

INTERIM REPORT JANUARY-JUNE 2010

Summary

First half-year

Net turnover decreased by 12% and amounted to SKr 552.2 million (625.4).

The operating result was a loss of SKr 57.2 million (loss 32.6). The deterioration in the result is largely related to the Romanian business. Geveko normally reports a loss for the first half of the year for seasonal reasons.

The consolidated result after tax was a loss of SKr 48.4 million (loss 31.0).

The loss per share was SKr 2.85 (loss 2.80).

Second quarter

Net turnover declined by 19% and amounted to SKr 414.1 million (510.2).

The operating result was a profit of SKr 37.3 million (74.9).

The consolidated result after tax was a profit of SKr 26.9 million (55.1).

Important events during the second quarter

Rights issue

The SKr 164 million (gross) rights issue carried out during the spring was fully subscribed, which was announced in a press release. The number of shares in issue was thereby increased in May 2010 by a total of 12,658,599 to a total of 16,878,132. The issue has strengthened Geveko's financial position and improved its flexibility, which will make the company better placed to seize new business opportunities.

New MD and CEO

Stefan Tilk, M.Sc. in Engineering Physics from Chalmers Institute of Technology, who is currently head of Region Africa & Middle East within Volvo Trucks, has been appointed MD and CEO of AB Geveko. He will take up his appointment on 1 September 2010.

New CFO

Göran Eklund, currently CFO within Lear Corporation Sweden AB, has been appointed Chief Financial Officer in the Geveko Group. He will take up his position on 16 August 2010.

Significant events after the end of the reporting period

As one aspect of the implementation of a new factory structure, whereby the number of production units is to be halved, the factory property in Moss, Norway, has been sold for a small capital gain. The transaction will be taken into the interim report for the third quarter.

Forecast for full year

Given that the road-marking market in Europe as a whole is expected to remain weak in 2010 it is estimated that Geveko's turnover will be lower than it was in 2009, when it amounted to SKr 1,435 million. An operating loss is expected to be incurred, albeit a smaller one than last year's when it amounted to SKr 40 million.

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Comments by Hans Ljungkvist, CEO and Managing Director

The road-marking market in Europe, except for the Nordic countries, has so far been weak in 2010. Public finance problems involving large budget deficits and rapidly rising government debt have forced many countries to make heavy cuts in spending, in particular on road maintenance. The market is expected to remain weak for the whole of 2010 and probably also in 2011. This situation is resulting in over capacity and poor profitability in the industry, which could accelerate the necessary process of consolidation.

As market leader in Europe Geveko will naturally also be adversely affected, but we nonetheless see opportunities in the difficult market climate. Firstly, Geveko focuses its business mainly on the Nordic markets and Eastern Europe, where the public finance problems are not as serious as in Mediterranean Europe, which means a brighter outlook for a speedy recovery. As a result of the cost-reduction programme carried out six months ago, which will lower our cost base by some SKr 60 million in 2010, we have been better able to face the downturn more effectively than many other companies in the industry. Further cost reductions are now being made. Geveko's rights issue, which was completed in the spring and raised some SKr 164 million gross, has strengthened our financial position and also created scope to take advantage of such business opportunities as will arise as a consequence of the weakness of the industry.

During the spring a decision was made to improve the efficiency of the factory structure; this involves a target of halving the number of factories while retaining production capacity unchanged. Once the plan has been fully implemented in 2012 costs will have been reduced by some SKr 20 million per year and the amount of capital invested in factories will have been almost halved. Further measures are being planned to improve flexibility and reduce the level of capital tied up in the business, upon which decisions will be made later in 2010. Geveko is currently in the middle of a major process of transformation from a highly decentralised group into a more centrally co-ordinated and homogeneous industrial structure. This process is under way in several different areas, and the positive effects on the result are expected to show through successively during the coming years.

Our assessment is that the weak market conditions will persist throughout 2010 and that the Group will incur an operating loss. The cost reductions made in the Group earlier this year have been adequate to offset the general weakness of the market so far. As the situation in Romania, where turnover declined by 57% following government budget cuts in April, could not have been foreseen at so early a date, costs will be reduced, albeit after some delay.

GROUP

Nature of business

Geveko is Europe's leading road-marking enterprise with strong brand names and positions on most markets. The business is focused on the production and sale of road-marking products and contract road-marking services and is conducted through two segments: Material Sales and Contracting. Cross-border co-operation involving different units in the Group makes it possible to improve competitiveness and operating efficiency. Geveko offers environmentally friendly and innovative products of high quality with the aim of creating safer roads, thereby playing an active role in road safety activities in Europe. Geveko is engaged in business in the Nordic countries, Poland, Romania, Russia, Switzerland, Slovakia, Great Britain, the Czech Republic, Turkey, Germany, Ukraine and Hungary. Geveko also exports products to another 15 countries.

