

## Addnode AB, Interim report, January 1 – September 30, 2008

### July – September 2008 compared with 2007

- Net sales increased by 31% to SEK 221.0 M (168.2).
- EBITA rose by 30% to SEK 21.2 M (16.3), corresponding to an EBITA margin of 9.6% (9.7).
- Operating profit increased by 33% to SEK 17.2 M (12.9), corresponding to an operating margin of 7.8% (7.7).
- Profit after tax amounted to SEK 17.1 M (2.1). Earnings for the corresponding period of the preceding year were charged with SEK 9.4 M for discontinued operations.
- Earnings per share after tax amounted to SEK 0.78 (0.10). Earnings per share for the corresponding period of the preceding year were charged with SEK 0.42 for discontinued operations.
- Shareholders' equity per share amounted to SEK 24.01 (22.50 on December 31, 2007).
- Cash flow from operating activities amounted to SEK 30.8 M (18.4).

### January – September 2008 compared with 2007

- Net sales increased by 34% to SEK 739.7 M (552.0).
- EBITA rose by 47% to SEK 81.4 M (55.5), corresponding to an EBITA margin of 11.0% (10.1).
- Operating profit increased by 52% to SEK 70.2 M (46.3), corresponding to an operating margin of 9.5% (8.4).
- Profit after tax amounted to SEK 64.9 M (20.5). Earnings for the corresponding period of the preceding year were charged with SEK 23.5 M for discontinued operations.
- Earnings per share after tax amounted to SEK 2.96 (0.92). Earnings per share for the corresponding period of the preceding year were charged with SEK 1.05 for discontinued operations.
- Shareholders' equity per share amounted to SEK 24.01 (22.50 on December 31, 2007).
- Cash flow from operating activities amounted to SEK 71.5 M (60.5).

Strong growth and favorable profitability

Divestment of SIX AB's shares and transfer of loan receivable increased cash and cash equivalents by SEK 38 M

Addnode submits public offer for Strand Interconnect

### Significant events during the third quarter

- Continued strong order bookings and good capacity utilization.
- Supplementary acquisitions in Norway and Finland strengthened the offering, provided new customers and 30 skilled employees.
- The sale of shareholdings in SIX AB and the transfer of a loan receivable increased cash and cash equivalents by SEK 38 M.

### Significant events after the end of the period

- Addnode submitted a public offer for all shares in Strand Interconnect AB.

If you find any different figures from the Swedish version then the original version in Swedish is the correct version.

*The information in this press release is such that Addnode must release it publicly in accordance with the Swedish Securities and Clearing Operations Act and/or the Financial Instruments Trading Act. The information was released on October 24, 2008, at 8:00 a.m.*



*The business model, by which we charge for our services, licenses for the software on which solutions are based and signing support and maintenance agreements, implies more uniform earnings throughout the year, compared with a pure IT consulting company.*

## CEO's comments

In these times of financial turmoil, we have behind us another quarter of strong growth and healthy profitability.

During 2008, we increased net sales by 34% and EBITA by 47%. For comparable units, growth was 21%. We have healthy growth within all business areas, with favorable profitability.

Addnode supplies IT solutions within a number of selected areas. The business model, by which we charge for our services, licenses for the software on which solutions are based and signing support and maintenance agreements, implies more uniform earnings throughout the year, compared with a pure IT consulting company.

We divested all shares in SIX AB and transferred a loan receivable in SIX to its principal owner, Telekurs AG. In total, this increased cash and cash equivalents by SEK 38 M, which will provide additional stability and the possibilities for aggressive investments. At the end of the third quarter, Addnode's net cash amounted to SEK 93 M.

During the third quarter, we acquired operations in Norway and Finland. The acquisition of Ravalik Oy supplements existing operations within the Product Lifecycle Management business area and implies that Addnode will be the leading PLM supplier in Finland. The acquisition of IT Energy AS will provide local presence in an expanding oil region and additional expert consultants

within the Design Management business area.

After the end of the period, Addnode submitted a public offer for Strand Interconnect AB, which is listed on First North. If the acquisition is successful, we will become one of Sweden's leading players within Content Management. Strand's operations will supplement our existing offering in Content Management and will expand the customer base with new attractive customer groups. We create strength and size, which is a success factor regardless of the market and the economic trend.

Demand for IT solutions offered by Addnode remains strong with stable prices. I believe that Addnode will close 2008 on a strong note. However, the general economic trend will affect us. We will monitor developments with a high level of preparedness.

*Staffan Hanstorp, President and CEO*

## Net sales and earnings

### Third quarter, July – September 2008

During the third quarter of 2008, the Group's net sales amounted to SEK 221.0 M (168.2), an increase of 31%. For comparable units, the increase in net sales was 17%. EBITA amounted to SEK 21.2 M (16.3), corresponding to an EBITA margin of 9.6% (9.7).

Increased demands from customers implied good utilization of consultants and a significant development of license sales with accompanying service and maintenance contracts, which resulted in strong growth with retained margins, compared with the corresponding period in the preceding year.

Cash flow from operating activities amounted to SEK 30.8 M (18.4).

The outcome for the third quarter of 2007 was charged with SEK 9.4 M for discontinued operations. In accordance with applicable accounting rules for listed companies (IFRS), all income statement items pertaining to discontinued operations are reported on the line "Income from divested operations," immediately before the line "Net profit/loss for the period."

### Nine-month period, January – September 2008

During the nine-month period, January – September 2008, the Group's net sales amounted to SEK 739.7 M (552.0), an increase of 34%. For comparable units, the increase in net sales was 21%. EBITA amounted to SEK 81.4 M (55.5), corresponding to an EBITA margin of 11.0% (10.1).

Increased demands from customers have resulted in good capacity utilization of consultants and favorable sales of licenses with accompanying support and maintenance contracts, which resulted in improved margins, compared with the corresponding period in the preceding year.

