

ANNUAL REPORT TWO THOUSAND **11**

SIGMA

THE OBVIOUS CHOICE FOR SMART SOLUTIONS

Sigma is a long-term business partner where information technology makes the difference. We are a global player based in the Nordic region. We deliver the smartest solutions based on customers' business benefits. Sigma is listed on the Stockholm Stock Exchange and has approximately 1,500 employees in eight countries.

CONTENTS

The year in brief	4
Chief Executive Officer's comments	6
Business concept and vision	8
Goals	9
Strategies	10
Business areas	13
Delivery model	14
Service areas	16
Market segments	18
Market	20
Employees	22
Examples of assignments	26

FIGURES

Director's report including corporate governance report	30
Group financial summary	34
Key figures and definitions	35
Consolidated income statement	36
Consolidated financial position	37
Consolidated cash flow statement	38
Changes in group equity	39
Income statements- parent company	40
Balance sheets- parent company	40
Cash flow statements- parent company	41
Changes in equity, parent company	41
Notes	42
Auditor's report	58
Shareholders and price trends	59
Management	60
Board of Directors	61
Financial information and calendar	62
Notification of Annual General Meeting	63

QUARTER BY QUARTER



SALES SEK 361 M
EARNINGS SEK 27.0 M
MARGIN 7.5%

.....
The goal of recruiting 400 employees during the year is announced. Net growth during the first quarter is 49 people.
.....

Several large contracts for assignments were signed during the period. More and more often these involve mixed deliveries from the Ukraine or Hungary.
.....

Demand is clearly on the rise; Sigma is showing growth of 30 percent compared to the same quarter 2010.

SALES SEK 366 M
EARNINGS SEK 23.7 M
MARGIN 6.5%

.....
In one year Sigma has grown from 1,100 to 1,400 employees, 88 of which were through corporate acquisitions. The rest are through recruitment. In total, 273 people have been recruited during the first six months of the year.
.....

Sigma invests in the brand through both smaller local activities and larger customer events, for example, Camp Digital, which attracted several hundred customers.
.....

The demand in the market is the largest in a long time. An increasing number of customers are requesting assignments.





SALES SEK 295 M
EARNINGS SEK 22.5 M
MARGIN 7.6%

.....
Operating profit/loss for four quarters reaches SEK 100 M, the highest in Sigma' history. Improvements in earnings and growth in both business areas.
.....

Growth in Sigma ties up capital through recruitments and larger customer projects.
.....

IT investments and IT projects continue with customers despite a cooling-down of the business cycle connected to the global debt crisis.

SALES SEK 378 M
EARNINGS SEK 28 M
MARGIN 7.4%

.....
The goal was to recruit 400 people. In total, almost 500 people are being recruited and growth in the number of employees during the year is over 200 people net. At the end of the year Sigma had 1,493 employees, the highest number the group has ever had.
.....

The year can be summarized as the best in Sigma's history, measured as growth, earnings and the size of the company. High speed into 2012.
.....

No direct downturn in demand, but decisions regarding new projects are taking longer time and are often made by management and the board of directors rather than by the operation.





COMMENTS FROM THE CEO, HÅKAN KARLSSON

MUCH TO BE PROUD OF



There are many things that we can be proud of within Sigma. A really good example is the development that has occurred in the business area, Information Logistics, over the last few years. It was here that Sigma's strategic efforts in following our customers out in the world started. It initially cost us money and margin, but through being proactive and responsive in our business and work, the business area succeeded in achieving increased profitability even where it has the most demanding customers, which gives us the best margin.

We have learned a lot about this and are copying what they have done in order to create success and transfer what is suitable to IT & Management. That is why the margin is now increasing in IT & Management.

The next jewel in the crown is the increasing importance of assignments in our operation, what we call Managed Services. This part now accounts for 50% of sales, something that we could not have succeeded with without our clear strategy and focused work with the efforts of Sigma's consultants, salespeople and managers.

Large, complex and profitable

There is still a great deal left to do, but I am extremely proud that we have come this far, this fast. And I can state with a great deal of pleasure that today we have also succeeded in taking on larger and more complex assignments than before.

Because that is where Sigma's future lies, in a time when the profit margin for individual specialists is becoming increasingly smaller. It is in this way that Sigma can deliver added value to our customers.

Sigma has also shown strong growth during the year, with increased profitability in both business areas. To have a net increase by more than 200 people and to recruit more than 400 people does not happen by itself, and getting them into a productive operation quickly does not happen on its own either. This is where we can become even better, but there are reasons to be proud of how we have handled this during the year.

In addition, it is a source of personal satisfaction for me as CEO to be able to contribute to creating so many job opportunities.

If you are seen then you exist

Another success is Sigma's ability to be seen, heard and noticed. This is a task for everyone, on all levels – from

every consultant who meets a customer every day to salespeople and the entire path to us in management – so that we are associated with what is the future for the industry.

That is why Camp Digital is such a successful effort. In Stockholm, Malmö, Jönköping and Marstrand during the period May–September, four fantastic events were carried out that created exactly the buzz around Sigma and the newest technology trends that is so good for our positioning. A large number of blogs, Facebook pages, YouTube films and Twitter flows contributed to further reinforcing the image of a Sigma that is a master of the new tools.

We can be better!

It's not always sunny weather, and naturally, there are things that we should have done better during the year. To further increase Sigma's margins we need to continue to increase the share of assignments, where we in many cases can become better at charging more money for our services and the benefits we provide.

Working and integrating many units in the same delivery costs time in the form of coordination, management and supervision. It also costs to develop these processes and we have had several projects where we have underestimated the time and the cost for this. But we are aware of the problems and know how they can be solved – even if it sometimes takes more time than you would wish. We can also become better at identifying trends in time in order to employ the right competence at the right time to be able to meet the demand.

On the right track

We are on the right track, have the strategies in place and the ability to measure important key figures and we are well positioned in regard to what customers want. The market picture has clearly changed in recent years and we are aware of those changes and meeting the competition that is coming from other countries. Our actions in the market are not governed by external factors but by our customers. The bottom line is that it is not the media and rumors that should steer things, but the actions of customers.

Trends full of opportunities

On a more concrete level, the challenges lie around the strongest trends in the market: cloud services, "consumerization" and mobility.

Cloud services are certainly nothing new, we have worked with them for more than a decade: however, we are now facing their commercial breakthrough. In order to utilize the potential we must be able to offer competitively packaged services, and this is where I see major opportunities for Sigma.

In this context it should also be pointed out that Sigma only sees opportunities with the cloud services, not threats. We do not sell hardware or software and therefore do not risk losing any licensing revenue just because the business models are changing.

The concept "consumerization" is new and not entirely defined, but in brief it can be said to be based on the fact that the average consumer is now so well-educated and has so much qualified IT equipment, that this is also placing new demands on workplaces and their IT departments. It is no longer possible to offer employees outdated equipment or deny them the right to use products that they are used to using at home.

The trend in society is that we are more and more mobile and constantly connected. We want to reach both work-related IT environments and more private media, at anytime and anywhere. This is what mobility is.

Sigma can assist customers in finding solutions to the operative business that provide business and social benefits. In that dialog it is extremely important to have operational competence and to understand the customer's challenges.

Fantastic benefits for customers

Information technology is in focus for a development that is changing society at a fast pace and in area after area. IT is quite simply on the way to becoming a fundamental condition for society functioning in general. It is a fascinating time and a benefit to be included when development is taking such large steps – and to be able to contribute through solutions that can make it better.

For there is no doubt that our solutions provide fantastic benefits for customers, in principle, regardless of what industry or operation they are active in, and we make a difference in regard to efficiency, profitability and competitiveness. How mature the market is is probably best reflected by the fact that technology in itself is becoming less and less important: now it is the benefits of it people are demanding and want to see.

This is smart.

VISION

**THE OBVIOUS CHOICE
FOR SMART SOLUTIONS**

The vision of a Sigma that is the obvious choice for smarter solutions describes a company that has provided the ingrained solutions and bases everything on what the customer actually needs.

Based on this knowledge we create smarter solutions and better business – and increased profitability for everyone: customers, employees and shareholders.

MISSION STATEMENT

**SIGMA IS A LONG-TERM
BUSINESS PARTNER WHERE
INFORMATION TECHNOLOGY
MAKES THE DIFFERENCE.
WE ARE A GLOBAL PLAYER
WITH A NORDIC BASE.
WE DELIVER THE SMARTEST
SOLUTIONS BASED ON
CUSTOMERS' BUSINESS AIMS.**

Just like before, we have short-term and long-term goals at Sigma. The short-term goals for 2012 are concrete and measurable. The long-term goals describe a position that we would like to achieve not later than the end of 2015.

The goals are based on the market image we see and the challenges we are facing.

With Sigma's strategy to work with long-term relations and a large number of assignments, we believe that we are not as sensitive to swings in the business cycle as we would be if we had focused solely on resource consulting.

