

Interim report July - September 2012

Increase in net sales and significantly improved profitability



Enea continued to achieve growth and improved profitability over the third quarter. Enea has consequently reported increased revenues and improved margins for all three quarters in 2012.

- Net sales for the third quarter increased to SEK 107.3 (101.1) million, which is equivalent to growth of 6.1 percent. Growth of 7.2 percent was achieved for the first nine months of the year.
- Other income amounting to SEK 61.7 million, which was reported during the first quarter, relates to capital gains from the divestment of the Nordic consultancy business.
- The operating profit for the third quarter amounted to SEK 18.0 (-34.3) million, which is equivalent to an operating margin of 16.8 (-33.9) percent. For the first nine months of the year, operating profit increased to SEK 52.1 (-16.0) million, corresponding to an operating margin of 15.1 (-5.0) percent, excluding capital gains. The comparative figures for last year include a writedown of goodwill and capitalized development expenses totaling SEK 37.5 million.
- Profit per share amounted to SEK 0.77 (-1.63) for the third quarter and SEK 2.31 (-0.91) for the first nine months of the year, excluding capital gains.
- Cash flow from operations amounted to SEK 26.6 (17.9) million for the third quarter and SEK 60.0 (67.6) million for the first nine months of the year. Cash and cash equivalents amounted to SEK 134.6 (121.6) million at the end of the third quarter.

The company has been run as a software company since the beginning of 2012, following the divestment of the Nordic consultancy business at the end of 2011.

All comparison numbers refers to the remaining business.

	Jul-Sept 2012	Jul-Sept 2011	Jan-Sept, 2012 excl.cap.gain	Jan-Sept, 2012 incl.cap.gain	Jan-Sept 2011	Full year 2011	Full year 2010
Net sales, SEK million	107.3	101.1	345.3	345.3	322.0	446.7	446.6
Other income, SEK million	-	-	-	61.7	-	-	-
Growth, %	6.1	-	7.2	26.4	-	0.0	-6.6
Growth currency adjusted, %	5.8	-	5.2	24.4	-	1.5	-4.8
Operating profit, SEK million	18.0	-34.3	52.1	113.8	-16.0	2.2	37.3
Operating margin, %	16.8	-33.9	15.1	28.0	-5.0	0.5	8.4
Net profit before tax, SEK million	19.5	-31.4	56.3	118.0	-11.9	6.0	37.0
Net profit after tax, SEK million	12.9	-28.0	39.0	100.7	-15.7	-1.0	23.4
Earnings per share, SEK	0.77	-1.63	2.31	2.31	-0.91	-0.06	1.35
Cash flow (from operations), SEK million	26.6	17.9	60.0	60.0	67.6	77.2	76.1
Cash and cash equivalents, SEK million	134.6	121.6	134.6	134.6	121.6	127.3	176.5

2012 – FOCUS ON PROFITABLE GROWTH

"We have our strongest position within telecom where Enea's operating systems already are embedded in most of the infrastructure handling 3G and 4G. This is a fantastic position held by few companies.."



Anders Lidbeck,
President and CEO

A word from the CEO

Enea has continued its positive development over the period. Our third quarter showed a considerable improvement, with an operating profit which was around five times better than in the same period last year. This was our best third quarter since our record year 2008. We delivered a profit per share which equaled the level from that year, even though we have divested 35 percent of our business. The decision made last year to focus on our global software business, where the chances of high margins are considerably greater, in combination with effective cost control, has brought us to an operating margin for the first nine months which Enea has never shown before. We are also growing, mainly within our American subsidiary and with our major customers. Being able to successfully run a business in the USA is important to any global IT company, as much of the market is located in the USA.

Market Trends

Linux, combined with real-time operating systems, is the widespread standard when designing telecom equipment for infrastructure and has become a pre-requisite in order to retain leading position among major companies on a global basis. This is why we want to be the best in the world when it comes to real-time Linux. We are not the best at present. We launched our first commercial Linux distribution as late as 27 September. This focuses entirely on real time. We have innovations in this field which in a test environment will result in as much as a tenfold improvement in the performance of Linux implementations, depending on the hardware platform selected. If Linux is run together with our own real-time operating system, we can demonstrate performance up to 100 times better, compared with pure Linux, again depending on the hardware platform.

But the market for Linux, as for all open source, is developing very quickly. We will need to significantly increase our efforts over the next few years in order to be the leading player in the field of Linux for real-time applications. We will need to attract some of the world's top people in this field, and our aim is to build up the strongest team ever over the course of the next couple of years. Given the market position that we have created for ourselves as a world leader in the field of wireless broadband, with our technology built into more than a billion communicating devices all over the world, and the expertise that we have gathered over more than two decades, I am confident that we will succeed in this. Nobody has a better chance of achieving this than we do.

Innovation

The massive increase in connected devices and the resulting increase in data traffic are turning telecom into a market with good growth forecasts. However, this is also a market where there are clear demands

for more and more capacity at lower prices. This means that telecom manufacturers are very price-sensitive. Like Linux, this continuous hunt for better prices and performance means increasing business opportunities for Enea. However, it also means constant pressure on our business and margins. Therefore, we will continue to invest outside the telecom segment as well as moving resources to new areas in the long term, all with the objective of improving our competitiveness, market position and margins.