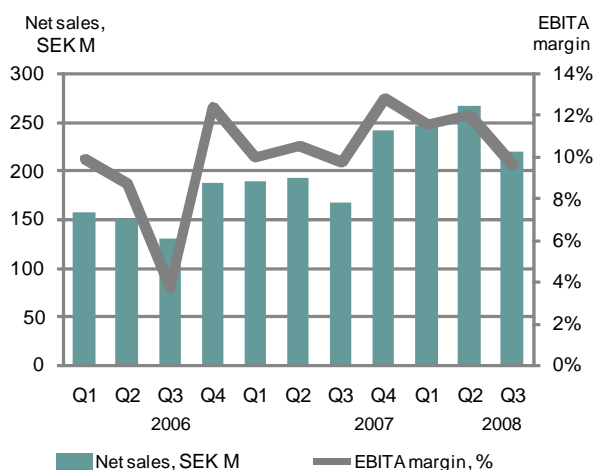
Cash flow from operating activities amounted to SEK 71.5 M (60.5).

The outcome for the nine-month period, January – September 2007, was charged with SEK 23.5 M for discontinued operations. In accordance with applicable accounting rules for listed companies (IFRS), all income statement items pertaining to discontinued operations are reported on the line "Result from divested operations," immediately before the line "Net profit/loss for the period."

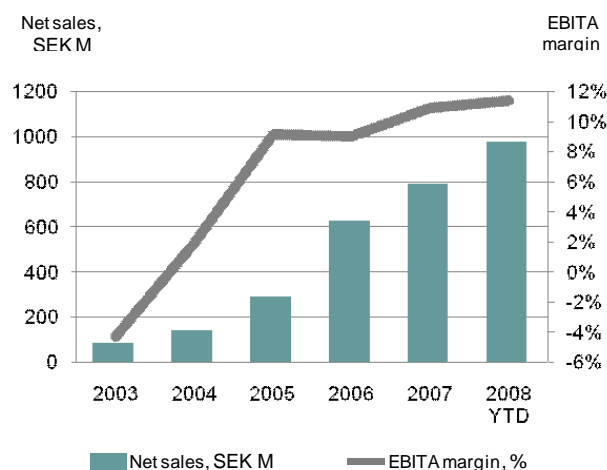
## Results summary

(SEK M)	Q3	Q3	9m	9m	12m
	2008	2007	2008	2007	2007
Net sales	221,0	168,2	739,7	552,0	795,0
EBITA	21,2	16,3	81,4	55,5	86,5
<i>EBITA margin</i>	9,6%	9,7%	11,0%	10,1%	10,9%
Operating profit	17,2	12,9	70,2	46,4	73,6
<i>Profit margin</i>	7,8%	7,7%	9,5%	8,4%	9,3%
Profit after tax from continuing operations	17,1	11,5	64,9	44,0	73,5
Profit after tax from divested operations	-	-9,4	-	-23,5	-28,0
Net profit for the period	17,1	2,1	64,9	20,5	45,5
Cash flow from current operations	30,8	18,4	71,5	60,5	106,5
Average number of employees	577	461	552	442	463
Total number of employees, end of period	626	502	626	502	532

Net sales and EBITA margin 2006-2008



Net sales and EBITA margin, 2003-2008 YTD



\*2008YTD = 12-monthperiod, Oct. 2007 – Sept. 2008

## Development in Addnode's business areas January – September 2008, compared with January – September 2007

(MSEK)	Net sales		EBITA		EBITA margin		Operating profit		Profit margin		Average nr of employees		Investments, tangible	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Design Management	266,6	211,1	21,7	15,3	8,1%	7,2%	21,0	15,1	7,9%	7,2%	125	109	1,8	3,1
Product Lifecycle Mgt	206,1	138,3	28,1	18,4	13,6%	13,3%	25,6	17,1	12,4%	12,4%	156	107	2,8	2,3
Process Management	94,1	77,9	19,7	14,8	20,9%	19,0%	15,4	12,0	16,4%	15,4%	90	68	1,5	0,5
Content Management	170,9	124,7	24,5	17,4	14,3%	14,0%	20,8	12,5	12,2%	10,0%	176	154	2,1	1,8
Group	2,0	-	-12,6	-10,4	-	-	-12,6	-10,4	-	-	5	4	0,1	-
<b>Addnode</b>	<b>739,7</b>	<b>552,0</b>	<b>81,4</b>	<b>55,5</b>	<b>11,0%</b>	<b>10,1%</b>	<b>70,2</b>	<b>46,3</b>	<b>9,5%</b>	<b>8,4%</b>	<b>552</b>	<b>442</b>	<b>8,3</b>	<b>7,7</b>

### Design Management business area

The Design Management business area's operations are conducted in the company Cad-Q, which is the Nordic region's leading supplier of CAD and design-related IT for the construction, property and industrial sectors. With a comprehensive product range that extends from design and construction to project coordination, document management and IT operations, we can create overall concepts that would effectively reduce costs, shorten lead times and develop customers' operations. The solutions are primarily based on products from Autodesk combined with proprietary products and solutions. Cad-Q is the largest in its field in the Nordic region and demand is driven by increased focus on and interest in design, product development and construction of plants, buildings and products.

Net sales amounted to SEK 266.6 M (211.1), which implies an increase of 26%. EBITA amounted to SEK 21.7 M (15.3), corresponding to an EBITA margin of 8.1% (7.2).

Stable utilization of consultants and a strong trend in software sales with accompanying support and maintenance agreements resulted in growth and improved margins. Market activity was high and several large, new customer contracts were signed. The trend has been positive within all of the business area's customer groups: construction, property and industry. A decrease in demand within the construction industry is expected in the coming period.

During the third quarter, IT Energy AS was acquired, with seven employees and an office in Stavanger. The purchase of IT Energy will provide local presence in an expanding region and improved prerequisites to supply larger customer projects in the Norwegian market. Following the acquisition of IT Energy, the business area has 150 employees with 15 offices in Sweden and Norway.

