

Q2 2014

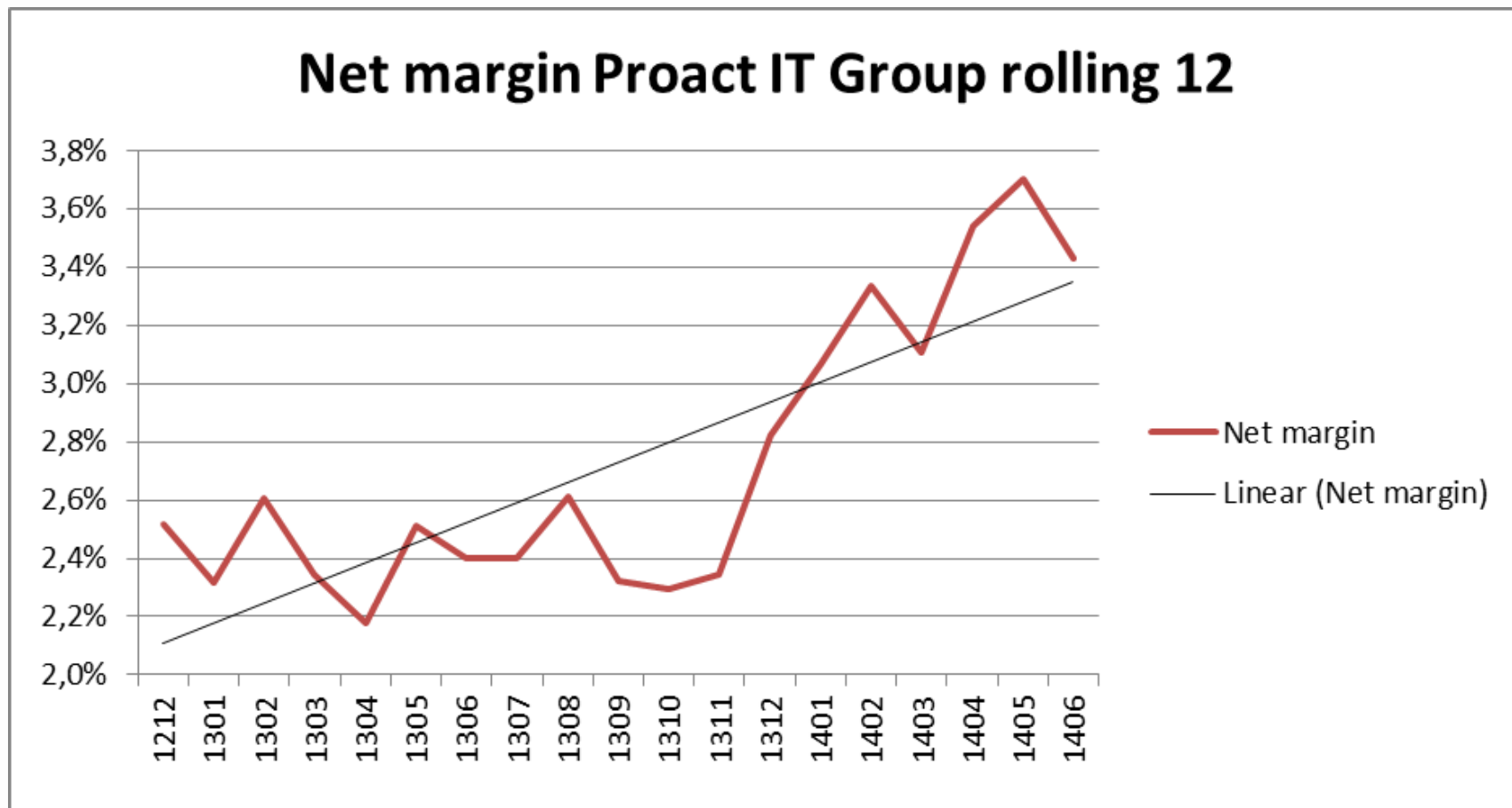
Martin Ödman
CEO



The second quarter in brief

- Improved profitability by 71 %
- Solidity equals to 20 %
- Positive development of the cash flow

The second quarter in brief, cont'd



The second quarter in brief, cont'd

- The total income in the quarter increased by 4 % compared with the same period last year
 - » Revenue increased by 1 % adjusted for currency effects
- EBITDA amounted to SEK 34.6 (16.5) million
 - » Adjusted for non-recurring items in second quarter of 2013 in the amount of SEK -15.8 million, EBITDA increased by 7 %
- Profit before tax increased by 71 %, profit before tax amounted to SEK 20.6 (-8.9) million
 - » Adjusted for non-recurring items in second quarter of 2013 in the amount of SEK -21.0 million