Contracting

Geveko is engaged in contract road marking through wholly or partly owned companies in 11 countries in Europe. The contracts vary in scope from one year to long-term functional contracts. The principal customers are road authorities, aviation authorities and municipalities as well as county councils and large road maintenance companies. Given the weather conditions, the level of activity in the Contracting business area is low at the beginning and end of the year; consequently it displays wide seasonal variations. Contract road marking accounts for about 75% of the Group's turnover.

Material Sales

Sales of road-marking materials comprise thermoplastic materials, water- and solvent-based paints, 2-component products and Premark™ prefabricated thermoplastic products, as well as glass beads for use as components in road-marking materials. Differences in road standards, geographical conditions and application methods in Europe influence the choice of road-marking material. Material sales go to 25-30 countries, that is to say also to markets where Geveko does not have its own contracting activities, such as Iceland, the Baltic states, Russia, Slovenia and Bulgaria.

Production

Geveko has production units in Sweden, Norway, Denmark, Finland, Germany and Great Britain. Development activities are focused on environmentally friendly road-marking products and on the visibility of road markings in the dark and on wet surfaces, as well as on electronically controlled products for vehicle-road communication. Geveko produces some 55,000 tonnes of road-marking materials annually, of which some 23,000 tonnes are used in its own contract road-marking activities.

Net turnover

Net turnover during the first half of the year amounted to SKr 552.5 million (625.4). The order intake and sales volumes showed a negative trend on most markets in Europe, except for the Nordic region and Hungary. The weakest trend was in Romania, where turnover more than halved in relation to the first half of 2009. In terms of volume, Great Britain also noted a very weak performance. Romania and Great Britain accounted for 10 percentage points of the 12% reduction in turnover in relation to 2009. On the Nordic markets increased investments are being made in road maintenance, which has created a favourable volume base for Geveko's contracting business. Hungary, where turnover declined by 25% last year, has also noted robust growth this year.

Result

The consolidated result after tax for the first half of 2010 was a loss of SKr 48.4 million (loss 31.0). Owing to the wide seasonal fluctuations Geveko regularly reports a loss for the first half of the year. The Group's operative cash flow improved by SKr 50 million in relation to the same period in 2009 and amounted to a negative flow of SKr 125.7 million (neg. 175.6). The improvement was achieved by a reduction in the capital tied up in the business and lower capital expenditure.

The operating result for the first six months of the year was a loss of SKr 57.2 million (loss 32.6). The deterioration in the result was almost entirely attributable to the business in Romania, where the turnover declined by 57% during the first half of the year. The reason was sharp spending cuts in the government budget in order to stabilise the country's finances. Rapidly rising raw material prices that could not be passed on to customers had an adverse effect of some SKr 5 million on the result. The net turnover for the 12-month period 1 July 2009 - 30 June 2010 amounted to SKr 1,362 million (1,495) and the operating result was a loss of SKr 64.6 million (profit 27.8). The operating margin was a negative 4.7% (neg 1.9). (For 2009 as a whole net turnover amounted to SKr 1,435.0 million, the operating result was a loss of SKr 40.0 million and the operating margin was a negative 2.8%.)

The turnover of the Contracting Business Area amounted to SKr 335 million (388) for the period and the operating result was a loss of SKr 71.1 million (loss 14.4). The Material Sales Business Area's turnover amounted to SKr 205 million (189) and its operating result was a profit of SKr 16.1 million (1.3). Early in 2010 it was noted that important raw materials for the manufacture of road-marking products were in short supply, which resulted in substantial price increases. In the Contracting Business Area there are contractual arrangements to compensate for the price increases after some delay, which had an unfavourable effect on the result.

Efficiency programme

The efficiency programme that was launched during the winter with the object of improving the result by some SKr 60 million in 2010 had a favourable impact on the period's result in the form of lower costs. As a consequence of the weak market conditions, especially in England, Poland and Romania, production capacity is being adjusted by means of further cost reductions.

During the second quarter of 2010 decisions were made on Geveko's future factory structure. The number of factories will be halved from eight to four during the 2010-2012 period. Existing production capacity will be maintained by means of complementary investments at the remaining four factories. The new structure will involve a reduction of some SKr 20 million in operating costs with effect from 2012, a lower level of capital tied up in the business and less need for capital expenditure in the future. One step on the way towards the new factory structure is the sale of the factory property in Moss, Norway, which was completed in July and will be taken into the accounts for the third quarter.

A central purchasing function has been created to enable Geveko companies to benefit from membership of the Group by consolidating purchasing. Christer Berntsson is to join Geveko as head of Group Purchasing; he will take up his position on 6 September.