Innovation, quality, speed and flexibility will be our key words. There is no contradiction between quality and speed. Quite the opposite, actually: they often go hand in hand. A market which is undergoing massive growth but at the same time is exposed to major price pressure requires both qualities from the leading players. Our products and what we deliver must be of extremely high quality. Better products than our competitors is an argument that several of our customers use towards their market. Technical market leadership is another selling point used by a number of our customers, which means that we have to make sure that our customers are given access to the latest technology and know how to use it, and that our products, embedded in our customers' products, are of outstanding quality. Our operating system is our leading product. It can be found in telecom equipment but also in heart-lung machines and satellite systems. It has to deliver unparalleled performance and quality so that our customers can continue to offer unique performance compared to their competitors. Flexibility will be crucial for us, giving us the ability in-house to take on board new technologies, and allowing us to relate to and compete externally with a world characterized ever more clearly by open source.

To ensure growth and high profitability in future, we have to derive benefit from the market trends which we have identified and ensure that we are a part of the development projects started by our customers in order to build the networks of the future. This work is constantly ongoing.

A Final Word

Enea's sales vary depending on the success of our customers; this is due to the royalties we receive based on customers' sales. Therefore, growth will vary from quarter to quarter. Of course, the future development of our customers' sales will be of significance to our margin development. Our ambition during the next five years is to create a global software company with considerably higher net sales, high profitability, good cash flows and a large proportion of recurring revenue.

Anders Lidbeck
President and CEO

Net Sales and Earnings

Segment Information

In order to further focus Enea's operations on software and product related services, the Swedish consultancy business was divested in December 2011. Due to this divestment, as of January 1 2012, Enea has been accounting for its remaining business as one segment.

Net Sales

Enea's net sales increased over the third quarter to SEK 107.3 (101.1) million, which is equivalent to growth of 6.1 percent. Net sales increased by 7.2 percent to SEK 345.3 (322.0) million over the first nine months of the year. After adjustments for currency effects, income increased by 5.8 percent for the third quarter and by 5.2 percent for the first nine months of the year. All amounts are exclusive of capital gains.

The sale of licenses in the third quarter – both the sale of development licenses (indefinite use) and leased licenses (time-limited use) – increased compared with the same quarter in the previous year. Royalty income, which is dependent on customers' sales volumes, increased over the third quarter compared with the same period last year. Support and maintenance income fell, while the sale of services increased.

Net sales over the third quarter were divided over a number of customer segments, telecom infrastructure representing 65 percent, wireless devices 6 percent, aero/defense 13 percent and other segments 16 percent. Compared with the third quarter last year, net sales in the telecom infrastructure segment in absolute figures have increased, while in the wireless devices segment they are down. Net sales from telecom as a whole have increased, however. The aero/defense segment declined, while other segments grew in absolute figures compared with the third quarter last year.

Earnings

Operating profit for the Group for the third quarter was SEK 18.0 (-34.3) million, corresponding to an operating margin of 16.8 (-33.9) percent. For the first nine months of the year, operating profit was reported at SEK 52.1 (-16.0) million along with an operating margin of 15.1 (-5.0) percent, excluding capital gains. The comparative figures for last year include a writedown of goodwill and capitalized development expenses totaling SEK 37.5 million. Currency effects on the Group's results are marginal.

The gross margin amounted to SEK 71.8 (65.7) million for the third quarter and 68.9 (66.9) percent for the first nine months of the year, excluding capital gains for 2012. The 2011 comparative figures for the gross margin have been calculated excluding writedowns of SEK 37.5 million. Expenses for product development and administration have fallen, while sales and marketing expenses have increased slightly compared with the same quarter last year.

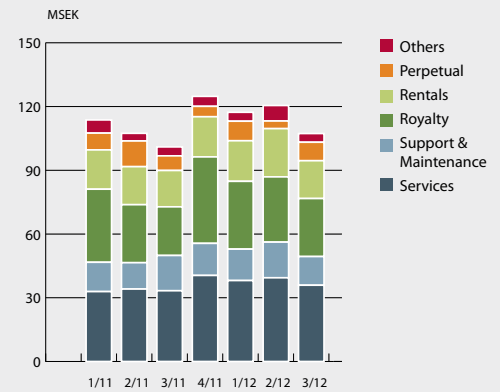
Net financial items amounted to SEK 1.5 (2.9) million for the third quarter and SEK 4.2 (4.1) million for the first nine months of the year. Profit after tax amounted to SEK 12.9 (-28.0) for the third quarter and SEK 39.0 (-15.7) for the first nine months of the year, excluding capital gains.

Earnings per share increased to SEK 0.77 (-1.63) for the third quarter and SEK 2.31 (-0.91) for the first nine months of the year. Without adjustment for holdings of own shares, profit per share amounted to SEK 0.73 for the third quarter.

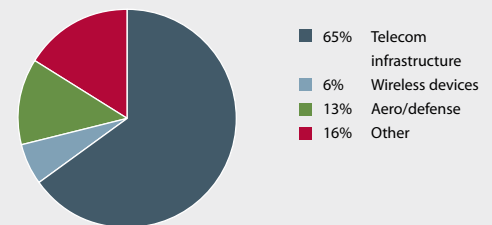
Outlook for 2012

Enea has opted not to submit a forecast for 2012.