## Product Lifecycle Management business area

*The Product Lifecycle Management business area's operations are conducted in the company Technia, which is the leading supplier of PLM systems in the Nordic region and one of the leaders in Europe. PLM is a common concept for systems that manage information and processes pertaining to the entire lifecycle of a product, from planning, design, development, production, sales and aftermarket support. Delivered solutions are based on software from Dassault Systèmes and proprietary components. Demand is driven by customers' ambition to reduce development time for new products, improve profitability during the lifecycle of products and official requirements.*

Net sales amounted to SEK 206.1 M (138.3), an increase of 49%. EBITA amounted to SEK 28.1 M (18.4), corresponding to an EBITA margin of 13.6% (13.3).

Favorable demands from existing and new customers combined with efficient marketing have resulted in strong growth. Margins remained favorable despite strong growth in the business area.

During the third quarter, the Finnish PLM supplier, Ravalik Oy was acquired. The company, with 21 employees, has annual sales of approximately SEK 35 M and is one of the leading players in Finland within its field. The acquisition supplements the existing operation and implies that Addnode will become the leading PLM supplier in Finland. Similar to Technia, Ravalik's PLM solutions are based on software from Dassault Systèmes and proprietary components. Ravalik has also developed a proprietary product platform for product data management, which has been supplied to several international customers. After the acquisition of Ravalik, the business area has approximately 200 employees in Sweden, Finland and Norway.

## Process Management business area

*The Process Management business area's operation is conducted in the companies of Ida Infront, Prosilia and Curalia, which sell operations-critical task management systems and security solutions. Solutions delivered are largely based on iipax™, a proprietary product platform that offers advanced functions for electronic, long-term archiving, document and task management, professional e-services and secure information transfer. Depending on the customer's situation and preferences, we also build solutions based on standardized technologies and open-source software. Customers are found primarily in the public sector, defense and banking and financial sectors. Customers' demands are driven by the ambition to mechanize manual case management and the requirement of combining the right of access to information with information security.*

Net sales amounted to SEK 94.1 M (77.9), an increase of 21%. EBITA amounted to SEK 19.7 M (14.8), corresponding to an EBITA margin of 20.9% (19.0).

Good demand from existing customers, combined with a number of new customers during the period, resulted in high utilization of consultants and strong license sales, which had a positive impact on both growth and margins.

During the third quarter, work was initiated relating to the delivery of a DNA system to the Institute of Forensic Medicine in Oslo. The order is valued at approximately SEK 13 M and includes solutions for the automatic management of DNA analyses and safe communication. A potential market for this IT solution is also found in other European countries. Other major customers within the business area include the Social Insurance Agency, the Swedish Defense Materiel Administration and the Agency for Economic and Regional Growth (Nutek).

## Content Management business area

*The Content Management business area provides customer-specific IT solutions and services in web publishing, editorial magazine systems, system development and system integration, geographic information and positioning technology, and telecom and call center solutions. The operations are conducted in the Mogul, Mogul Solution Provider, Mogul Media Services, Linewise and Cartesia companies. The total offering is based on standardized technologies and platforms with a particular focus on Java, .Net, XML technologies, WebServices and SOA (service-based architectures). Customers are from such areas as the media, telecommunication, banking/finance, the public sector, forest industry, industry/logistics and directory companies and credit information companies. Demand is driven by customers' ambition to develop their operations, sales and service levels through accessible services via digital channels.*

Net sales amounted to SEK 170.9 M (124.7), an increase of 37%. EBITA amounted to SEK 24.5 M (17.4), corresponding to an EBITA margin of 14.3% (14.0).

Good utilization of consultants and a stable trend for telecom and call-center services have resulted in strong growth and improved margins, compared with the preceding year.

During the period, services and applications were supplied to such customers as E24 Norge, Eniro, Viking Line and Nordnet. Examples of new customers and existing customers that decided to increase their orders include The Phone House, Entercard, Skandiabanken and Familjebostäder.

The GIS offering has a stable development with a strong position within the government and municipalities, and also within the forest industry.

## Public offer for Strand Interconnect AB

On October 16, 2008, Addnode AB submitted a recommended offer for all outstanding shares in Strand Interconnect AB (publ). Addnode AB is offering shareholders of Strand Interconnect AB one (1) share of Series A share in Addnode for every 35 Series A or B shares in Strand ("Offer"). Strand's shareholders are also offered the possibility to choose cash payment for their entire holdings, although, for a maximum of 10,000 Series A and/or Series B shares.

Payment in the form of Addnode shares will be issued partly through the utilization of a maximum of 453,395 previously repurchased Series B shares, for which authorization pertaining to the transfer of treasury shares received at Addnode's 2008 Annual General Meeting will be utilized, and partly through issue authorization received at the same General Meeting, whereby a maximum of 1,341,347 Series B shares will be issued. The increase in the number of Series B shares outstanding in Addnode, in the form of newly issued shares and shares that are no longer held by Addnode, may amount to a maximum of 1,794,742 shares signifying a dilution effect of 7.6%.

The value of the Offer on October 15, 2008 amounted to approximately SEK 40 M. Strand's shares are traded on First North, which is operated by OMX Nordic Exchange.

- Through the acquisition, Addnode will create one of Sweden's leading players within Content Management and increase the total number of employees by about 100.
- Based on the six-month report for the January – June 2008 period, the acquisition of Strand will increase Addnode's net sales from SEK 519 M to SEK 573 M and EBITA from SEK 60 M to SEK 65 M. The acquisition will contribute to increased earnings per share for 2009.
- The Offer means a premium of 26% based on the most recent price paid for Strand's Series B shares and Addnode's Series B shares on October 15, 2008, meaning, the day before the announcement of the Offer.
- The Offer involves a premium of 23% based on the average prices for Strand's and Addnode's Series B shares during the July 15 – October 15, 2008 period.
- The Board of Directors of Strand has unanimously recommended Strand's shareholders to accept the Offer.
- Strand's shareholders representing 32.8% of the voting rights and 34.5% of the capital have pledged to accept the Offer.
- A prospectus pertaining to the Offer is expected to be distributed to Strand's shareholders around mid-November 2008.

For the Offer in its entirety, refer to the press release published on October 16, 2008.