The market and challenges are described in more detail on the following pages.

GOALS

SHORT-TERM GOALS

2012

- Operating margin shall exceed 10%
- Sigma shall be perceived as an attractive employer with lower personnel turnover and absence than 2011
- Net debt shall decrease to SEK 100 M by the end of 2012
- Return on capital shall increase compared to 2011 and exceed 20% on both operating capital and equity, measured over four quarters

Basis and conditions for the goals for 2012:

The improved operating margin shall primarily come from the business area IT & Management. A changed working method and generated growth create conditions for increased margins.

With an increased operating profit/loss and a reduced growth rate, which ties-up capital, the group's net debt will decrease.

Increased margin and lower net debt will reduce the balance sheet total in the group and return on capital will increase.

Sigma shall be perceived as an attractive employer among those who are already employed and for new recruits. Sigma shall be an open multi-cultural company with a good balance between genders by industry standards. Fitness promoting actions shall reduce absences due to illness and increase the individual's well-being, which also contributes to improved profitability. A certain amount of personnel turnover is natural in the industry and can stimulate development in the company.

LONG-TERM GOALS

2015

DELIVERY

Managed Services shall account for the majority of Sigma's delivery, either locally or as integrated and coordinated deliveries. The proportion of Managed Services assignments that involve Sigma's foreign units shall increase during the period.

Our delivery of Specialized Services is a condition for developing Managed Services. Specialized Services shall be characterized by great expert competence within many areas and by knowledge of the customer's operation.

MARKETS AND CUSTOMERS

Sigma's customers shall mainly be companies and organizations with a strong position in their markets. The majority of customers shall be international and have the goal of creating more effective, synchronized global delivery, preferably with an element of R&D.

Industry and Telecom continue to be the group's main segments. Within these respective main segments we shall have distribution between several sub-segments such as the automotive industry, energy and pharmaceuticals within industry as well as manufacturers and operators within telecom. In total we shall strive to obtain a balance between different market segments and strengthen those segments where we are, or have the potential to be, market-leading.

FINANCIAL GOALS

Sigma shall have sales of over SEK 2 billion. Thanks to stable and positive cash flow we have a strong financial position. Shall match the upper echelon among comparable consulting companies.

SIGMA'S STRATEGY

Sigma's main strategy is to be a company that works closely with its customers and is based on people and their competence.

Sigma is striving to combine a strong local presence with the strength of being a global player – what we call Local Drive & Global Strength.

When we combine these with the ability to drive projects, connect employees' competence and also utilize our experiences, this creates value. Then we can also continue to make a difference for our customers – and grow and compete in a changing market.

With "Local Drive" we mean that a strong local driving force and market presence is vital for achieving a supplier status where we are the first choice in our local market. Through this we can secure and maintain our competitive ability in both the labor market and to our customers.

One of Sigma's strategies is to follow our customers globally. "Global Strength" refers to the combined capacity, scalability, market presence and synergy that we achieve by acting as a synchronized unit. This means that we increase our value as a strategic supplier to our customers. Through this we also want to ensure that those solutions we propose for customers are based on our collective experience.

More sub-strategies

Within the framework of being a company that is close to our customers there are a number of specific strategies listed here. In the following texts we describe the backgrounds and underlying motives for having chosen this strategy and also how we apply it.

SIGMA SHALL ATTAIN BOTH SHORT-TERM AND LONG-TERM GOALS BY

- ➡ delivering services in two delivery models: Managed Services and Specialized Services
.....
- ➡ following the customer with new establishments, locally or globally
.....
- ➡ delivering services in the Nordic region as a joint delivery between the Nordic countries and countries with a low cost level
.....
- ➡ carrying out complex deliveries in assignments from units at several sites, within or outside the country – what we call Multi-Site
.....
- ➡ working closely with customers with KAM- functions and Core team
.....
- ➡ acting and developing our work in several market segments
.....
- ➡ taking advantage of and supporting employees' own desires for development
.....
- ➡ when needed or upon request by the customer, completing deliveries through partners, either as a pure sub-contractor or through alliances
.....
- ➡ creating growth, initially organically through recruitment and new establishments; growth can also occur through acquisitions in order to strategically strengthen and complement our offer.

BACKGROUND AND MOTIVE FOR OUR STRATEGY

Our delivery consists of two delivery forms:
Managed Services and Specialized Services

MANAGED SERVICES

Managed Services is a commitment where we supervise and plan the delivery and the customer buys a result or an effect. Commitments within the framework of Managed Services often are carried out over a longer period of time, and it is not unusual with contracts covering several years. Managed Services can be priced as ongoing payments, at a fixed price or in accordance with other forms, for example, value-based pricing. Coordination of the delivery constitutes an important part in order to get the full effect in an assignment.



SPECIALIZED SERVICES

Specialized Services is expert competence where the customer supervises and plans the resource himself. Specialized Services is often priced on an hourly basis. Quick response to the customer with the right competence and profile that fits the customer's culture is an important success factor here. In these deliveries the focus is on both a high degree of billing and a high hourly price.

In Sigma, a balance is needed between both delivery forms. Often, contact and a sense of trust is established with a customer through Specialized Services, who then later converts to Managed Services. Sometimes we work with both forms with the same customer. The different forms also provide variation and stimulation for employees.

CLOSENESS TO CUSTOMERS

Being close to the customer can be expressed in several ways. Among the larger customers we have different types of teams that work together. In the largest customer accounts we have dedicated KAM-functions, Key Account Management, and for smaller

customers we have what we call a Core Team. In both cases it is clear who within the group has the responsibility for the customer, in what way we communicate with them and how we do different forms of follow-up on our deliveries. The team meets customers at regular

intervals to better understand their operation and changes. This working method makes it possible to be proactive and come with suggestions that help the customer find solutions to problems.

FOLLOW THE CUSTOMERS

When the need arises, we are proactive and prepared to be able to follow our customers in their development. This may involve broadening the service selection or opening new offices in other sites in countries where we are already active or establishing offices in other countries near the customer. Foreign

establishments for Sigma are not for the purpose of conquering a new local market, but are a result of our strategy to work close to the customer.

On-site, we complete the business with other local customers or broaden with several customers with the same need for delivery from seve-

ral locations. Our establishments in England, Finland and China are examples of this. There, we deliver locally to global customers at the same time that we deliver locally in, for example Sweden, to the same customer, in joint or independent projects.

DELIVERIES FROM SEVERAL PLACES SIMULTANEOUSLY

We have developed an ability to take comprehensive responsibility for projects that are carried out at several places at the same time. We call this Multi-Site or blended deliveries where Sigma combines several partial deliveries into a joint delivery to the customer. It can either be a combination of resources from sites where both we and the customer are located, or a delivery that combines resources from the Nordic region and our own establishments in countries with a lower cost struc-

ture. This creates a competitive alternative to pure outsourcing. In certain cases, customers want to complement with a low-price component, for example, capacity and competence from Ukraine. In other cases, customer projects are of the type where you temporarily need resources within a certain competence area. In that case, India can be an alternative. Sigma's strategy is not to have its own operation in India but to work with external partners. By being able to offer

the delivery, Multi-Site, more and larger transactions are generated in the home market.

It is not a matter of moving work to another country. Rather, you create conditions for in-depth work with larger or maintained business volumes in the home market. In all cases of Multi-Site deliveries to large customers, Sigma has had clear growth with them, and they experience major added value in this work form.

COOPERATION WITH OTHER SUPPLIERS

Sigma Partner Network (www.sigmapartnernetwork.se) is a way we cooperate with other consulting companies or specialists within certain

areas. In that respect they constitute an important resource for Sigma's deliveries within the business area IT & Management. They make us

competitive and increase our ability to deliver exactly what the customer is looking for. This refers to services focused on Specialized Services.

BALANCE AND DISTRIBUTION BETWEEN SEGMENTS

To balance market changes within a certain segment, our customers should come from different market segments. The majority of them shall be global companies with a strong position in their respective

market, and we prefer that they have a large percentage of R&D in their operation. It is a part of our strategy to have a distribution among segments, but also different functions with our customers

who act differently to external factors such as changes in the business cycle. Research and development is often more long-term in its actions.

DEVELOP EMPLOYEES

Sigma is a knowledge company where one of our major assets is our employees. By utilizing our employees' own desire and ability to develop and act as complements in developing assignments and different forms of competence development, the company also

develops. Competence development is not just courses and training.

Competence is also built through cooperation with colleagues, new projects with new problem solutions, new customer companies and industries where people can benefit from experiences

from similar situations. That is the key to a competence company, to be able to develop personnel and deliver benefits for the customer. As a consultant at Sigma, the individual is expected to have an inner drive and commitment. They have to also want to develop as a person.

