk situation, as well as targets, policies and methods for risk management.

MARKET RISKS

Currency risk

Changed exchange rates impact the consolidated earnings and shareholders' equity in different ways:

- Earnings are impacted when sales and purchases are in different currencies (transaction exposure).
- Earnings are impacted when assets and liabilities are in different currencies (translation exposure).
- Earnings are impacted when the income statements of foreign subsidiaries are converted to SEK (translation exposure).
- Shareholders' equity is impacted when the net assets of foreign subsidiaries are converted to SEK (translation exposure in the balance sheet).

The Group's exchange-rate risk is relatively low, since Group companies mainly operate in their local markets and have therefore both revenue and costs in the same currency. The Group's finance policy provides the opportunity to hedge the net currency flow through external financial contracts if this is possible at a reasonable cost. Most of the Group's operations are conducted in Sweden.

Transaction exposure

The most significant currencies in terms of transaction exposure are EUR and USD. Some Group companies' sales in EUR and USD, respectively, are offset to a certain extent by the purchases of other Group companies in the same currency. If the average exchange rate of the EUR to the SEK had been 10 percent higher/lower compared with the average exchange rate in 2014, with all other variables constant, the consolidated profit after tax for 2014 would have been positively/negatively impacted by approximately SEK 2.3 M. If the average exchange rate of the USD to the SEK had been 10 percent higher/lower compared with the average exchange rate in 2014, with all other variables constant, the consolidated profit after tax for 2014 would have been positively/negatively impacted by approximately SEK 1.1 M. The effects of the changed exchange rates were largely offset by adjusted end-customer prices. This means that the sensitivity to currency fluctuations has been historically lower than these stated amount levels.

During 2013 and the first part of 2014, certain future transaction flows in foreign currencies were hedged through foreign-exchange forward contracts (see Note 7). If the transaction volumes in foreign currencies were to increase, the Board intends to make a new assessment of the need for currency hedging.

Translation exposure

Translation of foreign subsidiaries The most significant currency in this connection is the NOK. Of the consolidated profit after tax for 2014, approximately SEK 27.3 M was attributable to Norwegian companies (excluding the revaluation of the conditional purchase consideration for Joint Collaboration AS). If the average exchange rate of the NOK to the SEK had been 10 percent higher/lower compared with the average exchange rate in 2014, with all other variables constant, the consolidated profit after tax for 2014 would have been positively/negatively impacted by approximately SEK 2.7 M in the translation of the income statements of the foreign companies.

The Group's cash and cash equivalents, accounts receivable and accounts payable are to a great extent in each company's local currency, which mean that the translation exposure for changed exchange rates will not have any significant impact on the Group's earnings. The table below shows the Group companies' cash and cash equivalents, accounts receivable and accounts payable that are established in a currency other than the Group company's local currency, meaning the amount levels that are exposed to translation exposure.

Amounts in SEK M	Dec 31, 2014	Dec 31, 2013
Cash and cash equivalents		
EUR	19.6	17.6
USD	5.7	10.5
Accounts receivable		
EUR	11.1	31.6
USD	4.4	11.1
Accounts payable		
EUR	-28.0	-31.5
USD	-1.0	-2.6
Net amount of the above items		
EUR	2.7	17.7
USD	9.1	19.0

If the average exchange rate of the EUR had been 10 percent higher/lower compared with the exchange rate on December 31, 2014, the consolidated profit before tax for 2014 would have been positively/negatively impacted by approximately SEK 0.3 M (1.8). The corresponding positive/negative earnings impact at 10 percent higher/lower exchange rates for USD would have been about SEK 0.9 M (1.9). The table also shows that the translation exposure for cash and cash equivalents, accounts receivable and accounts payable is on the whole slightly lower at December 31, 2014 compared with December 31, 2013 and that the earnings impact at relatively large exchange-rate fluctuations is not significant.

Translation exposure in the balance sheet

The Group's net assets are largely in SEK. Of the net assets in foreign currencies on the balance-sheet date of December 31, 2014, approximately SEK 250.5 M was attributable to NOK and SEK 74.8 M to EUR. If the NOK was to strengthen/weaken by 10 percent against the SEK, the Group's total equity would increase/decrease by about SEK 25.1 M. If the EUR was to strengthen/weaken by 10 percent against the SEK, the Group's total equity would increase/decrease by about SEK 7.5 M. There is currently no currency hedging of net assets in the foreign subsidiaries.

Interest-rate risk

Interest-rate risk pertains to the risk that changes in the market interest rates will have a negative impact on the Group's net interest income. The Group's total interest-rate risk is low due to the low loan-to-market ratio. According to the Group's finance policy, derivative instruments may not be used to manage interest-rate risks.

The Group's interest income and interest expenses are in all material respects dependent on changes in Swedish and Norwegian market interest rates. For the Swedish operations, there is a joint Group account for managing the Group's liquidity. The Group's interest-bearing liabilities at December 31, 2014 amounted to SEK 40.4 M (65.3) and pertain mainly to bank loans raised in August 2013 in conjunction with the acquisition of Joint Collaboration AS (see Note 25).

The table below shows the Group's interest-bearing net assets on each balance-sheet date. If the market-based interest level for 2014 had been 1 percentage point higher/lower, the Group's net interest income would have been about SEK 0.4 M higher/lower.

	Group	
Interest-bearing net assets (SEK M)	**Dec 31, 2014**	**Dec 31, 2013**
Cash and cash equivalents	72.4	114.8
Interest-bearing receivables	1.2	1.8
Interest-bearing liabilities	-40.4	-65.3
Total	**33.2**	**51.3**

Other price risks

At December 31, 2014, there were no significant assets or liabilities with exposure to other price risks.

CREDIT RISK

The Group's operations may give rise to credit risks. Credit risk is the risk of loss as a result of the failure of a counterparty to fulfill its obligations. Addnode Group's credit risk is deemed low in general. The maximum credit risk is associated with the carrying amount of the financial assets in the consolidated balance sheet.

Addnode Group's credit risk is primarily attributable to accounts receivable, which are distributed among a large number of counterparties. Of the total accounts receivable at December 31, 2014, 68 percent (64) of the amount was lower than SEK 1 M per customer. The Group has established guidelines to ensure that sales occur to customers with suitable credit backgrounds. Historically, the Group has had very low costs for customer losses. Provision for doubtful receivables amounted to SEK 2.0 M (3.5) at December 31, 2014, corresponding to 0.5 percent (1.0) of the total accounts receivable. Earnings for 2014 were negatively impacted by SEK 1.5 M (1.3) due to provisions made for possible customer losses.

	Group			
Concentration of accounts receivable (SEK M)	**Dec 31, 2014**		**Dec 31, 2013**	
	Amount	**Share**	**Amount**	**Share**
Accounts receivable < SEK 1 M per customer	264.9	68%	225.4	64%
Accounts receivable SEK 1-5 M per customer	73.4	19%	78.4	22%
Accounts receivable > SEK 5 M per customer	49.7	13%	47.7	14%
Total	**388.0**	**100%**	**351.5**	**100%**

The following table shows the age structure of the accounts receivable that were past due on the balance-sheet date, but for which no impairment requirement was identified.

	Group	
Past due accounts receivable (SEK M)	**Dec 31, 2014**	**Dec 31, 2013**
Accounts receivable past due 1 – 29 days	69.4	59.9
Accounts receivable past due 30 – 59 days	7.3	11.3
Accounts receivable past due 60 – 89 days	1.5	0.9
Accounts receivable past due 90 or more	8.3	4.1
Total	**86.5**	**76.2**

LIQUIDITY RISK

Liquidity risk pertains to the risk that costs will be higher and financing opportunities limited when loans are to be renegotiated and that payment obligations cannot be fulfilled due to insufficient liquidity or difficulties in obtaining financing. The Group's liquidity risk is deemed relatively limited. The liquidity risk is managed by the Group having sufficient cash and cash equivalents and short-term investments in a liquid market to cover future payments and access to financing through contractual overdraft facilities when this is deemed necessary.

At the end of 2014, the Group's cash and cash equivalents amounted to SEK 72.4 M (114.8). The Group's interest-bearing liabilities on December 31, 2014 amounted to SEK 40.4 M (65.3). In connection with the acquisition of Joint Collaboration AS in August 2013, a bank loan was raised for SEK 62.0 M, which will be repaid successively over three years (see Note 25). Since 2008, the Parent Company has an agreement with Nordea for a credit facility of SEK 100 M. In addition, the Parent Company signed an agreement with Nordea in January 2015 for a credit facility of up to SEK 200 M to finance future acquisitions (see Note 41). Addnode Group has positive cash flow from operating activities and the Group's cash and cash equivalents on December 31, 2014, as well as an agreed credit facility exceeding future payments pertaining to recognized provisions and financial liabilities according to the table below, which shows undiscounted future cash flows (the differences to the amounts recognized in the consolidated balance sheet for interest-bearing liabilities pertain to the discount effect).