## Acquisitions completed

Addnode continuously analyzes acquisition candidates that could possibly supplement its current offerings or form a new offering within Addnode. During the first quarter, the operations in Sikroma were acquired. During the third quarter, the Finnish company, Ravalik, and the Norwegian company, IT Energy, were acquired.

### Sikroma - Design Management

During the first quarter of 2008, the operation in Sikroma was acquired, with 19 employees and annual net sales of SEK 35 M. The acquired operations have been integrated into the Design Management business area. The acquisition provides a geographic presence to an expanded manufacturing industry in primarily Blekinge, Småland and Östergötland. The purchase consideration comprised a cash purchase amount at the time of transfer and a conditional purchase amount based on assumed service and maintenance agreements. The date of transfer was February 1, 2008.

### Ravalik - Product Lifecycle Management

During the third quarter of 2008, the Finnish PLM supplier, Ravalik Oy, was acquired. The company has annual sales of approximately SEK 35 M and 21 employees. The acquisition implies that Addnode will be the leading PLM supplier in Finland and simultaneously strengthen its position as the leading supplier of PLM systems in the Nordic region. The transfer date was July 4, 2008.

## IT Energy – Design Management

During the third quarter, IT Energy AS with seven employees and an office in Stavanger was acquired. IT Energy is a competency center for design, drawing, 3D modeling and visualization. The company's customers operate primarily within the expanding oil industry. The acquisition of IT Energy will provide local presence in an expanding region and improved prerequisites to deliver larger customer projects. The transfer date was September 11, 2008.

## Divestment of shareholding in SIX AB and transfer of loan receivable

Addnode divested its shareholdings in SIX AB to the company's majority shareholder, Telekurs Holding AG. Telekurs Holding has also taken over Addnode's interest-bearing loan receivable in SIX AB. This means that Addnode's cash and cash equivalents increased by approximately SEK 38 M. The divestment of shareholdings generated a small capital gain.

The divestment of the shares and transfer of the loan receivable clarified the ownership situation in SIX AB and a natural step in the process that was initiated in 2006, when Addnode divested the SIX operations to then Ecovision AB, with significant capital gains.

## Other events

Agreement signed for credit framework of SEK 100 M.

In April 2008, Addnode signed an agreement with Nordea for a credit framework of SEK 100 M. The credit framework was signed to enable Addnode to take advantage of acquisition opportunities that arise.

## Significant risks and uncertainties

Addnode's significant risks and uncertainties are described in the Board of Director's Report in the Annual Report for 2007, in the section "Expected future development, risks and uncertainty factors," on page 35, and in Note 37, "Financial risks and risk management," and Note 38, "Key estimates and assessments for accounting purposes," on pages 62-64. No significant changes occurred subsequently.

## Financial information

### Liquidity, cash flow and financial position

The Group's cash and cash equivalents amounted to SEK 93.2 M at September 30, 2008 (110.5 at December 31, 2007). Cash flow from operating activities during the first three quarters of 2008 amounted to SEK 71.5 M (60.5).

Cash flow from investing activities from 2008 included disbursements of purchase considerations for acquired companies and operations totaling SEK 67.5 M including supplementary purchase considerations for acquisitions implemented in earlier years. At the end of September 2008, all interest-bearing receivables in SIX AB (publ) and the entire shareholding in this company were transferred to SIX's principal owner, Telekurs Holding AG, of which a total of SEK 38.3 M was received in cash. A consolidated capital gain of SEK 1.3 M arose on the share transfer.

During the first quarter of 2008, the company's own shares were repurchased for a total of SEK 19.0 M, of which shares valued at SEK 8.2 M were transferred in conjunction with the acquisition of Ravalik Oy at the beginning of July 2008. During the second quarter of 2008, dividends amounting to SEK 29.3 M were paid. In April 2008, an agreement for a credit framework of SEK 100 M was signed with Nordea.

The Group's interest-bearing liabilities pertain primarily to financial leasing contracts and amounted to SEK 3.2 M on September 30, 2008 (7.3 at December 31, 2007). The Group's net interest-bearing assets and liabilities amounted to SEK 93.3 M (136.7 at December 31, 2007).

The equity/assets ratio amounted to 62% on September 30, 2008 (59 on December 31, 2007).

### Investments

Investments in intangible and tangible fixed assets amounted to SEK 21.8 M (25.3), of which SEK 10.8 M (0.0) pertains to goodwill-related assets and liabilities and SEK 0.0 M (1.3) to software development.

## Goodwill and other intangible assets

The consolidated goodwill reported on September 30, 2008, was SEK 370.2 M (330.7 at December 31, 2007). The reported value of brands amounted to SEK 15.8 M (16.6 at December 31, 2007). Other intangible assets amounted to SEK 39.5 M (41.0 at December 31, 2008) and pertain primarily to customer contracts and software.

## Deferred tax assets

Total reported deferred tax assets amounted to SEK 37.4 M at September 30, 2008, of which SEK 36.7 M pertains to tax loss carryforwards. The deferred tax assets attributable to the loss carryforwards were reported as assets to the extent that it is probable that the loss carryforwards will be deductible against a surplus in future taxation. At September 30, 2008, the Group's accumulated loss carryforwards amounted to approximately SEK 315 M. The amount of SEK 36.7 M reported in the balance sheet represents only a small portion of the total value of the loss carryforwards. The value reported in the balance sheet is established by taking into account the amount of loss carryforwards expected to be utilized over the next few years.

## Shareholders' equity and number of shares

Shareholders' equity amounted to SEK 527.6 M on September 30, 2008 (504.7 at December 31, 2007), corresponding to SEK 24.01 (22.50) per share outstanding. During the first quarter of 2008, the company's own shares were repurchased for a total of SEK 19.0 M and during the second quarter dividends amounting to SEK 29.3 were paid. During the beginning of July 2008, the company's own shares valued at SEK 8.2 M were transferred to the sellers of the Finnish company, Ravalik Oy. The change in the number of shares outstanding and shareholders' equity are shown on page 13. At September 30, 2008, there were no outstanding option or convertible programs.

