Interim report January-June 2012

Proffice

Record sales in second quarter

Second quarter 2012 year-on-year

- Revenue increased 10 per cent to SEK 1,295 million (1,182)
- Other operating income totalled SEK 13 million (0) because the actual additional purchase price from previous acquisitions deviated from the expected outcome
- EBITA and operating profit rose 8 per cent to SEK 54 million (50)
- EBITA and operating margin totalled 4.2 per cent (4.2); excluding other operating income, the corresponding margin totalled 3.2 per cent (4.2)
- In Sweden, which accounts for 77 per cent of consolidated revenue, Proffice's revenue increased 9 per cent to SEK 992 million (914). Operating profit totalled SEK 67 million (71), representing an operating margin of 6.8 per cent (7.8). Excluding other operating income, the operating margin was 5.6 per cent (7.8)
- Cash flows from operating activities totalled SEK -73 million (-38)
- Basic earnings per share totalled SEK 0.55 (0.50)

YTD 2012 year-on-year

- Revenue increased 10 per cent to SEK 2,495 million (2,278)
- Other operating income totalled SEK 13 million (0) because the actual additional purchase price from previous acquisitions deviated from the expected outcome
- EBITA and operating profit declined 1 per cent to SEK 94 million (95)
- EBITA and operating margin totalled 3.8 per cent (4.2); excluding other operating income, the corresponding margin totalled 3.3 per cent (4.2)
- In Sweden, which accounts for 77 per cent of consolidated revenue, Proffice's revenue increased 9 per cent to SEK 1,992 million (1,763). Operating profit totalled SEK 118 million (127), representing an operating margin of 6.1 per cent (7.2). Excluding other operating income, the operating margin was 5.6 per cent (7.2)
- Cash flows from operating activities totalled SEK -124 million (-23)
- Basic earnings per share totalled SEK 0.90 (0.92)

Financial overview

	Second quarter		YTD		Full year	Change
Group	**2012**	**2011**	**2012**	**2011**	**2011**	**quarter**
Revenue, SEK million	1,295	1,182	2,495	2,278	4,770	10%
EBITA, SEK million	54	50	94	95	227	8%
EBITA margin, per cent	4.2	4.2	3.8	4.2	4.8	-
Operating profit, SEK million	54	50	94	95	218	8%
Operating margin, per cent	4.2	4.2	3.8	4.2	4.6	-
Profit after tax, SEK million	39	38	65	70	154	3%
Basic earnings per share, SEK	0.55	0.50	0.90	0.92	2.02	10%
Diluted earnings per share, SEK	0.55	0.50	0.90	0.92	2.02	10%
Cash flows from operating activities, SEK million	-73	-38	-124	-23	128	-
Basic equity per share, SEK	7.27	9.31	7.27	9.31	10.27	-22%
Return on equity, per cent	6.9	8.0	11.5	15.1	22.0	-

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About the Proffice Group

Proffice aims to be the most successful staffing company in the Nordic region. Our main strategy is product leadership through specialisation, making us an attractive partner for individuals and companies.

We will create value for our shareholders by growing faster than the staffing market in the prioritised segments in which we are represented, and through a balanced combination of organic growth and selective acquisitions.

CEO comments

Record sales for Proffice Group

Sales for the second quarter of 2012 increased 10 per cent to SEK 1,295 million (1,182), which is the highest quarterly sales figure ever for the Group. Despite a period with fewer working days than the same period last year, which is hard on sales and operating profit in the industry, we managed to grow in both Sweden and Norway.

We continue to win the trust of customers, and it is becoming increasingly clear that more people want our services.

Sales are increasing significantly in the Industry/Logistics, Finance, and IT business areas in all markets. Industry/Logistics is growing by as much as 38 per cent compared with the same period in 2011.

Consolidated operating profit increased to SEK 54 million (50), representing an operating margin of 4.2 per cent (4.2). Other operating income affected operating profit by SEK 13 million (0).

Sweden: Growth continues in a difficult to assess macroeconomic climate

Despite a stagnant market, Proffice Sweden grew 9 per cent in the second quarter compared with the same period last year. During the period, our Swedish operation showed a profitability of 6.8 per cent (7.8). The uncertain economic situation is demonstrated by the fact that our Outplacement operating area increased 31 per cent during the quarter, while Recruitment decreased 4 per cent. With a balanced product portfolio that offers staffing, recruitment and outplacement, Proffice can hold its own in the face of economic changes. We can expand our business dealings while deepening customer relationships and become an even more essential partner.

The implementation of our new Group-wide enterprise resource planning (ERP) system has continued during the second quarter. Costs for this and a temporary invoicing delay, combined with fewer working days, continued to encumber liquidity and profitability in the second quarter.

We signed several important agreements during the second quarter, including a nationwide master agreement with Posten Logistik, under which we are one of five suppliers, and an expanded partnership with Logica. After the period, the Swedish Public Employment Service entrusted Proffice as its leading recruitment provider for two years.

Norway: Strong profitability a sign of strength

Norway's labour market continues to be favourable and the Norwegian business continues to evolve as planned. Operating profit increased 67 per cent to SEK 10 million (6) and sales increased 18 per cent compared to the same period last year. Last year's reorganisation to the same specialisation organisation as in Sweden continues to reap success. The Industry/Logistics business area shows the most growth: 46 per cent compared with the same period last year. Several existing accounts performed well during the quarter, including Tine, Nortura, and AGA. We will strengthen our offering in Norway in the third quarter of 2012 by starting Dfind Engineering, a company that will specialise in staffing and recruiting engineers, a service that is in high demand in the Nordic market.

Focus on competence generates growth and profitability

We are affected by a general cautiousness in a market where many are holding their breath, waiting to see what will happen in certain euro zone countries. Challenges within the business sector give rise to an even greater need to find the right talent. At the same time, the labour market is marked by high youth unemployment and growing alienation, but also a shortage of competence in certain industries. Here is where Proffice will play an increasingly bigger role in the future. By actively focusing on competency, and thus creating a more inclusive labour market, we can make a difference and generate further growth.

Proffice continued to work on the important issue of diversity during the quarter and has taken a number of initiatives to move forward and show that diversity and profitability go hand in hand. At the Almedalen Week forum, a diversity network initiated by Proffice was presented, in which we and several business leaders want to show how to best take advantage of the untapped competence of all those who are outside the labour market.

In the second quarter, a partnership was also concluded with Uppstart Malmö, in which we work together with entrepreneurs to help highlight people's competence and help companies and entrepreneurs grow.

Through an entrepreneurial corporate culture we will be first with the best services and meet both existing and new customer needs with optimal staffing solutions.