	Falls due for payment			
Provisions and financial liabilities at December 31, 2014 (SEK M)	**Within 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**After more than 5 years**
Provisions for contingent consideration	4.2	–	–	–
Provisions for approved restructuring measures	0.6	–	–	–
Other provisions	0.2	0.1	0.3	–
Interest-bearing liabilities	24.9	15.5	–	–
Liabilities for consideration, non-interest-bearing	0.4	0.4	–	–
Accounts payable and other financial liabilities	92.5	0.7	–	–
Total	**122.8**	**16.7**	**0.3**	**0.0**

	Falls due for payment			
Provisions and financial liabilities at December 31, 2013 (SEK M)	**Within 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**After more than 5 years**
Provisions for contingent consideration	18.9	6.6	29.6	–
Provisions for approved restructuring measures	5.2	0.1	–	–
Other provisions	2.3	0.2	0.3	–
Interest-bearing liabilities	24.9	24.9	15.5	–
Liabilities for consideration, non-interest-bearing	4.7	–	–	–
Accounts payable and other financial liabilities	73.9	–	–	–
Total	**129.9**	**31.8**	**45.4**	**0.0**

DERIVATIVE INSTRUMENTS

The table below shows the gross amounts for the Group's future payment flow pertaining to foreign exchange forward contracts, showing the period remaining on each balance-sheet date until the maturity date of the contract. The amounts in the tables are the contractual undiscounted cash flows. No foreign exchange forward contracts fall due for payment more than two years after each balance-sheet date.

	Dec 31, 2014 Falls due for payment		Dec 31, 2013 Falls due for payment	
Gross cash flow pertaining to foreign exchange forward contracts (SEK M)	**Within 1 year**	**Between 1 and 2 years**	**Within 1 year**	**Between 1 and 2 years**
Contractual inflow	–	–	4.9	–
Contractual outflow	–	–	–4.8	–
Net amount of outstanding positions	**0.0**	**0.0**	**0.1**	**0.0**

There were no outstanding foreign exchange forward contracts at December 31, 2014. In addition to the foreign exchange forward contracts described in the column for 2013 above and in more detail in Note 7, the Group had no holdings or issued derivative instruments at December 31, 2014 or December 31, 2013.

CALCULATION OF FAIR VALUE

No financial assets or liabilities are recognized at a value that considerably deviates from the fair value.

NOTE 38 IMPORTANT ESTIMATES AND ASSESSMENTS FOR ACCOUNTING PURPOSES

The carrying amount is based partly on assessments and estimates. This applies mainly to the regular testing for impairment requirements of goodwill and other acquisition-related intangible assets (see Note 16). The carrying amounts of these assets are impacted by changes in applied discount rates, as well as assessments of the future trends in prices, costs and demand on the products and services that form the basis of the cash-flow forecasts.

In certain company acquisitions, a conditional purchase consideration (additional consideration) could comprise a large portion of the total consideration for the acquired company and could also represent a considerable amount. Conditional purchase consideration is normally dependent on the future earnings trend and/or the revenue trend for the acquired company. At the time of acquisition, provisions for estimated conditional purchase consideration are recognized based on forecasts on the future revenue and earnings trend in the acquired companies (see Notes 27 and 35). According to the accounting standard IFRS 3, the subsequent revaluation of provisions for conditional purchase consideration and the differences between the recognized provision and the actual outcome must be recognized in the consolidated income statement. This means that future revaluation of recognized provisions may significantly impact the consolidated results, both positively and negatively, in coming years.

The carrying amount of deferred tax assets pertaining to tax loss carryforwards is based on an assessment of the opportunities to settle the loss carryforward against taxable surplus in future taxation (see Note 13). In order to utilize the loss carryforwards, taxable surpluses must arise in the coming year and legislation must permit the settlement of loss carryforwards against the taxable surpluses. In Sweden, there are currently no limitations for when loss carryforwards can be utilized. If the legal opportunities to utilize loss carryforwards against taxable surplus were to change in the future, it might impact the value of deferred tax assets pertaining to loss carryforwards.

NOTE 39 INFORMATION ABOUT RELATED PARTIES

At December 31, 2014, Vidinova AB's ownership holding amounted to 25.0 percent (25.0 in the preceding year) of the share capital and 27.2 percent (27.2) of the votes in Addnode Group AB (publ). The principal owner of Vidinova AB is Dick Hasselström, who is also a Board member of Addnode Group. During 2014 and 2013, Vidinova AB leased a workplace in a subsidiary of Addnode Group AB and paid rent of SEK 48 K (48) per year. The subsidiary also re-invoiced a cost of SEK 15 K (-) to Vidinova AB. In addition, there were no transactions between companies in the Group in which Vidinova AB is the Parent Company and the companies in the Group in which Addnode Group AB (publ) is the Parent Company.

At December 31, 2014, Aretro Capital Group AB's ownership holding amounted to 12.9 percent of the share capital and 24.0 percent of the votes in Addnode Group AB (publ). At December 31, 2013, the same proportion of the share capital and votes were owned by Aretro Capital AB. Both Aretro Capital Group AB and Aretro Capital AB are jointly owned by Staffan Hanstorp and Jonas Gejer. Staffan Hanstorp is President and CEO of Addnode Group AB. Jonas Gejer is President of Technia AB and Business Area Manager of Product Lifecycle Management. There were no transactions between Aretro Capital Group AB or Aretro Capital AB and companies in the Group in which Addnode Group AB (publ) is the Parent Company.

Remuneration of the Board and senior executives	Group 2014	Group 2013
Salaries and other short-term employee benefits (see also the description in Note 5)	18,884	14,595
Total	**18,884**	**14,595**

SALES TO AND PURCHASES FROM OTHER COMPANIES IN ADDNODE GROUP

For the Parent Company, Addnode Group AB (publ), 100 percent (99) of the net sales and 22 percent (22) of the purchases for the year pertained to own subsidiaries. For sales and purchases between Group companies, the same policies apply for pricing as in transactions with external parties.

NOTE 40 AVERAGE NUMBER OF EMPLOYEES, ETC.

AVERAGE NUMBER OF EMPLOYEES	2014 Average no. of employees	2014 Of which, men	2013 Average no. of employees	2013 Of which, men
Parent Company	8	6	8	6
SUBSIDIARIES				
– Sweden	597	462	614	472
– Denmark	24	18	27	20
– Finland	81	70	75	67
– Norway	108	79	71	54
- UK	13	11	—	—
– Serbia	21	15	29	23
– US	11	9	18	14
– India	27	22	17	15
Total in subsidiaries	**882**	**686**	**851**	**665**
Group total	**890**	**692**	**859**	**671**

BOARD MEMBERS AND SENIOR EXECUTIVES	2014 Number on balance-sheet date	2014 Of which, men	2013 Number on balance-sheet date	2013 Of which, men
GROUP				
Board members	116	94	115	88
Presidents and other senior executives	92	80	93	82
PARENT COMPANY				
Board members	6	4	6	4
President and other senior executives	3	3	3	3

NOTE 41 EVENTS AFTER THE BALANCE-SHEET DATE

In addition to existing credit facilities, the Parent Company signed an agreement with Nordea in January 2015 for a credit facility of up to SEK 200 M to finance future acquisitions. The agreement has a duration of four years and the loans can be requested successively.

In other respects, no significant events occurred after the balance-sheet date.

NOTE 42 INFORMATION ABOUT ADDNODE GROUP AB (PUBL)

Addnode Group AB (publ) has its registered office in Stockholm, Sweden, and the address of the company's head office is Hudiksvallsgatan 4B, SE-113 30 Stockholm. The Parent Company's Series B share is listed on Nasdaq Stockholm.

This Annual Report and consolidated financial statements were approved for publication by the Board on March 24, 2015.

The income statements and balance sheets for the Parent Company and the Group will be presented for adoption at the Annual General Meeting on May 6, 2015.

