

Delårsrapport januari – juni 2006

2006-07-14

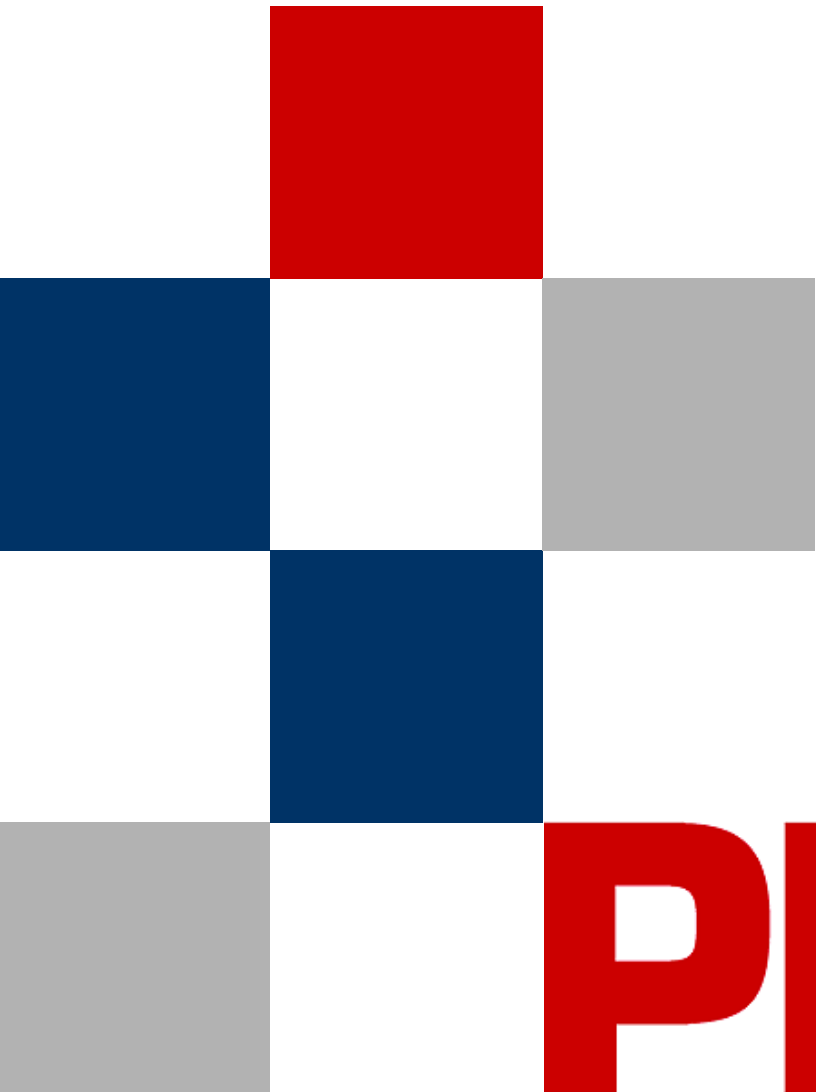


PROACT

Tillväxt med lönsamhet

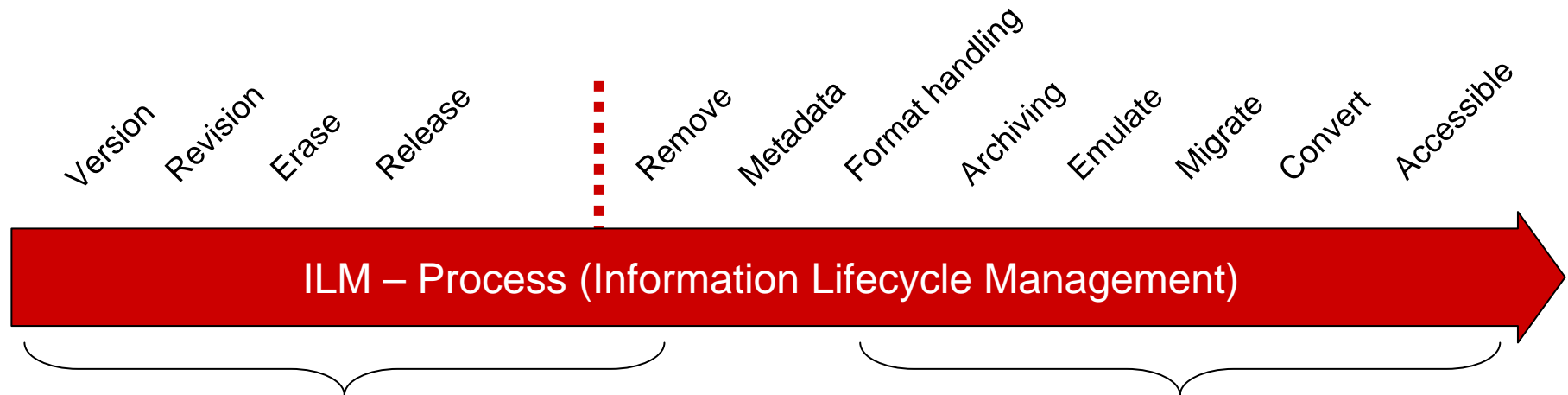
- Nettoomsättningen ökade under andra kvartalet till 202,4 (182,7) mkr, första halvåret 376,4 (336,9) mkr
- Resultat före skatt förbättrades under andra kvartalet till 6,5 (1,6) mkr, första halvåret 9,2 (-17,0) mkr
- Resultat efter skatt för andra kvartalet blev 6,2 (1,9) mkr, första halvåret 8,4 (-16,2) mkr

Company update



PROACT

The ILM Process



Document management

- Allow creation of documents, different versions, document changes, active archive.
- Primary intent, continuous document management

Records management

- Locks information, information online or offline for users.
- Primary intent, long term archiving of documents and information.