Invested capital

Net debt amounted to SKr 425.6 million (690.5) on 30 June 2010. The amount of capital tied up increases gradually during the second quarter as inventories and work-in-progress rise in line with the phasing in of the road-marking season. During the second quarter of 2010 Geveko carried out a SKr 164 million (gross) rights issue, which had a favourable effect on net debt and the equity ratio. A lower level of working capital and a reduction in capital expenditure also had a favourable impact on net debt.

Market situation

Contracting business area

Several large contracts were received on the Nordic market in the spring, as a result of which Geveko's contract road-marking business booked contracts that would establish a foundation for a satisfactory rise in volume. In Great Britain, Geveko's contracting business area lost some major contracts in 2009, which will have negative full-year effects during the current year. In Poland, the Czech Republic and Slovakia volumes are expected to be slightly lower than in the previous year, while in Hungary, where the business is showing steady growth, it is expected that the greater part of last year's 25% loss of volume will be recovered. In Romania the government has had to make sharp budget cuts as a consequence of the financial crisis, which is expected to reduce turnover by some 40% in relation to 2009.

Material sales business area

The Material Sales business area was characterised by a weak volume trend in Western and Mediterranean Europe, whereas sales are rising slightly in Eastern Europe. Sales of prefabricated products have increased by 10%.

Quarter 2

In the second quarter of 2010 turnover declined by 19% and amounted to SKr 414.1 million (510.2). The operating result deteriorated by 50% to SKr 37.3 million (74.9). Second quarter EBITA was SKr 40.2 million (78.6).

Net financial items

The net deficit on interest and other financial items amounted to SKr 5.6 million (deficit 15.6). The improvement on the previous year is explained by positive currency effects and a reduction in net debt.

Financing

The Group's liquidity requirements have been secured by means of agreements with Geveko's main banks. The rights issue, which was fully subscribed, will strengthen the balance sheet and provide financial freedom of action in the long term.

Important events during the quarter

Rights issue

The rights issue carried out during the spring was fully subscribed, as announced in a press release, thereby raising the number of shares in issue in May 2010 by a total of 12,658,599 shares (2,160,000 Series A and 10,498,599 Series B). As of 31 May 2010 the company had a total of 16,878,132 shares registered (2,880,000 Series A and 13,998,132 Series B).

New MD and CEO

Stefan Tilk, M.Sc. in Engineering Physics from Chalmers Institute of Technology, who is currently head of Region Africa and Middle East within Volvo Trucks, has been appointed Managing Director and CEO of Geveko AB. Stefan Tilk will take up his new position on 1 September 2010.

New CFO

Göran Eklund, currently CFO within Lear Corporation Sweden AB, has been appointed Chief Financial Officer in the Geveko Group. He will take up his position on 16 August 2010.

Significant events after the end of the reporting period

As one aspect of the implementation of a new factory structure, whereby the number of production units is to be halved, the factory property in Moss, Norway, has been sold for a small capital gain. The transaction will be taken into the interim report for the third quarter.

Outlook for full year 2010

Given that the road-marking market in Europe as a whole is expected to remain weak in 2010 it is estimated that Geveko's turnover will be lower than it was in 2009, when it amounted to SKr 1,435 million. An operating loss is expected to be incurred, albeit a smaller one than last year's when it amounted to SKr 40 million.

Five-year review, full-year

SKr, million	2009	2008	2007	2006	2005
Net turnover	1,435.0	1,427.5	1,078.8	1,035.0	991.2
Operating profit/loss 1)	-40.0	24.3	18.6	20.2	35.4
Operating margin, %	-2.8	1.7	1.7	2.0	3.6
EBITA	-8.4	46.4	32.7	35.9	47.2
Profit/loss after tax	-57.0	-53.6	-24.6	116.3	162.9
Balance sheet total	1,089.3	1,294.7	1,276.9	1,378.1	1,275.5
Equity	326.3	401.9	472.6	830.1	768.3
Return on equity, %	-15.7	-12.5	-3.8	14.6	23.1
Return on operative capital, %	-4.9	3.3	6.8	6.9	9.6
Net debt	411.8	429.1	216.0	239.7	255.8
Equity ratio, %	30.0	31.0	37.0	60.2	60.2
<i>Per share data</i>					
Earnings/loss per share, SKr 2)	-5.55	-5.19	-1.90	11.10	14.85
Cash flow per share, SKr 2)	-6.20	0.35	-2.90	2.90	6.70
Listed price Geveko "B" shares, SKr	26.13	27.65	51.00	65.70	63.00
Total return, %	-2.5	-41.0	-3.0	10.0	25.0
SIX Return Index, %	52.5	-39.0	-4.0	26.0	36.0
Number of employees	884	832	638	611	602

1) Including costs of Management of Securities 2) Adjusted for rights issue in Q2 2010.