Signing of the Annual Report

The Board of Directors and CEO affirm that the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and that they provide a true and fair view of the Group's financial position and earnings. The Annual Report was compiled in compliance with generally accepted accounting policies and provides a fair and accurate view of the financial position and earnings of the Parent Company. The Reports of the Board of Directors for both the Group and the Parent Company accurately reflect the Group's and the Parent Company's operations, financial positions and earnings and describe the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm, March 24, 2015

Sigrun Hjelmquist
Chairman

Jan Andersson
Board member

Kristofer Arwin
Board member

Dick Hasselström
Board member

Annika Viklund
Board member

Thord Wilkne
Board member

Staffan Hanstorp
President

Our audit report was submitted on April 9, 2015.
PricewaterhouseCoopers AB

Magnus Brändström
Authorized Public Accountant
Auditor-in-charge

FOCUS ON STRATEGIC GROWTH ISSUES

"How can we continue to grow, both organically and through acquisitions, while ensuring an efficient decentralized organization in an increasingly large company? These are some of the questions that the Board of Addnode Group spent the most time addressing in 2014," says Sigrun Hjelmquist, Chairman of the Board.

"One important issue will be how to best develop our product portfolio over time."

SIGRUN HJELMQUIST, CHAIRMAN OF THE BOARD, ADDNODE GROUP

WHAT WERE THE BOARD'S MOST IMPORTANT TASKS IN 2014?

"We prioritized strategic growth issues, both organically and through acquisitions. Acquisition issues and acquisition objects are topics that are discussed at every Board meeting. Another important issue has been how we are to safeguard the decentralized organization when the company is expanding. Addnode Group has a small Group office and the bigger the company gets, the more important it is for us to focus on the right issues and to be efficient in the decisions that are made centrally. It is tempting for a board to have a micromanagement approach and become involved in making decisions that may be better left to people in the organization. A third key issue that received increased focus was competence provision, in other words how Addnode Group is to become an attractive employer for new graduates and able to further develop and retain existing employees and executives."

WHAT COMPETENCE IS IMPORTANT TO HAVE ON ADDNODE GROUP'S BOARD?

"In general, you need a mixture of competencies in a board of directors. These include IT sector experience, knowledge of other industries, customers' operations and how to conduct Board work as well as experience of company management. I feel that we have a strong Board with a favorable mixture of background and age. Today, there are only Swedes on the Board, while the company is becoming more and more international, but the Board has broad experience in international business. We also have an effective Nomination Committee with committed shareholders who spend a great deal of time appointing a strong Board of Directors and evaluating the Board work. This is one of the advantages in having distinct, large and active owners."

WHAT ISSUES WILL BE HIGH ON THE BOARD'S AGENDA IN 2015?

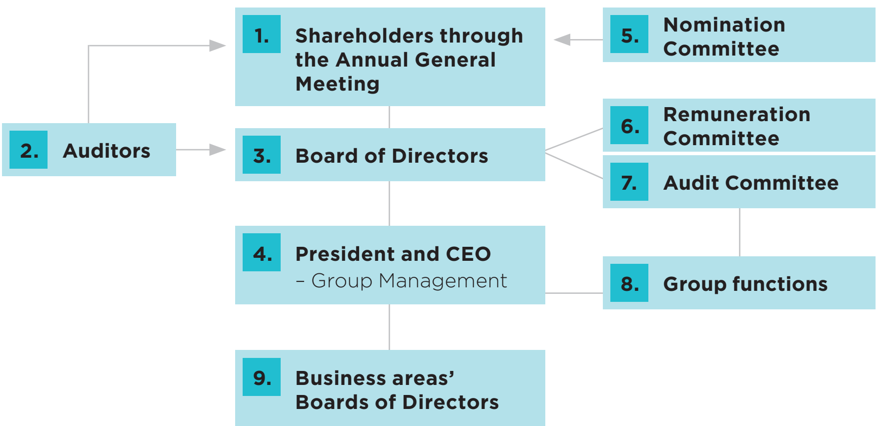
"In 2015 we will largely prioritize the same issues as we did in 2014. One important issue will be how to best develop our product portfolio over time. I can also confirm that there will be even more focus on the skills of our employees."

CORPORATE GOVERNANCE REPORT 2014

The Parent Company of the Group is the Swedish liability company Addnode Group AB, with shares listed on Nasdaq Stockholm. The Board's responsibility for internal control is regulated in the Swedish Companies Act, the Swedish Annual Accounts Act, Nasdaq Stockholm's Rule Book for Issuers and the Swedish Code of Corporate Governance (the Code), as well as other applicable Swedish and international laws and regulations. Addnode Group is organized in four business areas.

The Code is based on the "comply or explain" principle, which means that a company that applies the Code is able to deviate from individual regulations but must provide an explanation for non-compliance.

This Corporate Governance Report has been prepared as part of the Addnode Group's application of the Code. Addnode Group's auditors have reviewed the statutory information of the Corporate Governance Report to ensure that it is consistent with the other parts of the annual accounts and the consolidated accounts.



Significant events 2014
- Annika Viklund elected new Board member.
- Johan Andersson appointed new CFO.
- New Group Management comprising Staffan Hanstorp, Johan Andersson and Rolf Kjærnsli.

FOR MORE INFORMATION:
- Nasdaq Stockholm, www.nasdaqomxnordic.com
- Swedish Code of Corporate Governance, www.bolagsstyrning.se
- www.addnodegroup.com

1. **The Annual General Meeting** passes resolutions concerning: Adoption of the annual report, dividend, election of Board members, election of auditors, remuneration of the Board of Directors and auditors, guidelines for remuneration of Group Management, Nomination Committee and other key issues.

2. **The Auditors** submit an auditors' report for Addnode Group AB, consolidated financial statements and the Board of Directors' and the CEO and President's administration of Addnode Group AB. The auditors also conduct an overview of the nine-month report.

3. **The Board of Directors'** main task is to manage the Group's operations on behalf of the owners in a way that secures the owners' interest in obtaining a strong long-term return on capital.

4. **The President and CEO.** The CEO is responsible for the day-to-day management of the Group's operations in accordance with the Board's guidelines and instructions. The CEO has appointed a Group Management to assist him.

5. **The Nomination Committee's** task is to submit proposals to the next Annual General Meeting concerning: Chairman of the Meeting, Board members, Chairman of the Board, Board fees and remuneration, remuneration for committee work, Nomination Committee for the following year, as well as auditors and their fees.

6. **The Remuneration Committee's** main task is to represent the Board on issues pertaining to remuneration and employment terms and conditions for the CEO, as well as other senior executives.

7. **The Audit Committee's** main task is to monitor the processes for Addnode Group's financial reporting and internal control in order to ensure quality in the external reporting.

8. **Group functions.** Addnode Group AB has Group functions for finance, communication and business development.

9. **The Boards of Directors of the business areas.** The business area managers are responsible for the operations in each business area and report to Addnode Group's President and CEO. The overall control of the business area is conducted by the Board of the business area.

OWNERSHIP STRUCTURE AND VOTING RIGHTS

Addnode Group's shares are affiliated to Euroclear Sweden AB. This means that no share certificate is issued and that Euroclear Sweden maintains a shareholder register of owners and administrators in the company. The share capital in Addnode Group comprises Series A, Series B and Series C shares. Each Series A share carries ten votes, each Series B and C shares one vote each. Series A and Series B shares carries entitlement to a dividend. Series C shares do not carry entitlement to a dividend.

All shares carry equal rights to the Company's assets. However, Series C shares are limited and are not entitled to a larger share of the company's assets than what corresponds to the share's quotient value calculated on the date of distribution, with an interest-rate factor of one month STIBOR plus 4 percentage points calculated from the date of payment of subscription settlement. Series C shares are redeemable at the company's request. On request from the shareholder, Series A shares can be converted to Series B shares and Series C shares can be converted to Series B shares by the Board of Directors.

On December 31, 2014, the number of shareholders was 4,826 and the proportion of foreign-owned shares was 9.7 percent. The proportion of institutional owners including mutual funds was 28.6 percent. The largest shareholder is Vidinova AB with 25.0 percent of the share capital and 27.2 percent of the votes. The second-largest shareholder is Aretro Capital Group AB with 12.9 percent of the share capital and 24.0 percent of the votes. Vidinova is controlled by Dick Hasselström and Aretro Capital Group AB is controlled by Staffan Hanstorp and Jonas Gejer.

NOMINATION COMMITTEE

The 2014 Annual General Committee resolved to task the Chairman of the Board to contact the three largest owner-registered shareholders, in terms of votes, in Euroclear Sweden's register of shareholders as at August 31, 2014, who will each appoint a representative who is not a member of the company's Board to comprise the Nomination Committee, along with the Chairman of the Board, ahead of the 2015 Annual General Meeting. In addition, the Chairman of the Board was tasked to appoint a representative in the Nomination Committee for the smaller shareholders and a representative for the institutional owners. The Chairman of the Nomination Committee will be the representative of the largest shareholder in terms of votes.