Storage market drivers

Political drivers

- SOX
- EU regulations

Economical drivers

- Efficiency
- Recovery

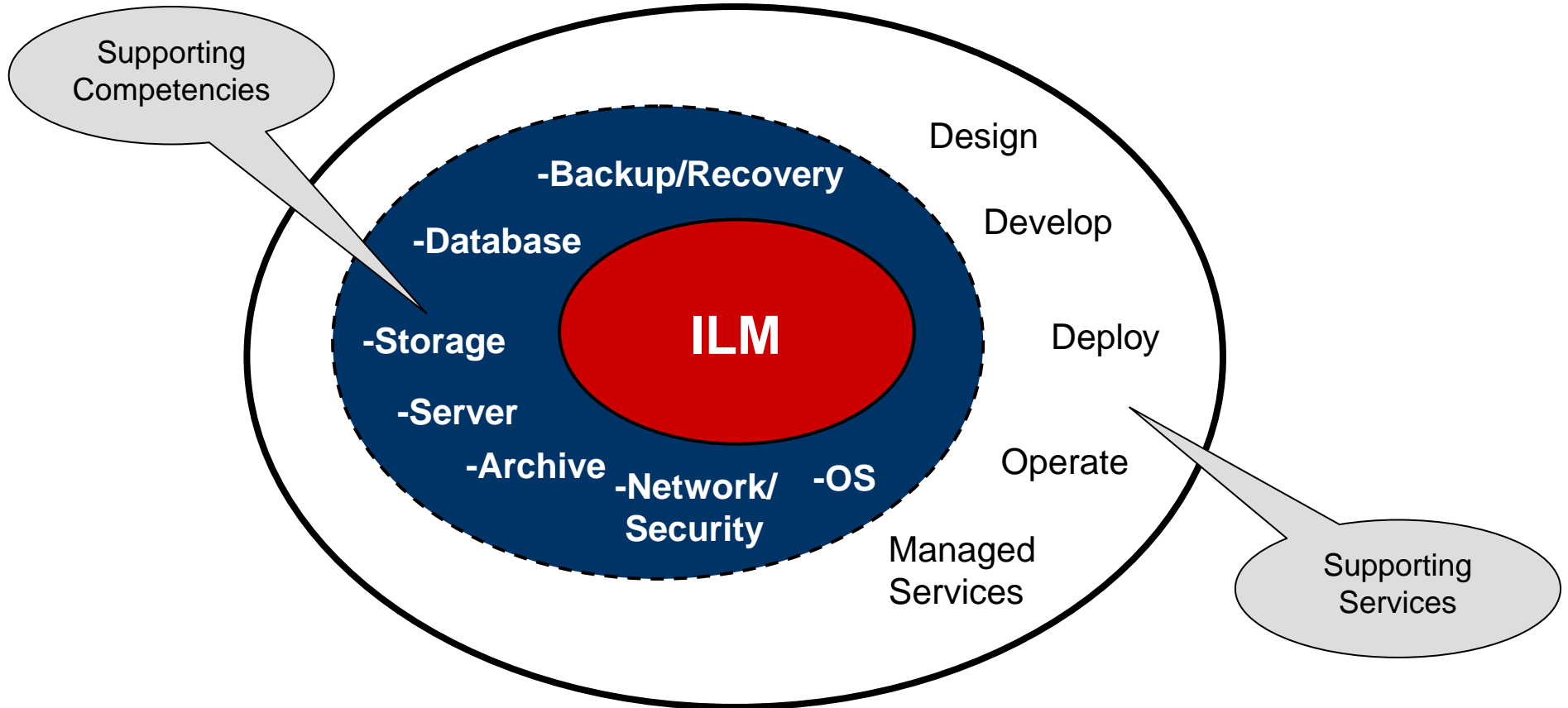
Business drivers

- Data management
- Information management
- Knowledge management

Technological drivers

- New solutions
- New standards

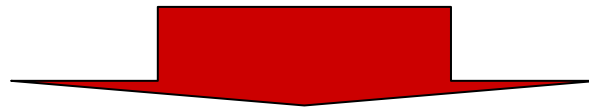
We secure mission-critical information



The combination is the key

Trends

- Data volumes grows with 30-40% per year
- Hardware – increasing volumes with flat growth in money caused by “better and cheaper”
- Services – in total 5% annual growth
- Software – between 5 an 30% annual growth, in average 7-8%