PRINCIPLES FOR ACQUISITIONS

Sigma's acquisitions are based on several important principles. The most important is that the acquired unit contributes something more to Sigma than just volume growth. This can be broadening our competence, broadening our coopera-

tion with a joint customers or in some other way filling a gap at Sigma. An acquisition shall basically be so large that it has structural capital in some form and is not solely based on individual persons. Alternatively, there can

be considerably fewer units that have cutting edge competence. Acquired units shall gradually be incorporated into Sigma's structure and values, but it is important that you build further on those values that the acquired units have.

Sigma has a broad range of services within many specialist areas. One of our foremost strengths is the ability to coordinate competences and delivery a complete package, always with a focus on the customer's needs.

Sigma is a long-term business partner within information technology. The group consists of approximately 1,500 committed and knowledgeable employees in eight countries. Sigma is listed on the Nasdaq OMX Stockholm's Small Cap-list.

Sigma carries out operations within the two business areas **Information Logistics** and **IT & Management**. Our delivery is coordinated at the group level regardless of business area within the framework for our delivery forms **Specialized Services** and **Managed Services**.

IT & MANAGEMENT

The business area, IT & Management, delivers many services and competences within the main concepts IT and Management. The focus lies on everything that involves effective IT solutions. The main part of the operation has the local market in Sweden as its base. We work close to our customers in long-term relations and participate in their development in a natural way. This cooperation has led to our also establishing operations in England, Finland, the US and Canada. In addition, there is an integrated cooperation with Information Logistics, especially in the operation in the Ukraine. Customers are largely major companies with high demands on functionality, where IT support is business and operation-critical. We also have many important customers within mid-size companies as well as in the public sector: municipalities, county councils, governmental authorities and companies. The majority of our delivery units are quality certified in accordance with ISO standards.

Number of employees: 850
Invoicing: SEK 1,100 million

INFORMATION LOGISTICS

Information logistics is a collective concept for our offer within technology information, information handling and development of built-in services for advanced products. Technical information is a critical factor for how a product is perceived by the end user. Our customers are primarily development units with the respective customers, often leading, global companies in the front line of their respective industries. Several of the services are delivered independent of geographic location and involve both the customer's and Sigma's establishments in different countries. We have an established working method and advanced IT support that holds together the processes in order to achieve seamless and similar deliveries regardless of where we produce or delivery. The majority of the deliveries are made as commitments, "Managed Services". The operation within information logistics is carried out under the brand, Sigma Kudos, and the business area also includes Sigma's operation in the Ukraine. Sigma's delivery is based on quality-driven development with constant measurement of a number of quality factors, even in our own processes that are matched to customers' demands. All units are ISO certified within information security, the environment and quality.

Number of employees: 650
Invoicing: SEK 350 million

A WHOLENESS WITH MANY SPECIALISTS

DELIVERY MODEL

Our delivery model makes us effective.
Our customers' specific needs totally govern how deliveries are structured and where they are delivered.

We have divided our delivery into two clearly defined forms: **Managed Services** where we deliver some form of commitment and responsibility where we supervise and plan the work, and **Specialized Services** where we deliver specialists and competent resources that are supervised directly by the customer.

The cutting-edge in the offer is that we coordinate these deliveries with our global presence, close to the customer. The coordination can be in the form of so-called, mixed deliveries, in other words, domestically coordinated but mainly produced in low-cost countries in order to achieve optimal cost-efficiency. It can also be so-called Multi-Site, in other words

that consultants in several districts work parallel with the assignment, often due to the fact that the customer has operations in these particular districts.

In our dynamic organization, this makes the difference.

Two delivery forms

Regardless of which delivery form the customer needs – in addition to the right competence and delivery capacity – knowledge about both the customer and his industry are key factors. We have to understand the customer's complete business if we are to be able to provide any real benefits. And we have to be where the customers are.



**SIGMA'S PATH
TO SUCCESS**

SPECIALIZED SERVICES

WE DELIVER THOSE SPECIALISTS
AND RESOURCES THAT YOU NEED.

WE PROVIDE BOTH CAPACITY
AND COMPETENCE.



MANAGED SERVICES

WE TAKE TOTAL RESPONSIBILITY
FOR A PROJECT, A FUNCTION OR PROCESS
IN YOUR ORGANIZATION.

WE COORDINATE OUR COMPETENCES
AND DELIVER A SOLUTION AT
THE BEST PRICE POSSIBLE.



IT & MANAGEMENT

INFORMATION LOGISTICS

OUR ORGANIZATION

MANAGED SERVICES

Managed Services is Sigma's collective service selection packaged as a commitment, either as a large development project or as long-term management. The customer gives us comprehensive responsibility for management and development of the entire process or function. We coordinate our competence in a coordinated delivery. Managed Services is the smart solution, no matter where you are located within your organization or in the world.

SPECIALIZED SERVICES

Specialized Services is Sigma's offer for specialist/resource deliveries. In principle, the services are the same as for Managed Services with the same competence from our consultants, but the difference is that Sigma makes the competence available to the customer and the customer supervises and plans his own project. The customer chooses specialist competence and extra resources according to needs, often with short lead times.

Sigma's competitive advantage consists of the fact that we can offer cutting-edge competence within many technical areas and methods as well as specialists within many industries and processes. When needed, we complement our own resources with the help of partners in our network, Sigma Partner Network, with more than 800 connected partners, locally and globally.

SMART SOLUTIONS DEMAND DEPTH AND BREADTH

Sigma's services are collected in a number of service areas. Here, we can offer knowledge and experience from both the area and from the customer's specific operation and industry.

It is this combination that makes up our offer, regardless of whether we deliver the commitment in the form of Managed Services or specialists/resources in the form of Specialized Services. In turn, under these service areas there are a number of different specialist competences, product knowledge and methods.

The most important thing is to always deliver the smartest solution for our customers.

BUSINESS SYSTEMS

Sigma works with getting people, business processes and information to work together in one finance and business system. Our goal is that customers will get the most out of their business system today and in the future. We are specialized in MS Dynamics Axapta and Guda.

APPLICATION MANAGEMENT

A system that is implemented must be maintained so that its performance, accessibility and future assurance can be maintained. Sigma has created a quality assurance process for management that comprises both integrated systems and processes.

ARCHITECTURE, STRATEGY AND MANAGEMENT SERVICES

Business, operation and IT architecture is used to plan and carry out comprehensive changes – from business vision to operational processes and information systems.

BI/PERFORMANCE MANAGEMENT

Sigma offers specialist skills in the field of business intelligence. Through extensive experience and a wide selection of products and services we help our customers to achieve increased profitability whereby the right person obtains the right information at the right time to be able to make the right business decision.

ASSET MANAGEMENT/ MAINTENANCE SYSTEMS

Sigma provides programs and solutions for maintenance and service companies as well as data administration. We offer Maximo EAM maintenance and material handling system for different industry sectors, energy companies, electricity, gas and water companies, public authorities and service companies.

EMBEDDED SYSTEMS

Sigma is an independent partner for the development of embedded systems within the telecom, automotive and other industries. They provide operation reliability, more flexible adaptations and lower manufacturing and maintenance costs than mechanical systems.

DIGITAL COMMUNICATION

An increasing number of meetings and transactions are done digitally – on websites, in mobile phones and in social media. Sigma helps tie together the digital threads – web presence shall be a complete package that actually supports the business operation.

DOCUMENT AND CASE MANAGEMENT

Document and case management provides increased efficiency and lower costs wherein the organization gets control of its information resources. Sigma's solutions can vary from implementation of management systems to effective, adapted automation of case management. We work primarily with Microsoft Sharepoint and Formpipe's products, Platina and W3D3 within this area.

OPERATION AND SUPPORT

Sigma's service selection includes solutions for operation, maintenance and support of business-critical systems, from single functions to total commitments.

E-COMMERCE

To get business, a company has to make it simple and attractive for customers to do business. Sigma is an expert at e-commerce and can help your company with analysis, implementation, management, support and operation of e-commerce solutions.

INFORMATION PROCESSING

Sigma's information management consultants are experts in developing and introducing systems, methods and processes for the generation of technical information for the generation of technical information. When our own tools, DocFactory and SmartShare, are suitable, we use them, but we also work with several of the world's most established information management tools such as Oracle.

IT INFRASTRUCTURE

As a Microsoft Gold Partner, VMware Enterprise Partner and a Citrix Gold Partner, Sigma offers infrastructure solutions based on global standard products. We have specialists with many years of experience within everything from technical implementation to architecture, analysis, surveys and mentoring.

QUALITY AND TESTING

Sigma helps you to describe, measure and achieve the quality level required. With a quality-driven systems development model, we can deliver the system solution that is expected or act as order support when system solutions shall be purchased.

MOBILE SOLUTIONS

Sigma has strategic knowledge and specific industry knowledge within the area mobile solutions. We offer specialist competence as well as comprehensive solutions – including management and operation – within both server-based communications and message solutions and specific platform solutions such as applications for smartphones, mobile communication platforms and mobile strategies.