The Nomination Committee's task is to submit proposals to the next Annual General Meeting concerning:

> Chairman of the Annual General Meeting
> Board members
> Chairman of the Board
> Fees to each of the Board members
> Remuneration for committee work
> Nomination Committee for the following year
> Auditors and audit fees

The Board's audit committee assists the Nomination Committee in the work to submit proposals for the election of auditors and audit fees. The Audit Committee evaluates the work of the auditors and informs the Nomination Committee of the results.

Nomination Committee prior to the 2015 AGM

The composition of the Nomination Committee was announced on Addnode Group's website and via a press release published on October 10, 2014.

The Nomination Committee comprised:

> Wilhelm Arnör (Chairman of the Nomination Committee), representing Vidinova AB.
> Sigrun Hjelmquist, Chairman of the Board.
> Jonas Gejer, representing Aretro Capital Group AB.
> Håkan Berg, representing Robur Fonder.
> Charlotta Karlander, representing the smaller shareholders.
> Richard Hellekant, representing PSG Capital and representative for the institutional owners.

Prior to the 2015 Annual General Meeting, the Nomination Committee held four meetings. The Nomination Committee represented approximately 58 percent of the shareholders' votes at December 31, 2014. As the basis for the Nomination Committee's work, management in the company shared information about the company's operations and strategic focus. In addition, the Chairman of the Board presented the annual evaluation of the performance of Board members. The Chairman of the Board also provided information about the Board's work during the year. All Board members, in addition to Jonas Gejer and Wilhelm Arnör, are independent in relation to the company, company management and the company's largest shareholders. Wilhelm Arnör is a major shareholder indirectly through ownership in Vidinova AB. Jonas Gejer is President of the subsidiary Technia AB and a major shareholder through ownership in Aretro Capital Group AB.

ANNUAL GENERAL MEETING

The shareholder's entitlement to make decisions in Addnode Group's business is exercised at Annual General Meetings or when applicable at Extraordinary Meetings, which is Addnode Group's chief decision-making organ. The Annual General Meeting normally takes place in May.

The Annual General Meeting passes resolutions concerning:

> Adoption of the annual report
> Dividend
> Election of Board members and auditors
> Remuneration of the Board and auditors
> Guidelines for remuneration of Group Management
> Nomination Committee
> Other important issues

Extraordinary General Meetings can be held if the Board deems it necessary or if requested by Addnode Group's auditors or owners with at least 10 percent of the shares.

Annual General Meeting 2014

The 2014 AGM was held on May 7, 2014. The Chairman of the Board, Sigrun Hjelmquist, was elected Chairman of the Annual General Meeting on proposal from the Nomination Committee.

The minutes from the AGM are available on Addnode Group's website. The Annual General Meeting resolved to adopt the Board's proposal to pay a dividend of SEK 2.25 per share for the 2013 fiscal year.

Sigrun Hjelmquist was re-elected Chairman of the Board, Jan Andersson, Kristofer Arwin, Dick Hasselström and Thord Wilkne were re-elected in accordance with the Nomination Committee's proposal. Annika Viklund was elected new Board member. The Annual General Meeting approved the Nomination Committee's proposal for Board fees, as well as the Board's proposal for guidelines for remuneration and terms of employment for the President and CEO and other senior executives. The Annual General Meeting approved the Board's proposal to resolve that Series C treasury shares, after conversion to Series B shares, are permitted to be transferred in accordance with the authorization (see below).

Authorization granted by the AGM

The 2014 AGM authorized the Board, during the period until the next Annual General Meeting, on one or several occasions, to decide on the acquisition of a maximum number of Series B treasury shares so that the company's holding following the acquisition does not exceed 10 percent of all the shares in the company at any time.

Furthermore, the 2014 Meeting also authorized the Board, on one or several occasions prior to the next Annual General Meeting, to decide on the transfer of Series B shares in the company to a third party. The number of shares transferred may not exceed the total number of shares held by the company at any time. The reason for permitting the Board to disapply the preferential rights of shareholders is to enable financing of potential company acquisitions and other types of strategic investments in a cost-efficient manner.

In order to finance potential company acquisitions using treasury shares, the Board received a mandate at the AGM in May 2014 for the period until the next Annual General Meeting, to make decisions about new share issues. Through the decision, which was supported by the authorization, the share capital could increase by a maximum total of SEK 36 M by the issuance of a maximum of 3,000,000 shares at full subscription.

The Annual General Meeting in May 2011 resolved to introduce a share-savings program for all employees of Addnode Group. To ensure the company's obligation for delivery of Series B shares under the share-savings program, a resolution was passed by the AGM concerning authorization of the Board to make a decision on a private placement of the new Series C shares to Nordea Bank AB (publ), and to make decisions on the buyback of the same shares from Nordea Bank AB (publ). Supported by the authorization, 674,224 Series C shares were issued and bought back, which were converted to Series B shares in 2014 in accordance with the conditions of the share-savings program.

The share-savings program concluded in August 2014 through the transfer of 194,340 Series B shares to participants in the program. The 2014 Annual General Meeting resolved that the Series C shares that were not needed to fulfill the obligation to deliver Series B shares to participants of the share-savings program are permitted to be transferred to a third party in accordance with the above described authorization, after firstly being converted to Series B shares.

BOARD OF DIRECTORS

The Board of Directors has the overall responsibility for Addnode Group's organization and management.

Composition of the Board

According to the Articles of Association, the Board of Addnode Group AB is to comprise three to eight members elected by the AGM for the period up until the end of the next AGM. The Articles of Association allow the election of deputy members but there are currently no deputy members elected by the AGM. The Articles of Association contain no general stipulations about the appointment or dismissal of Board members. The Board of Directors comprises six members. For detailed information about Board members, see page 80.

Independence of the Board of Directors

The Board's assessment, which is shared by the Nomination Committee, pertaining to independence of members in relation to the company and shareholders is stated in the table "Board's composition and attendance 2014" on page 77. As stated in the table, Addnode Group fulfills the requirements of the listing agreement and the Swedish Corporate Governance Code that a majority of the Board members elected at the AGM are to be independent in relation to the company and company management, and that at least two of the independent members are also to be independent vis-à-vis major shareholders in the company.

The duties of the Board of Directors

The Board of Directors' main task is to manage the Group's operations on behalf of the owners in a way that secures the owners' interest in obtaining a strong long-term return on capital. The work of the Board is regulated by the Swedish Companies Act, other laws and ordinances, applicable regulations for listed companies, including the Swedish Code of Corporate Governance, the Articles of Association and the internal work procedure of the Board and its committees.
The Board handles and makes decisions on such Group-wide issues as:

> Short and long-term targets.
> Strategic focus.
> Significant issues such as financing, investments, acquisitions and divestments.
> Follow-up and control of information and organizational issues, including the evaluation of the Group's organization and operative management.
> Election and when the resignation of the President and CEO is necessary.
> Overall responsibility for establishing efficient systems for internal control and risk management.
> Important policies.

Board of Directors' Rules of Procedure and Board meetings

The Board annually establishes written rules of procedure that clarify the Board's responsibility and regulates the internal distribution of work among the Board and its committees, including the role of the Chairman, resolutions procedure in the Board, notification to Board meetings, agenda and minutes, as well as the Board's work concerning accounting and audit issues and the financial reporting. Decisions about changes to the instructions can be made at Board meetings during the course of the fiscal year if the Board deems it necessary.

According to the rules of procedure, the Chairman is to:

> Consult with the President and CEO on strategic issues and, by regular and frequent contacts with the President and CEO, carefully monitor the development of Addnode Group.
> Manage the Board's work and ensure that Board members continuously receive information required to monitor development of the operation.
> Consult with the President and CEO about the agenda for Board meetings.
> Ensure that issues are handled in a manner that does not conflict with the Swedish Companies Act, other laws and ordinances or the Articles of Association.
> Serve as the Chairman of the Remuneration Committee.

The rules of procedure also include detailed instructions to the President and CEO and other company functions concerning issues that require the Board's approval. The instructions stipulate the highest amount that the various decision-making bodies in the Group are entitled to approve in terms of agreements, credits, investments and other expenditure. According to the rules of procedure, statutory

Board meetings are to be held directly after the AGM. At this meeting, decisions are made about those authorized to sign for Addnode Group and which Board members are to be members of the Remuneration and Audit committees. According to the rules of procedure, the Board is to meet at least four times per year and when necessary.