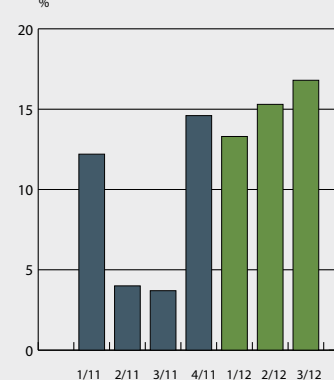
Revenue



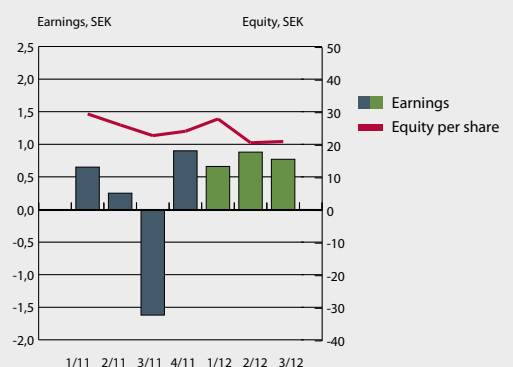
Revenue per customer segment (Jul-Sept)



Operating profit (excluding write-offs)



Earnings and Equity per share



Revenue per region

Enea has a total of ten offices in Europe, North America and Asia.

Europe

The company's European operations include customers such as Ericsson, NSN and Alcatel-Lucent. Sales operations are run via offices in Sweden, Germany, France and Romania.

Over the third quarter, net sales from Europe have increased compared with the same quarter in the previous year, while profitability has improved at the same time. Sales to key customers improved compared to the third quarter last year. Romania, which mainly sells services, has net sales which are on a par with the same period last year.

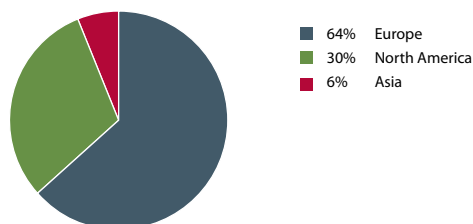
The biggest deal in Europe, worth SEK 3 million, was entered into with a global telecom company and includes licenses for the Enea OSE operating system.

North America

The North American business includes major customers such as Motorola, Fujitsu, Boeing, Honeywell and Hospira. Two offices in North America handle sales, software delivery and consultancy assignments.

Total sales in North America increased over the third quarter. Sales of services increased, while sales of software fell, resulting in poorer profitability.

Revenue per geography (Jul-Sept)

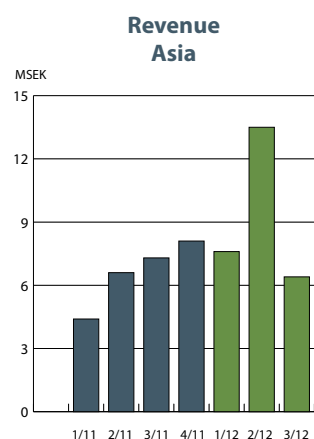
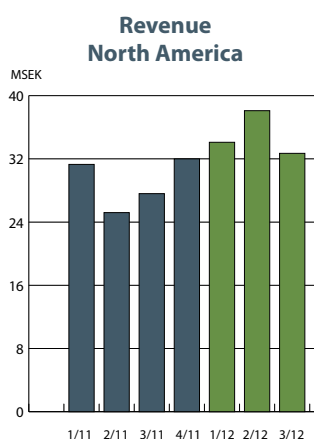
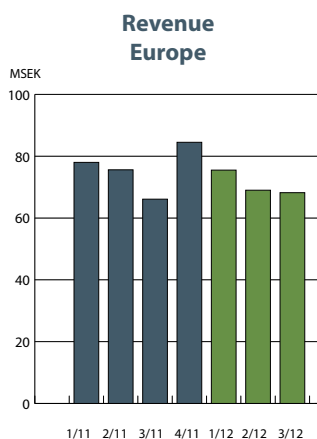


The biggest licensing deals in North America for the quarter, worth SEK 660 000 per year, relates to the Enea OSEck operating system and was made with a manufacturer of communications solutions.

Asia

Asian operations include major customers such as Fujitsu and Yamaha, along with a number of major service assignments for Ericsson and NSN. The company has its own offices in China and Japan.

During the third quarter, sales in Japan were on a par with sales over the same period last year. Sales in China fell. All in all, both sales and profitability have fallen in Asia over the quarter.



All numbers refer to the remaining business.

Revenue per region, SEK million	Jul-Sept		Jan-Sept		Full year	
	2012	2011	2012	2011	2011	2010
Europe	68.2	66.1	212.7	219.7	304.3	297.4
North America	32.7	27.6	104.9	84.1	116.1	124.4
Asia	6.4	7.3	27.5	18.2	26.3	24.9

Revenue per product

Enea's products and services are divided into five major groups: operating systems (including OSE, Linux and OSEck), middleware (including Element and Polyhedra) and tools (including Optima). All sales of services are reported in the Services group.

Operating systems

An operating system is a piece of software that provides a link between the hardware that makes up the computer hardware and the software applications running on the computer. Enea's operating systems are used in embedded systems which form components of equipment, for example in telecom equipment.

Operating systems accounted for the biggest share of Enea's sales over the quarter, with 53 percent of income. Over the third quarter, sales increased compared with the same period in the previous year.

The first commercial version of Enea Linux was released in the quarter. Read out more about this solution on page 13.

Middleware

Middleware runs in the background and makes sure – among other things – that the system is uninterruptible, predictable and scalable. Sales of middleware fell in 2011 before recovering over the first quarters of the year. Middleware represented 6 percent of Enea's total sales over the third quarter. New cloud-based solutions and Enea's Linux initiative are increasing the potential for greater demand for Enea Element.

Tools

Development tools are used to develop software running on Enea's operating systems. Sales over the third quarter were slightly lower compared with the same period last year, accounting for 2 percent of total sales over the quarter.

Services

Total service sales increased over the third quarter, accounting for 34 percent of Enea's total sales in the quarter.

Other

The group Other, consisting mainly of third party products and currency effects, increased over the third quarter, representing 5 percent of total sales.