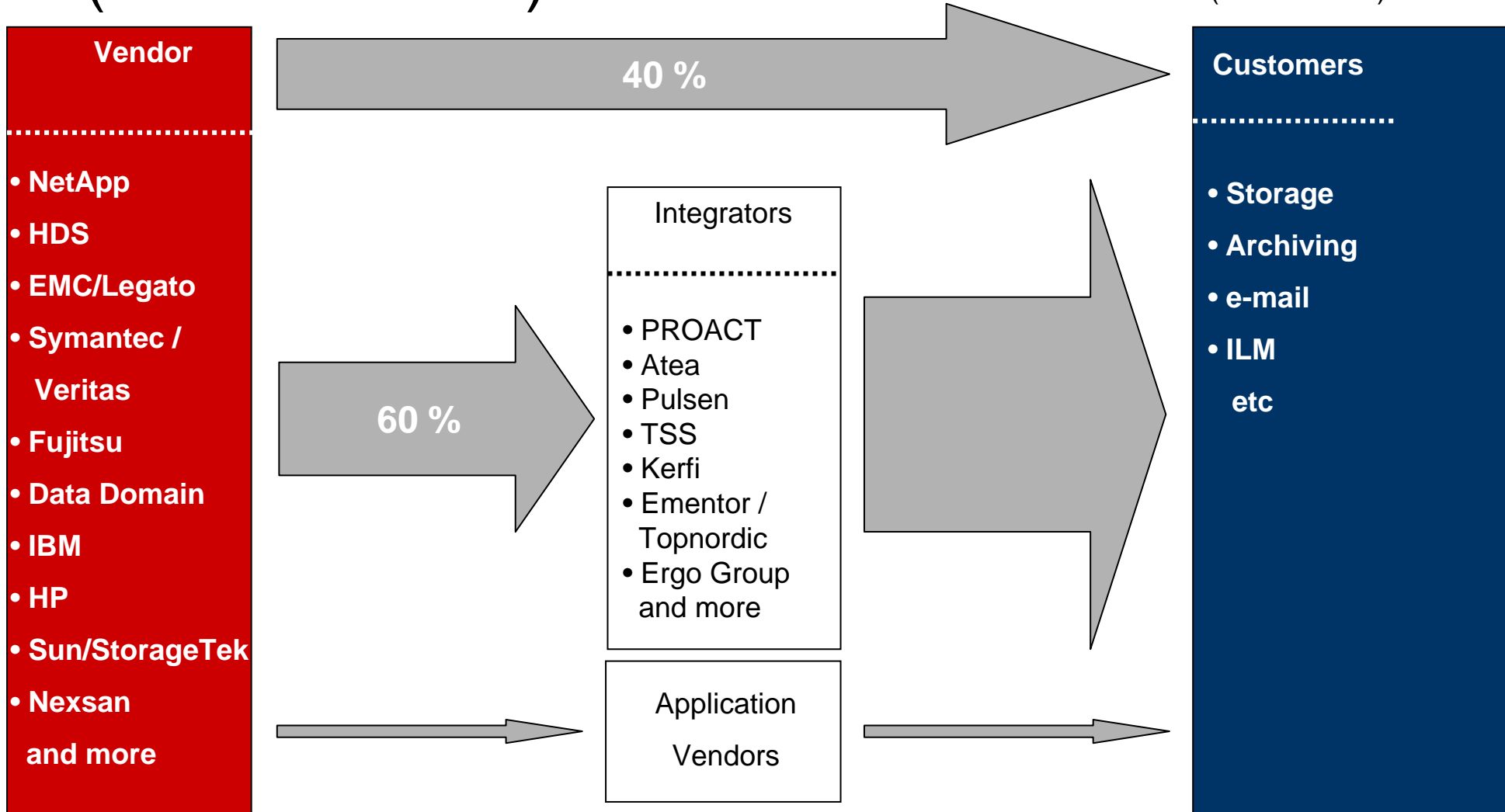


Growth is created through:

- Do more of the same thing -
- Increased Value Add through more services and software -

The Nordic Enterprise Storage Market (10 Billion SEK)

(Source: IDC)



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Partners / Vendors

- **PROACT** will continuously develop its portfolio of strategic vendors
 - Big and market leaders in their respective areas
 - Niche vendors coming with improved technologies
- **NetApp**: Market leader within NAS
- **EMC**: Broad vendor within Storage
- **Sun / StorageTek**: Strong vendor within Servers and Storage
- **Hitachi**: Focused vendor within Storage
- **Symantec**: Broad software vendor within Storage and Security
- **DataDomain**: Niche vendor within Storage. New technologies
- **Nexsan**: Focused vendor within Storage