Quarterly review 2008-2010

SKr million	2010				2009			2008
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Net turnover	414.1	138.4	306.4	503.2	510.2	115.2	336.7	532.1
Operating profit/loss	37.3	-94.5	-55.2	47.7	74.9	-107.4	-13.5	73.9
Operating margin, %	9.0	-68.3	-18.0	9.5	14.5	-93.2	-4.0	13.9
Profit/loss after tax	26.9	-76.0	-55.1	29.1	55.1	-86.1	-21.6	36.1
Earnings/loss per share, SKr ¹⁾	-1.60	-7.10	-5.35	2.60	4.90	-7.75	-2.00	3.10
Cash flow/share, SKr ¹⁾	0.15	-2.40	-6.22	1.30	-3.80	-4.10	3.50	0.15
Equity	383.6	232.2	326.3	383.3	371.3	302.8	401.9	427.2
Balance sheet total	1,143.5	997.9	1,089.3	1,313.1	1,419.0	1,145.8	1,294.7	1,289.2
Net debt	425.6	630.5	411.8	509.1	630.5	476.9	429.1	406.0
Equity ratio, %	34.4	23.8	30.0	29.2	26.2	26.4	31.0	33.1
<i>Moving 12-month figures</i>								
Turnover	1,362.1	1,458.2	1,435.0	1,465.3	1,494.9	1,418.0	1,427.5	1,357.9
Operating profit/loss	-64.6	-27.1	40.0	1.7	27.8	-1.3	24.3	33.1
Operating margin, %	-4.7	-1.9	-2.8	0.0	1.9	-0.1	1.7	2.4
EBITA	-35.9	2.5	-8.4	18.3	46.2	19.8	46.4	55.8
EBITA, %	-2.6	0.2	-5.9	1.2	3.1	1.4	3.3	4.1
Return on equity, %	-25.1	-26.4	-15.7	-5.8	-4.4	-18.2	-12.5	-17.2
Return on operative capital, %	-8.4	-3.4	-4.9	0.2	3.4	-0.2	3.3	4.7

1) Adjusted for rights issue in Q2 2010.

Three-year review Q2 and Q1+Q2, 2008-2010

	Q2 2010	Q2 2009	Q2 2008	Q1+Q2 2010	Q1+Q2 2009	Q1+Q2 2008
SKr million						
Net turnover	414.1	510.2	433.3	552.6	625.4	558.2
Operating profit/loss	37.3	74.9	45.7	-57.2	-32.6	-36.1
Operating margin, %	9.0	14.5	10.5	-10.4	-5.1	-6.5
EBITA	40.2	78.6	51.9	-51.2	-24.1	-24.4
EBITA, %	9.7	15.4	12.6	-9.3	-3.9	-4.4
Profit/loss after tax	26.9	55.1	9.1	-48.4	-29.3	-65.0
Equity	383.6	371.3	375.7	383.6	371.3	375.7
Balance sheet total	1,143.5	1,419.0	1,239.0	1,143.5	1,419.0	1,239.0
Net debt	425.6	630.5	434.8	425.6	630.5	434.8
Equity ratio, %	34.4	26.2	30.3	34.4	26.2	30.3
<i>Moving 12-month figures</i>						
Net turnover	1,362.1	1,494.9	1,200.3	1,362.1	1,494.9	1,200.3
Operating profit/loss	-64.1	27.8	1.7	-64.1	27.8	1.7
Operating margin, %	-4.7	1.9	0.1	-4.7	1.9	0.1
EBITA	-35.9	46.2	23.6	-35.9	46.2	23.6
EBITA, %	-2.6	3.1	1.9	-2.6	3.1	1.9
Return on equity, % ¹⁾	-25.1	-4.4	-26.3	-25.1	-4.4	-26.3
Return on operative capital, %	-8.4	3.4	0.2	-8.4	3.4	0.2
<i>Per share data</i>						
Earnings/loss per share, SKr ¹⁾	1.60	4.90	0.80	-2.90	-2.80	-6.05
Cash flow per share, SKr ¹⁾	0.15	-3.80	-5.40	0.80	-7.90	-3.35
Share price, Geveko "B", SKr ¹⁾	20.50	26.33	32.12	20.50	26.33	32.12
No. of shares in issue ¹⁾	16,878,13	10,717,613	10,717,613	16,878,132	10,717,613	10,717,613
No. of employees	951	1,022	847	951	1,022	847

The Group has outstanding equity warrants but no outstanding convertible loans.