Enea's offering

Enea OSE, Enea Linux, Enea OSEck – operating systems

Enea Element – middleware software

Enea Optima – development tools for developing software running on Enea's operating systems

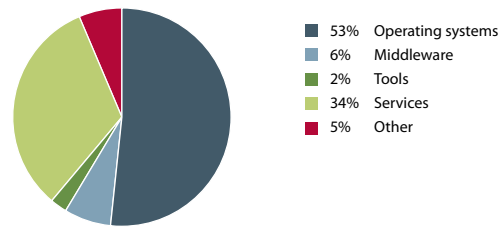
Enea Polyhedra – in-memory database

Enea Linx – software for managing communication between different processor cores

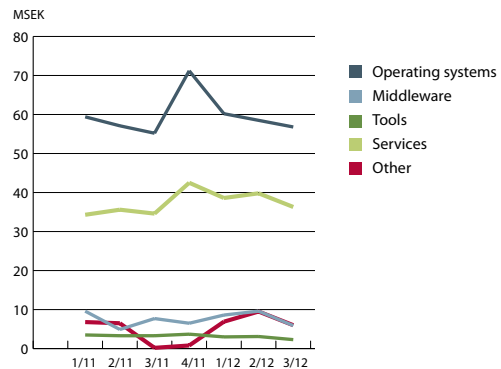
Enea Netbricks – communication protocol for telecoms

Services such as project undertakings, pre-studies, application development, test and training

Revenue per product (Jul-Sept)



Revenue per product



All numbers refer to the remaining business.

Revenue per product group, SEK million	Jul-Sept		Jan-Sept		Full year	
	2012	2011	2012	2011	2011	2010
Operating systems	56.8	55.2	175.6	171.7	242.9	230.9
Middleware	5.9	7.7	24.2	22.2	28.7	34.5
Tools	2.3	3.3	8.4	10.1	13.8	14.5
Services	36.3	34.6	114.7	104.5	147.0	144.5
Other	6.0	0.2	22.5	13.5	14.3	22.2

Cash Flow and Investments

Cash Flow and Financial Position

Cash flow from operations amounted to SEK 26.6 (17.9) million for the third quarter and SEK 60.0 (67.6) million for the first nine months of the year. Total cash flow for the third quarter amounted to SEK 20.0 (-2.3) million and SEK 10.9 (-54.5) million for the first nine months of the year. On May 16, SEK 8.00 (5.00) per share was paid out via a redemption program, equivalent to SEK 135.2 (86.7) million.

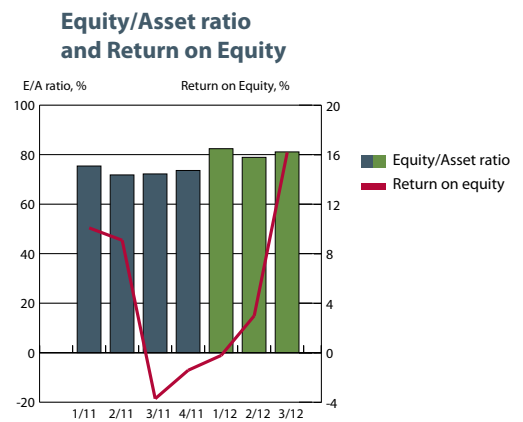
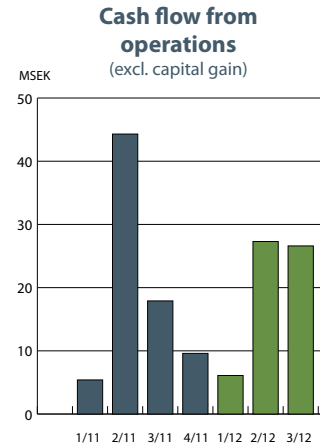
Cash and cash equivalents and short-term investments amounted to SEK 134.6 (121.6) million at the end of the third quarter. In addition, the Group has an unutilized credit facility of SEK 100 million. Enea has a continued strong financial position, with an equity ratio of 81.1 (72.2) percent.

Investments

The Group's total investments for the first nine months of the year amounted to SEK 15.0 (23.9) million, of which SEK 9.9 (14.6) million relates to the capitalization of product development costs. The Group's depreciations amounted to SEK 13.7 (18.5) million, of which SEK 8.9 (10.5) million relates to depreciation of capitalized product development costs. During the third quarter, product development costs were capitalized to a value of SEK 4.1 (2.6) million. Depreciation of capitalized product development costs amounted to SEK 3.0 (3.9) million over the quarter.

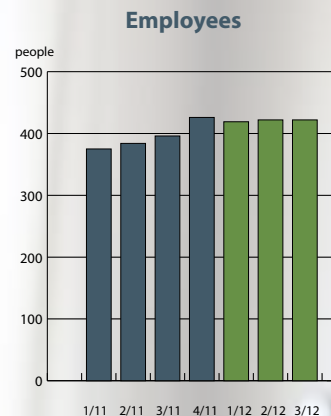
Repurchasing of Shares

51,289 shares were bought back over the third quarter. At the end of the third quarter, Enea holds 885,146 of its own shares, equivalent to 5.0 percent of the total number of shares.



Employees

At the end of the third quarter, 422 (396) people were employed by the Group. This is the same number of people as at the end of the second quarter.



Parent Company

The parent company's net sales for the third quarter amounted to SEK 37.2 (40.9) million and the profit before tax was 7.4 (9.1) million. Net financial items in the parent company amounted to SEK 7.3 (9.1) million, and cash and cash equivalents at the end of the third quarter amounted to SEK 112.8 (85.3) million. The parent company's investments totaled SEK 0.1 (1.6) million. 12 (11) people were employed at the parent company at the end of the quarter. The parent company does not operate any business and its risks are primarily attributable to the activities of the subsidiaries.