SYSTEM INTEGRATION

As a Microsoft Gold Partner and IBM Premier Partner Sigma offers integration solutions based on global standard products. We have integration specialists with extensive experience within management, project management and development of integration platforms. We work in accordance with the method, QuickLink.

SYSTEM DEVELOPMENT

Sigma delivers qualified services within all phases of the IT area: everything from the setting of requirements and systems development to testing and management of finished systems. What distinguishes Sigma as a supplier is our comprehensive view and how we take responsibility in combination with providing a high level of competence.

TECHNICAL INFORMATION

Sigma develops and produces technical information, installation manuals, service catalogs, e-training and technical descriptions, which mean that products can be used in a good and secure way. Our passion is to make products more usable through good product information, information analysis and the formulation of technical information.

WEB AND COOPERATION

Sigma has extensive experience in developing information portals and coordinated solutions to make the everyday work more efficient for those who work with information. Our solutions combine information handling and cooperation in an integrated manner and gets people, processes and information to cooperate.

TECHNICAL DEVELOPMENT WITH CUSTOMER IN FOCUS

One of the things that makes Sigma unique is the combination of competence and knowledge about those industries where our customers are active. Sigma has been in the market for more than 25 years and had assignments for a large number of companies.

What we have learned from all these assignments makes it possible for us to tailor-make solutions that are not only at the cutting-edge technologically, but also solutions that are the smartest for different industries and those conditions that are prevalent there.

Technical developments are mainly driven by our customers', and their customers', demands for business-driving and integrated solutions. Sigma is a part of that development and finds the smartest solutions for today and tomorrow. Many of Sigma's customers are export companies with a global presence that also drive their own research and development operation.

It is Sigma's long-term goal to maintain this position and to increase the number of customers that are strong in the respective industries. It is also important to have a balance between different market segments, but with cutting-edge competence in selected sub-segments where Sigma is already currently strong.

TELECOM

Telecom in Sigma consists of three sub-segments; systems manufacturers, operators and telephone manufacturers. The three sub-segments are governed by different market forces and have different business cycles, which means a larger distribution than the collective concept, Telecom. The two largest sub-segments for Sigma are systems manufacturers and operators. Telecom is the most global segment for the group with deliveries from Sweden, China, Hungary and Finland.

INDUSTRY

Industry is one of Sigma's largest segments. Under the heading, Industry, there are several sub-segments: automotive industry, energy, pharmaceuticals and naturally, the traditional manufacturing industry. The automotive industry is a large segment for Sigma – primarily in western Sweden, but also both abroad and in other locations in Sweden. Energy is a growth segment for Sigma.

Pharmaceuticals have decreased somewhat over the last couple of years but is expected to increase once again. On the whole, this is the segment that is growing most within Sigma.

TRADE

Trade is Sigma's third largest segment. Under this heading there are several well-known brands both in and outside Sweden. Post-order companies are an important part of this segment. This segment is growing strongly in Sigma with several new long-term agreements and customer relations during 2011.

TELECOM
35%

INDUSTRY
34%

TRADE
10%

PUBLIC SECTOR
10%

BANKING & FINANCE
6%

OTHER
5%

PUBLIC SECTOR

The public sector is made up of government authorities, municipal and regional administration and companies owned by the government and municipalities. In regard to size, it is somewhat smaller than Trade. In principle, all contracts in this segment are covered by the law regarding public procurement (LOU) where prices for the service has the greatest weight in the selection of a supplier. Sigma has decided not to be a part of the major price pressure that is prevalent in this segment, and instead offers qualitative services at reasonable prices, which is why this area shows no growth within Sigma.

BANKING & FINANCE

Banking and finance also includes, in addition to the obvious finance companies, insurance companies. Sigma has signed a number of contracts within this segment in Denmark, with delivery from southern Sweden.

OTHER

Under the heading, Other, there are many large companies and important customers for Sigma, but which measured by sales, are not a major part of the group. Many customers are service companies such as travel agencies, transport companies and media companies.

Today, IT is, in principle, a fundamental part of all operations; everything we do in our day-to-day business has a connection to it. Information technology is still a cost-saver. If you can make the operation smarter you can also improve earnings.

All this indicates a continuing increased demand for our services.

GROWTH AND NEW DEMANDS

THE MARKET:

In recent years, strategic service purchases have become an increasingly business-critical management issue. Decisions are now made in the board room rather than in the operation. The dialog regarding the benefits and value of Sigma's services is quite simply taken at a higher level.

Many large companies are talking about outsourcing and moving large functions to low-cost countries. But all areas are not suitable to outsource in this way – connections are needed to the local operation. This is where Sigma has an advantage with its established delivery form for commitments in combination with mixed deliveries or Multi-Site.

A strong, global trend is to manage programs, data storage, capacity and processor power through an external source to avoid having to invest in your own equipment. These are called cloud services and mean that companies lease the services instead. In technical language this is called Software as a Service, SaaS.

A breakthrough for mutual platforms that stretch over the cloud services, mobile networks and social networks is also predicted. Now, the new technologies will be connected together with the old, which will increase the need for consulting services.

Another trend is companies' decreased inclination – and ability – to finance major investments on their own. Due to a lack of their own capital,

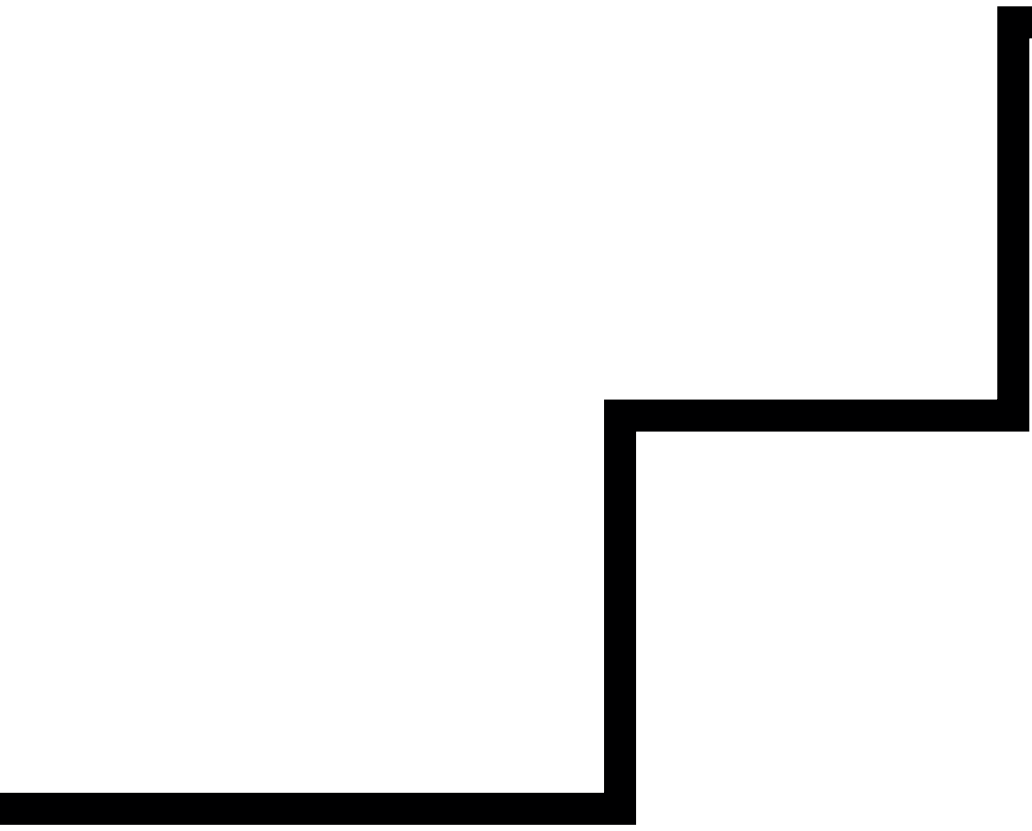
to an increasing extent, they let the supplier arrange for financing and then pay for the delivery over time. Therefore, the business models are changing since customers are increasingly asking for the possibility to lease or pay per used unit.

"Local Drive & Global Strength"

The major challenge in a global world is to find smart, competitive solutions that can contribute to sustainability and long-term development for everyone. Because when the world changes, it is partly because we are there changing it.

Globalization has created a world where "everyone" can carry out the same things everywhere. The result is competition that involves the challenge of delivering higher competence at increasingly lower prices with maintained quality.

In that situation, the winners are those who accept this development. It is about being close to the customers and sensitive to their needs and actively proposing solutions that solve customers' problems. There are also opportunities for those who have already built-up an organization that can coordinate and deliver in the new world. Despite the fact that the deliveries are international, the operations and relations are still local. Culture has no standard, and to build a functioning global machinery is long-term work that requires time, understanding and



willingness. Sigma strives to combine a strong local establishment with the strength of being a global player. We have chosen to call this "Local Drive & Global Strength."

