

Q2 2007

2007-07-13
CEO Olof Sand



PROACT

Q2 in brief

- Net turnover increased by 2 % to SEK 207 (202) million
- Profit before tax amounted to SEK 10.3 (6.5) million(+58%)
- Retained profit stands at SEK 7.5 (6.2) million
- Earnings per share amounted to SEK 0.65 (0.49)

Proact in brief

- Proact is a specialist company within services and solutions for storage and archiving
- We have a dominating position in the Nordics incl. the Baltic states
- The intensive work with creating growth has given the base for the improvement in profitability
- Double digit growth with a gross margin on 5-7%
- Employ 50 people

Press releases from Q2 2007

- The Boeing-owned Jeppesen Systems and Proact have concluded a Storage Service Provider agreement (the SSP agreement) under which Proact agrees to provide disk space to Jeppesen Systems when necessary. The agreement includes the provision of technical support, consultancy and operation and is part of a package that obliges Jeppesen Systems to pay for the service per gigabyte on each calendar month. With this agreement Jeppesen Systems does not have to pay the cost of investment in its own storage infrastructure or the cost of unused storage resources
- EMC, the provider of information infrastructure solutions has made a general agreement with Hansel, the central procurement unit of the State of Finland. The agreement covers systems, installation, training consulting and support services. Proact is EMC's partner on these projects, and will contribute with expertise to build cost effective solutions for the Public Sector

Press releases from Q2 2007

- Proact has signed an agreement with Bull to distribute Bull's IT solutions on the Nordic market. Proact can take benefit from Bull's offer in server, open source and security solutions. Proact continues the growth plan by employing sales and consultants that will extend Proact's presence in the market
- Sparebanken Nord-Norge and Proact IT Norge has concluded an agreement for a major upgrade to the Bank's data storage infrastructure. The solution will supply several of the Bank's important application areas with critical data. Sparebanken Nord-Norge, whose head office is in Tromsø, operates as many as 85 offices in Nordland, Troms including Svalbard and Finnmark, and is a leading provider of financial services to individual and corporate markets in northern Norway. Therefore, it is important for the bank to rely on advanced solutions that are both simple and effective to run

Press releases from Q2 2007

- Proact has supplied a storage solution to a major international car safety company. The deal is worth SEK 2.2 million. Access to information is crucial to the smooth running of subcontracting business to major car companies. Projects delayed as a result of lost information can in many cases have devastating consequences in a market where time-to-market is important
- Proact have entered into a partnership agreement with the American company Acopia Networks. Acopia are pioneers in the field of intelligent file virtualization, which among other things creates entirely new criteria for efficient file management. A huge benefit of Acopia is that migrations can be implemented without disrupting operations. This is because Acopia uses virtualization and the global namespace structure in such an efficient way

Press releases from Q2 2007

- Proact have entered into their biggest service contract to date, worth more than SEK 22 million and offering the option of additional sales. This commission involves functional responsibility for storage and backup/recovery, among other things. Our client is a major international IT company

Proact in media H1 2007

- Denmark
 - 2 occasions
 - Børsen
 - Computerworld
- Finland
 - 7 occasions
 - TietoVikko
 - Kaleva High Tech Forum
 - Kauppalehti VIP Newspaper
 - Talous Sanomat
- Lithuania
 - 1 occasion
- Norway
 - 6 occasions
 - Computerworld
 - Nettverk & Kommunikation
 - IT Avisen
- Sweden
 - 89 occasions
 - electronically on several news webs
 - Dagens Nyheter
 - Dagens Industri
 - Computer Sweden

Interim report

Jan-Jun 2007



PROACT

Income statement Jan-Jun 2007

(Mkr)	Jan-Jun 2007	Jan-Jun 2006
System Sales	242.7	216.1
Services	169.5	159.4
Other revenue	0.9	0.9
Revenue	413.1	376.4
Gross Profit	172.1	152.8
Costs	-156.5	-143.9
Financial net	0.3	0.3
Result before tax	15.9	9.2
<i>Net margin</i>	<i>3.8%</i>	<i>2.4%</i>

Comments versus last year

Revenue

- Total revenue +10%
- System sales +13%
- Services +7%

Costs

- 20 more employees in average

Income statement Apr-Jun 2007

(Mkr)	Apr-Jun 2007	Apr-Jun 2006
System Sales	119.8	122.2
Services	86.3	79.9
Other revenue	0.5	0.3
Revenue	206.6	202.4
Gross Profit	90.7	79.5
Costs	-80.7	-73.1
Financial net	0.3	0.1
Result before tax	10.3	6.5
<i>Net margin</i>	<i>5.0%</i>	<i>3.2%</i>

Comments versus last year

Revenue

- Total revenue +2%
- System sales -2%, last year includes a big order of 30 MSEK.