Other

Annual General Meeting

Enea's annual general meeting for 2013 will be taking place at 16:00 on Wednesday, April 10 at Kista Science Tower, Färögatan 33, Kista.

Nomination Committee

In consultation with the largest shareholders, the Chairman of the Board of Enea AB has established a nomination committee for the 2013 annual general meeting. The nomination committee consists of Per Lindberg, Sverre Bergland (DnB Nor), Robert Andersson (Limhamn Förvaltning) and Anders Skarin (Chairman of the Board, Enea AB). The nomination committee has appointed Per Lindberg as its Chairman.

The task of the nomination committee is to present proposals to the Chairman and other members of the Board at the annual general meeting, as well as proposing remuneration and other compen-

sation for each of the Board members. The nomination committee shall also propose auditors and remuneration of the auditors as well as a process for selecting the nomination committee for the 2014 annual general meeting.

Accounting Policies

This interim report has been compiled in accordance with IAS 34, Interim Financial Reporting, which is compliant with Swedish law through application of the Swedish Financial Reporting Board's RFR 1.3, Supplementary accounting rules for groups and RFR 2.3, Accounting for Legal Entities, relating to the parent company. The same accounting principles, definitions and calculation methods have been applied as in the latest annual report for both the Group and the parent company, unless stated otherwise below.

IASB has published a number of minor improvements and improvements to standards that apply for the financial year beginning 1 January 2012. The changes implemented have not had any impact on the Group's financial statements and results.

Essential Risks and Uncertainty Factors

There is still much dependency on Ericsson, ST-Ericsson and NSN. These two customers accounted for more than half of the Group's income in the past year. There have been no significant changes during the quarter regarding major risks and uncertainties. Please refer to the report on pages 24-25 in the latest Annual Report for a description of major risks and uncertainties.

Kista, October 24 2012
Board of Directors

Report of Review of Interim Financial Information

Introduction

We have reviewed this report for the period 1 January 2012 to 30 September 2012 for Enea AB (publ.). The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report 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 is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain

assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Stockholm, 24 October 2012
PricewaterhouseCoopers AB

Niklas Renström
Authorised Public Accountant

Income statements

Remaining business	SEK million							
	Jul-Sept		Jan-Sept		12 months	Full year		
	2012	2011	2012	2011	Jul-Jun	2011	2010	
Net sales	107.3	101.1	345.3	322.0	470.0	446.7	446.6	
Cost of sold products and services	-30.3	-72.2	-107.5	-144.0	-143.0	-179.5	-141.3	
Gross profit	77.0	28.9	237.8	178.0	327.0	267.2	305.3	
Sales and marketing costs	-26.2	-24.1	-78.0	-74.4	-108.0	-104.4	-104.2	
R&D costs	-16.2	-22.0	-58.1	-67.8	-83.5	-93.2	-98.5	
General and administration costs	-16.6	-17.1	-49.6	-51.8	-65.2	-67.4	-65.3	
Operating profit*	18.0	-34.3	52.1	-16.0	70.3	2.2	37.3	
Net financial income/expense	1.5	2.9	4.2	4.1	3.9	3.8	-0.3	
Profit before tax	19.5	-31.4	56.3	-11.9	74.2	6.0	37.0	
Tax	-6.6	3.4	-17.3	-3.8	-20.5	-7.0	-13.6	
Profit after tax , remaining business	12.9	-28.0	39.0	-15.7	53.7	-1.0	23.4	
Profit, divested business	-	-20.6	-	-12.6	7.2	-5.4	22.6	
In total	12.9	-48.6	39.0	-28.3	60.9	-6.4	46.0	
Other comprehensive income								
Change in hedging reserve, after tax	0.2	-	0.1	-	-	1.3	-	
Translation differences	-7.6	5.1	-10.1	1.8	-11.2	0.7	-19.8	
Total comprehensive profit for the period, net after tax	5.5	-43.5	29.0	-26.5	49.7	-4.4	26.2	
Profit for the period attributable to the stockholders of the Parent Company	12.9	-48.6	39.0	-28.3	60.9	-6.4	46.0	
Comprehens. profit for the period attri. to the stockhold. of the Parent Company	5.5	-43.5	29.0	-26.5	49.7	-4.4	26.2	
* Incl depr. of tangible assets (SEK)	1.4	1.5	4.2	4.4	4.5	4.7	5.1	
* Incl depr. of intangible assets (SEK) including a write down of SEK 37.5 million	3.1	42.5	9.5	51.6	13.2	55.3	13.4	

Key figures related to the income statements

Remaining business	Jul-Sept		Jan-Sept		12 months	Full year	
	2012	2011	2012	2011	Jul-Jun	2011	2010
Earnings per share (SEK)	0.77	-1.63	2.31*	-0.91	3.16*	-0.06	1.35
Earnings per share after full dilution (SEK)	0.77	-1.63	2.31*	-0.91	3.16*	-0.06	1.35
Number of shares before dilution (million)	16.8	17.2	16.9	17.3	17.0	17.3	17.4
Number of shares after dilution (million)	16.8	17.2	16.9	17.3	17.0	17.3	17.4
Revenue growth (%)	6.1	-	7.2	-	-	0.0	-6.6
Gross margin excl write-downs (%)	71.8	28.6	68.9	55.3	69.6	59.8	68.4
Operating costs in % of revenues							
- Sales and marketing costs	24.4	23.8	22.6	23.1	23.0	23.4	23.3
- R&D costs	15.1	21.8	16.8	21.1	17.8	20.9	22.1
- General and administration costs	15.5	16.9	14.4	16.1	13.9	15.1	14.6
Operating margin (%)	16.8	-33.9	15.1	-5.0	15.0	0.5	8.4

* including capital gain from the divestment of the Nordic consulting business.