Large and mid-size companies

Sigma's customers are in two groups, which work under partially separate conditions: in part, several of the largest players, and in part, a large number of mid-size companies. In addition, we work with two different functions with the larger players, where we often have customers from both the R&D department and the business operation. However, they are governed by different conditions.

The larger players are becoming globalized at a high and increasingly accelerating rate. They work globally and this places entirely new demands on Sigma, which must be where the need is. Where this is changes continuously, depending on where the conditions are most optimal.

Sigma's role here is to be the putty in between, to create smarter solutions than what the largest service companies can, and to follow along with the customer out into the world.

IT can make the difference

For all Sigma's customers, regardless of size, IT can make the difference in their competitiveness and survival. Already, it is simple for them to out-source operations and to buy services

in the cloud environment. The next major trend is mobility and its effects.

When the world around us changes, this also affects customers' demand for IT services. This especially applies to what types of delivery they need, but the changes also affect who is procuring these services for the customer. They are no longer mainly technicians, but to an increasing degree, people with a closer connection to the core operation. Sigma therefore speaks more often with marketing and sales managers, production managers, R&D managers, etc. And it is becoming more and more important to suggest solutions that can create actual business benefits and utilize the advantages of the latest trends within IT.

Technical information, a part of the delivery to the end customer

Within the business area, Information Logistics, Sigma works with technical information and the development of embedded systems for diagnostics and error detection. These are services that are needed to install, use and maintain advanced products such as telecom systems, machines, software and vehicles.

Technical information is an important part of our customer's delivery to his customer – and business-critical upon delivery to the end customer since it contributes to the end customer actually being able to

utilize the product's full potential.

Today, Sigma helps several of Sweden's most successful companies by analyzing, producing and distributing good technical information. The trend here is to hand over the comprehensive responsibility for the development to independent suppliers such as Sigma, which can more easily tailor documentation in a more cost-efficient way. New tools are making the production process more efficient and making it simpler for users to use search functions.

However, the information must be formulated where the customers have their development centers. This places demands on global strength and local presence and a well-developed ability to follow the customer globally and manage development projects that are spread out over several development centers – which is exactly one of Sigma's main strategies.

The demand for these services increases depending on the business cycle since they are a part of the development process. The price level for the service is being pressured, but through effective processes and tools, the formulation of information can be cost-efficient. This especially applies to long-term assignments and relations where we, as a supplier, run and manage the daily work – what we within Sigma refer to as Managed Services.

FIVE EMPLOYEES TALK ABOUT SIGMA'S CHANGE:



BO LUNDBLAD, SALES MANAGER



MALIN BERG KIERDORF, RECRUITING MANAGER

SUCCESS ACROSS BORDERS

One of the vital changes within Sigma in recent years is about the clarification of our culture and core values – "One Sigma" – where employees cooperate across borders with the best interests of Sigma and the customer in focus.

We assembled a group of Sigma employees around a table to discuss how this works in practice:

Kristian: It absolutely works. I work with a large customer assignment where we definitely work across borders. This includes colleagues from other parts of Sigma that I am not a part of, for example, our new acquisition, Cypoint, and from Sigma in the Ukraine. The group includes specialists in testing and also in Net and Oracle.

Gustaf: I previously worked with the offshore operations in India and the Philippines, and learned that differences in the organizational culture can create costs that eliminate profits with production in low-cost countries. How do you deal with that?

Kristian: In the beginning it was a challenge that took time since it involves both different development environments and communication and language. However, we solved some things rather quickly when colleagues from the Ukraine came and worked on-site with us in Sweden during a certain period of time.

The greatest difficulty was communication and cultural differences. In the Ukraine they have a more hierarchical structure than what we are used to. But since we have identified and addressed the problem we have had very good communication in the

daily status reports across borders about what shall be done in the project.

One team – for real

Cooperation can also be significant within Sweden.

Malin: I have worked at Sigma for more than ten years and now it feels that we are a real team. As recruitment manager for Sigma West, I could be relatively alone in my role, but now I am cooperating with other colleagues in similar roles. One example is the trade show "Career Days", where there were several units that cooperated. It was fun and fantastic to work together and was a huge success.

The way we are organized we don't compete for the same people, in fact we search for different types of competences. So when I find a good candidate that I cannot place, I can instead easily send that candidate to another part of the group – where he or she may even be better suited.

Bo: This way of working creates large economy of scale advantages in nearly everything we do. When we are going to cooperate, it has become much easier to see where different competences that we need exist within the group.



GUSTAF BURSTRÖM, PROJECT MANAGER



FREDRIK LARSSON, CONSULTANT



KRISTIAN RÖNNKVIST, TEST MANAGER

New in the family

How does it feel to be a new company in the "Sigma family"?

Gustaf: I work at Sigma's latest addition, Cypoint, which Sigma acquired in 2010, and it feels extremely positive to work together with all of Sigma. Especially since we deliver relatively large solutions, even though we are a smaller company.

One of our largest comprehensive assignments for business-critical solutions involves the system that handles the mail-out of all mail and text messages to a global company's customers throughout the world and integrating this with e-commerce and post-order systems. We would not have gotten this assignment unless we had a large group behind us. Even though in practice, it was us from the "old" Cypoint who did the job, I don't believe our customer would have dared to have given us the assignment without the security that was involved in us being a part of the Sigma group. It is a real asset to be able to meet the market as a part of Sigma.

Bo: And don't forget about what is known as cross-selling and up-selling. Up to now, every unit has worked with their customers based on their own offer. Now, we can get systematics in this so that all units get access to everyone's customers. It provides a relatively good lever pretty quickly.

Gustaf: That applies to all of us in different ways. In part, we can pass along tips and ideas internally when we hear about customers' needs, and the customers themselves can ask Sigma consultants that they have confidence in for tips about skilled

consultants and good solutions within other areas.

Fredrik: I'm actually new at Sigma but still see how cooperation across borders is increasing and how people manage things more and more internally instead of buying services externally.

First time for the whole group

One way to market Sigma's competence is the effort at "Camp Digital", which was carried out in 2011. At that point it was the first joint marketing activity of that scope for the entire group. What was your perception of it?

Bo: It was great! So great that now we want "more of the same". As separate units we are too small to have an impact. However, together we can combine resources, do something larger and get a lot more attention.

Gustaf: Camp Digital is a practical example of how we can spread what we do to many customers. It was fantastic that we could reach so many and make such a strong impression.

Malin: Yes, now Sigma is a brand that can really be seen. I still get calls from people who want to work with us due to the summer camps. Earlier, I often heard that Sigma was perceived as a pretty square technology company. Now, we are perceived as a totally different company – modern, cool and as a company that knows what it's talking about. And we get a lot of appreciation for our presence in social media such as Facebook and blogs and for our attractive profile. All of this is important if you want to attract the younger generation.

A smart concept

In 2009 we launched "the Smart Concept", Sigma's method for always finding the smartest solution. In the beginning it was mostly an exterior, graphic change, but now we are beginning to see the effects of it. What do you think about that?

Bo: It is probably quite simply that it affects our competitiveness. That our margins are now rising is a result of that we finally dare to stand in front of our customers and proudly say that we are good at what we do! Often, we win assignments even though we are not the cheapest solution.

Malin: Sigma West is a good example of this. We have framework agreements with all of the four largest customers in our region.

Kristian: In the day-to-day work, the smart symbol becomes a sort of control function – do we need to think about this again? Can we find an even better, faster, more profitable and smarter solution?

Fredrik: For me, this is new. However, I have seen that we have loads of quotes about smart solutions set up in the office and I really like the feeling that it gives with this suggestive marketing. In simple terms, thinking differently.

Gustaf: We have to call into question what the customer actually needs. Is this really the best solution?

Bosse: It is not always the case that the best solution for the customer gives us at Sigma the most hours and earnings. But we want to have satisfied customers. Satisfied customers usually come back. That is why we like the Smart Concept. And satisfied customers make good references; that's smart!

THE RIGHT PERSON AT THE RIGHT PLACE

Employees are the ones who realize Sigma's vision and continued growth.

Their combined competence, experience and innovative abilities are invaluable and an actual prerequisite for our operation.

To ensure the continued inflow of high-quality employees we follow a goal-oriented recruiting strategy. The purpose is to find and attract the right people with the right attitude to the assignment. An academic education or equivalent is a fundamental requirements, but the ability to share knowledge with colleagues and customers is even more important. We also strive to strengthen a culture where all employees are happy in their work.

Developing employees

Sigma is a knowledge company where one of our foremost assets is our employees as well as our structural capital and our ability to organize the operation. By utilizing our employees' own desire and ability to develop and complement their skills with different forms of competence development, the company also develops. This process is carried out and updated annually through individual employee development plans. We also arrange competence days where employees get the opportunity to exchange competence and experiences.