Board's work in 2014

During the year, the Board held ten meetings, including two by correspondence. All Board meetings for the year followed an approved agenda, which, together with documentation for each item on the agenda, was provided to Board members prior to the meetings. Meetings normally take half a day, while annual strategic Board meetings take one day to allow time for longer discussions. The President and CEO participates at Board meetings to present reports. The CFO is the Secretary of the Board. Other members of the Group participate in Board meetings to present reports on specific issues when the Board deems it necessary.

At ordinary Board meetings, the President and CEO gives an account of the consolidated income and financial position, as well as the outcome for the coming quarter. In addition, risks in ongoing projects, investments, establishment of new operations, as well as acquisitions and divestments are also addressed. The business area managers are continuously invited to Board meetings to review each operation.

Ensuring quality in the financial reporting

The rules of procedure resolved annually by the Board include detailed instructions about the financial reports and the financial information that are to be submitted to the Board. In addition to the financial statements, interim reports and annual report, the Board reviews and evaluates extensive financial information pertaining to the Group as a whole and the various units included in the Group. The Board also addresses information about risk assessments, disputes and any irregularities that may impact the financial position of Addnode Group. The Board also reviews, firstly through the Audit Committee, the most significant accounting policies applied in the Group pertaining to the financial reporting, as well as significant changes in the policies. The task of the Audit Committee includes reviewing reports about internal control and the processes for financial reporting.

The Group's auditors report to the Board when necessary, and at least twice per year. At least one of these reports occurs without the presence of the President or any member of Group Management. The Group's auditors also participate in meetings of the Audit Committee when necessary. The Audit Committee reports to the Board after each meeting. Minutes are taken at all Audit Committee meetings and are available for all Board members and auditors.

Evaluation of the Board of Directors

The Board performs an annual evaluation of its own work. The evaluation pertains to work methods and work climate, the focus of the Board work, as well as access to and the need for specific expertise on the Board. The evaluation is used as a tool to develop the Board's work and also used as documentation for nomination work by the Nomination Committee.

Fees for the Board of Directors

Fees paid to the elected Board members are established by the AGM based on proposals submitted by the Nomination Committee. For the period between the 2014 and 2015 annual general meetings, a fixed remuneration amount of SEK 340,000 (340,000) will be paid to the Chairman of the Board and SEK 170,000 (170,000) to each of the other Board members. Each of the two ordinary members of the Board's Audit Committee will be paid SEK 30,000 and the Chairman of the Committee SEK 50,000. Members of the Remuneration Committee will each be paid SEK 15,000. No remuneration for work in addition to Board assignments was paid in 2014. There are no agreements concerning pension, severance pay or other benefits for Board members.

COMMITTEES

The Board established a Remuneration Committee and an Audit Committee. The work of the committees is mainly preparatory and advisory, but the Board could delegate decision-making authority to the committees in special cases. Members of the Committees and their chairmen are elected at statutory Board meetings.

Audit Committee

The Audit Committee's main task is to monitor the processes for Addnode Group's financial reporting and internal control in order to ensure quality in the external reporting.The Committee's work includes:

- Reviewing the financial reporting and addressing auditing issues that impact the quality of the company's financial reporting.
- Monitoring efficiency in the internal control including risk management pertaining to the financial reporting.
- Monitoring the audit and evaluating the work of the auditors.
- Evaluating the objectivity and independence of the auditors.
- Assisting the Nomination Committee in proposals for auditors and fees to the auditors.

The Audit Committee comprises Board members Jan Andersson (Chairman), Sigrun Hjelmquist and Kristofer Arwin.

MAIN ITEMS AT BOARD MEETINGS IN 2014 WERE:

JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC

February
- Year-end Report for 2013 addressed and adopted. Resolution on dividend proposal.

March
- Discussion about the organization and management.

April
- Acquisition of Symetri.
- Interim report for the period Jan–Mar addressed and adopted.

May
- Statutory Board meetings in which the Board's rules of procedure are established. Election of members of the Board's committees. Instruction for the President and CEO established.
- The Board's annual strategy meeting.

July
- Interim report for the period Jan–Jun addressed and adopted.
- Resolution about conversion of Series C shares to Series B shares for participants of the share-savings program.

October
- Interim report for the period Jan–Sep addressed and adopted.

December
- Budget addressed and adopted. New acquisition credit addressed.

BOARD COMPOSITION AND ATTENDANCE 2014

Name	Function	Independent in relation to the company and company management/ owners	Series A shares	Series B shares	Elected to the Board	Attendance at Board meetings
Sigrun Hjelmquist[1]	Chairman	No/No	–	2,000	2009	10/10
Jan Andersson	Member	No/No	–	15,000	2012	10/10
Kristofer Arwin	Member	No/No	–	2,180	2012	10/10
Dick Hasselström[2]	Member	No/Yes	361,667	7,795,164	2010	10/10
Annika Viklund	Member	No/No	–	1,000	2014	7/7
Thord Wilkne[3]	Member	No/No	–	435,000	2008	10/10
Total			**361,667**	**8,250,344**		
Eva Listi	Member	No/No	–	1,500	2011	3/3

1) Including spouse's holding of 1,000 shares.
2) Via the company Vidinova AB and a private endowment insurance.
3) Including spouse's holding of 35,000 shares.
All Board members' shareholdings are recognized at December 31, 2014

Remuneration Committee

The Remuneration Committee's main task is to represent the Board on issues pertaining to remuneration and employment terms and conditions for the President, as well as other senior executives based on the guidelines for remuneration and terms and conditions for the President and other senior executives adopted by the AGM. The Committee presents continuous report on its work to the Board. The Remuneration Committee comprises the Chairman of the Board Sigrun Hjelmquist (Chairman) and Board member Dick Hasselström.

AUDITORS

At the 2014 Annual General Meeting, the registered auditing firm PricewaterhouseCoopers AB (PwC) was re-elected, with Authorized Public Accountant Magnus Brändström as Auditor in Charge. Magnus Brändström has been an authorized public accountant since 1995. To ensure fulfillment of the information and control requirements placed on the Board, the auditors submit continuous reports about all material accounting issues, as well as any misstatements or irregularities, to the Audit Committee. In addition, the auditors are invited at least twice per year and, when necessary, participate in and report at the Board meetings. PwC submits an auditors' report for Addnode Group AB, consolidated financial statements and the Board of Directors' and President's administration of Addnode Group AB. The auditors also conduct an overview of the nine-month report of Addnode Group.

Addnode Group's fees to auditors, for both audit-related and other non-audit-related assignments, are stated in the annual report, Note 6, Remuneration to auditors.

GROUP MANAGEMENT

The President and CEO

The President and CEO is responsible for the day-to-day management of the Group's operations in accordance with the Board's guidelines and instructions.

Group Management

The President and CEO has appointed a Group Management as assistance, which, in addition to the President and CEO, comprises the President and CEO and the Business Area Manager for Design Management. Members of Group Management are responsible for implementing the strategy in each area and are also ultimately responsible for Addnode Group concerning long-term and strategic issues such as the Group organization, acquisitions, brands, investments and financing.

Each month, a full-day meeting is held in which the agenda consists of discussions and decisions about the month's earnings, Group-wide projects and update of forecasts and business situation, development projects, acquisition candidates and other Group-wide strategic issues. In addition to the regular meetings, Group Management also meets to discuss the issues as necessary.The President and CEO and others in Group Management are presented on page 81.

Business Area Managers

Addnode Group's operational structure comprises four business areas: Design Management, Product Lifecycle Management, Process Management and Content Management. In accordance with established strategies, the business area managers are responsible for operations in each business area and report to Addnode Group's President and CEO. The overall management of the Design Management and Product lifecycle management business areas is conducted by the Boards of the business areas, which meet each quarter. The Boards of the business areas include The President and CEO (Chairman), the CFO and the Business Area Managers. The Business Area's controller is always co-opted to the business area's meetings and other members of the business areas' management participate when necessary. Management of the Process Management and Content Management business areas is conducted via division Boards comprising the business area managers in addition to The President and CEO (Chairman), the CFO and division managers. The division's controller is always co-opted to the division's Board meetings.

Remuneration of Group Management and other senior executives

Guidelines for remuneration of Group Management and other senior executives are decided by the AGM based on a proposal from the Board of Directors. Remuneration to the President of the Parent Company is addressed and established by the Board's Remuneration Committee. Remuneration to other senior executives in the Group is addressed and established by the President of the Parent Company following consultation with the Board's Remuneration Committee. Share-related incentive programs are resolved by the Annual General Meeting. At the 2011 Annual General Meeting, a resolution was passed to implement a share-savings program for the Group's employees, which is presented below. Note 5 of the 2014 Annual Report stipulates remuneration to the President and CEO and other senior executives.