1) Adjusted for rights issue in Q2 2010.

Risks and uncertain factors

The risks and uncertain factors to which the Group's companies are exposed comprise credit risks and market risks, in the form of political risks, changes in plans for infrastructure investments, competition, rising material costs and the weather. In 2009 and 2010 many countries in Europe have been compelled to make extensive spending cuts in the public sector owing to large budget deficits. Among Geveko's markets, in England and Romania in particular such effects have had an unfavourable impact on demand. Geveko also faces financial risks, including the effect of interest rate changes and currency fluctuations. During the second quarter of 2010 the Group's financial risks did not change in relation to 2009. The Group's liquidity requirements have been secured by means of agreements with Geveko's main banks. In connection with the closure of the factory in Göteborg in 2010, preparations are being made in consultation with the municipal council for ground investigations. A more detailed description of Geveko's risks and uncertain factors is provided on pages 100-102 and in Note 35 on page 81 of Geveko's Annual Report for 2009.

Transactions with related parties

During the second quarter of 2010 there were no transactions with related parties having a significant effect on the company's financial position and result. The transactions with related parties in 2009 are described in Note 36 on pages 81-82 of Geveko's Annual Report for 2009.

Employees

As of 30 June 2010 the Group had 951 (1,022) employees, of whom 139 (136) were female. The number of employees at foreign Group companies was 785 (854). During 2009 the Group had an average of 884 employees (including seasonal employees).

PARENT COMPANY

The activities of AB Geveko (the parent company) mainly consist of Group management and the administration of central functions. The assets mainly consist of shares in subsidiaries and liquid investments.

Result

The net effect of financial income and costs was a deficit of SKr 3.7 (surplus 2.7) million. The parent company's result after tax for the period January-June was a loss of SKr 14.4 million (profit 46.0). The corresponding figure for the second quarter was a loss of SKr 8.2 million (profit 49.9).

Annual General Meeting

The 2010 AGM was held on 26 April in Göteborg. The Meeting decided to pass the dividend. David Bergendahl, Klas Dunberger, Christer Simrén and Åsa Söderström Jerring were re-elected to the Board. Ove Mattsson and Tomas Landeström were not standing for re-election. Finn Johnsson and Eva Kaijser were elected to the Board. Finn Johnsson was elected chairman.

Accounting principles

This interim report is made up, as far as the Group is concerned, in accordance with the Swedish Annual Accounts Act and IAS34 Interim Reporting, and, insofar as the parent company is concerned, in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2.2 Reporting by Juridical Persons. The accounting principles applied to the Group and the parent company are unchanged in relation to the principles applied in the latest annual report, except where otherwise stated.

New accounting principles

IAS 3 (Amended) Company Acquisitions

The amended standard still requires the application of the purchase method to company acquisitions but with some significant changes. The Group applies the amended standard *post hoc* to all company acquisitions taking effect from 1 January 2010, which means that costs associated with the acquisition of a subsidiary are not stated as part of the acquisition value but are recognised as a cost in their entirety.

Financial reports

The interim report for the January-September period will be published on 29 October 2010.

The Board and the managing director state that this half-year report provide a true and fair picture of the business, financial position and result of the parent company and the Group. It also explains significant risks and uncertain factors to which the parent company and other companies belonging to the Group are exposed.

Göteborg, Sweden, 14 July 2010
AB GEVEKO (publ)