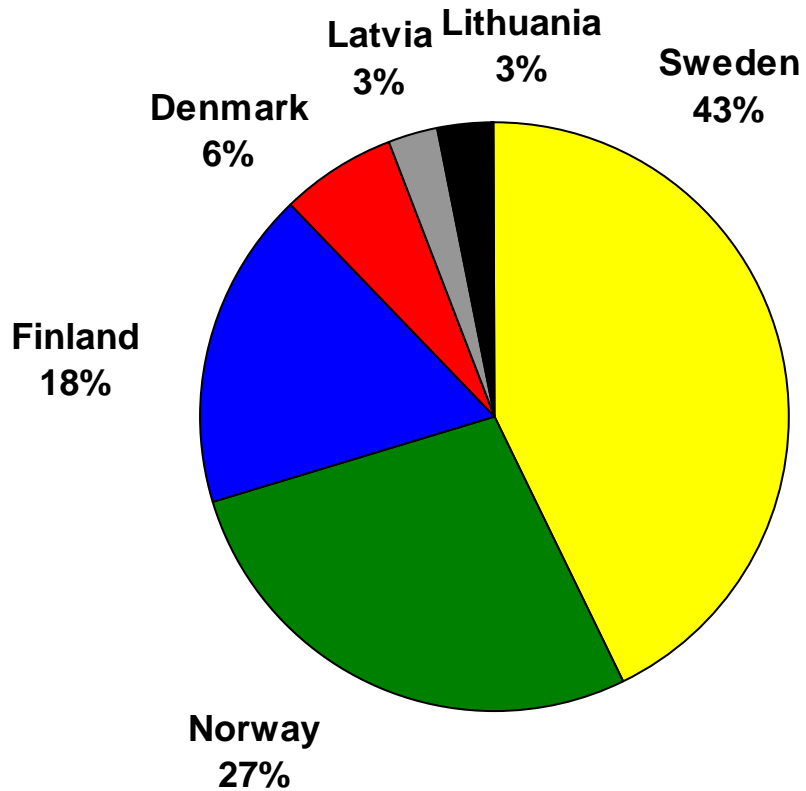
- Services +8%

Costs

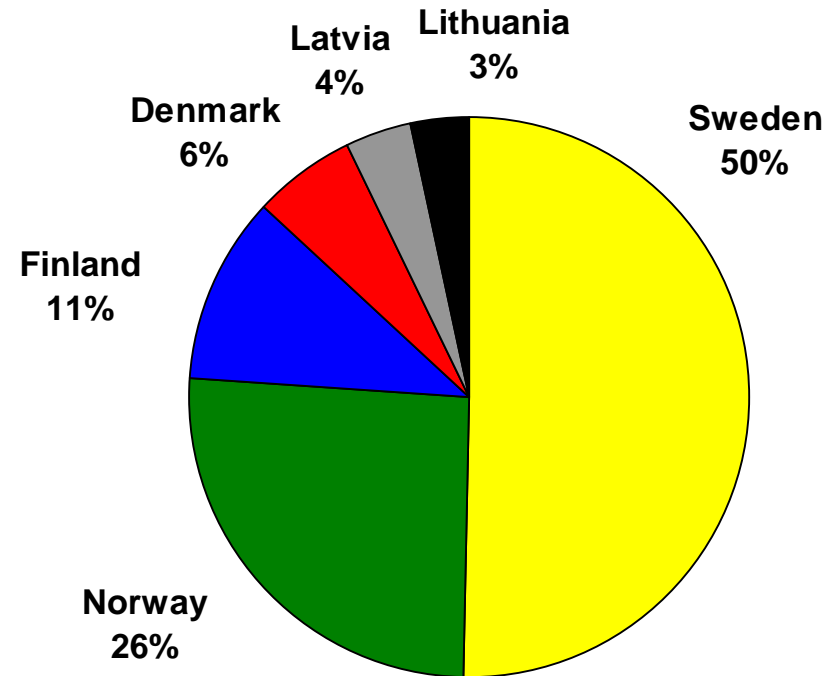
- 24 more employees in average

Revenue per country Jan-Jun

Jan – Jun 2007

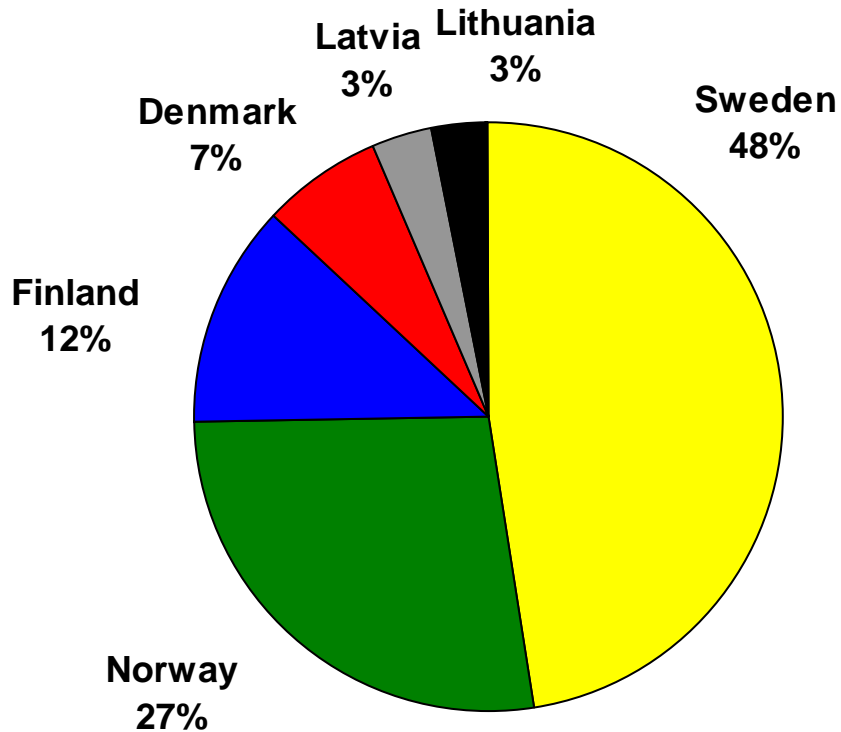


Jan – Jun 2006

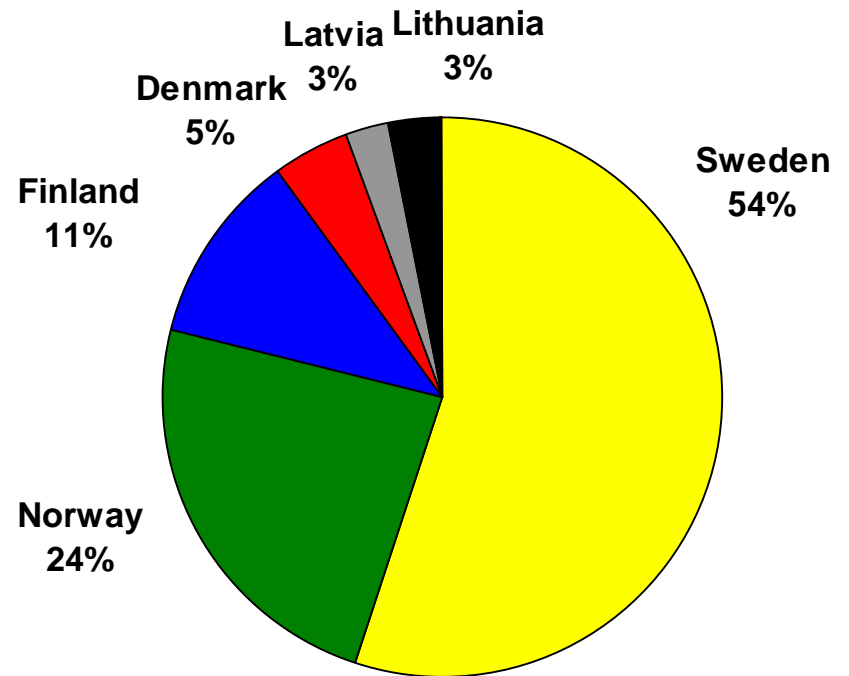


Revenue per country Apr-Jun

Apr – Jun 2007



Apr – Jun 2006



Cash flow

Jan - Jun 2007

Liquid Funds December 31, 2006		55
Cash-flow from current operations		34
Current operations	+20	
Change in working capital	+14	
Cash-flow from investment activities		-9
Goodwill	-5	
Fixed assets	-4	
Cash-flow from financial activities		-33
Buy-back of shares	-17	
Dividend	-13	
Acquisition of minority	-3	
Change in liquid funds		-8
Liquid Funds June 30, 2007		47

Cash flow

Apr - Jun 2007

Liquid Funds March 31, 2007		55
Cash-flow from current operations		16
Current operations	+13	