Our vision remains unchanged: Proffice aims be the most successful staffing company in the Nordic region. With good cost control, closer customer relationships and by focusing on competence, we ensure increased profitability and growth.

Lars Kry
President and CEO Proffice

Key events

Second quarter

Proffice is growing in Industry/Logistics. On 1 April, Proffice specialised further in Industry/Logistics by placing contracting solutions under a special company called Proffice Logistic Solutions AB. Meanwhile, operations are expanding in four additional strategically important locations in Sweden: Eskilstuna, Norrköping, Linköping, and Jönköping.

Proffice was named a supplier to Posten Logistik. Posten Logistik AB chose Proffice AB as one of five nationwide suppliers in Sweden. The framework agreement runs for three and a half years with the option of a two-year extension.

Proffice and Uppstart Malmö in partnership for jobs. Proffice and the Uppstart Malmö Foundation began a partnership to support entrepreneurs in order to create more jobs in the Malmö region. Uppstart Malmö is a private, non-profit foundation with the purpose of creating 1,000 new jobs over a three year period by supporting entrepreneurs with things like investment capital, advice, and coaching. Proffice's role is to recruit personnel for various business projects and to help new companies grow.

Green jobs are Proffice's new business. Proffice Green Jobs is the name of Proffice's new specialist service in the environmental field. The goal of Green Jobs is to help businesses and organisations hire or employ staff with environmental competence within a number of areas. These include: environmental engineering, renewable energy, environmental safety, transportation, production, and management of waste and dangerous goods. Proffice Green Jobs was launched simultaneously in Sweden and Norway.

Proffice expands collaboration with Logica. Proffice signed a framework agreement with Logica, an IT services provider. The framework agreement covers three years and includes consulting services.

Proffice starts business network for discussing diversity. Proffice invited other business leaders to join the network, and partial results were presented to Sweden's Minister of Labour Hillevi Engström in connection with Proffice's seminar in Almedalen on 4 July called "Diversity – Profitable or Just Politically Correct".

After end of quarter

Proffice and Swedish Public Employment Service in major recruitment deal. The Swedish Public Employment Service awarded Proffice a contract as lead supplier in its recently completed recruitment procurement. The agreement runs for two years with the option of a two-year extension.

Dfind Engineering AS starts up in Norway. The new specialist company works with recruitment and staffing of engineers. Operations began on 1 August.

Benno Eliasson named new Proffice CFO. Benno Eliasson was appointed as Proffice's new CFO. Most recently, he held the position of vice president at ATG. Mr. Eliasson will assume his duties on 1 December.

Group overview

Revenue and operating profit – Second quarter

Consolidated revenue for Q2 totalled SEK 1,295 million (1,182), a 10 per cent rise in revenue compared year-on-year. The increase is largely attributable to growth in the Staffing operating area in Sweden and Norway. In Q2, sales increased in the Outplacement operating area for the first time after a long decline.

Second quarter figures were affected by the acquisition of Komet, which was implemented in Q3 2011. In Q2 2012, Komet contributed SEK 53 million to Group sales. This had a marginal effect on operating profit.

Consolidated operating profit for Q2 totalled SEK 54 million (50). Operating profit was affected by other operating income, which totalled SEK 13 million (0) in Q2. This other operating income refers to deviation between the actual additional purchase price from previous acquisitions and the expected outcome. The operating margin was 4.2 per cent (4.2) during the same period. The operating margin in Sweden declined to 6.8 per cent (7.8) during the quarter. The operating margin in Sweden was affected by other operating income totalling SEK 11 million (0) in Q2. In Sweden, implementation of a new ERP system is in progress, which means a temporary increase in overhead and thus a decline in operating margin. Operating profit was also impacted by the fact that Q2 had 2.5 fewer working days than the same period last year (57.5 vs. 60.0 days).

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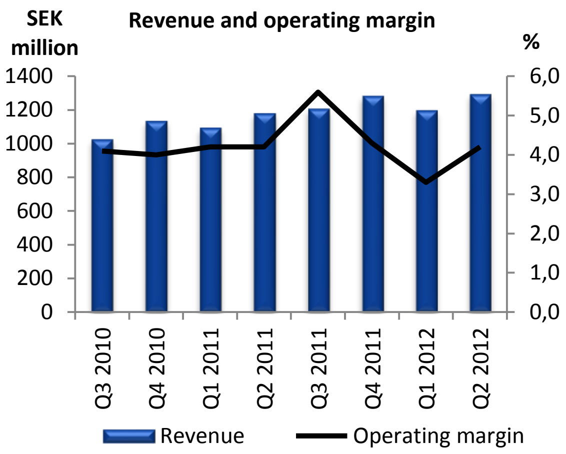
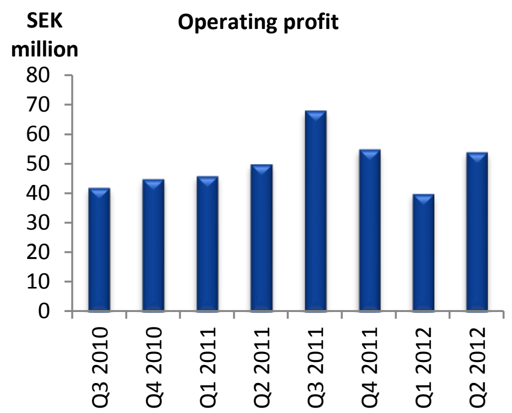
Revenue and operating profit – YTD

Consolidated revenue for H1 amounted to SEK 2,495 million (2,278), which is a sales increase of 10 per cent year-on-year. This is mainly attributable to growth in the Staffing operating area.

The period's figures were affected by the acquisition of Komet, which was implemented in Q3 2011. In H1, Komet contributed SEK 95 million to Group sales.

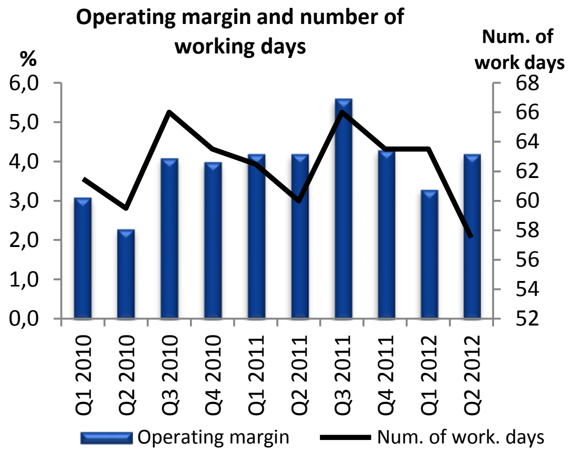
Consolidated operating profit for H1 totalled SEK 94 million (95). Operating profit was affected by other operating income, which totalled SEK 13 million (0) in H1. The operating margin totalled 3.8 per cent (4.2). In Sweden, the operating margin totalled 6.1 per cent (7.2).