Working close to the customer creates knowledge and flexibility



Some PROACT customers

Oil	Telecom	Media	Public	Energy	Bank/Finance	Others
BP Amoco	3	Aftenposten	City of Motala	BKK	SEB	AstraZeneca
Chevron Texaco	Bite GSM	Aftonbladet	City of Tampere	Fortum	Alfred Berg	Carmen Systems
ConocoPhillips	Ericsson	Agderposten	CSC Scientific	Lithuanian Energy	AP Pension	CSC (SAS)
Norsk Hydro	Finnnet	Bergens Tidene	Dansk Jordbrugsforskning	Lyse Energy	Astrup Fearnly	Eniro
Shell	Flextronics	Bergensavisen	Defence	Statnett	Baltic Trust Bank	Felleskjøpet
Statoil	Lattelekom	Lithuania Radio and TV	Foreign office	Troms Energy	Bank of Finland	Fujitsu
Western Geco	Latvijas Mobilais Telefons	TV2	Hospitals	Vattenfall	DnB NOR	GENO
	NextGentel	YLE	Kriminalvårdsstyrelsen		FöreningSparbanken	H. Lundbeck
	Nokia		Lithanian Patent Bureau		Gyllenberg	Harald A. Møller
	Omnitel		Lithuanian Parlament		Lateko Banka	ICA
	Oulun Puhelin		Police		Latvijas Unibanka	MAN B&W
	Siemens		SMHI		Norges Bank	Microsoft
	Sonera		SSHP		Parex Bank	Orkla Foods
	TDC		Stavanger Commune		Rietumu Banka	Patria
	Telenor		Tampere University		Siauliu Bankas	Personec
	Telia		Technical Univerisity		Sparebank 1	Pfizer
	TeliaSonera		Toll		Tieto-Tapiola	Riksbyggen
	Vodafone		Veikkaus		Vilniaus Bankas	Rikstoto
			Vilnius University			Skanska
			Ålborg Sygehus			TetraPak
						Tieto Enator
						WM-data
						Volvo

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Tactics

More of the same => Growth with profit

- More Business Makers both among sales representatives and consultants
- New sales channels
- Industry-focus

More value add => Higher margin

- Archiving
- More software
- More service

Cost control / Simplicity

- Procurement
- Guide lines
- Simple and useful

Press releases from Q2

- Storage Environment for SPV
Information about pensions at Statens Pensionsverk (SPV) is secured in a new storage system. PROACT delivers the new, disaster-secured storage environment, which is easy for administration and expansion without operation interruptions
- Storage for CSC
Replacement and upgrade of systems for file services, storage and backup/recovery for a big customer of Computer Sciences Corporation (CSC). The system has a failover-functionality, which creates even bigger security at operation interruptions
- Reacquisition of own stock
Decision taken in the board of directors to perform reacquisition of own stock up to 5% of total number of shares. This is made to optimise the capital structure in the Company
- Record size agreement worth 20 mkr
One big international enterprise customer has chosen to subcontract PROACT for responsibility to operate their storage and backup/recovery services. This is the biggest single services contract ever for PROACT.

Press releases from Q2 (cont'd)

- New employments

The demand for specialist knowledge within storage and archiving increases. The technical development goes very fast, and to meet the increased demand for knowledge PROACT will hire about 50 new employees within the next year

- Expanded co-operation with EMC

The historical multi year co-operation between PROACT and EMC within software has been expanded to involve the total EMC offering. The co-operation is important from a strategic point of view for both companies, and one effect is a strengthened position on the whole Nordic market.

- PROACT and EMC analyses E-mails

The E-mail systems contains more and more mission-critical information, and many organisations use them as their general business archive for the increasing information volumes. A new services, based on software from EMC has been developed to analyse and propose improvements to optimize security, accessibility and traceability of E-mails.

Interim report

Q2 2006



PROACT

Income statement Q2-2006

(Mkr)	Q2 2006	Q2 2005
System Sales	122,2	100,2
Services	79,9	81,8
Other revenue	0,3	0,7
Revenue	202,4	182,7
Gross Profit	79,5	77,6
Costs	-73,2	-76,0
Non-recurr costs	-	-
Result before tax	6,5	1,6
<i>Net margin</i>	<i>3.2%</i>	<i>1.0%</i>

Comments versus last year

Revenue

- Total revenue +11%
- System sales +22%

Income statement 2006

(Mkr)	Jan-Jun 2006	Jan-Jun 2005
System Sales	216,1	172,2
Services	159,4	163,5
Other revenue	0,9	1,2
Revenue	376,4	336,9
Gross Profit	152,8	150,4
Costs	-143,6	-159,0
Non-recurr costs	-	-8,4
Result before tax	9,2	-17,0
<i>Net margin</i>	<i>2,4%</i>	<i>-5.0%</i>