Change in working capital	+3	
Cash-flow from investment activities		-7
Goodwill	-5	
Fixed assets	-2	
Cash-flow from financial activities		-17
Buy-back of shares	-1	
Dividend	-13	
Acquisition of minority	-3	
Change in liquid funds		-8
Liquid Funds June 30, 2007		47

Key ratios

Balance Sheet

(MSEK)

	2007 Jun 30	2007 Mar 31	2006 Dec 31	2006 Jun 30
Total Assets	443	438	475	426
whereof Goodwill	69	64	63	72
whereof Intangible fixed assets	14	14	15	16
Equity	140	149	158	152
Solidity %	32%	34%	33%	36%
Cash and bank	47	55	55	41

PROACT share – Top 10 owners

	2007 Jun 30	2006 Dec 31 1)
IGC Industrial Growth	18.8%	18.8%
Skandia Liv	8.0%	8.1%
RBC Dexia Investor Services	7.3%	5.7%
Nordea Fonder	4.2%	4.2%
SIF	3.5%	3.5%
Fonden Thyra	2.2%	0.4%
Marit Fagervold	2.0%	2.0%
Morgan Stanley & Co Inc.	2.0%	1.1%
Länsförsäkringar Småbolagsfond	1.4%	1.1%
Goldman Sachs International Ltd	1.4%	0.9%
Others	49.2%	54.4%
Total	100%	100%

1) adjusted for withdrawal of 1,179,250 shares (June 2007)

Revenue and result Jan-Jun 2007

(Mkr)	Jan-Jun 2007			Jan-Jun 2006		
	Revenue	P.b.t	Net margin	Revenue	P.b.t	Net margin
Sweden	179	5.1	2.9%	191	5.4	2.8%
Norway	115	7.3	6.4%	99	3.5	3.5%
Finland	74	2.1	2.9%	41	0.5	1.2%
Denmark	26	-0.8	Neg.	22	-1.6	Neg.
Latvia	12	0.9	7.3%	15	1.4	9.5%
Lithuania	12	0.9	7.3%	12	1.0	8.1%
Other	-5	0.4		-4	-1.0	
GROUP	413	15.9	3.8%	376	9.2	2.4%

Revenue and result Apr-Jun 2007

(Mkr)	Apr-Jun 2007			Apr-Jun 2006		
	Revenue	P.b.t	Net margin	Revenue	P.b.t	Net margin
Sweden	99	4.4	4.4%	112	3.8	3.4%
Norway	57	4.1	7.1%	49	2.8	5.7%
Finland	26	-0.1	Neg.	23	0.4	1.6%
Denmark	14	-0.8	Neg.	9	-1.2	Neg.
Latvia	7	0.6	8.3%	5	0.7	13.5%
Lithuania	6	0.8	12.7%	6	0.3	4.8%
Other	-2	1.3		-2	-0.3	
GROUP	207	10.3	5.0%	202	6.5	3.2%