## Provisions

Provisions, which in the consolidated balance sheet are included in the long-term and current liabilities, amounted to SEK 41.7 M on September 30, 2008, of which SEK 37.4 M pertains to estimated supplementary purchase considerations for previously implemented company acquisitions and SEK 0.8 M to provisions for restructuring measures. During 2008, SEK 3.9 M in previously established provisions for restructuring measures was utilized for projected and implemented structural measures. Provisions for estimated supplementary purchase considerations increased by SEK 12.6 M in conjunction with company acquisitions in 2008. Of the supplementary purchase considerations expensed in the 2007 Annual Report, SEK 39.2 M was paid during the first three quarters of 2008.

## Employees

During the first three quarters of 2008, the average number of employees in the Group amounted to 552 (442 during the year-earlier period). At the close of the period, the number of employees in the Group was 626 (532 in remaining operations at December 31, 2007).

## Information about acquisition of operations and subsidiaries

On February 1, 2008, the acquisition of Sikroma AB was implemented as an acquisition of assets and liabilities, involving the takeover of employees, business relationships, ongoing customer projects, and service and maintenance contracts. The acquired business has 19 employees and its net sales for the 2006/2007 fiscal year amounted to approximately SEK 35 M. On July 4, 2008, Addnode acquired the Finnish company, Ravalik Oy, with 21 employees and in September 2008, the Norwegian company, IT Energy AS, with seven employees, was acquired. During the 2007 fiscal year, Ravalik had net sales of approximately SEK 35 M.

The acquired operation and the two companies contributed approximately SEK 26 M to the Addnode Group's net sales and influenced the Group's profit after tax by approximately SEK 2 M. If the operation and companies had been acquired on January 1, 2008, the Addnode Group's net sales for the first three quarters of 2008 would have amounted to approximately SEK 765 M and profit after tax to approximately SEK 66 M.

The total purchase considerations for the operation and the two companies are expected to amount to approximately SEK 47 M, of which approximately SEK 8 M will be paid through the transfer of previously repurchased own Series B shares in Addnode and approximately SEK 12 M pertains to the estimated earnings-based supplementary purchase consideration. In the acquisition analyses, acquisition-related intangible assets were identified, valued at approximately SEK 9 M, which resulted in deferred tax liability of approximately SEK 3 M. Goodwill amounted to



approximately SEK 39 M. Other acquired assets and liabilities pertained primarily to accounts receivables, accounts payable and accrued expenses and deferred income.

## Acquisition, transfer and holding of treasury shares

In accordance with the authorization from the Annual General Meeting on April 26, 2007 and the Board's decision in December 2007, Addnode repurchased 746,000 Series B shares during the first quarter at an average price of SEK 25.47 through the OMX Nordic Exchange Stockholm.

Supported by the authorization from the Annual General Meeting on April 24, 2007, Addnode's Board decided to transfer all 292,605 own Series B shares to the sellers as an installment for the acquisition of all shares in the Finnish company, Ravalik Oy. The transfer was implemented on July 4, 2008. The price per share corresponded to the average closing price for Addnode's Series B share on the OMX Nordic Exchange Stockholm during the period from June 9 up to June 30, 2008, which was SEK 28.90 per share.

Addnode's holdings of treasury shares prior to the transfer amounted to 746,000 Series B shares, corresponding to approximately 3.33% of all shares in the company. After the transfer, shareholdings amounted to 453,395 Series B shares, corresponding to approximately 2.02% of all shares in the company.

## Parent Company

Net sales during the first three quarters of 2008 amounted to SEK 4.2 M (5.8), which primarily pertains to invoicing to subsidiaries for services rendered. Profit before tax amounted to SEK 16.1 M (70.3), including dividends from subsidiaries of SEK 27.3 M (78.4).

On September 30, 2008, cash and cash equivalents amounted to SEK 57.5 M (82.3 on December 31, 2007). Investments pertaining to shares in subsidiaries amounted to SEK 31.2 M. At the end of September 2008, all interest-bearing receivables in SIX AB (publ) and the entire shareholding in this company were transferred to SIX's principal owner, Telekurs Holding AG, of which a total of SEK 38.3 M in cash was received.

During the first quarter of 2008, the company's own shares were repurchased for a total of SEK 19.0 M, of which shares valued at SEK 8.2 M were transferred in conjunction with the acquisition of Ravalik Oy at the beginning of July 2008. During the second quarter of 2008, a dividend of SEK 29.3 M was paid.

Provisions for calculation of supplementary purchase considerations increased by SEK 11.8 M in conjunction with company acquisitions during 2008. Of the provisions reported in the 2007 Annual Report for calculation of supplementary purchase considerations, SEK 39.2 M was paid during the first three quarters of 2008.

During April 2008, the Parent Company signed an agreement for a credit framework of SEK 100 M with Nordea.

## Accounting principles

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting. The accounting principles are unchanged compared with the Annual Accounts for 2007 and are based on the International Financial Reporting Standards (IFRS) as adopted by the EU. The Parent Company applies recommendation RFR 2.1.

## Future outlook

Demand for IT solutions offered by Addnode remains strong with stable prices. The Board's view is that the remaining portion of 2008 will remain strong for Addnode. However, the general economic trend will affect us. We will be monitoring development with a high level of readiness to act. The policy of not issuing a forecast remains firm.

### **In the previous interim report, the Board submitted the following future outlook:**

Demand for IT solutions offered by Addnode remains strong with stable prices. Customers' demands may be influenced by the global economic trend and we monitor it on an ongoing basis. The Board's view is that the remaining portion of 2008 will remain strong for Addnode. Growth and profit in the first six months have demonstrated that we are well on our way. The policy of not issuing a forecast remains firm.

## Nomination Committee

In accordance with a resolution at Addnode's Annual General Meeting on April 24, 2007, representatives of the three largest shareholders, jointly with the Chairman of the Board, will prepare a Board proposal to be submitted for approval at the next Annual General Meeting, which will be held on April 28, 2009.