SHARE-SAVINGS PROGRAM

The Annual General Meeting on May 4, 2011 resolved to implement a share-savings program for all employees of Addnode Group.

In brief, the program entails that in August 2014 participating employees, on condition that they have made their own individual investment in Addnode Group shares, will be allotted free of charge Series B Addnode shares, partly so-called matching and performance shares. In order for participants to be entitled to receive matching share, a requirement is continued employment in the Group and that the investment in Addnode Group shares has remained intact up to the date of allotment of the shares. Allocation of performance shares is also conditional upon the Group achieving certain financial targets for the years 2011, 2012 and 2013. The financial targets for maximum allocation of performance shares for 2011 and 2012 have been achieved, but not for 2013. At the end of the registration period, a total of 303 employees had registered for the share-savings program. During 2014, a total of 194,340 Series B shares were allocated to employees in accordance with the share-savings program.

Internal control pertaining to financial reporting

The Board has overall responsibility for the internal control of financial reporting. The Board has established an Audit Committee tasked to prepare the Board's work for the control of the company's financial reporting. The following description was established in accordance with the Swedish Code of Corporate Governance and constitutes the Board's description of the company's system for internal control and risk management with regard to financial reporting.

ADDNODE GROUP CONTROL ENVIRONMENT

Addnode Group's control environment includes the values and ethics communicated and used by the Board of Directors, The President and CEO and Group Management, as well as the Group's organizational structure, management, decision paths, authority, responsibility as well as the expertise of employees. The Board works continuously with risk-assessment and risk-management. Addnode Group's Board of Directors has decided not to establish a specific review function for the internal control. The Board believes that the existing organization and control structures in Addnode Group facilitate an efficient operation, identify risks in the financial reporting and ensure compliance with applicable laws and regulations. The business area managers and controllers regularly monitor compliance of the company's worked-up governance and control systems.

Responsibility and authority are defined in the instructions for authorization entitlement, manuals, policies, procedures and codes. Some examples include the Articles of Association, the rules of procedure for the Board's work, instruction for work distribution between the President and the Board, instruction for financial reporting, finance policy, information policy and finance handbook with associated accounting manual.

These guidelines, together with laws and external regulations, constitute the so-called control environment. All employees must comply with these guidelines. The Board continuously tests the relevance and current value of these instructions. Responsibility for continuously maintaining an efficient control environment and the continuous work with internal control with respect to the financial reporting is delegated to the President. The Group's Corporate Governance is described on pages 72–77. Group Management and other senior executives are responsible for internal control in each area of responsibility.

RISK ASSESSMENT

The Audit Committee makes continuous assessment of the Group's risks and reports to the Board when necessary. The purpose is to identify events in the market or the operation that may result in changes in the value of assets and liabilities. Another important part of risk assessment is capturing changes in accounting regulations and ensuring that these changes are reflected correctly in the financial reporting. The CFO is responsible for preparing the Audit Committee's assessments and operational monitoring of identified risks. A key part of the risk assessment is the company's monthly financial reporting, as well as the management reports submitted every month by each business area manager and their directly reporting managers.

CONTROL STRUCTURES

Control structures are designed to manage the risks that the Board and Group management assess as essential for the operations and the financial reporting. Addnode Group's control structures consist partly of an organization with clear roles that facilitate an efficient and appropriate distribution of work and responsibility, and partly instructions and specific control activities aimed at detecting or preventing in time the risk of misstatements in the reporting.

Examples of control activities include:

> Clear decision-making processes and authorization instructions for significant decisions (for example, purchasing, investments and agreements, as well as acquisitions and divestments).

> Monthly result analyses with deviation follow-ups of budgets and forecasts.

> Monthly risk assessments of all fixed-price assignments above SEK 100,000.

> Monthly risk assessments of past due accounts receivable.

> Automatic control in the financial reporting of the essential IT systems and other analytical follow-ups and reconciliations.

FOLLOW-UP

Follow-up and tests of control activities are conducted continuously to ensure that risks have been taken into account and addressed in a satisfactory manner. Follow-ups are both informal and formal and include follow-up of monthly financial reports with budget, forecasts and other established targets. Follow-up to ensure efficiency in the internal control with respect to the financial reporting is conducted by the Board of Directors, the President, Group Management, the CFO, as well as individuals in the Group's business areas and companies responsible for operations. The Audit Committee reviews reports on the internal control and processes pertaining to the financial reporting, as well as analyses from the CFO. The auditors report to the Audit Committee in conjunction with the review of the nine-month report, year-end report and the annual report. In addition, there is continuous contact between the Audit Committee and the auditors.

INFORMATION AND COMMUNICATION

Guidelines for the financial reporting are communicated to employees through directed communication efforts, continuous information meetings with controllers and finance managers in the Group, as well as manuals, policies and codes published on the Group-wide intranet. Information includes methods, instructions and practical checklists, descriptions of roles and responsibility, as well as overall schedules of, for example, budget, forecasts, monthly reports, quarterly reports and annual report work. The CFO is responsible for ensuring continuous information and training activities for accounting and administration in the various business areas. Efficiency in this communication is monitored continuously to ensure receipt of information. Furthermore, there are formal and informal channels for employees to communicate important information to the relevant recipients, ultimately the Board of Directors, when necessary. For communication with external parties, there is an information policy in place that provides guidelines governing this communication. The aim of the policy is to ensure compliance with all information obligations in a correct and complete manner.

FINANCIAL REPORTING AND INFORMATION

Addnode Group's procedures and systems for information are aimed at providing the market with relevant, reliable, correct and current information about the Group's development and financial positions.

Financial information is submitted regularly in the form of:

- Year-end and interim reports, which are published as press releases.
- Annual report.
- Press releases about important news that could significantly impact the share price.
- Presentations for financial analysts, investors and the media on the same day as publication of year-end and interim reports, as well as in conjunction with the publication of other key information.
- Meetings with financial analysts and investors.

The Board monitors and ensures quality in the financial reporting through instructions for distribution of work between the President and the Board, instructions for financial reporting to the Board and through the information policy. The Audit Committee is tasked to prepare the Board's work for the control of the company's financial reporting. The Board also ensures the quality of the financial reporting by thoroughly addressing the interim reports, year-end reports and the annual report at the Board meetings. The Board also addresses information about risk assessments, disputes and any irregularities. The Board has delegated to the executive management to ensure the quality of the press releases with financial content, as well as the presentation material in conjunction with meetings with the media, owners and financial institutions.

Stockholm, March 24, 2015

Sigrun Hjelmquist Chairman	**Jan Andersson** Board member	**Kristofer Arwin** Board member
Dick Hasselström Board member	**Annika Viklund** Board member	**Thord Wilkne** Board member

BOARD

1. SIGRUN HJELMQUIST
Djursholm, born 1956.
Education and experience: Civil engineer and Degree of Licentiate of engineering physics from the Royal Institute of Technology in Stockholm. Active within the Ericsson Group 1979–2000, most recently as President of Ericsson Components AB. Investment manager at Braineart Capital 2000–2005. Sigrun is currently executive partner at Facesso AB.
Ongoing assignment: Chairman of Almi Invest Östra Mellansverige AB, Almi Invest Stockholm AB and Fouriertransform AB, Board member of Silex AB, Eolus Vind AB, Ragnsellsföretagen AB, Technical University of Denmark DTU and Nordic Iron Ore AB.
Shareholding in Addnode Group:
1,000 Series B shares. Spouse owns 1,000 Series B shares.

2. JAN ANDERSSON
Viken, born 1959.
Education and experience: Civil engineer with a focus on computer technology. One of the founders of Readsoft and was its President and CEO between 1991 and 2011.
Ongoing assignment: Chairman of the Board of MilDef AB, Ekros & Hultberg and Fast2, as well as Board member of TimeZynk AB.
Shareholding in Addnode Group:
15,000 Series B shares.

3. KRISTOFER ARWIN
Stockholm, born 1970.
Education and experience: Bachelor's degree in business administration and economics with a focus on financing from Stockholm University. Co-founder of TestFreaks, which supplies product references and review solutions to e-shoppers in ten international markets. CEO of TestFreaks 2006–2013 and Chairman of the Board of TestFreaks since 2013. In 1999, he founded the price comparison company Pricerunner, and was the company's CEO until 2005 when the company was sold to the Nasdaq company ValueClick.
Ongoing assignment: Board member of listed company Unibet Group plc, since 2008, and Alertsec AB, since 2007.
Previous assignment: Board member of listed company Tradedoubler AB, 2007–2013.
Shareholding in Addnode Group:
2,180 Series B shares.