Company update



PROACT

Storage market drivers

Political drivers

- SOX
- EU regulations

Economical drivers

- Efficiency
- Recovery

Business drivers

- Data management
- Information management
- Knowledge management

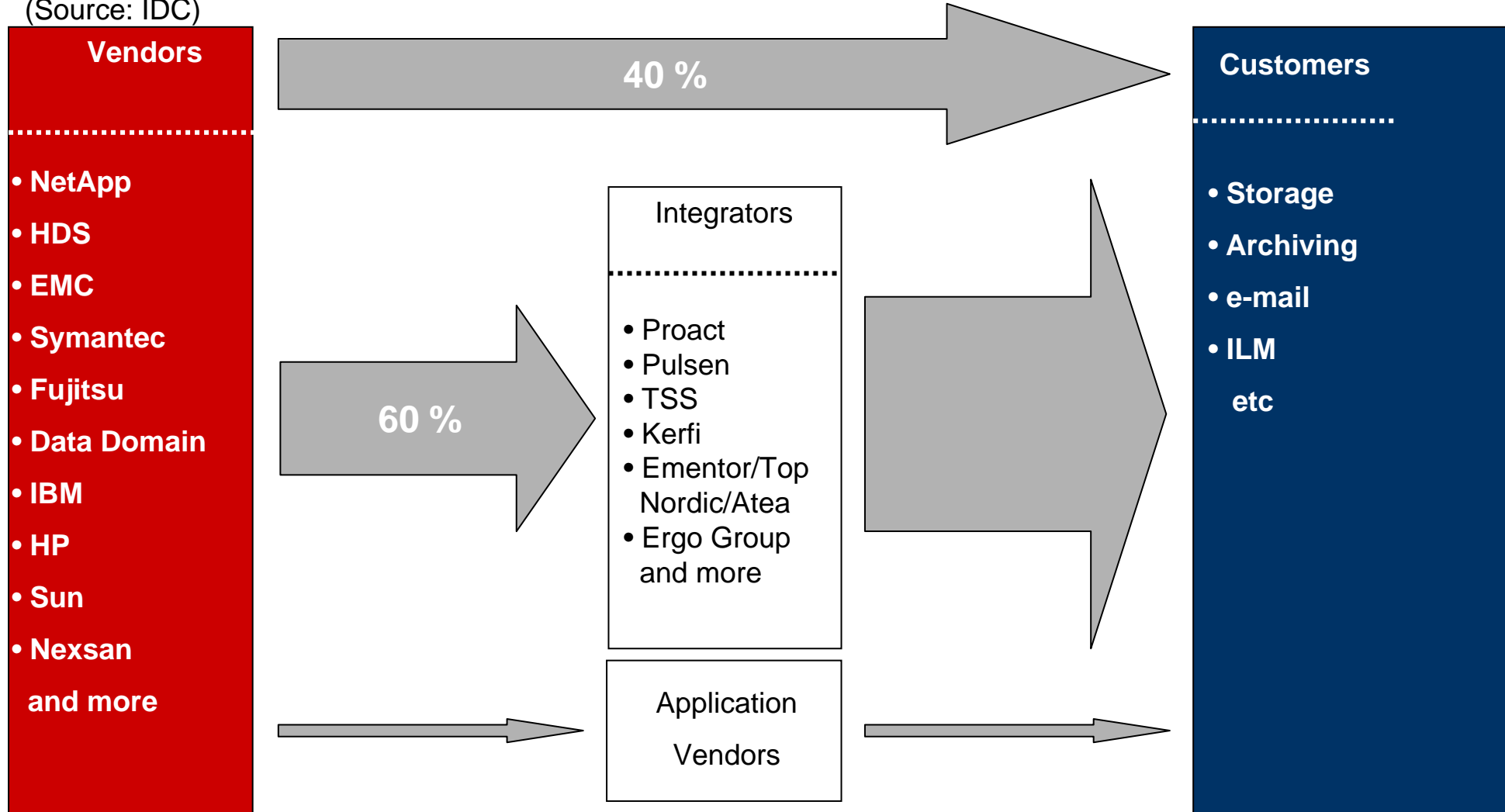
Technological drivers

- New solutions
- New standards

The Nordic and Baltic Enterprise Storage Market

2007: 1,100 M€; Proact's part of the integrators market: 14 %

(Source: IDC)