- Per Hallerby, Chairman of the Board.
- Jonas Gejer, Vice President and Director for Sales & Marketing, Technia. One of Technia's founders.
- Johan Petrini, Consultant, Technia. One of Technia's founders.
- Gunnar Hesse, Director.
- Mats Åkesson, Management Consultant.

Shareholders who wish to submit proposals for Board members are requested to contact Gunnar Hesse, who is the convener for the Nomination Committee, Tel: +46 705 566 634, E-mail: [gunnarhesse@hotmail.com](mailto:gunnarhesse@hotmail.com)

## Forthcoming information dates

Year-end report 2008	February 19, 2009
Interim report, first quarter 2009	April 23, 2009
Annual General Meeting 2009	April 28, 2009
Interim report, six-month 2009	July 21, 2009

## Certification

The Board of Directors and the CEO certify that this interim report provides a fair view of the company's and Group's operations, financial position and profits and describes the significant risks and uncertainties facing the company and companies included in the Group.

*Stockholm, October 30, 2008*

Per Hallerby  
Chairman of the Board

Ylva Berg  
Board member

Jonas Fredriksson  
Board member

Christer Härkönen  
Board member

Mats Olin  
Board member

Lars Save  
Board member

Thord Wilkne  
Board member

Staffan Hanstorp  
President and CEO

## Auditors' report on the review of the Interim report prepared in accordance with IAS 34 and the Annual Report Act

We have conducted a review of the interim report for Addnode AB (publ) for the period January 1 – September 30, 2008. The Board of Directors and the President are responsible for preparing and presenting this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express an opinion on this interim report based on our review.

We have conducted our review in accordance with the Standard on Review Engagements SÖG 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different direction and is substantially more limited in scope than an audit conducted in accordance with Swedish GAAP and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the opinion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects, the interim report has not been prepared in accordance with IAS 34 and the Annual Accounts Act.

*Stockholm, October 24, 2008*

PricewaterhouseCoopers AB

Hans Jönsson  
Authorized Public Accountant

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## Addnode Group's consolidated accounts

Income Statement (SEK M)	2008 July - Sept	2007 July - Sept	2008 Jan -Sept	2008 Jan -Sept	2007 Full year
<b>Continuing operations</b>					
Net sales	221,0	168,2	739,7	552,0	795,0
<b>Operating costs:</b>					
Purchases of goods and services	-79,1	-57,4	-259,0	-188,8	-271,9
Other external costs	-26,4	-21,2	-78,8	-68,3	-94,2
Personnel costs	-91,0	-70,8	-310,6	-232,5	-332,8
Depreciation and impairment of					
- tangible fixed assets	-3,3	-2,5	-9,9	-6,9	-9,6
- intangible fixed assets	-4,0	-3,4	-11,2	-9,2	-12,9
<b>Total operating costs</b>	<b>-203,8</b>	<b>-155,3</b>	<b>-669,5</b>	<b>-505,7</b>	<b>-721,4</b>
<b>Operating profit from continuing operations</b>	<b>17,2</b>	<b>12,9</b>	<b>70,2</b>	<b>46,3</b>	<b>73,6</b>
Financial income	2,5	1,5	5,9	5,8	2,3
Financial expenses	-0,4	-0,1	-0,9	-0,3	-0,5
<b>Profit before taxes</b>	<b>19,3</b>	<b>14,3</b>	<b>75,2</b>	<b>51,8</b>	<b>75,4</b>
Current tax	-3,0	-2,3	-12,1	-6,0	-12,2
Deferred tax	0,8	-0,5	1,8	-1,8	10,3
<b>Profit from continuing operations</b>	<b>17,1</b>	<b>11,5</b>	<b>64,9</b>	<b>44,0</b>	<b>73,5</b>
Profit from divested operations <sup>1)</sup>		-9,4		-23,5	-28,0
<b>NET PROFIT FOR THE PERIOD</b>	<b>17,1</b>	<b>2,1</b>	<b>64,9</b>	<b>20,5</b>	<b>45,5</b>
<b>Pertaining to:</b>					
Shareholders of the Parent company	17,1	2,1	64,9	20,5	45,5
Earnings per share from continuing operations, SEK	0,78	0,52	2,96	1,97	3,28
Earnings per share from divested operations, SEK		-0,42		-1,05	-1,25
Earnings per share, total, SEK	0,78	0,10	2,96	0,92	2,03
Average number of shares (000,000s)	22,0	22,4	21,9	22,4	22,4

The company has no outstanding options or convertibles programs that would result in dilution.

### 1) Specification of profit from divested operations

Profit before taxes and capital gain	-9,9	-24,1	-24,0
Capital gain on divestment of operations	-0,2	-0,3	-8,8
Tax on net profit for the year	0,7	0,9	4,8
<b>Profit from divested operations</b>	<b>-9,4</b>	<b>-23,5</b>	<b>-28,0</b>

## Addnode Group's consolidated accounts

### Balance sheet

(SEK M)

	9/30/2008	9/30/2007	12/31/2007
Goodwill	370,2	292,2	330,7
Trademarks	15,8	20,6	16,6
Other intangible fixed assets	39,5	47,5	41,0
Tangible fixed assets	26,3	23,6	27,2
Financial fixed assets	44,7	67,5	80,3
Inventories	1,1	2,7	1,8
Current receivables	260,3	241,1	251,9
Cash and cash equivalents	93,2	87,9	110,5
<b>TOTAL ASSETS</b>	<b>851,1</b>	<b>783,1</b>	<b>860,0</b>
Shareholders' equity	527,6	475,5	504,7
Long-term liabilities	39,1	45,9	47,7
Current liabilities	284,4	261,7	307,6
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>851,1</b>	<b>783,1</b>	<b>860,0</b>
Interest-bearing receivables amounted to	3,3	34,0	33,5
Interest-bearing liabilities amounted to	3,2	6,5	7,3
Pledged assets	12,9	3,6	4,7
Contingent liabilities	1,1	2,2	1,7