Finn Johnsson
Chairman

David Bergendahl
Member

Klas Dunberger
Member

Åsa Söderström Jerring
Member

Eva Kaijser
Member

Chriser Simrén
Member

Hans Ljungkvist
Managing Director

Summary Consolidated Profit and Loss Account, SKr million

	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	Jan-Dec 2009
Net sales	414.1	510.2	552.5	625.4	1,435.0
Cost of sold products	-309.4	-370.0	-481.9	-530.6	-1,202.9
Gross profit	104.7	140.2	70.6	94.8	232.1
Development costs	-5.6	-7.4	-9.4	-13.2	-20.9
Selling costs	-22.2	-26.4	-41.0	-50.8	-117.9
Administrative costs	-36.6	-36.4	-73.1	-71.8	-139.9
Interest in earnings of associate companies	-1.7	-1.2	-3.2	-0.1	-0.6
Other operating income and costs	-1.3	6.1	-1.1	8.5	7.2
Operating profit/loss	37.3	74.9	-57.2	-32.6	-40.0
Dividend income	0.0	0.3	0.1	0.3	0.3
Change in value of securities	0.0	4.8	-0.2	6.0	5.0
Interest income and similar profit and loss items	1.4	2.3	2.3	6.3	8.6
Interest costs and similar profit and loss items	-1.3	-8.3	-7.9	-21.8	-35.3
Profit/Loss before tax	37.4	74.0	-62.9	-41.8	-61.4
Tax	-10.5	-18.9	14.5	10.8	4.4
Net profit/loss for the period	26.9	55.1	-48.4	-31.0	-57.0
Profit/Loss for the period attributable to parent company shareholders	27.8	52.7	-48.2	-30.1	-59.6
Minority interests	-0.9	2.4	-0.2	-0.9	-2.6
Earnings/loss per share, SKr (attributable to parent company shareholders)	1.65	4.90	-2.85	-2.80	-5.55
<p>The Group has equity warrants outstanding, but no convertible loans. The number of shares has been adjusted for a rights issue during the second quarter. In 2009 there were 10,717,613 shares in issue; as of 1 June 2010 the number amounts to 16,878,132.</p>					
Report of the total profit/loss	April-June 2010	April-June 2009	Jan-June 2010	Jan-June 2009	Jan-Dec 2009
Profit/loss for the period	26.9	55.2	-48.4	-31.0	-57.0
Other components of total result for the period					
Hedging of net investments	0.0	5.1	0.0	-4.3	-7.5
Currency differences	-25.3	16.6	-44.0	13.1	-2.6
Other components of total result, net after tax	-25.3	21.7	-44.0	8.8	-10.1
Total profit/loss for the period	1.6	76.9	-92.4	-22.2	-67.1
Total profit/loss attributable to Parent company shareholders	8.4	68.8	-89.8	-19.1	-63.6
Minority interests	-6.8	8.1	-2.6	-3.1	-3.5

Summary consolidated Balance Sheet, SKr million

	30 June 2010	30 June 2009	31 December 2009
Fixed assets			
Intangible fixed assets	99.8	119.5	103.6
Tangible fixed assets			
Land and buildings	140.7	166.9	157.2
Machinery and plant	205.2	255.6	230.1
Fixed plant under construction	9.7	18.1	4.6
Total tangible fixed assets	355.6	440.6	391.9
Financial fixed assets			
Interests in associate companies	27.7	30.4	33.3
Other shares and securities	14.2	15.9	14.5
Other long-term receivables	9.9	12.2	13.0
Deferred tax receivables	21.9	18.4	20.9
Total financial fixed assets	73.7	76.9	81.7
Total fixed assets	529.1	637.0	577.2
Current assets			
Stocks	163.5	174.7	103.2
Accounts receivable	343.7	404.0	280.9
Other current receivables	77.2	167.3	76.2
Securities	0.0	4.9	5.4
Liquid funds	30.0	31.1	46.4
Total current assets	614.4	782.0	512.1
Total assets	1,143.5	1,419.0	1,089.3
Equity			
Capital and reserves attributable to parent company shareholders			
Share capital	219.4	105.5	105.5
Other injected capital	65.7	30.0	30.0
Reserves	-25.1	32.7	16.9
Retained earnings	63.1	127.0	98.2
	323.1	295.2	250.6
Minority interests	60.5	76.1	75.7
Total equity	383.6	371.3	326.3
Long-term liabilities			
Long-term interest-bearing liabilities	107.2	161.9	126.5
Deferred tax liabilities	11.4	24.2	14.3
Pension provisions	6.8	11.0	6.6
Other provisions	6.4	8.1	7.6
Total long-term liabilities	131.8	205.2	155.0
Current liabilities			
Current interest-bearing liabilities	362.2	536.3	363.7
Other current liabilities	265.9	306.2	244.3
Total current liabilities	628.1	842.5	608.0
Total equity and liabilities	1,143.5	1,419.0	1,089.3

Summary Consolidated Cash Flow Analysis, SKr million

	Jan-June 2010	Jan-June 2009	Jan-Dec 2009
Cash flow from continuing operations before changes in working capital	-10.9	-2.3	29.8
Cash flow from changes in working capital	-116.7	-179.0	43.6
Cash flow from continuing operations	-127.6	-181.3	73.4
Acquisitions of intangible fixed assets, net	-9.0	-	-
Acquisitions of tangible fixed assets, net	-24.9	-42.9	-11.6
Divestment of activities	-	13.6	-48.9
Acquisition of shares in subsidiaries	-	-	13.6
Divestment of shares in subsidiaries	-	-	1.8
Purchases and sales of securities, net	-	-	-0.2
Change in other fixed assets	16.5	19.9	2.0
Cash flow from investment activities	-17.4	18.3	-15.6
Change in interest-bearing liabilities	-17.5	86.5	-116.2
Dividends paid to parent company shareholders	-	-8.4	-8.4
Share issue	149.7	-	-
Cash flow from financing activities	132.2	78.1	-124.6
Cash flow for the period	-12.8	-84.9	-66.8
Opening liquid funds	46.4	115.6	115.6
Currency differences, liquid funds	-3.6	0.4	-2.4
Closing liquid funds	30.0	31.1	46.4