Seasonal effects

Proffice's operation is affected by seasonal fluctuations due to the number of working days. Normally, Q1 and Q2 are weaker than the rest of the year due to fewer working days.

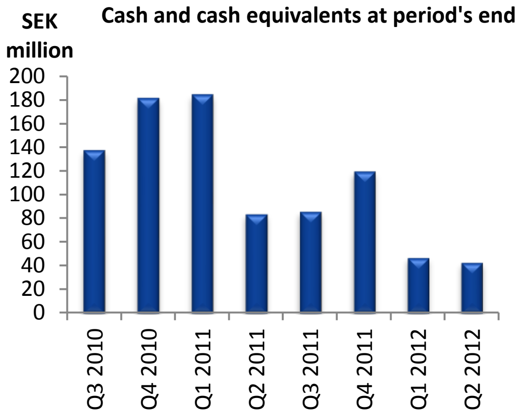


Liquidity and financial position

Cash and cash equivalents at the balance sheet date totalled SEK 43 million (120 at 31 December 2011). Unappropriated liquid assets totalled SEK 184 million (325 at 31 December 2011), including unused credit undertakings. The ongoing implementation of the new ERP system, which led to a temporary delay in invoicing and increased overhead, affected Group liquidity and cash flows negatively compared with Q4 last year. In addition, a dividend of SEK 77 million was paid to Proffice AB shareholders and SEK 15 million was paid to Dfind AB's minority shareholders.

Proffice has taken measures regarding invoicing that resulted in liquidity improvement after period's end.

Group equity at period's end totalled SEK 499 million (700 at 31 December 2011) and the equity/assets ratio was 24.8 per cent (35.7 at 31 December 2011). Consolidated non-restricted equity for the period was impacted by the effects of acquiring the outstanding minority interests in Dfind AB, SEK 150 million, and a dividend of SEK 114 million. Of the total dividend amount, SEK 92 million was paid out.



Cash flow

Cash flow from operating activities in Q2 totalled SEK -73 million (-38), of which change in working capital totalled SEK -92 million (-74). This was mainly due to temporary invoicing delays experienced by the Group from implementation of the new ERP system.

During the quarter, consolidated cash flow was affected by the SEK 3 million invested in the ERP system. Additionally, SEK 77 million was distributed to the shareholders and SEK 37 million to Dfind AB's minority shareholders, of which SEK 15 million was in cash. SEK 2 million of consolidated interest-bearing liabilities was amortised during the quarter. The Group took a temporary short-term loan of SEK 150 million in Q2.

Taxes

Consolidated tax expense for H1 totalled SEK -24 million (-26). The effective tax rate for the period was 26.7 per cent (27.0). Tax expense is calculated on the basis of the current tax rate for the parent company and each subsidiary. Temporary differences and existing deficit deductions are taken into consideration.

Employees

The average number of full-time employees (FTEs) in the Group for the period YTD was 7,680 (7,652), an increase of 28 FTEs compared with the same period last year. Komet, which was acquired in Q3 2011, accounted for 377 FTEs.

Market development

Proffice's operations are organised and monitored with regard to the countries in which the Group is active. Sweden, Norway, Finland, and Denmark have been defined as operating segments.

Internal pricing between operating segments is based on market-based conditions.

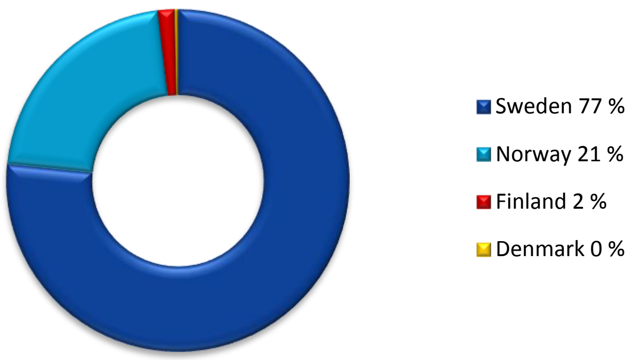
Breakdown by country – revenue and operating profit

	Second quarter		YTD		Full year	Change
SEK million	**2012**	**2011**	**2012**	**2011**	**2011**	**quarter**
Revenue						
Sweden	992	914	1,922	1,763	3,667	9%
Norway	279	236	523	455	983	18%
Finland	20	24	40	44	93	-17%
Denmark	4	8	10	16	27	-50%
Total	**1,295**	**1,182**	**2,495**	**2,278**	**4,770**	**10%**
Other operating income						
Sweden	11	-	11	-	-	-
Norway	2	-	2	-	-	-
Total	**13**	**-**	**13**	**-**	**-**	-
Operating profit/loss						
Sweden	67	71	118	127	262	-6%
Norway	10	6	14	8	31	67%
Finland	-1	-2	-1	-2	0	50%
Denmark	0	-2	0	-3	-13	100%
Group-wide	-22	-23	-37	-35	-62	4%
Total	**54**	**50**	**94**	**95**	**218**	**8%**

Group-wide

The parent company's operation is included in the "Group-wide" item.

Breakdown by country – second quarter revenue



Revenue by operating area

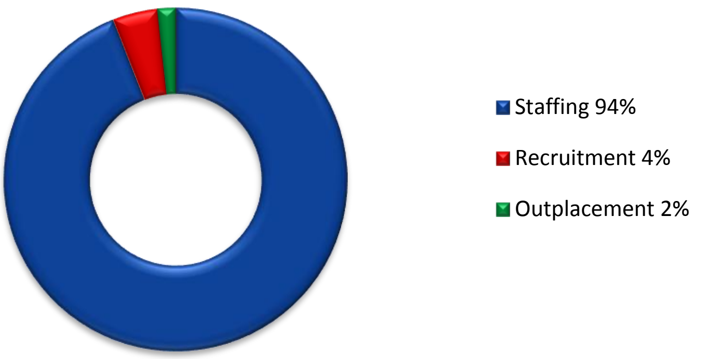
Within each country, Proffice's operations are divided into three operating areas: Staffing, Recruitment, and Outplacement. Staffing is the basis of our operations and means that Proffice can provide personnel for shorter or longer assignments. The Recruitment operating area provides recruitment consultants with broad experience in Proffice's specialist areas. The Outplacement operating area works with outplacement programs.