The second quarter in brief, cont'd

- Services revenues increased to 207 (185) MSEK
 - » An increase by 7 % adjusted for currency effects
- Cloud services revenues increased by 42 % compared with the same period last year
- System sales revenues remained unchanged
 - » A decrease by 3 % adjusted for currency effects

Market trends

- More companies and authorities want to ensure that their IT infrastructure meet the requirements defined by their business operations in the most effective way possible
- New technical fields such as integrated systems* continuing their positive development in the market, *growing about 50 % per year according to IDC
- The concept of private clouds continuing to grow in a rapid pace
 - » In order to automate internal IT processes and hence offer cost-effective, flexible IT services for the operation
- The need for ongoing streamlining, as well as a rapidly growing demand for solutions in new fields of technology, is indicating a major potential for growth in Proact's specialist fields
- Proact has established methods, processes and services to meet the demands on the market and provide the most effective support to its customers

Events during the quarter

- Proact awarded framework contract with HINAS in Norway
 - » The agreement comes into force 1 June 2014 and will run for two years initially, with an option to extend for a further two years
 - » The total contract value the contract is estimated to around NOK 200-300 million per year
 - » *During the evaluation process, Proact was ranked as the company with the most satisfactory support and range of services*

Events during the quarter cont'd

- Proact supplies integrated system concept to IST in Sweden
 - » This new solution will give IST the possibility to create internal cloud services which will be offered securely and flexibly to the customers
 - » The contract also includes Proact Premium Support, which over time will have a positive effect on Proact's contracted revenues
 - » *IST has chosen Proact as its partner thanks to excellent skills, as well as the ability to provide different types of services throughout the entire business process, from situation analysis to design and implementation*

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Delivering Business Agility

FINANCIAL REPORT

January – June 2014

Income statement January – June 2014

(MSEK)	Jan-Jun 2014	Jan-Jun 2013
System Sales	755.4	742.7
Services	406.7	377.7
Other	2.8	2.6
Revenue	1 164.9	1 123.0
Products and services	-875.5	-853.2
Gross profit	289.4	269.8
Sales and marketing	-168.5	-163.8
Administration	-81.4	-78.9
One-time costs	-	-24.0
Sales of subsidiary	-	9.2
Operating profit	39.5	12.3
Financial net	-1.4	-4.8
Profit before tax	38.1	7.5
<i>Margin</i>	3.3%	0.7%
Tax	-10.9	-1.5
Profit after tax	27.2	6.0
<i>Net margin</i>	2.3%	0.5%

Revenue

Growth	4 %
<i>Currency adjusted</i>	1 %
Growth system sales	2 %
<i>Currency adjusted</i>	-1 %
Growth services	8 %
<i>Currency adjusted</i>	4 %

	Jan- Jun 2014	Jan- Jun 2014	Jan- Jun 2013	Jan- Jun 2013
EBITDA	69.6	6.0%	53.6	4.8%
EBITA	51.6	4.4%	29.5	2.6%
EBIT	39.5	3.4%	12.3	1.1%

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Income statement April – June 2014

(MSEK)	Apr-Jun 2014	Apr-Jun 2013
System Sales	364.5	364.3
Services	207.4	185.4
Other	1.2	0.8
Revenue	573.1	550.5
Products and services	-424.1	-415.1
Gross profit	149.0	135.4
Sales and marketing	-87.8	-83.3
Administration	-41.7	-37.5
One-time costs	-	-21.0
Operating profit	19.5	-6.4
Financial net	1.1	-2.5
Profit before tax	20.6	-8.9
<i>Margin</i>	3.6%	1.6%
Tax	-4.2	0.8
Profit after tax	16.4	-8.1
<i>Net margin</i>	2.9%	-1.5%

Revenue

Growth	4 %
<i>Currency adjusted</i>	1 %
Growth system sales	0 %
<i>Currency adjusted</i>	-3 %
Growth services	12 %
<i>Currency adjusted</i>	7 %

	Apr- Jun 2014	Apr- Jun 2014	Apr- Jun 2013	Apr- Jun 2013
EBITDA	34.6	6.0%	16.5	3.0%
EBITA	25.6	4.5%	4.9	0.9%
EBIT	19.5	3.4%	-6.4	-1.2%