Balance Sheets

	SEK Million			
	30 Sept 2012	30 Sept 2011	31 Dec 2011	31 Dec 2010
ASSETS				
Intangible assets	123.4	159.2	127.1	188.2
- of which goodwill	80.8	115.0	85.0	125.5
- of which capitalized development costs	41.9	42.7	40.9	52.4
- of which other intangible assets	0.7	1.5	1.2	10.3
Tangible assets	14.3	17.9	14.9	8.9
Deferred tax assets	6.6	13.9	10.0	16.4
Other assets	1.2	1.3	1.5	1.4
Other financial assets	28.0	-	-	-
Current receivables	133.2	231.5	147.0	144.2
Cash and cash equivalents	134.6	121.6	127.3	176.5
Assets held for sales	-	-	137.3	125.1
Total assets	441.3	545.4	565.1	660.7
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity	358.0	393.8	415.9	512.6
Deferred tax liability	3.6	-	3.6	2.6
Long-term liabilities, interest bearing	-	-	-	0.3
Long-term liabilities, non-interest bearing	-	-	-	9.8
Short-term liabilities, interest bearing	-	-	-	3.6
Short-term liabilities, non-interest bearing	79.7	151.6	90.0	69.0
Liabilities held for sales	-	-	55.6	62.8
Total shareholders' equity and liabilities	441.3	545.4	565.1	660.7

Changes in Shareholder's Equity

	SEK Million			
	30 Sep 2012	30 Sep 2011	31 Dec 2011	31 Dec 2010
At beginning of period	415.9	512.6	512.6	516.0
Total comprehensive profit for the period	90.7	-26.5	-4.4	26.2
Dividend / Redemption program	-135.2	-86.7	-86.7	-26.0
Share saving and stock option programs	1.0	0.6	1.2	2.0
Repurchasing of own shares	-14.4	-6.2	-6.8	-7.7
Sales of repurchased shares	-	-	-	2.1
At end of period	358.0	393.8	415.9	512.6

Cash Flow Statement

SEK Million	Jul-Sept		Jan-Sept		Full year	
	2012	2011	2012	2011	2011	2010
Cash flow from operating activities before change in working capital	22.9	8.8	62.1	43.3	78.1	88.6
Cash flow from change in working capital	3.7	9.1	-2.1	24.3	-0.9	-12.5
Cash flow from operating activities	26.6	17.9	60.0	67.6	77.2	76.1
Cash flow from investing activities	-4.5	-14.0	-14.9	-29.2	-33.0	-19.0
Cash flow from financing activities	-2.1	-6.2	-149.6	-92.9	-93.4	-31.7
Cash flow for the period	20.0	-2.3	-104.5	-54.5	-49.2	25.4
Cash and cash equivalents at beginning of period	117.3	122.6	127.3	176.5	176.5	153.9
Exchange rate differences	-2.7	1.3	-3.6	-0.4	-	-2.8
Cash and cash equivalents at end of period	134.6	121.6	19.2	121.6	127.3	176.5
Cash flow from divested business:						
Cash flow from investing activities	-		115.4			
Cash flow for the period from the divested business	-		115.4			
Total cash flow for the period	20.0		10.9			
Cash and cash equivalents, including divested business	134.6		134.6			

Key Figures related to the balance sheet and cash flow

	Jan-Sept		12 months	Full year	
	2012	2011	Okt-Sept	2011	2010
Cash and cash equivalents (SEK million)	134.6	121.6	134.6	127.3	176.5
Equity/assets ratio (%)	81.1	72.2	81.1	73.6	77.6
Equity per share (SEK)	21.18	22.98	21.18	24.31	29.55
Cash flow from operating activities per share (SEK)	3.55	3.91	4.10	4.47	4.38
Number of employees at end of period	422	623	422	652	620
Return on equity (%)			14.3	2.5	8.9
Return on capital employed (%)			20.8	4.5	13.9
Return on assets (%)			15.9	3.6	10.6

Parent Company's Income Statement

SEK Million	Jan-Sept 2012	Jan-Sept 2011	Full year 2011
Net Sales	37.2	40.9	55.8
Operating costs	-37.1	-40.9	-55.8
Operating profit/loss	0.1	-	-
Net financial income/expense	7.3	9.1	11.8
Profit after financial expense	7.4	9.1	11.8
Appropriations	-	-	-3.9
Profit before tax	7.4	9.1	7.9
Tax	-2.0	-2.4	-2.1
Profit after tax	5.4	6.7	5.8

Parent Company's Balance Sheet

SEK Million	30 Sept 2012	30 Sept 2011	31 Dec 2011
ASSETS			
Fixed assets	178.4	239.6	324.9
Current assets	197.2	289.0	197.5
Total assets	375.6	528.6	522.4
SHAREHOLDERS' EQUITY AND LIABILITY.			
Shareholders' equity	345.3	486.3	485.5
Untaxed reserves	1.1	-	4.0
Current liabilities	29.2	42.3	32.9
Total shareholders' equity and liabilities	375.6	528.6	522.4

Quarterly data

The numbers for 2010-2011 includes the divested business.