	Second quarter		YTD		Full year	Change
SEK million	**2012**	**2011**	**2012**	**2011**	**2011**	**quarter**
Revenue						
Staffing	1,218	1,111	2,346	2,132	4,499	10%
Recruitment	55	54	106	102	188	2%
Outplacement	22	17	43	44	83	29%
Total	**1,295**	**1,182**	**2,495**	**2,278**	**4,770**	**10%**

Breakdown by country – second quarter revenue by operating area

SEK million	**Staffing**	**Recruitment**	**Outplacement**	**Total**
Revenue				
Sweden	926	45	21	**992**
Norway	271	7	1	**279**
Finland	18	2	-	**20**
Denmark	3	1	-	**4**
Total	**1,218**	**55**	**22**	**1,295**

Breakdown by operating area – second quarter revenue



Second quarter

Group-wide, Staffing increased 10 per cent year-on-year. The growth in Staffing is primarily attributable to sales success in Sweden and Norway. In Q2, sales increased in Outplacement after a long decline and totalled SEK 22 million (17), an increase of 29 per cent year-on-year. During the quarter, Recruitment's sales increase was stable.

Percentage of consolidated revenue in Q2: Staffing 94 per cent (94), Recruitment 4 per cent (5), Outplacement 2 per cent (1).

YTD

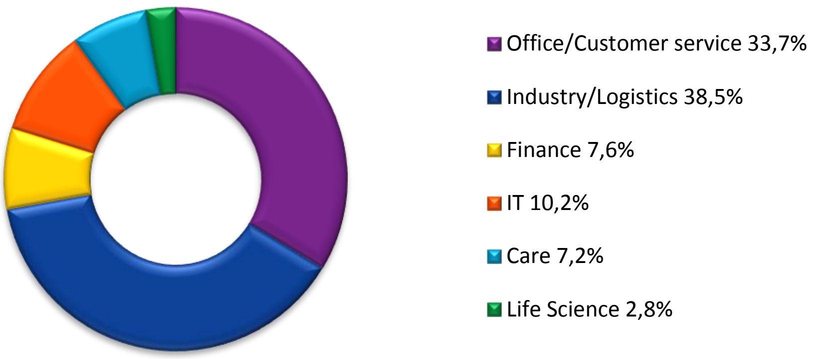
In H1, the Staffing operating area increased 10 per cent and Recruitment increased 4 per cent. Outplacement decreased 2 per cent.

Breakdown by business area – revenue from Staffing operating area

Staffing, Proffice's largest operating area, is divided into six business areas: Office/Customer Service, Industry/Logistics, Finance, IT, Care, and Life Science.

	Second quarter		YTD		Full year	Change
SEK million	**2012**	**2011**	**2012**	**2011**	**2011**	**quarter**
Revenue						
Office/Customer Service	410	443	827	848	1,767	-7%
Industry/Logistics	469	341	832	616	1,409	38%
Finance	93	82	192	163	335	13%
IT	124	98	249	214	435	27%
Care	88	109	174	214	408	-19%
Life Science	34	38	72	77	145	-11%
Total	**1,218**	**1,111**	**2,346**	**2,132**	**4,499**	**10%**

Breakdown by business area – Second quarter revenue from Staffing



Second quarter

Initiatives in Proffice's focus areas, Industry/Logistics, Finance, and IT, gave good results and these business areas showed increased sales.

Uncertainties about the ongoing recession affected demand in the Office/Customer Service business area, as sales decreased 7 per cent year-on-year.

The decrease in the Care business area was primarily due to termination of the partnership with Örebro Municipality in Q2 2011.

YTD

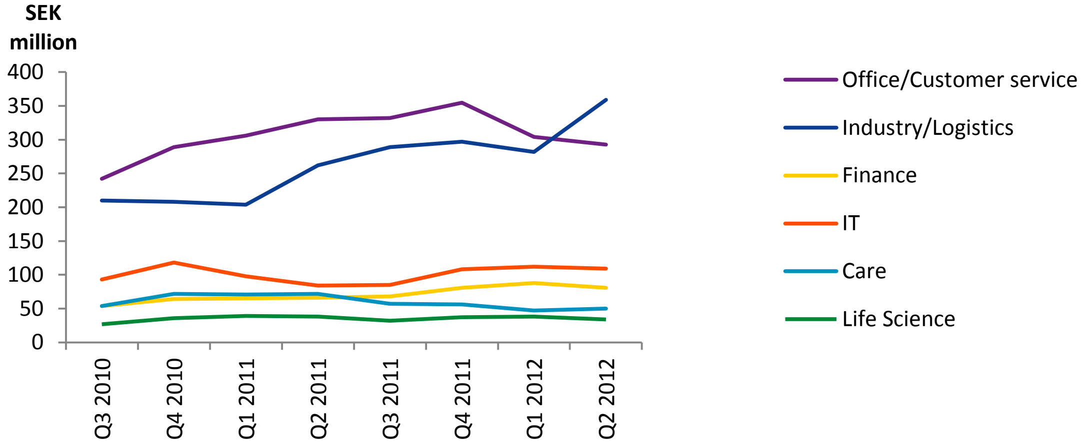
In H1, there was growth in a number of the Group's business areas; Industry/Logistics stood out the most with 35 per cent growth year-on-year.

Sweden

Revenue by operating area

	Second quarter		YTD		Full year	Change
SEK million	**2012**	**2011**	**2012**	**2011**	**2011**	**quarter**
Revenue						
Staffing	926	851	1,797	1,634	3,431	9%
Recruitment	45	47	84	87	157	-4%
Outplacement	21	16	41	42	79	31%
Total	**992**	**914**	**1,922**	**1,763**	**3,667**	**9%**

Revenue by business area from Staffing



Second quarter

In Sweden, Q2 revenue rose 9 per cent compared year-on-year. The Swedish market's growing need for flexible competence management helped increase demand in the Staffing operating area. Sales in the Outplacement operating area have decreased over a long period. This trend reversed in Q2 and Outplacement sales increased, reaching SEK 21 million (16), an increase of 31 per cent year-on-year. Proffice Sweden stood for 77 per cent (77) of consolidated revenue in Q2 for a total of SEK 992 million (914).

Growth in Industry/Logistics increased 37 per cent compared year-on-year.

Second quarter figures were affected by the acquisition of Komet, which was implemented in Q3 2011. In Q2 2012, Komet contributed SEK 53 million to Group sales in Sweden. Komet operates mainly within the Staffing operating area. Komet's sales within Staffing are allocated over all business areas in the Group with the exception of Life Science and Care.