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Income statement 12 months

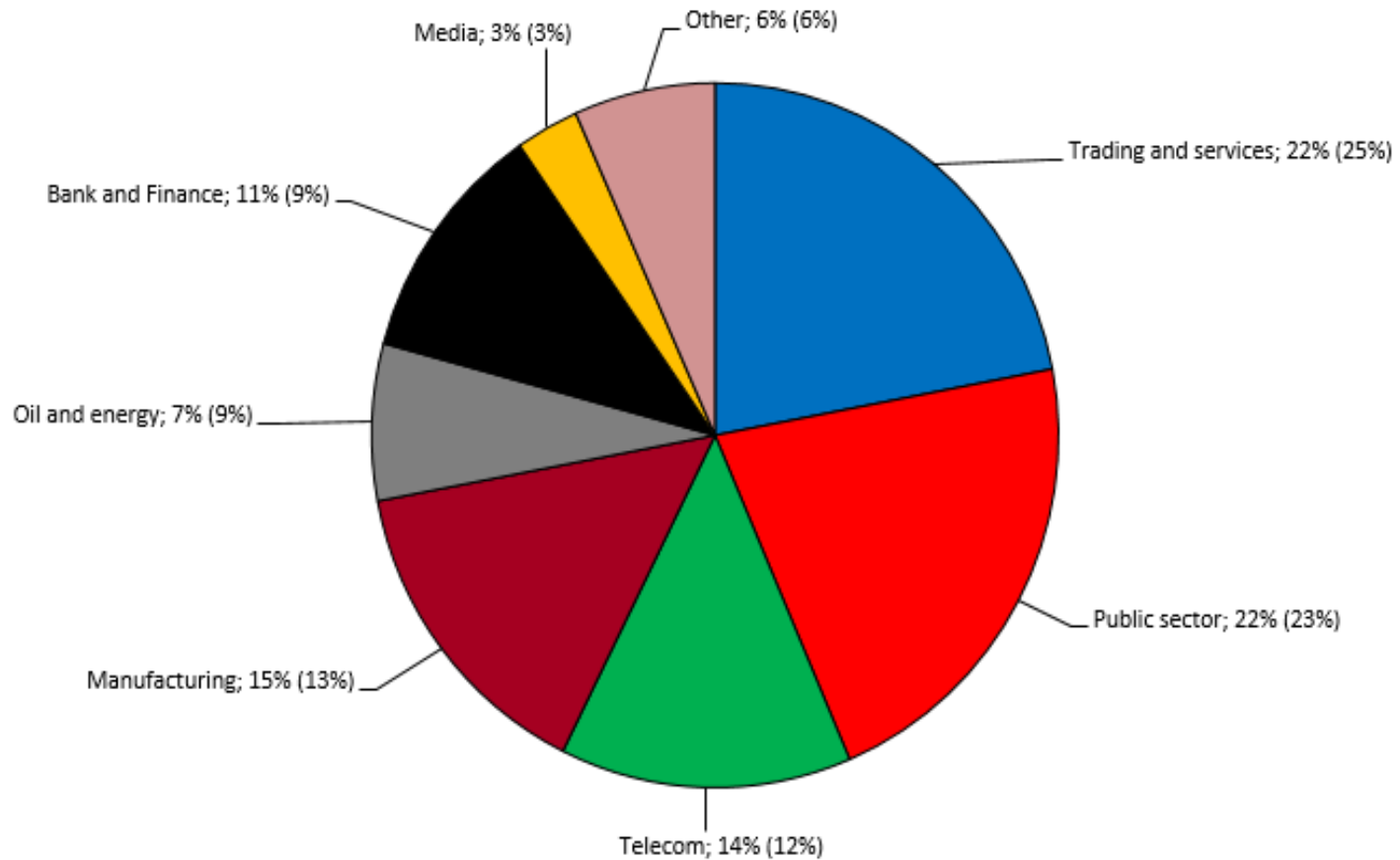
(MSEK)	Jul-Jun 2013/2014	Jul-Jun 2012/2013
System Sales	1 558.2	1 538.2
Services	783.1	781.1
Other	5.4	2.9
Revenue	2 346.7	2 322.2
Products and services	-1 774.5	-1 759.0
Gross profit	572.2	563.2
Sales and marketing	-327.1	-333.8
Administration	-157.6	-163.7
One-time costs	-6.3	-24.0
Sales of subsidiary	-	9.2
Operating profit	81.2	50.9
Financial net	-6.9	-10.3
Profit before tax	74.3	40.6
<i>Margin</i>	3.2%	1.7%
Tax	-25.9	-13.0
Profit after tax	48.4	27.6
<i>Net margin</i>	2.1%	1.2%