Changes in equity, SKr million

	Jan-June 2010	Jan-June 2009	Jan-Dec 2009
Opening balance	326.3	401.8	401.8
Total result for the period	-92.4	-22.2	-67.1
Share issue	149.7	-	-
Dividend paid by AB Geveko	0.0	-8.4	-8.4
Closing balance	383.6	371.2	326.3

**Parent company profit and loss account, SKr million
Summary**

	Jan-June <u>2010</u>	Jan-June <u>2009</u>	Jan-Dec <u>2009</u>
Management costs	-18.1	-11.9	-19.6
Other operating costs	0.0	-1.9	-1.9
Operating loss	-18.1	-13.9	-21.5
Dividends: from subsidiaries	0.0	50.0	50.0
from other companies	0.0	0.3	0.3
Change in value of securities	-0.2	6.8	7.2
Write-down in value of shares in subsidiaries	0.0	0.0	-8.6
Interest income and similar profit/loss items	10.1	7.1	14.8
Interest costs and similar profit/loss items	-6.2	-4.4	-9.8
Profit/loss before tax	-14.4	46.0	32.4
Tax	-	-	-
Net profit/loss for the period	-14.4	46.0	32.4

**Parent company balance sheet, SKr million
Summary**

	30 June <u>2010</u>	30 June <u>2009</u>	31 December <u>2009</u>
Fixed assets	97.7	80.4	75.2
Current assets	443.0	425.2	299.0
Total assets	540.7	505.6	374.2
Equity	363.9	242.2	228.6
Provisions	0.0	0.0	0.0
Long-term liabilities	8.6	5.0	8.6
Current liabilities	168.2	258.4	137.0
Total equity and liabilities	540.7	505.6	374.2

Changes in equity, SKr million

	Jan-June <u>2010</u>	Jan-June <u>2009</u>	Jan-Dec <u>2009</u>
Opening balance	228.6	204.6	204.6
Total result for the period	-13.8	46.0	32.4
Share issue	149.7	-	-
Dividend paid by AB Geveko	-	-8.4	-8.4
Closing balance	364.4	242.2	228.6

Reporting by segment April-June 2010

SKr million	Contracting	Material Sales	Central	Eliminations	Group
Net turnover	243.4	167.9	12.8	-9.9	414.1
Operating costs	-244.8	-123.4	-16.8	9.9	-375.1
Interest in earnings of associate companies	-0.1	-1.6	-	-	-1.7
Profit/loss before financial items	-1.6	42.9	-4.0	-	37.3
Dividend income	-	-	0.0	-	0.0
Change in value, securities	-	-	0.0	-	0.0
Financial income	-	-	1.4	-	1.4
Financial costs	-	-	-1.2	-	-1.2
Profit/loss before tax	-1.6	42.9	-3.9	-	37.4

Reporting by segment April-June 2009

SKr million	Contracting	Material Sales	Central	Eliminations	Group
Net turnover	329.8	153.5	-	26.9	510.2
Operating costs	-273.9	-122.0	-11.4	-26.9	-434.1
Interest in earnings of associate companies	-0.1	-1.3	0.0	-	-1.3
Profit/loss before financial items	55.9	30.3	-11.4	-	74.8
Dividend income	-	-	0.3	-	0.3
Change in value, securities	-	-	4.8	-	4.8
Financial income	-	-	2.3	-	2.3
Financial costs	-	-	-8.3	-	-8.3
Profit/loss before tax	55.9	30.3	-12.3	-	73.9

Reporting by segment January-June 2010

SKr million	Contracting	Material Sales	Central	Eliminations	Group
Net turnover	335.2	204.6	12.8	-	552.5
Operating costs	-407.0	-184.5	-15.0	-	-606.5
Interest in earnings of associate companies	0.8	-4.0	-	-	-3.2
Profit/loss before financial items	-71.1	16.1	-2.2	-	-57.2
Dividend income	-	-	0.1	-	0.1
Change in value, securities	-	-	-0.2	-	-0.2
Financial income	-	-	2.3	-	2.3
Financial costs	-	-	-7.8	-	-7.8
Profit/loss before tax	-71.1	16.1	-7.9	-	-62.9
Fixed assets	325.1	9.5	194.5	-	529.2
Current assets	274.5	198.7	141.2	-	614.4
	599.6	208.2	335.7	-	1,143.5
Equity	-	-	383.6	-	383.6
Liabilities	120.5	41.6	597.8	-	760.0
	120.5	41.6	981.3	-	1,143.5