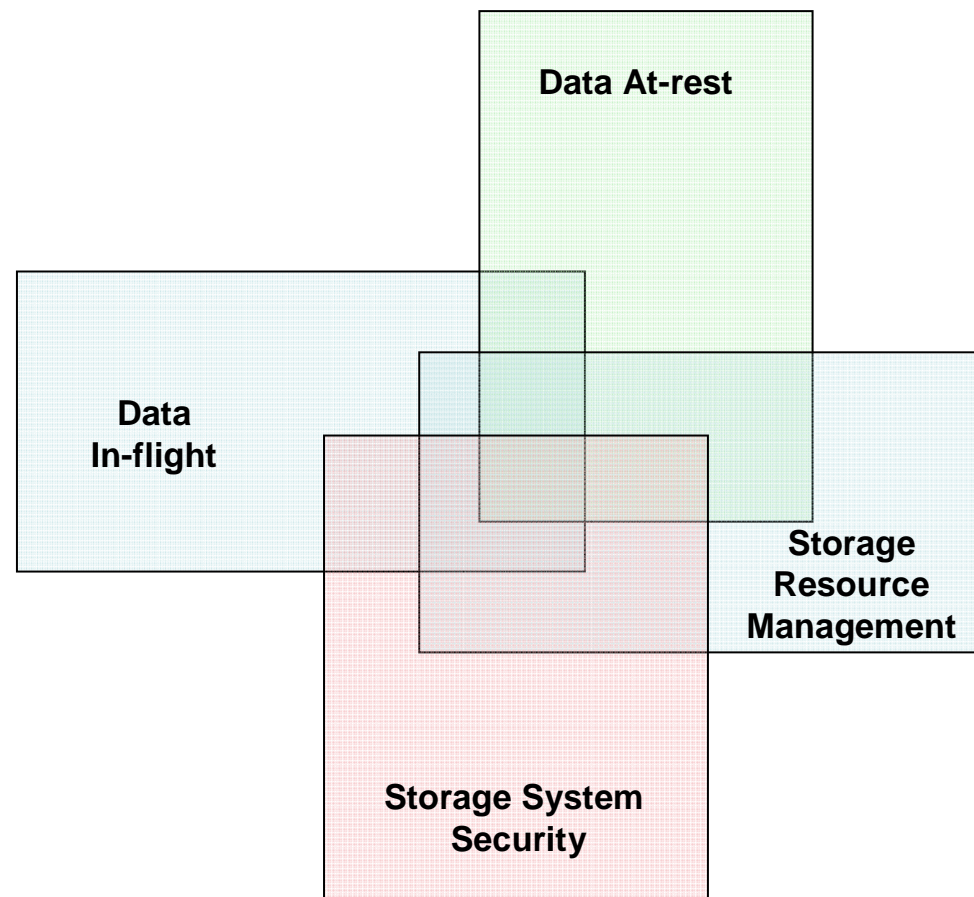


Information Centric Security, ICS

ICS is an important part of an archiving and a storage solution

ICS is going to be more important part of our portfolio

Our existing vendors have already this in their portfolio



We secure mission-critical information

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** : 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

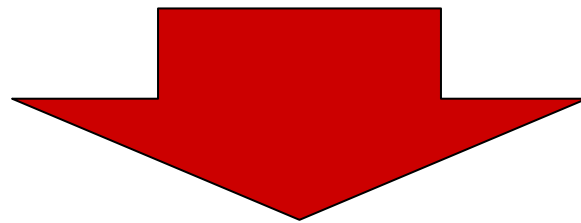


Some PROACT customers

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 Parliament		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

Everyone wants to deal with a specialist

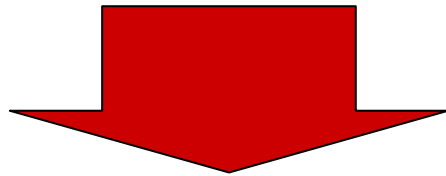
We combine our specialist knowledge with deep knowledge of surrounding systems and solutions



The combination is the key

Tactics

- More of the same
- More value add
- Simplicity/cost control



Key: Knowledge sharing