Competence development is not just courses and training. Competence is also built through cooperation with colleagues, new projects with new problem solving, new customer companies and industries where people can benefit from experiences from similar situations. That is the key to a competence company, to be able to develop personnel and deliver benefits for the customer. As a consultant at Sigma, the individual is expected to have an inner drive and commitment. They have to also want to develop as a person.

Follow our blogs

If you would like to get to know some of Sigma's employees a little better you can follow several of them via their blogs. You will find them on our website: blogg.sigma.se

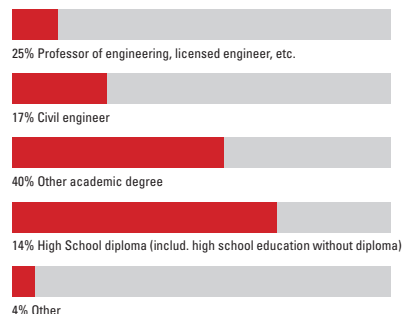
A balanced workplace

Sigma shall be a balanced, open and dynamic workplace with diversity in education and backgrounds, distribution in regard to year of employment and age and also an equal gender allocation. At Sigma, everyone's equal value is obvious regardless of gender, ethnicity, religion, sexual preference or lifestyle.

Sigma's operation also creates opportunities for relocation, temporarily or permanently, both within the country and abroad.

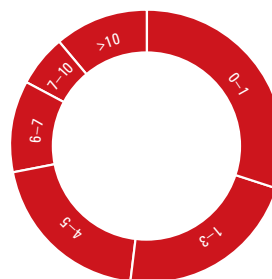
EMPLOYEE FIGURES

DISTRIBUTION OF EDUCATION



The majority of our employees have a university degree level qualification or higher.

DISTRIBUTION OF EMPLOYMENT YEAR



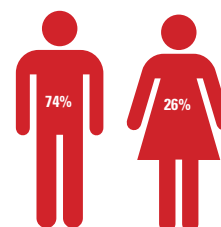
A mixture of significant experience and new employees is stimulating for our business.

AGE DISTRIBUTION

37

The average age at Sigma is about 37.

GENDER DISTRIBUTION



The imbalance between men and women is a direct reflection of the gender division currently seen in education and among those looking to work at Sigma.



Jens Nilsson is a systems developer at Sigma Kudos in Växjö. A few years ago he also became a professor in computer linguistics after having presented his doctoral thesis at Växjö University. There, he developed a software that makes automatic translation better by teaching the computer to understand the connection between words in a sentence and between sentences in different languages.

"I have developed a program that makes it easier for computers to analyze the components of a sentence and how they are used in different languages," says Jens Nilsson.

The program is included in a larger system for language analysis that is called MaltParser. Several foreign evaluations have ranked it as one of the foremost programs in the world.

He and his group have won the "World Championship" two times in syntactic analysis, "CoNLL Shared Task". They were in competition with Microsoft, Google and others.

"Our applications are used for machine translation between different languages, and after the win, Google is said to have tested our analysis methods for Google Translator. It is also said that they are used by at least one well-known intelligence service to quickly analyze large volumes of information in foreign languages. For some reason they were most interested in our language analysis computers for Arabic and Chinese ..."

So now you're just waiting for the millions to start rolling into your bank account?

"No. We have published our findings so they can be utilized by anyone at all. But I became a professor!



Samira Sabic is a team leader at Sigma's new office in Skövde. However, most of her time is spent with the customer, Volvo IT. She works with the implementation of a global close proximity production system; an assignment that involves a lot of travel throughout the world.

And this is not the first time she is traveling. Samira Sabic was born in Skövde in a family with Bosnian roots. When she was seven the family moved back to Bosnia.

"We lived there until I was 14, but when civil war broke out in 1992 that idyll was shattered and we had to run for our lives," she says. "Suddenly we were refugees, first in another town in Bosnia and then in Sweden.

A good head for study and a fundamental interest for mathematics and technology eventually brought her to Jönköping University, where she got a degree in computer science with a focus on information technology, which she complemented with a masters degree in Internet technology.

During her student years she also had a child and got to see the IT bubble burst.

"Therefore, when I was finished, I was not completely certain that I would get a job as an engineer. The solution was two years doing what had been my summer job while I was studying: an engine tester at Volvo Powertrain.

"It was a pretty tough environment with tough working hours and a lot of physical work – and an experience that I absolutely would not have wanted to miss," says Samira Sabic. In general, I think that you get a thicker skin the more challenges you have had in life. And you learn to know yourself and be thankful, despite everything, for all the chances that you get in life.



Mathias Adolphsson is an Internet consultant for Lean at Sigma Kudos in Gothenburg. One of his assignments is to be a coach for the implementation of lean within Volvo Cars' aftermarket organization.

The Lean concept comes from the Japanese automotive industry, which has used it successfully for several decades. It involves making the operation efficient by ensuring a flow without interruptions, and also to standardize and eliminate waste.

"Lean is common within production, but still relatively unusual in the service sector," Mathias Adolphsson points out.

At Volvo Cars' aftermarket department there are around 550 employees in 65 different teams, and Mathias Adolphsson is the only external consultant among the five coaches who support employees. People follow a four-year program that includes everything from kick-off to group coaching, seminars and leadership training.

"The greatest challenge is to motivate those who perhaps see lean as a fad. But it is fully possible, especially by showing the opportunities for major profits."

Mathias Adolphsson feels that there are three factors that are vital in order for the lean concept to be established in the organization: drive from upper management – both for the principle and as committed leaders in the process – as well as wholehearted engagement and patience.

"This is not exactly rocket science," he says, "but it takes a lot of hard work to succeed.

OUR ASSIGNMENT

LISEBERG MANAGED SERVICES

EXPERIENCES IN THE SYSTEM

Liseberg in Gothenburg is the Nordic region's largest amusement park. The Liseberg group consists of a series of companies and operations – everything from the actual amusement park to hotels, vacation cottages and camping, restaurants, the show restaurant, Rondo, and the Liseberg theater.

A mobile platform now helps visitors to maximize their experiences at Liseberg. In the spring of 2011, Sigma developed a new mobile web. With it, the visitor can plan his visit, find his way in the park from his current location – and also check out what the entertainment schedule is.

Sigma also manages and continually develops two other IT systems for Liseberg: the external information web and the Liseberg group's e-commerce solution on the Internet.



BIOTAGE MANAGED SERVICES

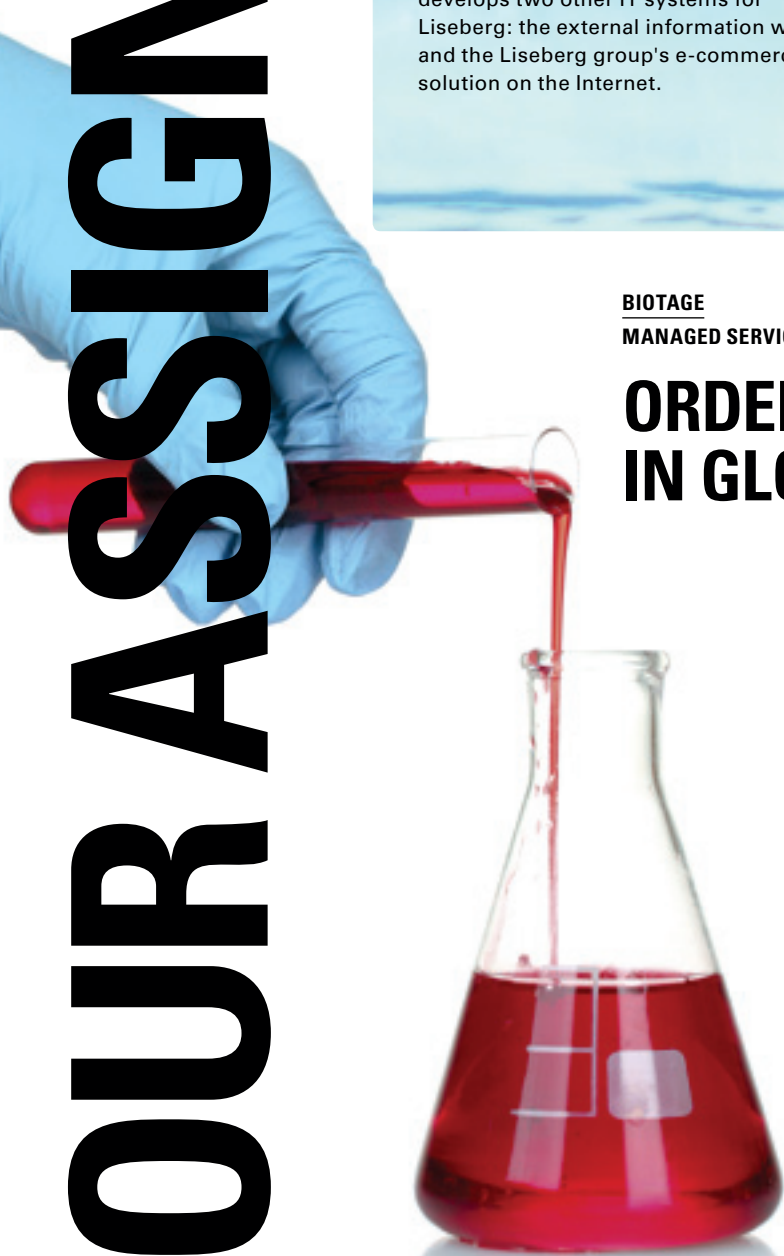
ORDER AND STRUCTURE IN GLOBAL SALES


The Uppsala-based company, Biotage, sells instruments, consumption articles and services within analytical chemistry and pharmaceutical chemistry. Customers include the world's largest pharmaceutical and biotechnology companies and leading academic institutions.