Other operating income impacted operating profit and operating margin by SEK 11 million (0) and the fact that there were 2.5 fewer working days than in Q2 2011. The ongoing implementation of the new ERP system also affected the operating margin negatively. This meant that the operating margin decreased to 6.8 per cent (7.8) in Q2.

YTD

In Sweden, revenue increased 9 per cent in H1 year-on-year. Proffice Sweden stood for 77 per cent (77) of consolidated revenue for a total of SEK 1,922 million (1,763).

In H1, there was growth in a number of Proffice Sweden's business areas; Industry/Logistics stood out the most with 38 per cent growth year-on-year.

Second quarter figures were affected by the acquisition of Komet, which was implemented in Q3 2011. In H1 2012, Komet contributed SEK 95 million to Group sales in Sweden.

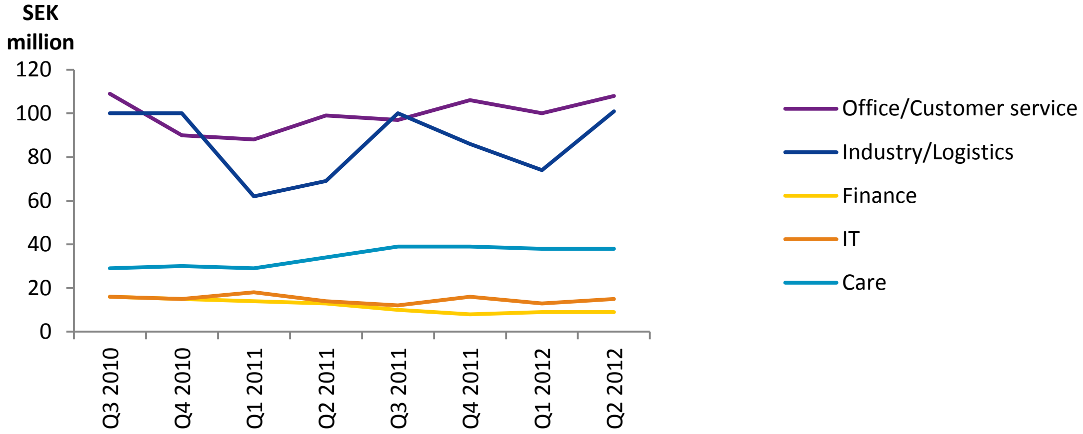
Operating profit was affected by other operating income, which totalled SEK 11 million (0). The operating margin decreased to 6.1 per cent (7.2) in H1.

Norway

Revenue by operating area

	Second quarter		YTD		Full year	Change
SEK million	**2012**	**2011**	**2012**	**2011**	**2011**	**quarter**
Revenue						
Staffing	271	229	505	441	955	18%
Recruitment	7	6	16	12	24	17%
Outplacement	1	1	2	2	4	-
Total	**279**	**236**	**523**	**455**	**983**	**18%**

Revenue by business area from Staffing



Second quarter

Revenue increased to SEK 279 million (236) in Q2, up 18 per cent compared year-on-year. The effects of implementing the Group's specialist strategy in Norway began to show results, with both increased sales and an increased operating margin. Operating profit totalled SEK 10 million (6) and was affected by other operating income, which totalled SEK 2 million (0). The operating margin improved to 3.6 per cent (2.5) in Q2.

Adjusted for currency effects, sales increased 13 per cent to NOK 26 million. Adjusted for currency effects, operating profit rose to NOK 5 million. Operations in Norway were negatively influenced by seasonal variations, so operating profit performance was even more positive in Q2.

The Staffing operating area constitutes 97 per cent of Norway's revenue. Office/Customer Service is the largest business area within Staffing in Norway, making up 40 per cent of total revenue. Growth in Office/Customer Service increased 9 per cent compared year-on-year.

YTD

In Norway, revenue increased to SEK 523 (455) in H1, up 15 per cent compared year-on-year.

Operating profit totalled SEK 14 million (8). Other operating income had an impact on operating profit of SEK 2 million (0) in H1. The operating margin improved to 2.7 per cent (1.8) in H1.

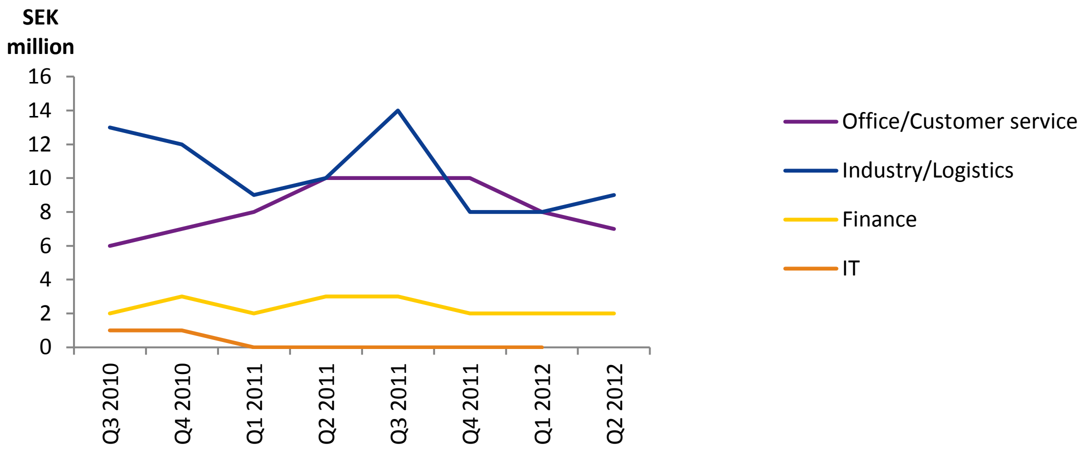
Adjusted for currency effects, sales increased 13 per cent to NOK 51 million. Adjusted for currency effects, operating profit rose 75 per cent to NOK 5 million.

Finland

Revenue by operating area

	Second quarter		YTD		Full year	Change
SEK million	**2012**	**2011**	**2012**	**2011**	**2011**	**quarter**
Revenue						
Staffing	18	23	36	42	88	-22%
Recruitment	2	1	4	2	5	100%
Outplacement	-	-	-	-	-	-
Total	**20**	**24**	**40**	**44**	**93**	**-17%**

Revenue by business area from Staffing



Second quarter

Revenue in Finland in Q2 totalled SEK 20 million (24), which is a 17 per cent decrease compared year-on-year. Operating loss for Q2 totalled SEK -1 million (-2). The effect of currency translation to EUR is marginal.