	Jul- Jun 2013/ 2014	Jul- Jun 2013/ 2014	Jul- Jun 2012/ 2013	Jul- Jun 2012/ 2013
EBITDA	144.0	6.1%	129.7	5.6%
EBITA	104.9	4.5%	79.4	3.4%
EBIT	81.2	3.5%	50.8	2.2%

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Revenue per industry

12 months Jul-Jun 2013/2014



Cash flow January – June 2014

Liquid Funds December 31, 2013		44
Cash-flow from current operations		103
Current operations	57	
Change in working capital	46	
Cash-flow from investment activities		-42
Fixed assets	-35	
Acquisitions	-7	
Cash-flow from financial activities		-35
Bank overdraft facilities	-6	
Contract financing	1	
Bank loans	-11	
Dividend	-12	
Acquisitions from holdings without controlling influence	-7	
Change in liquid funds		26
<i>Currency translation difference in liquid funds</i>		5
Liquid Funds June 30, 2014		75

Cash flow April – June 2014

Liquid Funds March 31, 2014		55
Cash-flow from current operations		52
Current operations	30	
Change in working capital	22	
Cash-flow from investment activities		-15
Fixed assets	-15	
Cash-flow from financial activities		-20
Bank overdraft facilities	2	
Contract financing	3	
Bank loans	-6	
Dividend	-12	
Acquisitions from holdings without controlling influence	-7	
Change in liquid funds		17
<i>Currency translation difference in liquid funds</i>		3
Liquid Funds June 30, 2014		75

Key ratios – Balance sheet

(MSEK)	2014 Jun 30	2014 Mar 31	2013 Dec 31	2013 Jun 30
Total Assets	1 292	1 337	1 439	1 301
whereof Goodwill	271	261	258	255
whereof Intangible fixed assets	125	124	127	130
whereof Accounts receivables	345	441	556	404
Equity	260	256	243	223
Solidity	20 %	19 %	17 %	17 %
Cash and bank deposits	75	55	44	44
Bank loan, overdraft facilities etc.	157	152	165	202
Net debt / Net cash	-82	-97	-121	-158
Bank overdraft facilities, unutilized	136	136	102	101
Bank overdraft facilities, total	144	141	115	139

Revenue and adj. profit before tax per Business Unit

(MSEK)	January – June 2014			January – June 2013		
	Revenue	Adj. P.b.t	Net margin	Revenue	Adj. P.b.t	Net margin
Nordics	644	28.9	4.5%	619	16.1	2.6%
UK	266	1.2	0.5%	263	5.6	2.1%
BeNeLux & Spain	195	7.7	3.9%	175	2.1	1.2%
East	60	1.6	2.7%	62	1.8	2.9%
Proact Finance	41	2.1	5.1%	32	0.4	1.3%
Other	-41	-3.4		-28	-3.7	
One time costs/ sales of subsidiary	-	-			-14.8	
Group	1 165	38.1	3.3%	1 123	7.5	0.7%

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Revenue and adj. profit before tax per Business Unit

(MSEK)	April – June 2014			April – June 2013		
	Revenue	Adj. P.b.t	Net margin	Revenue	Adj. P.b.t	Net margin
Nordics	331	14.6	4.4%	323	12.5	3.9%
UK	121	0.8	0.7%	114	1.5	1.3%
BeNeLux & Spain	99	3.7	3.7%	89	1.5	1.7%
East	28	1.1	3.9%	27	0.8	3.0%
Proact Finance	18	0.9	5.0%	18	0.4	2.2%
Other	-24	-0.5		-20	-4.6	
One time costs/ sales of subsidiary		-			-21.0	
Group	573	20.6	3.6	551	-8.9	Neg

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Proact share – Top 10 owners 2014-06-30

	2014 30 June	2014 31 March
LivförsäkringsAB Skandia	15.2 %	15.2 %
Lannebo Micro Cap.	7.5 %	7.4 %
Svolder Aktiebolag	7.2 %	7.2 %
IGC Industrial Growth Company AB	5.9 %	5.9 %
Swedbank Robur Småbolagsfond Sverige	5.4 %	5.4 %
Lannebo Micro Cap. II	4.6 %	4.5 %
Fjärde AP-Fonden	3.8 %	3.8 %
AFA Sjukförsäkrings AB	3.3 %	3.3 %
Skagen Vekst Verdipapirfondet	2.8 %	2.8 %
Netfonds ASA, NQI	2.2 %	2.2 %
Others	42.1 %	42.3 %
Total	100 %	100 %

After earlier buyback of own shares, the company holds 23 618 shares

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