Comments versus last year

Revenue

- Total revenue +12%
- System sales +26%

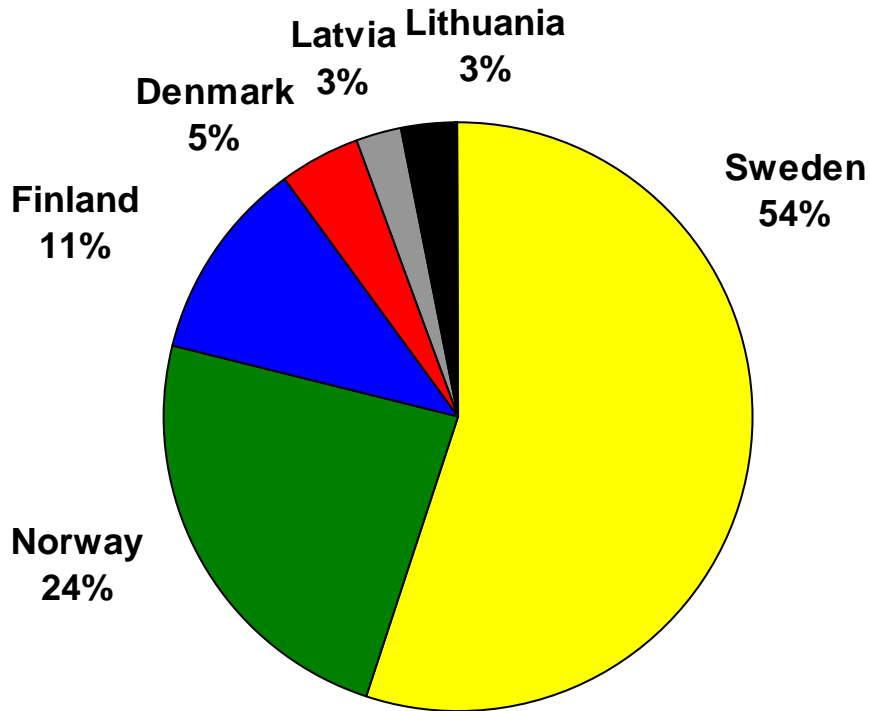
Key ratios

Balance Sheet

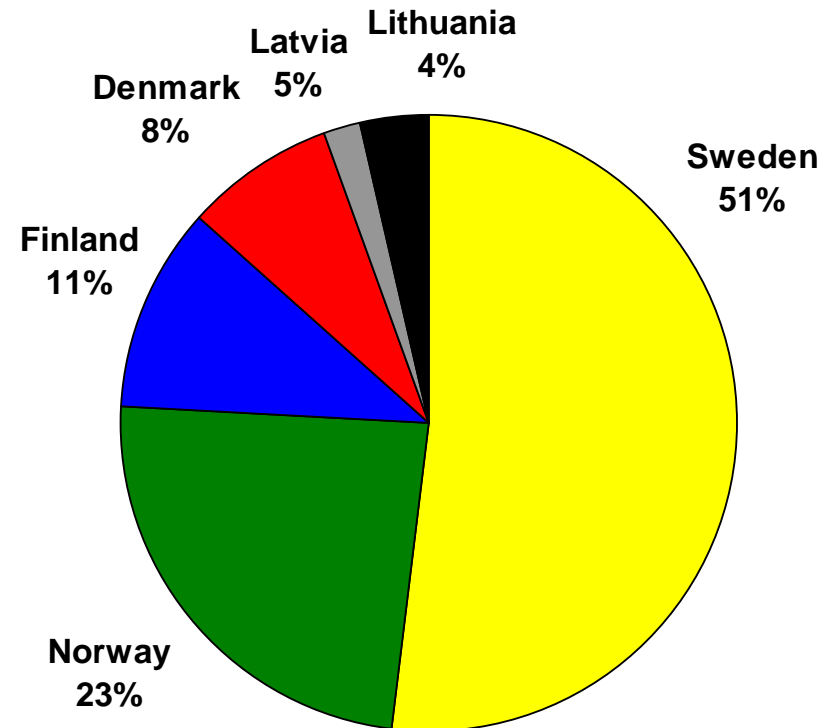
(MSEK)	2006 Jun 30	2005 Dec 31	2005 Jun 30
Total Assets	426	439	413
whereof Goodwill	72	72	72
whereof Intangible fixed assets	16	17	18
Equity	152	161	156
Solidity %	36%	40%	38%
Cash and bank	41	58	63