YTD

In Finland, revenue totalled SEK 40 million (44) in H1. Demand declined primarily in the Office/Customer Service business area in Staffing. Operating loss for H1 totalled SEK -1 million (-2).

Denmark

Revenue by operating area

	Second quarter		YTD		Full year	Change
SEK million	**2012**	**2011**	**2012**	**2011**	**2011**	**quarter**
Revenue						
Staffing	3	8	8	15	25	-63%
Recruitment	1	0	2	1	2	-
Outplacement	-	-	-	-	-	-
Total	**4**	**8**	**10**	**16**	**27**	**-50%**

Second quarter

In Q2, Denmark had an operating profit of SEK 0 million (-2). Revenue decreased to SEK 4 million (8) in Q2.

YTD

Revenue for H1 totalled SEK 10 million (16) and operating profit totalled SEK 0 million (-3).

Other disclosures

The Proffice share

The number of shares at 30 June 2012 stood at 68,677,773, of which 64,677,773 are class B shares. The Proffice share is listed on the NASDAQ OMX Nordic Exchange Stockholm, Mid Cap.

At Proffice's AGM on 3 May 2012, the board was authorised to determine whether to acquire and transfer own shares. No shares have been acquired since the 2012 AGM.

	Second quarter		YTD		Full year
	2012	**2011**	**2012**	**2011**	**2011**
Number of shares at end of period	68,677,773	68,623,773	68,677,773	68,673,773	68,677,773
Average number of shares, basic	68,677,773	68,184,854	68,677,773	68,184,851	68,184,854
Average number of shares, diluted	68,677,773	68,186,931	68,677,773	68,186,931	68,212,892

Transactions with related companies

The nature of transactions with related companies is unchanged in Q2 as compared to previous periods. Transactions with related companies are disclosed in the 2011 Annual Report, Note 19 (p. 31).

Besides the usual transactions between Group companies, there were no transactions with related parties that materially affected the company's position and earnings during the period.

Risks and uncertainty factors

The Group's and parent company's most significant risk and uncertainty factors consist chiefly of sensitivity to economic fluctuations and market changes. The supply of qualified employees is also considered to be an uncertainty factor. Apart from this and owing to its Nordic presence, Proffice is exposed to financial risks mainly in the form of currency risks. Influencing factors and financial risk management are described in detail in the 2011 Annual Report, Note 2 (pp. 18-19) and Note 4 (p. 20). Apart from the risks described there, no other significant risks were deemed to have emerged.

Acquisitions

The shares in a dormant company were acquired in Q2 in order to establish Dfind Engineering AS in Norway. The new company started up on 1 August 2012.

Parent company

Parent company operations consist of managing joint functions for Group companies, including Finance, HR, IT, Marketing, Facilities Management, and Information. The parent company's operating loss totalled SEK -22 million (-23) in Q2. Loss after financial items totalled SEK -23 million (-22). Investments in non-current assets totalled SEK 3 million in Q2, of which SEK 3 million was for the ERP system and SEK 0 million for equipment. Investments in non-current financial assets totalled SEK 0 million and amortisation of non-current loans receivable totalled SEK 9 million. At period's end, unappropriated liquid assets totalled SEK 52 million (267 at 31 December 2011), including borrowing facilities of SEK 60 million (205 on 31 December 2011).

Accounting policies

The interim report for the Group was prepared pursuant to IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act, and the Swedish Securities Market Act. The interim report for the parent company was prepared pursuant to Chapter 9, on interim reporting, of the Swedish Annual Accounts Act and the Swedish Securities Market Act, which complies with the regulations of the Swedish Financial Reporting Board's RFR 2. The accounting policies and bases of calculation used in the latest annual report were used for the Group and parent company.

New 2012 accounting policies

New or revised IFRS standards and interpretive statements from the IFRS Interpretations Committee have had no effect on the Group's or parent company's earnings, financial position, or disclosures.

This interim report was not reviewed by the company's auditors.

The board and CEO certify that this interim report gives a fair overview of the Group's operations, position, and earnings, and describes significant risks and uncertainty factors to which the Group and its companies are exposed.

Stockholm, 23 August 2012

Proffice AB (publ)

Lars Kry President and CEO	Lars Murman Chairman of the Board	Cecilia Daun Wennborg Board member
Karin Eliasson Board member	Christer Hägglund Board member	Katarina Mellström Board member
Karl Åberg Board member	Sylvia Kristensen Board member Employee representative	Pamela Valenzuela Silva Board member Employee representative

Second quarter figures

Consolidated statement of comprehensive income, condensed

	Second quarter		YTD		Full year
SEK million	**2012**	**2011**	**2012**	**2011**	**2011**
Revenue	**1,295**	**1,182**	**2,495**	**2,278**	**4,770**
Other operating income	**13**	**0**	**13**	**0**	**0**
Operating costs					
Employee expenses	-1,083	-989	-2,085	-1,885	-3,925
Other operating expenses	-167	-139	-321	-289	-601
Depreciation, amortisation and write-downs of assets	-4	-4	-8	-9	-26
Operating profit	**54**	**50**	**94**	**95**	**218**
Earnings from financial items					
Financial revenue	2	4	2	4	7
Financial expenses	-3	0	-5	-1	-3
Exchange differences	-1	-3	-2	-2	1
Profit after financial items	**52**	**51**	**89**	**96**	**223**
Tax	-13	-13	-24	-26	-69
Profit for the period	**39**	**38**	**65**	**70**	**154**
Other comprehensive income					
Translation differences in foreign subsidiaries for the period	-1	14	0	7	-1
Total comprehensive income for the period	**38**	**52**	**65**	**77**	**153**
Period's profit attributable to:					
Parent company owners	38	34	62	63	138
Non-controlling interest	1	3	3	7	16
Comprehensive income for the period attributable to:					
Parent company owners	37	48	62	70	137
Non-controlling interest	1	3	3	7	16
Basic earnings per share, SEK	0.55	0.50	0.90	0.92	2.02
Diluted earnings per share, SEK	0.55	0.50	0.90	0.92	2.02

Consolidated statement of financial position, condensed

	30 Jun	30 Jun	31 Dec
SEK million	**2012**	**2011**	**2011**
Assets			
Intangible non-current assets	626	514	630
Property, plant, and equipment	16	20	19
Other investments held as fixed assets	1	1	1
Non-current receivables	3	2	4
Deferred tax assets	20	20	22
Current receivables	1,300	1,130	1,163
Cash and cash equivalents	43	84	120
Total assets	**2,009**	**1,771**	**1,959**
Equity and liabilities			
Equity	499	635	700
Deferred tax liability	46	45	46
Interest-bearing non-current liabilities	158	2	8
Interest-bearing current liabilities	190	8	39
Non-interest-bearing current liabilities	1,116	1,081	1,166
Total equity and liabilities	**2,009**	**1,771**	**1,959**
Pledged assets	245	245	245
Contingent liabilities	-	-	-