### SHAREHOLDERS' EQUITY AND NUMBER OF SHARES

Specification of changes in shareholders' equity	2008	2007	2008	2007	2007
	July - Sept	July - Sept	Jan - Sept	Jan - Sept	Full year
Shareholders' equity, opening balance	500,7	476,7	504,7	525,9	525,9
Dividend			-29,3	-74,0	-74,0
Repurchase of own shares			-19		
Sale of repurchased shares	8,2		8,2		
Revaluation of financial fixed assets to fair value	-0,3	-4,7	-3,9	-1,1	-2,1
Revaluation of financial fixed assets to fair value when sold	0,5		0,5		5,6
Translation difference	1,4	1,4	1,5	4,2	3,8
Profit for the period	17,1	2,1	64,9	20,5	45,5
<b>Shareholders' equity, closing balance</b>	<b>527,6</b>	<b>475,5</b>	<b>527,6</b>	<b>475,5</b>	<b>504,7</b>

#### Shareholders' equity pertaining to:

The shareholders of the Parent Company	527,6	475,5	527,6	475,5	504,7
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#### Specification of number of shares "000,000"

Number of outstanding shares, opening balance	21,7	22,4	22,4	22,4	22,4
Sale of repurchased shares			-0,7		
Sale of repurchased shares	0,3		0,3		
<b>Number of outstanding shares at end of period</b>	<b>22,0</b>	<b>22,4</b>	<b>22,0</b>	<b>22,4</b>	<b>22,4</b>

The number of registered shares was 22 427 984 at September 30, 2008 and at December 31, 2007.

Holdings of own b-shares at 2008-09-30 amounted to 453 395. Outstanding shares at 2008-09-30 amounted to 21 974 589 and 22 427 984 at 2007-12-31.

Addnode Group's consolidated accounts

ADDNODE GROUP'S CONSOLIDATED ACCOUNTS CASH FLOW STATEMENT (SEK M)	2008 July - Sept	2007 July - Sept	2008 Jan - June	2007 Jan - Sept	2007 Full year
<b>Current operations</b>					
Operating profit	17,2	12,9	70,2	46,3	73,6
Adjustment for items not included in cash flow	7,8	4,0	19,0	13,9	24,9
<b>Total</b>	<b>25,0</b>	<b>16,9</b>	<b>89,2</b>	<b>60,2</b>	<b>98,5</b>
Net financial items					1,8
Tax paid, etc	2,1	1,4	5,0	5,5	-6,3
<b>Cash flow from current operations before changes in working capital</b>	<b>-2,7</b>	<b>-3,7</b>	<b>-9,8</b>	<b>-7,4</b>	
<b>Total changes in working capital</b>	<b>6,4</b>	<b>3,8</b>	<b>-12,9</b>	<b>2,2</b>	<b>12,5</b>
<b>Cash flow from current operations</b>	<b>30,8</b>	<b>18,4</b>	<b>71,5</b>	<b>60,5</b>	<b>106,5</b>
Cash flow from investing activities 1)	21,5	-3,1	-35,7	-9,6	-22,6
Cash flow from financing activities 2)	-0,8	-1,1	-53,1	-77,1	-77,2
Cash flow from divested operations 3)		-1,8		-3,7	-13,7
<b>Change in cash and cash equivalents</b>	<b>51,5</b>	<b>12,4</b>	<b>-17,3</b>	<b>-29,9</b>	<b>-7,0</b>
Cash and cash equivalents, beginning of the period	41,6	75,0	110,5	116,7	116,7
Exchange-rate difference in cash and cash equivalents	0,1	0,5		1,1	0,8
<b>Cash and cash equivalents, end of the period</b>	<b>93,2</b>	<b>87,9</b>	<b>93,2</b>	<b>87,9</b>	<b>110,5</b>

**1) Specification of investment operations:**

Acquisition of tangible and intangible fixed assets	-2,8	-6,4	-11,8	-17,9	-26,7
Acquisition and Sales of financial fixed assets	14,4	1,5	11,5	3,2	7,3
Acquisitions and Sales of subsidiaries and minority shares	-14,7		-67,5	-42,2	-53,1
Cash and cash equivalents in acquired subsidiaries	0,6		0,6	1,3	2,1
Repayment of receivables	24,0	1,8	31,5	46,0	47,8
<b>Total</b>	<b>21,5</b>	<b>-3,1</b>	<b>-35,7</b>	<b>-9,6</b>	<b>-22,6</b>

**2) Specification of Cash flow from financing activities:**

Paid dividend			-29,3	-74,0	-74,0
<b>Repurchase of own shares</b>			-19,0		
Amortization of debts	-0,8	-1,1	-4,8	-3,1	-3,2
<b>Total</b>	<b>-0,8</b>	<b>-1,1</b>	<b>-53,1</b>	<b>-77,1</b>	<b>-77,2</b>

**3) Specification of cash flow from divested operations:**

Cash flow from current operations		0,7		-0,4	-0,9
Cash flow from investing activities		-2,3		-2,7	-12,0
Cash flow from financing activities		-0,2		-0,6	-0,8
<b>Total</b>		<b>-1,8</b>		<b>-3,7</b>	<b>-13,7</b>

## ADDNODE GROUP

KEY FIGURES	2008	2007	2008	2007	2007
	July - Sept	July - Sept	Jan - June	Jan - Sept	Full year
<b>Continuing operations</b>					
Net sales, SEK	221,0	168,2	739,7	552,0	795,0
Average number of employees	577	461	552	442	463
Net sales per employee, SEK 000s	383	365	1.340	1.249	1.717
Change in net sales, %	31	28	34	25	26
EBITA margin, %	9,6	9,7	11,0	10,1	10,9
Operating margin, %	7,8	7,7	9,5	8,4	9,3
Profit margin, %	8,7	8,5	10,2	9,4	9,5
Equity/assets ratio, %	62	61	62	61	59
Acid-test ratio, %	124	126	124	126	118
Shareholders' equity, SEK M	527,6	475,5	527,6	475,5	504,7
Return on shareholders' equity, %*	3,3	0,5	12,8	4,1	9,1
Return on capital employed, %*	3,8	3,0	14,8	10,2	14,8
Net indebtedness, SEK M	-93,3	-115,4	-93,3	-115,4	-136,7
Debt/equity ratio, multiple	0,06	0,07	0,06	0,07	0,06
Interest coverage ratio, multiple	53,8	144,7	85,9	139,5	162,2
Percentage of risk-bearing capital, %	63	62	63	62	60
Investments in equipment, SEK M	1,9	2,3	8,3	7,7	12,4

\*Key figures for the various interim periods have not been adjusted to return on an annual basis.