SEK Million	2012 q3	2012 q2	2012 q1	2011 q4	2011 q3	2011 q2	2011 q1	2010 q4	2010 q3	2010 q2
INCOME STATEMENT										
Net sales	107.3	120.6	117.3	200.8	155.5	180.7	184.5	181.1	166.1	192.6
Cost of sold prod. and services	-30.3	-39.6	-37.6	-95.0	-138.2	-94.0	-91.4	-87.9	-76.4	-92.7
Gross profit	77.0	81.0	79.7	105.8	17.3	86.7	93.1	93.2	89.7	99.9
Sales and marketing costs	-26.2	-26.7	-25.1	-37.2	-31.4	-36.2	-35.0	-32.1	-32.3	-38.8
R&D costs	-16.2	-20.0	-22.0	-25.4	-22.0	-24.8	-21.0	-25.8	-23.5	-25.5
General and administration costs	-16.6	-15.9	-17.0	-15.4	-17.2	-18.3	-16.5	-18.2	-13.7	-17.3
Operating profit	18.0	18.4	15.6	27.8	-53.3	7.4	20.6	17.1	20.2	18.3
Net financial income/expense	1.5	2.1	0.6	-0.3	2.1	1.3	0.7	-	0.2	0.4
Profit before tax	19.5	20.5	16.2	27.5	-51.2	8.7	21.3	17.1	20.4	18.7
Tax	-6.6	-5.6	-5.1	-5.6	2.6	-3.5	-6.2	-5.3	-9.5	-4.1
Profit after tax	12.9	14.9	11.1	21.9	-48.6	5.2	15.1	11.8	10.9	14.6
Other comprehensive income	-7.4	2.2	-4.9	-1.1	5.1	0.9	-4.3	-0.9	-14.8	-0.7
Total comprehensive income after tax	5.5	17.1	6.2	20.8	-43.5	6.1	10.8	10.9	-3.9	13.9
BALANCE SHEET										
Intangible assets	123.4	125.7	123.3	127.1	159.2	219.3	216.6	216.7	224.0	230.3
Other assets	22.1	25.4	25.1	26.4	33.1	28.8	29.7	30.9	32.5	44.4
Other financial assets	28.0	28.0	28.0	-	-	-	-	-	-	-
Current receivables	133.2	151.4	163.0	147.0	231.5	248.5	276.9	236.6	199.9	232.7
Cash and cash equivalents	134.6	117.3	236.5	127.3	121.6	122.6	172.2	176.5	202.5	182.8
Assets held for sales	-	-	-	137.3	-	-	-	-	-	-
Total assets	441.3	447.8	575.9	565.1	545.4	619.2	695.4	660.7	658.9	690.2
Shareholders' equity	358.0	353.5	474.7	415.9	393.8	444.3	524.1	512.6	500.7	503.8
Long-term liab., interest bearing	-	-	-	-	-	-	0.3	0.3	3.7	3.8
Long-term liab., non-interest bearing	3.6	3.6	3.6	3.6	-	2.0	12.1	12.4	16.3	17.2
Short-term liab., interest bearing	-	0.1	0.1	-	-	3.6	3.6	3.6	-	-
Short-term liab., non-interest bearing	79.7	90.6	97.5	90.0	151.6	169.3	155.3	131.8	138.2	165.4
Liabilities held for sales	-	-	-	55.6	-	-	-	-	-	-
Total shareholders' equity and liabilities	441.3	447.8	575.9	565.1	545.4	619.2	695.4	660.7	658.9	690.2
CASH FLOW										
Cash flow from operating activities.	26.6	27.3	6.1	9.6	17.9	44.3	5.4	-21.8	26.1	66.5
Cash flow from investing activities	-4.5	-6.8	-3.6	-3.8	-14.0	-7.5	-7.7	-4.7	-3.7	-6.3
Cash flow from financing activities	-2.1	-138.1	-9.4	-0.5	-6.2	-86.7	-	-	1.7	-26.9
Cash flow for the period	20.0	-117.6	-6.9	5.3	-2.3	-49.9	-2.3	-26.5	24.1	33.3
Cash flow from divested business:										
Cash flow, divested business	-	-2.3	117.7							
Total cash flow for the period	20.0	-119.9	110.8							

5 Year in Summary

The numbers include the divested business.

SEK Millions	2011	2010	2009	2008	2007
INCOME STATEMENT					
Net sales	721.5	726.1	777.7	917.6	820.6
Operating expenses	-719.0	-658.7	-781.8	-844.5	-748.5
Operating income	2.5	67.4	-4.1	73.1	72.1
Net financial items	3.8	0.7	3.3	7.9	4.8
Earnings before tax	6.3	68.1	-0.8	81.0	76.9
Profit for the period	-6.4	46.0	4.2	88.3	71.2
BALANCE SHEET					
Intangible assets	127.1	216.7	237.2	273.5	175.1
Other assets	26.4	30.9	46.8	46.0	24.9
Trade and other current assets	147.0	236.6	258.7	325.4	268.3
Cash and cash equivalents	127.3	176.5	153.9	122.1	156.0
Assets held for sales	137.3	-	-	-	-
Total assets	565.1	660.7	696.6	767.0	624.3
Shareholders' equity	415.9	512.6	516.0	548.4	434.6
Provisions, non-current liabilities and minority	3.6	12.7	31.9	31.5	8.9
Current liabilities	90.0	135.4	148.7	187.1	180.8
Liabilities held for sales	55.6	-	-	-	-
Total equity and liabilities	565.1	660.7	696.6	767.0	624.3
CASH FLOW					
Cash flow from operating activities	77.2	76.1	70.3	81.8	66.4
Cash flow from investing activities	-33.0	-19.0	-13.2	-121.6	-42.7
Cash flow from financing activities	-93.4	-31.7	-21.8	-1.8	-12.8
Cash flow for the period	-49.2	25.4	35.3	-41.6	10.9
KEY FIGURES					
Change in net sales, %	-0.6	-6.6	-15.2	11.8	9.4
Operating margin, %	0.3	9.3	-0.5	8.0	8.8
Profit margin, %	0.0	9.4	-0.1	8.8	9.4
Return on capital employed, %	4.5	13.9	1.7	17.3	19.5
Return on equity, %	2.5	8.9	0.8	18.0	17.5
Return on total capital, %	3.6	10.6	1.3	12.2	13.4
Interest coverage ratio, times	7.3	19.5	0.9	20.7	30.1
Equity ratio, %	73.6	77.6	74.0	71.0	70.0
Liquidity, %	304.8	305.0	278.0	239.0	235.0
Average number of employees	613	621	666	688	547
Net sales per employee, SEK	1 107.0	1 169.0	1 168.0	1 334.0	1 500.0
Net asset value per share, SEK	30.16	29.55	29.53	30.43	23.71
Earnings per share, SEK	-0.37	2.65	0.24	4.90	3.88
Dividend per share	5.00	1.50	-	-	-