Sigma has helped Biotage to introduce Microsoft Dynamics AX 2009 in two concentrated stages. The group previously had three different business systems in Europe, the US and Japan, which meant different work processes, account plans and article numbers.

This does not work in a global operation, and several years ago a transition was initiated to a single, joint, business system to create unified procedures and parameters.

Today, Biotage has a reliable business system with simple, efficient procedures and strong control over the company's finances.





VÄRMEVÄRDEN – A FUNCTIONAL COMMITMENT THAT SIMPLIFIES THINGS FOR THE CUSTOMER

In 2011, Sigma was given the assignment, as a functional delivery, to implement and manage a new IT platform for Värmevärden. The functional delivery comprises everything from infrastructure, licenses, applications and workplaces to telephony. All parts are based on the latest available technology.

"It involves an advanced functional commitment where we take comprehensive responsibility for everything from implementation to operation and management for a three-year period," says Arne Jansson, regional manager at Sigma in Stockholm.

The best

When Sigma got the assignment, they could start from the beginning with a blank slate; since a totally new IT platform was to be implemented there was no previous technology to take into account, except the information about Värmevärden's facilities, which obviously would be migrated. There-

fore, the IT platform could be built from the beginning and based on best practices in the form of the latest technology.

In total, hundreds of different Sigma consultants have been involved in this extensive assignment, where Sigma manages the entire chain, from implementation to operation, management and support, over three years with the possibility for an extension and at a value of more than SEK 50 million.

"This is a very exciting and challenging assignment for us. It runs through the entire organization," says Arne Jansson.

Simplicity is the major gain

The assignment is a very good example of Sigma wanting to take comprehensive responsibility and help its customers focus on their core operation. For Värmevärden, Sigma functions as an outsourced IT department.

"For us, the major gain is simplicity," says Värmevärden's President, Anders Ericsson. We can concentrate on our main business and the IT platform is handled by our CIO together with Sigma.

4,000 customers

Värmevärden is a newly formed energy company that primarily produces and distributes district heating. Värmevärden was created whereby operations outside Stockholm were separated from Fortum Värme, and after a time, were sold to the new company. Today it is owned by the Macquarie European Infrastructure Fund and Capstone Infrastructure Corporation.

Värmevärden has around 90 employees, has sales of approximately SEK 700 million, and has around 4,000 customers in eleven municipalities in Mid-Sweden.

TYRÉNS
SPECIALIZED SERVICES

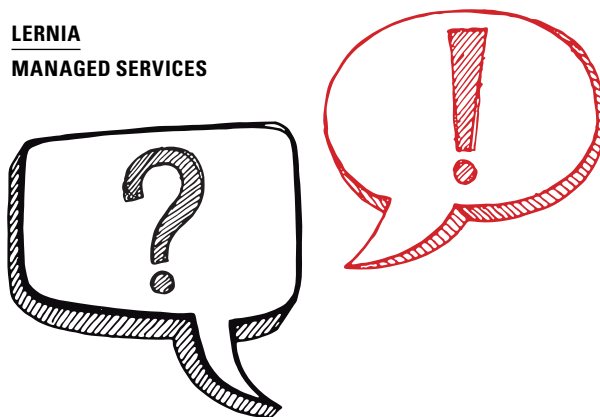
FLEXIBLE SOCIAL STRUCTURE BUILDER

Tyréns AB is one of Sweden's leading consulting companies within city planning and infrastructure as well as the construction and property sector. With Sigma's help, Tyréns has introduced a new communication platform based on Microsoft Lync.

Sigma was in charge of the design, implementation and roll-out of a solution that makes it easier to work flexibly, for example, by participating in web meetings and teleconferences no matter where you are located. This is important in an organization with offices in 20 districts and assignments in many more. The new platform also makes it easier to search and find employees in the organization with functions such as competence search and attendance management.



LERNIA
MANAGED SERVICES



INTEGRATION SOLUTION TO GROW INTO

Lernia is one of Sweden's leading knowledge companies within staffing and education and runs high schools, adult education courses, vocational training courses and vocational colleges in more than 90 districts. Sigma got the assignment to implement the integration platform, Microsoft BizTalk, in this large organization. The assignment was a comprehensive commitment at a fixed price. The work was carried out with the help of Sigma's own integration method, which is called QuickLink Start. This includes installation and configuration of the platform as well as implementing integration methods and the development of an integration. The installation was done with a solution that can quickly and simply be expanded for more integrations.

WORLD MATCH RACING TOUR
MANAGED SERVICES

FAIR WIND FOR WIND SURFERS

World Match Racing Tour is one of the world's largest arrangers of international sailing competitions, and since 2010, Sigma has been their digital communications partner. The first assignment was to develop a new website that would increase the company's visibility and become a meeting place for everyone interested in match racing.

The new website offers connections to social media, Internet-TV broadcasts from sailing races, fast results and extensive statistics for both fans and sailors.

www.wmrt.com



**TELECOM SUPPLIER
MANAGED SERVICES**

GLOBAL MAIN SUPPLIER OF INFORMATION DESIGN SERVICES



Since 2010, Sigma Kudos has been the main supplier of Information Design services for mobile telephones, accessories and other products for a leading telecom supplier.

Information Design consists of identifying and formulating demands for what information shall be included in instruction books, quick guides, on the web, etc. The assignment also comprises how the information shall be presented, what it shall contain and how it shall be translated.

In addition to Information Design, Sigma Kudos also delivers Editor, Release and Fault Management services to the customer.

**BERGENDAHL'S
SPECIALIZED SERVICES**

FORECAST TOOL FOR SUCCESSFUL CAMPAIGNS



Bergendahl's is one of Sweden's largest trade company and owns brands such as City Gross, Duka and Glitter. Bergendahl's posed these questions to itself: How do products' exposure in certain campaigns, with different advertising media, affect their sales? How can we use historical data to predict future sales?

To answer the questions, Sigma developed a forecast tool, which based on given campaign documentation, retrieves historical sales data from SAP. Together with previous campaigns and different formulas, the tool calculates probable sales per product. In the forecast, the system also takes into consideration the products' presence in different advertising media.

The more campaigns that are covered, the smarter the system becomes, and over the long-term it can forecast an entire campaign itself without manual help.

**SWEDISH GOLF FEDERATION
MANAGED SERVICES**

IT ENVIRONMENT WITHOUT A HANDICAP



For the last nine years, the Swedish Golf Federation has engaged Sigma for the operation of its IT environment. Over the years the scope has grown substantially, and to handle this effectively, basically all servers are currently virtualized to create flexibility. Sigma is responsible for operation, monitoring, backup and incident management in an environment that handles time bookings for the country's approximately 500,000 golfers, email, member questions, competition administration and solutions for SGF's e-commerce. In 2009, the golf federation carried out a preliminary study on the procurement of equivalent services. The conclusion was that no one else would be able to handle the assignment as well and as cost-efficiently as Sigma and the planned procurement was canceled. Instead, the assignment was expanded and today, Sigma is also responsible for the operation of the golf federation's internal IT environment.

DIRECTOR'S REPORT

The Board of Directors and the CEO for Sigma AB (publ), corporate registration number 556347-5440, hereby submit the annual report and consolidated accounts for the parent company and group for the financial year 2011-01-01–2011-12-31. Sigma AB (publ) with its registered office in Malmö, is the parent company of the Sigma group. The parent company head office is located in Gothenburg, Sweden. Sigma AB (publ) has been listed on the Nasdaq OMX Nordic Stockholm Stock Exchange since September 28, 2001.

OPERATIONS

Sigma is a consulting company within IT & Management and also Information Logistics. Sigma's customers are medium-sized and large companies that, to a large extent, have their base in the Nordic region, but also have global operations. Sigma's units outside of the Nordic area also include a large number of local customers. The operation is carried out in two business areas: IT & Management as well as Information Logistics in nine countries including associated companies. The operations that Sigma now conducts were formed in 1996 as a Group unit, and – in some individual subsidiaries – long before this. The operation is described on pages 8–29 in this annual report.