Revenue per country

Apr – Jun 2006



Apr – Jun 2005



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Cash flow

Apr - Jun 2006

Liquid Funds March 31, 2006		69
Cash-flow from current operations		-10
Current operations	+10	
Change in working capital	-20	
Cash-flow from investment activities		-2
Fixed assets	-2	
Cash-flow from financial activities		-16
Buy-back of shares	-14	
Dividend	-2	
Change in liquid funds		-28
Liquid Funds June 30, 2006		41

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Cash flow

Jan - Jun 2006

Liquid Funds December 31, 2005		58
Cash-flow from current operations		3
Current operations	+14	
Change in working capital	-11	
Cash-flow from investment activities		-4
Fixed assets	-4	
Cash-flow from financial activities		-16
Buy-back of shares	-14	
Dividend	-2	
Change in liquid funds		-17
Liquid Funds June 30, 2006		41

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PROACT share – Top 10 owners

	2006 June 30	2006 March 31
IGC Industrial Growth	17.0%	16.8%
Skandia Liv	7.3%	7.3%
Nordea Fonder	5.5%	5.5%
RBC Dexia Investor Services	5.2%	5.2%
PROACT IT Group AB	4.6%	-
SIF	3.1%	3.1%
Goldman Sachs & Co	2.1%	-
Marit Fagervold	1.8%	1.8%
Andra AP-Fonden	1.2%	1.2%
DFA Intl Small Company Fund	1.1%	1.1%
Others	51.1%	
Total	100%	

Revenue and result excl non-recurrent costs

(Mkr)	Q2 2006			Q2 2005		
	Revenue	P.b.t	Net margin	Revenue	P.b.t	Net margin
Sweden	112	3,8	3.4%	96	2,1	2.2%
Norway	49	2,8	5.7%	44	-1,0	-2.3%
Finland	23	0,4	1.7%	20	-0,2	-1.1%
Denmark	9	-1,2	-13.3%	14	-0,2	-1.4%
Latvia	5	0,7	14.0%	4	0,1	2.3%
Lithuania	6	0,3	5.0%	6	0,2	2.9%
Parent company	0	0,0		0	0,6	
Adj/Am. Intang.ass	-2	-0,3		-2	-0,1	
Excl non-recurr.	202	6,5	3.2%	182	1,5	1.0%
Non-rec. costs		-			-	
GROUP	202	6,5	3.2%	182	1,5	1.0%

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Revenue and result excl non-recurrent costs

(Mkr)	2006			2005		
	Revenue	P.b.t	Net margin	Revenue	P.b.t	Net margin
Sweden	191	5,6	2.9%	172	-4,6	-2.7%
Norway	99	3,5	3.5%	81	-3,0	-3.7%
Finland	41	0,4	1.0%	38	-0,5	-1.2%
Denmark	22	-1,6	-7.3%	26	-0,7	-2.7%
Latvia	15	1,5	10.0%	11	0,7	6.4%
Lithuania	12	1,0	8.3%	12	0,9	7.5%
Parent company	0	-0,4		0	-0,9	
Adj/Am. Intang.ass	-4	-0,8		-4	-0,6	
Excl non-recurr.	376	9,2	2.4%	336	-8,7	-2.6%
Non-rec. costs		-			-8,4	
GROUP	376	9,2	2.4%	336	-17,1	-5.1%

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