Key ratios – quarterly overview

	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Group	**2010**	**2010**	**2011**	**2011**	**2011**	**2011**	**2012**	**2012**
Revenue, SEK million	1,028	1,136	1,096	1,182	1,208	1,284	1,200	1,295
Operating profit, SEK million	42	45	46	50	68	55	40	54
Operating margin, per cent	4.1	4.0	4.2	4.2	5.6	4.3	3.3	4.2
Profit margin, per cent	3.6	4.4	4.2	4.3	5.6	4.6	3.3	4.2
Cash flows from operating activities, SEK million	22	105	15	-38	51	99	-51	-73
Basic equity per share, SEK	9.21	8.99	9.36	9.31	9.86	10.27	7.83	7.27
Return on equity, per cent	4.0	5.7	5.2	8.0	7.0	5.3	4.4	6.9
Net debt, SEK million	-68	-169	-171	-74	19	-106	151	305
Equity/assets ratio, per cent	38.7	36.5	37.6	35.9	35.0	35.7	29.0	24.8
Average FTEs	6,719	6,627	7,546	7,652	7,762	8,607	8,139	7 680
Number of working days	66.0	63.5	62.5	60.0	66.0	63.5	63.5	57.5

Consolidated statement of changes in equity, condensed

	Equity attributable to parent company owners						
SEK million	**Share capital**	**Other contributed capital**	**Reserves**	**Retained earnings including profit/loss for the year**	**Total attributable to parent company owners**	**Non-controlling interest**	**Total equity**
Equity, 1 January 2011	**17**	**360**	**-21**	**226**	**582**	**33**	**615**
Comprehensive income							
Profit for the year	-	-	-	63	63	7	**70**
Other comprehensive income							
Exchange differences	-	-	7	-	7	0	**7**
Total comprehensive income for the period	**-**	**-**	**7**	**63**	**70**	**7**	**77**
Transactions with shareholders							
Premiums paid for options	-	1	-	-	1	-	**1**
Share buy-back	-	-	-	-1	-1	-	**-1**
Dividend	-	-	-	-51	-51	-6	**-57**
Transactions with shareholders for the period	**-**	**1**	**-**	**-52**	**-51**	**-6**	**-57**
Equity, 30 June 2011	**17**	**361**	**-14**	**237**	**601**	**34**	**635**
Equity, 1 January 2012	**17**	**361**	**-16**	**299**	**661**	**39**	**700**
Comprehensive income							
Profit for the year	-	-	-	62	62	3	**65**
Other comprehensive income							
Exchange differences	-	-	0	-	-	0	**-**
Total comprehensive income for the period	**-**	**-**	**0**	**62**	**62**	**3**	**65**
Transactions with shareholders							
Acquisition of non-controlling interest	-	-	-	-150	-150	-2	**-152**
Dividend	-	-	-	-77	-77	-37	**-114**
Transactions with shareholders for the period	**-**	**-5**	**-**	**-222**	**-227**	**-39**	**-266**
Equity, 30 June 2012	**17**	**356**	**-16**	**139**	**496**	**3**	**499**

Consolidated statement of cash flows, condensed

	Second quarter		YTD		Full year
SEK million	**2012**	**2011**	**2012**	**2011**	**2011**
Operating activities					
Profit after financial items	52	50	89	96	223
Adjustment for items not included in cash flow					
Reversal of amortisation, depreciation, and impairment losses	4	4	8	9	26
Other	-13	0	-13	0	0
Tax paid	-24	-18	-57	-57	-81
Cash flows from operating activities before changes in working capital	**19**	**36**	**27**	**48**	**168**
Change in working capital					
Change in operating receivables	-149	-149	-102	-159	-225
Change in operating liabilities	57	75	-49	88	185
Total change in working capital	**-92**	**-74**	**-151**	**-71**	**-40**
Cash flows from operating activities	**-73**	**-38**	**-124**	**-23**	**128**
Investing activities					
Acquisition of business, less acquired cash and cash equivalents	-	-	-	-	-86
Acquisition of intangible non-current assets	-3	-14	-7	-17	-23
Acquisition of property, plant, and equipment	0	0	-2	0	-4
Amortisation of loans receivable	1	-	1	-	-
Cash flows from investing activities	**-2**	**-14**	**-8**	**-17**	**-113**
Financing activities					
Dividend	-77	-52	-92	-57	-57
Loans raised	150	-	150	-	55
Warrant buy-back	-	-	-	-	-13
Share buy-back	-	-1	-	-1	-
Payments from warrants	-	1	-	1	1
Amortisation of liabilities	-2	-2	-4	-4	-63
Cash flows from financing activities	**71**	**-54**	**54**	**-61**	**-77**
Cash flows for the period	**-4**	**-106**	**-78**	**-101**	**-62**
Cash and cash equivalents at period´s start	**47**	**185**	**120**	**182**	**182**
Exchange-rate difference in cash and cash equivalents	0	5	1	3	0
Cash and cash equivalents at period´s end	**43**	**84**	**43**	**84**	**120**

Income statement for parent company, condensed

	Second quarter		YTD		Full year
SEK million	**2012**	**2011**	**2012**	**2011**	**2011**
Revenue	**74**	**56**	**142**	**96**	**243**
Operating costs					
Employee expenses	-37	-38	-65	-60	-109
Other external costs	-57	-40	-110	-70	-195
Depreciation and amortisation of tangible and intangible assets	-2	-1	-4	-1	-1
Operating loss	**-22**	**-23**	**-37**	**-35**	**-62**
Earnings from financial items					
Earnings from shares and participating interests in Group companies	83	2	121	7	75
Interest income and similar items	3	4	6	7	15
Interest expenses and similar items	-4	-3	-8	-4	-10
Exchange differences	0	-2	-1	-2	1
Profit/loss after financial items	**60**	**-22**	**81**	**-27**	**19**
Appropriations	-	-	-	-	-4
Tax	5	6	9	7	-3
Profit/loss for the period	**65**	**-16**	**90**	**-20**	**12**

Statement of comprehensive income for parent company, condensed

	Second quarter		YTD		Full year
SEK million	**2012**	**2011**	**2012**	**2011**	**2011**
Comprehensive income					
Profit/loss for the year	65	-16	90	-20	12
Other comprehensive income	-	-	-	-	-
Comprehensive income for the year	**65**	**-16**	**90**	**-20**	**12**