4. ANNIKA VIKLUND
Stockholm, born 1962.
Education and experience: Annika has an MBA from Henley Business School and is the Senior Vice President of Vattenfall, Business Area Distribution, and President of Vattenfall Eldistribution AB. She was previously employed at IBM for 20 years in various positions.
Ongoing assignment: Chairman of the Board of Gotlands Elnät AB and Västerbergslagens Elnät AB.
Shareholding in Addnode Group:
1,000 Series B shares.

5. DICK HASSELSTRÖM
Täby, born 1949.
Education and experience: Civil engineer and Doctor of Economics. One of the founders of Decerno and its President 1984–2003. CEO of the Decerno Group 2004–2010.
Ongoing assignment: Board member and Chairman of Z-city AB, as well as Board member of Vidinova AB, Verg AB, Trafikanalys Sverige AB and TDP Trafikdata produkter Aktiebolag.
Shareholding in Addnode Group: through the company Vidinova AB 361,667 Series A shares and 7,159,783 Series B shares. Vidinova AB has issued warrants pertaining to 100,000 Series B shares. Private holdings: 635,381 Series B shares.

6. THORD WILKNE
Stockholm, born 1943,
Education and experience:
Business school economist. One of the founders of VM Data and its President and CEO 1970–1997 and Chairman of the Board 1998–2004.
Ongoing assignment: Board member of Rejlers AB, Temagruppen Sverige AB.
Shareholding in Addnode Group:
400,000 Series B shares. Spouse owns 35,000 Series B shares.

AUDITORS
At the 2014 Annual General Meeting, the registred auditing firm PricewaterhouseCoopers AB (PwC) was re-elected, with Authorized Public Accountant Magnus Brändström as Auditor in Charge.

GROUP MANAGEMENT AND OTHER SENIOR EXECUTIVES

GROUP MANAGEMENT

1. JOHAN ANDERSSON
Born 1974. CFO responsible for business development and investor relations.
Education and experience: Degree of Master of Science in Business and Economics, Uppsala University. Executive Management Program, IFL/Stockholm School of Economics. Active in the Group since 2006 and has 15 years' experience in the IT industry, financing and accounting, company transactions, capital markets and communication.
Ongoing assignments outside the Group: **Chairman of the Board of Teknik i Media** Datacenter Stockholm AB.
Shareholding in Addnode Group: 5,973 Series B shares as well as warrants pertaining to 100,000 series B shares.

2. STAFFAN HANSTORP
Born 1957. President and CEO of Addnode Group AB.
Education and experience: Civil engineer from the Royal Institute of Technology in Stockholm. Active in the Group since 2004 and has more than 30 years' experience in sales, marketing and management in the IT sector. Founded Technia in 1994, which was acquired by Addnode Group in 2004.
Ongoing assignments outside the Group: Chairman of the Board of the construction company Viktor Hansson AB, as well as IT and Telecom Companies in Almega and Board member of Confederation of Swedish Enterprises.
Shareholding in Addnode Group: Staffan Hanstorp owns 50 percent of Aretro Capital AB, which has 625,332 Series A shares and 3,254,624 Series B shares. Aretro Capital AB has issued warrants pertaining to 100,000 Series B shares. In addition, Staffan has private holdings of 3,973 Series B shares.

3. ROLF KJÆRNSLI
Born 1958. Business Area Manager Design Management.
Education and experience: MSC, Civil engineer, Norwegian Institute of Technology. Active in the Group since 2005 and has more than 20 years' experience in the IT sector. Has been employed at Cad-Q since 2000 and is currently President of Cad-Q companies in Sweden and Norway.
Ongoing assignments outside the Group: Chairman of the Board of Wegger & Kvalsvik AS.
Shareholding in Addnode Group: 43,620 Series B shares privately and through companies, as well as warrants pertaining to 100,000 Series B shares.

OTHER SENIOR EXECUTIVES

JONAS GEJER
Born 1963, President of Technia and Business Area Manager of Product Lifecycle Management.
Shareholding in Addnode Group: Jonas Gejer owns 50 percent of Aretro Capital AB, which has 625,332 Series A shares and 3,254,624 Series B shares. Aretro Capital AB has issued warrants pertaining to 100,000 Series B shares. In addition, Jonas has private holdings of 3,973 Series B shares.

CARIN ANDERSSON
Born 1966, Managing Director of Tekis and Division Manager of the Process Management business area.
Shareholding in Addnode Group: 4,587 Series B shares.

STEFAN JONEGÅRD
Born 1965, Managing Director of Ida Infront and Division Manager of the Process Management business area.
Shareholding in Addnode Group: 1,402 Series B shares.

JOAKIM DAHLGREN
Born 1970, Managing Director of Mogul.
Shareholding in Addnode Group: 1,900 Series B shares.

RONNY GUSTAVSSON
Born 1960, Senior Group Controller.
Shareholding in Addnode Group: 5,973 Series B shares.

AUDITORS' REPORT

To the Annual General Meeting of Addnode Group Aktiebolag (publ), Corp. Reg. No. 556291-3185

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

We have performed an audit of the annual report and the consolidated financial statements for Addnode Group Aktiebolag (publ) for the 2014 fiscal year. The company's annual accounts and consolidated financial statements are included in the printed version of this document on pages 33–81.

Responsibilities of the Board of Directors and the President and CEO for the annual accounts and consolidated financial statements

The Board of Directors and the President are responsible for preparing an annual report that provides a true and fair view in accordance with the Swedish Annual Accounts Act, and consolidated financial statements that provide a true and fair view in accordance with International Financial Reporting Standards such as those adopted by the EU and the Swedish Annual Accounts Act, and for the internal controls that the Board of Directors and the President deem necessary for the preparation of annual reports and consolidated financial statements that are free of material misstatement, whether they be due to impropriety or genuine error.

Auditors' responsibility

Our responsibility is to express an opinion on the annual accounts and consolidated financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing and with Generally Accepted Auditing Standards in Sweden. These standards require that we adhere to professional codes of conduct, and that we plan and perform the audit to obtain reasonable assurance that the annual report and consolidated financial statements are free of material misstatement.

An audit includes the use of various measures to gather audit evidence supporting amounts and other information in the annual report and consolidated financial statements. The auditor chooses the measures that will be performed, such as by assessing the risks of material misstatement in the annual report and consolidated financial statements, be they due to impropriety or genuine error. In the course of such risk assessments, the auditor observes the components of the internal controls that are relevant to the manner in which the company prepares the annual report and consolidated financial statements to provide a true and fair view with the aim of creating audit procedures that are appropriate with regard to the circumstances, but not for the purpose of expressing an opinion on the efficiency of the company's internal controls. An audit also includes an assessment of the appropriateness of the accounting policies applied and the reasonableness of the material estimations made by the Board of Directors and the President, as well as evaluating the overall presentation of the annual report and the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

It is our opinion that the annual report was prepared in accordance with the Swedish Annual Accounts Act and provides in all significant respects, a true and fair view of the Parent Company's financial position as of December 31, 2014, and of its financial profit or loss and cash flow for the year in accordance with the Swedish Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and give a true and fair view, in all material respects, of the Group's financial position as of December 31, 2014 and of its financial performance and cash flows for the year according to International Financial Accounting Standards, as adopted by the EU, and the Annual Accounts Act. A corporate governance report has been prepared. The Report of the Board of Directors and the Corporate Governance Report are compatible with the other sections of the annual report and consolidated financial statements.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the Parent Company and the Group.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In addition to our audit of the annual accounts and consolidated accounts, we have also examined the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the President of Addnode Group Aktiebolag (publ) for the year 2014.

Responsibilities of the Board of Directors and the President

The Board of Directors is responsible for the proposal concerning the appropriation of the company's profit or loss, and the Board of Directors and the President are responsible for administration under the Companies Act.

Auditors' responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We have performed the audit in accordance with Generally Accepted Auditing Standards in Sweden.

As the basis for our opinion regarding the Board of Directors' proposal on the allocation of the company's profit and loss, we have reviewed the Board of Directors' supporting statements and a selection of basis material for this in order to evaluate whether the proposal is compatible with the Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated financial statements, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the President is liable to the company. We have also examined whether Board members or the President have in any other manner acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

We recommend that the Annual General Meeting of Shareholders appropriate the profit in accordance with the proposal in the Report of the Board of Directors and discharge the members of the Board and the President from liability for the fiscal year.