Enea's Values

At Enea, we view our values as a basic platform for our everyday actions. Enea has five values: we focus on customer success, we provide trusted leadership, we innovate for business reasons, we are team players and we bring passion and fun.

Nigel Day, product manager for the database Polyhedra, gives us his view of the value "we focus on customer success".

"The customers need is reassurance that we will work with them in the long term. In return, we'll get some long term revenue stream from them through royalties and support fees. We need to let them influence our roadmap, but not in a way that negatively affects other customers. We need to show them we can offer long-term support for old versions of the product, so that if problems arise years later in a deployed system we can either fix the bug in the old software or offer them an easy migration path to the latest version of our software. We need to ensure that their people are aware of new features so they can take advantage of them in new releases of their products. As far as possible, we need to be proactive, anticipating the needs of our customers – so when they come to us with new requirements, there is a good chance there will be no surprises!

Above all, we need to tell customers and prospects that helping existing customers is more important to us than landing new customers. Once they adopt our products we will be treating them as partners."



Nigel Day

Product news - Enea Linux

With the launch of the first commercial version of Enea Linux, Enea becomes the leading hardware independent supplier of comprehensive Linux solutions for embedded systems. Telecom systems include several types of operating systems where Linux to a greater extent is used for application software, while real-time operating systems such as Enea OSE often are found in performance-critical lower level software close to the hardware.

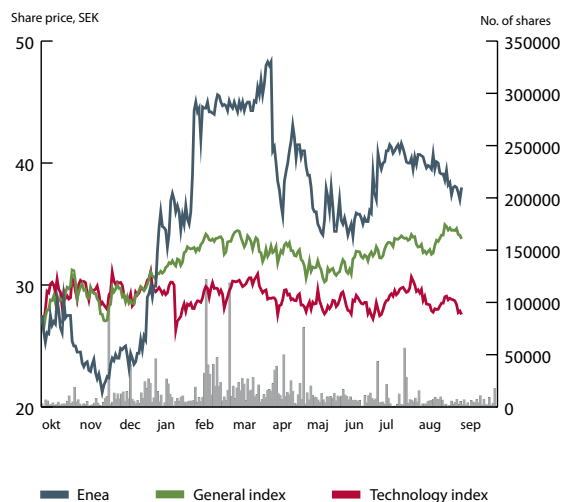
"As the leading provider of operating systems to the world's tier 1 telecom equipment manufacturers, it is a natural step to include Linux in our offering", says Anders Lidbeck, President and CEO of Enea. "In a customer dialogue, Linux is often among the first things we discuss and with our Linux offering we see great opportunities to strengthen our existing customer relationships and to develop new ones."

The challenges of the telecom equipment manufacturers have been a leading light when designing Enea Linux. Based on Enea's long real-time experience from embedded systems and a leading position in the telecom market, Enea offers complementary solutions that significantly improve the Linux real-time performance, which is an area where native Linux typically does not fulfill all the requirements.

Enea's Linux Solution is based on The Yocto Project, a collaborative project for open-source development within The Linux Foundation, with focus on Embedded Linux. Enea is the only hardware independent provider of a Yocto based Linux Solution.



Jason Kennedy from the American service organization together with the Linux penguin mascot Tux.



The Share

Jan - Sept 2012

Share price development:	+31%
No. of trades shares:	2 245 621
Highest share price:	48,30 SEK
Lowest share price:	29,30 SEK
Dividend*:	8,00 SEK
Market cap. (30 Sept)	671 MSEK
Total No. of shares (30 Sept)	17 659 091

* through a redemption program

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Financial information

Annual Statement	7 February, 2013
Annual General Meeting	10 April, 2013
Interim Report Jan-Mar	25 April, 2013
Interim Report Apr-Jun	23 July, 2013

All financial information is published at Enea's web site www.enea.com.

Financial reports can also be ordered from Enea AB, P.O. Box 1033, SE-164 Kista, Sweden or by e-mail: ir@enea.com

This report contains forward-looking statements that are based on the current expectations of the management of Enea. Although management believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove correct. Accordingly, results could differ materially from those implied in the forward-looking statements as a result of, among other factors, changes in economic, market and competitive conditions, changes in the regulatory environment and other government actions, fluctuations in exchange rates and other factors.

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