## Share data

Average number of shares, millions	22,0	22,4	21,9	22,4	22,4
Total number of outstanding shares, millions	22,0	22,4	22,0	22,4	22,4
Total number of registered shares, millions	22,4	22,4	22,4	22,4	22,4
Earnings per share from continuing operations, SEK	0,78	0,52	2,96	1,97	3,28
Earnings per share from divested operations, SEK		-0,42		-1,05	-1,25
Earnings per share, total, SEK	0,78	0,10	2,90	0,92	2,03
Shareholders' equity per share, SEK	24,01	21,20	24,01	21,20	22,50
Dividend per share, SEK					1,35
Period-end stock-market price, SEK	24,20	22,50	24,20	22,50	21,10
P/E multiple					
Stock market price/Share holders equity	1,01	1,06	1,01	1,06	0,94

1) According to the Board of directors proposal

There are no outstanding programs of options or convertible debentures that could give rise to dilution.

## QUARTERLY FINANCIAL OVERVIEW

Amounts SEK M	2008				2007					2006				
	Total	Q3	Q2	Q1	Total	Q4	Q3	Q2	Q1	Total	Q4	Q3	Q2	Q1
Net sales	739,7	221,0	267,3	251,4	795,0	243,0	168,2	193,1	190,7	628,7	188,2	131,2	151,6	157,7
EBITA	81,4	21,2	32,1	28,1	86,5	31,0	16,3	20,3	18,9	56,9	23,3	4,9	13,1	15,6
Operating profit	70,2	17,2	28,5	24,5	73,6	27,3	12,9	17,1	16,3	48,4	20,5	2,8	11,3	13,8
Profit after taxes	64,9	17,1	26,4	21,4	45,5	25,0	2,1	5,8	12,6	104,2	78,2	5,1	9,0	11,9
EBITA margin, %	11,0	9,6	12,0	11,2	10,9	12,8	9,7	10,5	9,9	9,1	12,4	3,7	8,6	9,9
Operating margin, %	9,5	7,8	10,7	9,7	9,3	11,2	7,7	8,9	8,5	7,7	10,9	2,1	7,5	8,8
Average number of employees	552	577	548	540	463	516	461	442	424	369	424	373	338	328

1) The figures in the table pertain to the Group's continuing operations at the close of 2007.

Profit after taxes also includes earnings from divested operations.

## Addnode Parent company

Income Statement (SEK M)	2008	2007	2008	2007	2007
	July - Sept	July - Sept	Jan - Sept	Jan - Sept	Full year
Net sales	1,1	0,9	4,2	5,8	7,1
Total operating costs	-4,0	-4,1	-14,2	-16,7	-23,5
<b>Operating profit</b>	<b>-2,9</b>	<b>-3,2</b>	<b>-10,0</b>	<b>-10,9</b>	<b>-16,4</b>
Financial income	-1,3	1,0	27,9	82,6	55,6
Financial expenses	-0,7	-0,4	-1,8	-1,4	-1,8
<b>Profit before taxes</b>	<b>-4,9</b>	<b>-2,6</b>	<b>16,1</b>	<b>70,3</b>	<b>37,4</b>
Tax	0,0	0,0	0,0	0,0	3,8
<b>NET PROFIT FOR THE PERIOD</b>	<b>-4,9</b>	<b>-2,6</b>	<b>16,1</b>	<b>70,3</b>	<b>41,2</b>

Balance sheet (SEK M)	9/30/2008	9/30/2007	12/31/2007
	Tangible fixed assets	0,1	0,0
Financial fixed assets	542,4	576,3	548,1
Current receivables	9,9	25,0	52,5
Cash and cash equivalents	57,5	71,3	82,3
<b>TOTAL ASSETS</b>	<b>609,9</b>	<b>672,6</b>	<b>682,9</b>
Shareholders' equity	427,8	459,7	450,8
Provisions	19,8	37,3	47,9
Current liabilities	162,3	175,6	184,2
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>609,9</b>	<b>672,6</b>	<b>682,9</b>



## DEFINITIONS

### **Average number of employees**

Average number of full-time employees during the period.

### **Shareholders' equity**

Reported 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 divided by the average number of full-time employees.

### **EBITA**

Profit before depreciation/amortization and impairment of intangible 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 shareholders' equity**

Net profit for the period (excluding minority share) as a percentage of the average shareholders' equity (excluding minority share).

### **Return on capital employed**

Profit before tax plus financial expenses as a percentage of the average capital employed.

### **Equity/assets ratio**

Shareholders' equity (including minority share) as a percentage of total assets.

### **Acid test ratio**

Current assets excluding inventory as a percentage of current liabilities.

### **Net liabilities**

Interest-bearing liabilities less cash and cash equivalents and other interest-bearing receivables.

A negative net liability, according to this definition, means that cash and cash equivalents and other interest-bearing financial assets exceed interest-bearing liabilities.

### **Debt/equity ratio**

Total amount of interest-bearing long-term and current liabilities and deferred tax liability in relation to shareholders' equity.

### **Interest coverage ratio**

Profit before tax plus interest expenses as a percentage of interest expense.

### **Percentage of risk-bearing capital**

Reported shareholders' equity (including minority share) and deferred tax liability in untaxed reserves as a percentage of total assets.

### **Earnings per share**

Net profit for the period (excluding minority share) divided by the average number of shares outstanding.

### **Shareholders' equity per share**

Shareholders' equity (excluding minority share) divided by the number of shares outstanding.

### **P/E ratio**

Share price in relation to profit per share.

### **Share price/shareholders' equity**

Share price in relation to shareholders' equity per share.