Balance sheet for parent company, condensed

	30 Jun	30 Jun	31 Dec
SEK million	**2012**	**2011**	**2011**
Assets			
Intangible non-current assets	45	34	41
Property, plant, and equipment	6	2	6
Non-current financial assets	830	552	685
Current receivables	345	492	806
Cash and bank balances	-	34	62
Total assets	**1,226**	**1,114**	**1,600**
Equity and liabilities			
Equity	411	378	398
Untaxed reserves	55	51	55
Interest-bearing non-current liabilities	16	-	8
Interest-bearing current liabilities	644	618	1,059
Non-interest-bearing current liabilities	100	67	80
Total equity and liabilities	**1,226**	**1,114**	**1,600**
Pledged assets	182	182	182
Contingent liabilities	-	-	-

About Proffice

Proffice in brief

- Proffice offers solutions in staffing, recruitment, and outplacement
- Proffice's customers include private and public companies and organisations
- Proffice has more than 10,000 employees in about 100 offices in Sweden, Norway, Finland, and Denmark
- Proffice negotiates a new job every four minutes
- Proffice originated in Snabbstenografen, founded in 1960
- Proffice shares are listed on the NASDAQ OMX Nordic Exchange Stockholm, Mid Cap

Market development

Economic conditions in the Nordic countries are more subdued and the outlook is difficult to forecast. However, an uncertain market can be a positive climate for our business, as customer needs for flexible competence management increases.

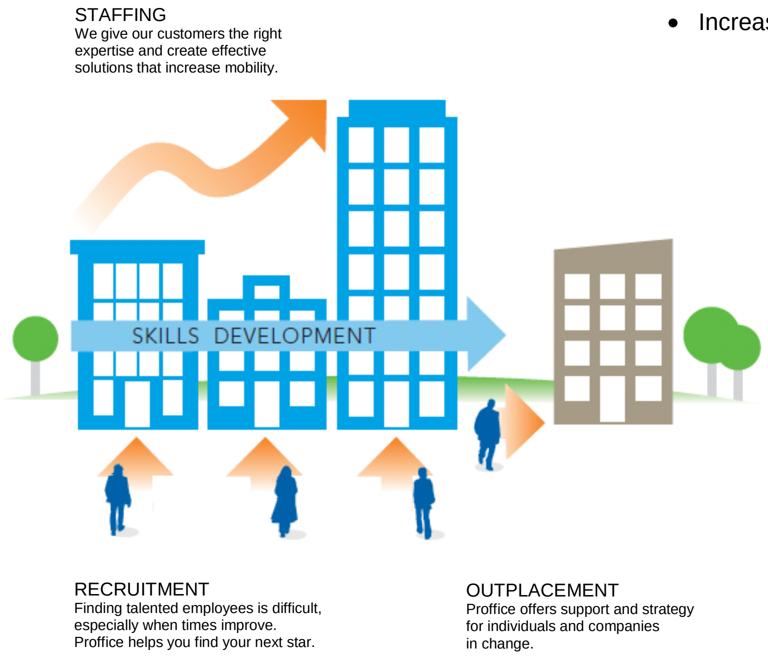
Vision

Proffice aims to be the most successful staffing company in the Nordic region.

Business concept

Proffice enables people and businesses to develop and grow by being a committed, responsive, solution-oriented staffing company.

Business model



Strategies

Proffice's main strategy is product leadership through specialisation.

- *Distinct sales culture* – Proffice has a distinct sales culture that is manifested through leadership and organisational structure.
- *Balanced products* – Proffice's Staffing, Recruitment, and Outplacement operating areas have reversed economic cycles. This provides more balanced revenue and earnings over time.
- *Specialisation and innovation* – Increased specialisation means more satisfied customers and higher margins. Our organisational structure increases specialisation and proximity to customers.
- *One Proffice* – Proffice strives for an organisation with standardised procedures to facilitate efficiency and scalability.
- *Selective acquisitions* – Proffice's high growth targets require a focus on both organic growth and selective acquisitions.

Value drivers

Proffice's operation is controlled and influenced by these market trends:

- Globalisation and international competition
- Increased migration of the labour force between countries
- Shorter production cycles
- Technological developments that raise competence requirements
- Many people retiring at the same time
- Declining influx of young people
- Increasing competition for talent

Other

Definitions of key ratios

- *Number of working days* – Total number of working days, less Saturday, Sunday, and public holidays
- *EBITA* – Earnings before interest, taxes, amortisation, and write-downs of goodwill and other intangible assets that arise in conjunction with acquisitions
- *EBITA margin* – EBITA as a percentage of revenue
- *Equity per share* – Equity divided by number of shares at end of period
- *Average FTEs* – Total hours worked during the year divided by normal hours worked per year for a full-time employee
- *Net debt* – The sum of cash and cash equivalents plus short-term investments less interest-bearing liabilities
- *Earnings per share* – Profit/loss after tax attributable to parent company owners divided by average number of basic and diluted shares
- *Return on equity* – Profit/loss after tax as a percentage of average equity
- *Operating margin* – Operating profit/loss as a percentage of revenue
- *Equity/assets ratio* – Equity divided by balance sheet total
- *Profit margin* – Earnings after financial revenue as a percentage of revenue

Company/Industry-specific glossary

- *Outplacement* – Process in which job coaches provide support and assistance in the outplacement process. The job coach helps individuals transition from one job to another.
- *Staffing* – Personnel in various, specific areas who are employed by Proffice but can be hired out for short or extended periods by other companies.
- *Recruitment/recruitment process* – Process for hiring the persons a company needs to ensure qualified employees. Needs analyses, searches, interviews, tests, and follow-ups are included in the process.

If you have questions about this interim report, please contact:

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2012 financial information

Interim report, January-October 2012:
21 November 2012, 8:00 am

Year-end report, January-December 2012:
19 February 2013, 8:00 am

Information in this interim report is such that Proffice AB (publ) is obligated to disclose it pursuant to the Swedish Securities Markets Act. The information was released for publication on 23 August at 8:00 am CET.

All forward-looking statements in this report are based on the company's best estimate at the time of the report. As with all forecasts, such statements contain risks and uncertainties that may entail a different outcome.

Administration and Office // Construction // Executive Recruitment and Interim Management
Finance // Electrical, Telecommunications, and Technical Services // Engineering
Aviation, Travel, and Tourism // Industry, Warehouse, and Logistics // IT // Customer Service
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