Stockholm, April 9, 2015
PricewaterhouseCoopers AB

Magnus Brändström
Authorized Public Accountant, Auditor-in-charge

DEFINITIONS

AVERAGE NUMBER OF EMPLOYEES
Average number of full-time employees during the period.

SHAREHOLDERS' EQUITY
Recognized shareholders' equity plus untaxed reserves less deferred tax at current tax rate.

CAPITAL EMPLOYED
Total assets less non-interest-bearing liabilities and non-interest-bearing provisions including deferred tax liabilities.

NET SALES PER EMPLOYEE
Net sales/average number of full-time employees

EBITA
Earnings before amortization and impairment of intangible fixed assets

EBITA MARGIN
EBITA as a percentage of net sales.

OPERATING MARGIN
Operating profit as a percentage of net sales.

PROFIT MARGIN
Profit before tax as a percentage of net sales.

RETURN ON EQUITY
Net profit for the period attributable to the Parent Company shareholders as a percentage of the average shareholders' equity attributable to Parent Company shareholders.

RETURN ON CAPITAL EMPLOYED
Profit before tax plus financial expenses as a percentage of the average capital employed.

EQUITY/ASSETS RATIO
Shareholders' equity (including shareholders' equity attributable to non-controlling interests) as a percentage of total assets.

ACID TEST RATIO
Current assets excluding stocks as a percentage of current liabilities.

NET LIABILITIES
Interest-bearing liabilities less cash and cash equivalents and other interest-bearing receivables. According to this definition, a negative net debt means that cash and cash equivalents and other interest-bearing financial assets exceed interest-bearing liabilities.

DEBT/EQUITY RATIO
Total of interest-bearing short-term and long-term liabilities, as well as deferred tax liabilities in relation to shareholders' equity.

INTEREST COVERAGE RATIO
Profit before tax plus interest expenses as a percentage of interest expenses.

SHARE OF RISK-BEARING CAPITAL
Recognized shareholders' equity (including shareholders' equity attributable to non-controlling interests) and deferred tax liabilities in untaxed reserves as a percentage of total assets.

EARNINGS PER SHARE
Net profit for the period attributable to Parent Company shareholders/average number of shares outstanding.

EQUITY PER SHARE
Shareholders' equity attributable to Parent Company shareholders/total number of shares outstanding.

P/E RATIO
Share price in relation to earnings per share.

SHARE PRICE/SHAREHOLDERS' EQUITY
Share price in relation to shareholders' equity per share.

CASH FLOW PER SHARE
Cash flow from operating activities/average number of shares outstanding.

GLOSSARY

BIM – BUILDING INFORMATION MODELING
Digital information management in mainly construction projects using software based on 3D.

CAD – COMPUTER-AIDED-DESIGN
Digital-based system for creating models and documentation (drawings) of products, buildings and installations.

ECM – ENTERPRISE CONTENT MANAGEMENT
Solutions for managing so-called unstructured information in a company or an organization. The concept is a collective name for the techniques used for collecting, managing, storing, preserving and delivering information used in or in connection with operations. Examples of processes and systems are document and case management, e-archives, geographic IT systems and web solutions.

GIS – GEOGRAPHICAL INFORMATION SYSTEM
Computer-based systems for collecting, storing, analyzing and presenting geographic data. The term GIS should not be confused with geographic information, which for example is a map symbol or line representing a road. GIS is used to create, edit and research geographic information.

OPEN SOURCE
Open source, or open software, is a computer program in which the source code is accessible to use, read, modify and further distribute for those interested. This means that the user is able to make adaptations for their needs. Such modifications are usually offered back to the original originator, who can choose to incorporate them into the official version.

PLM – PRODUCT LIFECYCLE MANAGEMENT
The PLM market can be distributed into three different segments.
>Tools and IT solutions for creating, analyzing, visualizing, modeling and documenting information about products, buildings and installations. One of the most common tools is the various CAD programs.
>Product data solutions that capture, manage, distribute, visualize and make it possible to cooperate on information about products, buildings and installations. These product data solutions are usually called PDM systems and PLM systems.
>Digital production systems for process planning, resource planning, production layout, as well as production process simulation and analysis.

PLM is also a concept for managing products and information about the product during its entire lifecycle. The basis is a PLM solution in which information about a product and/or facility is collected in one single location so that the information can then be used throughout the organization, from development to production, sales, delivery, aftermarket and where possible, liquidation. The effect will be shorter lead times for product launches, improved decision documentation for more efficient purchasing and better profitability.

SAAS – SOFTWARE AS A SERVICE
A model for offering software as a service, where the user will gain access to applications via the Internet.

ADDRESSES

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www.addnodegroup.com

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Business area: Product Lifecycle Management

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ARKIVA AB
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CARTESIA AB
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Tel +46 950 120 05
www.cartesia.se

DECERNO AB
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Tel +46 8 630 75 00
www.decerno.se

IDA INFRONT AB
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SE-581 07 Linköping
Tel +46 13 37 37 00
www.idainfront.se

KARTENA AB
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www.kartena.se

MITTBYGGE AB
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SE-352 31 Växjö
www.mittbygge.se

PROSILIA AB
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www.prosilia.se

TEKIS AB
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Tel +46 221 168 70
www.tekis.se

Business area: Content Management

MOGUL AB
Hudiksvallsgatan 4 B
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www.mogul.com

MOGUL SERVICES AB
Hudiksvallsgatan 4 B
SE-113 30 Stockholm
Tel +46 8 562 40 000
www.mogul.com

MOGUL GÖTEBORG AB
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www.voiceprovider.se

For other local addresses, please refer to each company’s website.

SHAREHOLDER INFORMATION

Annual General Meeting

The Annual General Meeting of Addnode Group AB (publ) will be held on Wednesday, May 6, 2015 at 6:00 p.m. at the Bonnier Conference Center, Torsgatan 21, in Stockholm. The doors will open at 5:30 p.m. Shareholders who wish to participate must be registered in the shareholders' register kept by Euroclear Sweden AB not later than Wednesday April 29, 2015.

Registration

Registration must be made not later than Wednesday April 29, 2015 at Addnode Group AB, Annual General Meeting, Hudiksvallsgatan 4B, SE-113 30 Stockholm, by telephone +46 (0)8-506 66 210 or e-mail to lena.ottesen@addnodegroup.com.

Notification should include name, personal identification number or corporate registration number, address, telephone number, as well as any accompanying assistants (however, not more than two). Representative and proxy for legal entities are requested to present authorization documentation prior to the Meeting. Power of attorney forms are available via Addnode Group's website, www.addnodegroup.com.

Trustee-registered shares

To be able to participate at the AGM, shareholders whose shares are trustee-registered through securities institutions or other trustee must temporarily re-register their shares in their own name in the shareholders' register kept by Euroclear Sweden AB. Such re-registration, so-called voting registration, must be completed not later than Wednesday April 29, 2015, which means that shareholders must, in ample time prior to this date, inform the trustee of their intention.

Dividend

The Board of Directors proposes the Annual General Meeting resolve to pay a dividend of SEK 2.25 per share.

Financial information

Interim reports, annual reports and Addnode Group's press releases are available at www.addnodegroup.com and can be ordered from Addnode Group AB, Investor Relations, Hudiksvallsgatan 4B, SE-113 30 Stockholm. The annual report in printed form is sent to everyone who so requested and is also available for downloading at www.addnode.com.

SHAREHOLDER CONTACTS
Please contact us if you have questions or views!

CFO and IR Manager, Johan Andersson
Direct: +46 (0)8 506 66 214
Mobile: +46 (0)704 20 58 31
johan.andersson@addnodegroup.com

FINANCIAL CALENDAR

APRIL 28, 2015 – Interim report, first quarter of 2015

MAY 6, 2015 – Annual General Meeting 2015

JULY 21, 2015 – Six-month report 2015

OCTOBER 23, 2015 – Nine-month report 2015

ADDNODE GROUP

ABOU
ADDNODE GROUP

ARKIVA
ADDNODE GROUP

CAD-Q
ADDNODE GROUP

CARTESIA
ADDNODE GROUP

DECERNO
ADDNODE GROUP

IDA INFRONT
ADDNODE GROUP

INFUSEIT
ADDNODE GROUP

JOINT COLLABORATION
ADDNODE GROUP

KARTENA
ADDNODE GROUP

MITTBYGGE
ADDNODE GROUP

MOGUL
ADDNODE GROUP

PROSILIA
ADDNODE GROUP

SYMETRI
ADDNODE GROUP

TECHNIA
ADDNODE GROUP

TEKIS
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VOICE PROVIDER
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ADDNODE GROUP ANNUAL REPORT **2014**