Reporting by segment January-June 2009

SKr million	Contracting	Material Sales	Central	Eliminations	Group
Net turnover	388.8	189.2	-	47.4	625.4
Operating costs	-404.5	-186.5	-19.5	-47.4	-657.9
Interest in earnings of associate companies	1.3	-1.4	-	-	-0.1
Profit/loss before financial items	-14.4	1.3	-19.5	-	-32.6
Dividend income	-	-	0.3	-	0.3
Change in value, securities	-	-	6.0	-	6.0
Financial income	-	-	6.3	-	6.3
Financial costs	-	-	-21.8	-	-21.8
Profit/loss before tax	-14.4	1.3	-28.7	-	-41.8
Fixed assets	396.4	30.7	209.9	-	637.0
Current assets	344.8	178.6	258.6	-	782.0
	741.2	209.3	468.5	-	1,419.0
Equity	-	-	371.3	-	371.3
Liabilities	135.9	46.7	865.1	-	1,047.7
	135.9	46.7	1,236.4	-	1,419.0

Reporting by segment January-December 2009

SKr million	Contracting	Material Sales	Central	Eliminations	Group
Net turnover	1,002.8	370.7	-	61.5	1,435.0
Operating costs	-1,000.6	-381.0	-31.4	-61.5	-1,474.4
Interest in earnings of associate companies	-1.7	-2.3	-	-	-0.6
Profit/loss before financial items	3.9	-12.6	-31.4	0.0	-40.0
Dividend income	-	-	0.3	-	0.3
Change in value, securities	-	-	5.0	-	5.0
Financial income	-	-	8.6	-	8.6
Financial costs	-	-	-35.3	-	-35.3
Profit/loss before tax	3.9	-12.6	-52.7	0.0	-61.4
Fixed assets	363.7	15.6	197.9	-	326.3
Current assets	246.6	74.4	191.1	-	763.0
	610.3	90.0	389.0	0.0	1,089.3
Equity	-	-	326.3	-	326.3
Liabilities	173.1	28.2	561.7	-	763.0
	173.1	28.2	888.0	0.0	1,089.3

Reporting by segment July 2009-June 2010

SKr million	Contracting	Material Sales	Central	Eliminations	Group
Net turnover	949.2	386.1	12.7	14.1	1,362.1
Operating costs	-1,003.1	-379.0	-26.8	-14.1	-1,423.0
Interest in earnings of associate companies	1.2	-4.9	0.0	-	-3.7
Profit/loss before financial items	-52.7	2.2	-14.1	-	-64.6
Dividend income	-	-	0.1	-	0.1
Change in value, securities	-	-	-1.2	-	-1.2
Financial income	-	-	4.6	-	4.6
Financial costs	-	-	-21.3	-	-21.3
Profit/loss before tax	-52.7	2.2	-32.0	-	-82.5

Note: The changes in central items and eliminations are explained by changes to the Group's organisation and changes in the principles applying to internal pricing and allocation of costs as a consequence.

This interim report has not been examined by the company's auditors.

Forthcoming information, 2010-2011

Interim report, January-September 2010	29 October 2010
Year-end communiqué 2010	23 February 2011
Annual report 2010	April 2011
Annual General Meeting 2011	28 April 2011
Interim report January-March 2011	28 April 2011

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The information AB Geveko has provided in this interim report is such that shall be published in accordance with the Act concerning the Securities Market and/or the Act concerning Trading in Financial Instruments. This information was released for publication on 14 July 2010 at 12.30 p.m.

Definitions

Balance sheet total – Total assets.

Cash flow per share - Cash flow for the year divided by weighted average of the number of shares in issue during the year.

Equity ratio - Equity as a percentage of total assets.

Earnings/Loss per share - Profit/Loss as defined below divided by the average number of shares in issue during the year.

EBITA (Earnings before interest, tax and amortisation) – Operating result before depreciation attributable to intangible fixed assets arising from company acquisitions.

EBITA, % - EBITA as percentage of net turnover.

Net debt – Interest-bearing liabilities less interest-bearing receivables, liquid funds and securities. Up until 31 December 2007 securities were stated as fixed assets and did not reduce the net debt.

Operating margin – operating profit as a percentage of the year's net turnover. The operating margin shows how much of the net turnover is left to cover interest, taxation and profit.

Operating result/EBIT (Earnings before interest and tax) – Result after depreciation.

Profit/Loss – Net profit/loss after tax.

Return on equity - Net profit as a percentage of average equity.

Return on operative capital – The operating result as a percentage of the average operative capital. Shows the return on the business independently of financial assets and financing.

Share price – Latest transaction price of Geveko's Series B shares at the close of the reporting period.