GROUP – ACQUISITIONS AND SALES

During the year, minority interests in two subsidiaries where Sigma already has a majority interest were acquired. The operations in these companies have thereafter been transferred internally to other subsidiaries.

IMPORTANT EVENTS DURING THE YEAR

The company showed very large organic growth in 2011 measured in invoicing. The growth is due to the higher resource utilization in the group but is primarily due to the recruiting that has been carried out. A gross of 493 people have been recruited and the net after personnel turnover and changes in parental leave or leave of absence totals 205 people. The growth rate was greatest during the first half-year. A number of different general agreements were signed with large companies and authorities during the year. The number of large contracts that were entered into in 2011 is the largest number ever measured as invoicing volume. The majority of them are as commitments and in some cases have also involved the taking over of personnel from the customer.

SALES AND EARNINGS

Sales totaled SEK 1,400.7 M (1,168.9). Organic growth totaled SEK 179.7 M or 15.4% adjusted for the acquisitions that were made in 2010. Growth as a result of acquisitions for 2010 was SEK 52.6 M. Operating profit/loss totaled SEK 101.0 M (59.1), corresponding to a margin of 7.2% (5.1). Earnings before tax amounted to SEK 92.1 M (54.1). Earnings after tax totaled SEK 72.8 M (40.3) corresponding to SEK 0.84 (0.46) per share. More detailed comments about the growth in the company as well as income statements, balance sheets and cash flow statements can be found in conjunction with these reports.

RESEARCH AND DEVELOPMENT

Sigma does not conduct any research. Development of own products and concepts is done in normal operations.

PARENT COMPANY

Over the year, the parent company's income amounted to a total of SEK 33.8 M (36.0) and primarily concerns the internal Group invoicing for services. Income from consultancy services amounted to SEK 10.9 M (20.1). These assignments refer to the forwarding of invoices for assignments carried out by the subsidiaries. These projects have not had any effect on earnings. Earnings before net financial income/expense amounted to SEK -8.3 M (-5.5). Earnings from investments in subsidiaries were reported at SEK 48.7 M (49.6). Equity in the parent company amounts to SEK 376.0 M (370.5). The parent company has no liquid funds but has a bank overdraft facility for a total of SEK 123.5 M (111.5) of which SEK 97.0 M (53.0) had been used by the end of the year. In addition to this, there is a bank loan of SEK 68.5 M (46.0). Acquisition of shares in associated companies has been made in the amount of SEK 1.0 M (0.0). In addition, the parent company has invested SEK 50,000 in a newly started company and thereafter a shareholder contribution of SEK 30,000 to the same company to be the new parent company for the Sigma Kudos companies. SEK 0.2 M (0.0) has been invested in tangible fixed assets. The number of employees in the parent company was an average of 8 people (5), and at the end of the year, there were 8 (5) people employed in the company. That number increased by 3 on January 1, 2011 through a transfer from another group company. During the year, the parent company has received group contributions totaling SEK 80.2 M (60.0) and also granted SEK 46.9 M in group contributions (7.6).

BOARD OF DIRECTORS' WORK AND CORPORATE GOVERNANCE

The Board of Director's work during the year is illustrated by the description on page 32, Corporate governance, which is part of the administration report. This section also presents the Board's work and Sigma's adherence to the Swedish Code of Corporate Governance. The Board members are presented on page 61 and corporate management on page 60.

BOARD OF DIRECTORS' PROPOSAL FOR GUIDELINES FOR REMUNERATION AND OTHER EMPLOYMENT CONDITIONS FOR CORPORATE MANAGEMENT 2012

Basic description The board proposes that the annual general meeting decide in accordance with the proposal below regarding guidelines for compensation and other employment conditions for corporate management. The board's proposal for the coming year is essentially in accordance with the decision at the annual general meeting in 2011 with the exception of that the ceiling for variable salaries be raised to 100%. The drafting of compensation issues is handled by the remuneration committee with representatives from the board. Corporate management has consisted of Håkan Karlsson, President and CEO of Sigma AB, Carl Vikingsson and Niklas Börjesson, Information Logistics, Arne Jansson, Göte Berntsson and Jan Anderson, Sigma IT & Management and also Michael Krantz and Lars Sundqvist, sales manager and chief financial officer, respectively, for the group. These individuals and their respective length of time in management is presented on page 33 of the Corporate Governance report.

Proposal The company shall offer market-based total compensation that makes it possible for leading executives to be recruited and retained. The compensation to corporate management shall consist of both a fixed salary, variable salary, pension and other remuneration. Together, these comprise the individual's total compensation. Fixed and variable compensation together comprise the employee's salary. The fixed salary shall be related to the individual's area of responsibility and experience. The variable compensation is dependent on the individual's achievement of quantitative and qualitative objectives. The variable salary is based on goals achieved in the individual's special work area or unit, and the variable salary is also based on the group's total growth. The variable salary can be a maximum of 100% of the fixed salary. The relationship between fixed and variable compensation varies between individuals, but comprises a balanced total remuneration. As previously, the President can utilize service pension corresponding to a premium of around 35% of the current annual salary and also a sick pay premium outside this framework. Other members of corporate management have individual pension conditions where none exceeds 35% of the current annual salary. The retirement age is 65. All pensions shall be defined contribution plans with no commitment after termination of employment or after retirement has started. Other remuneration and benefits shall be market-based and contribute to helping the executives in fulfilling their work tasks. The company management's employment agreements include termination clauses. According to these agreements, the employment can be terminated as normal at the employee's request, with a notice period of 6 to 12 months and at the company's request with a notice period of 12 to 24 months. An unchanged salary and remuneration and any benefits are also included during the notice period. The board shall have the right to deviate from the above guidelines if the board assesses that in an individual case there are specific circumstances that justify this.

RISKS PRESENT IN GROUP OPERATIONS

All operations involve different types of risk. Sigma has no significant risks other than what can be expected from this type of operation. There are no specific goals or principles for governing risk, every risk is handled through clear processes and controls for the purpose of minimizing the risk.

Degree of invoicing and hourly price Those factors that have the greatest effect on earnings are the hourly price and degree of invoicing. Hourly price can be classified in two ways; in part, the contracted hourly price for a certain type of service, and in part the actual hourly price that can be calculated afterwards as a relation between the fee and time used for the same scope as the fee. The actual hourly price can change through the valuation of ongoing assignments of a fixed price character. See below under fixed price assignments. The degree of invoicing in a consulting company constitutes the percentage of time that is attributable to customer assignments. Worked times that cannot be charged constitutes earnings risk.

Employees A consulting company is entirely dependent on its employees, both those that debit customers and those that support these in the form of management, sales, administration and IT support. There is always a risk that an employee will leave Sigma to work directly for a customer, a competitor or in his own operation. In certain cases there is also the risk that an employee takes a customer assignment with them when they leave Sigma. By working with large customers, and to a large extent with commitment projects, the risk that assignments will follow a single individual is minimized. Active personnel work and development opportunities with continuing education, as well as Sigma's geographic distribution with possibilities for work in other districts, are factors that stimulate employees to remain within the group. However, a certain amount of personnel turnover is beneficial for the operation. Another risk is the group's ability to attract new employees, both for replacement recruiting and growth. By allocating resources for recruiting, instructions and marketing, this risk is reduced.

Competitors Competition in the market is both a risk and an opportunity and stimulates the market's development. Price competition does not have to mean lower hourly prices in nominal figures per hour, but through more efficient working methods, Sigma can reduce the total price to the customer and in that way be more competitive. General agreements are important components in handling customers and competitors in the market. Sigma's competitors include Acando, Cybercom, HIQ, Know IT, Tieto as well as several foreign global players, often Indian companies.

Fixed price assignments Assignments for a fixed price constitute a risk for the financial result in the form that you need to allocate more resources in the assign-

ment than what the price is based on. Evaluations of fixed price projects occur monthly, and sometimes more often in individual projects. Many times it is difficult to make assessments so far ahead in time, which is why there is always a risk that earnings will be affected by such assessments. The risk in connection with offers for fixed price assignments is handled whereby a separate group reviews larger fixed price assignments before the offer is submitted to the customer. For large contracts, these are also reviewed and decided on by a special project committee from the parent company's board.

Customers The loss of a customer or a large commitment assignment constitutes a risk in the operation like credit risk on receivables. The credit risk on accounts receivable is substantial in its total exposure as a nominal amount of the group's combined assets, but the majority are not overdue receivables. The largest volume of overdue receivables is shorter than 30 days, and among these, the large majority is less than 10 days. Several customers generally pay a few days late, mostly due to administration reasons. Of the receivables older than 30 days, the cause is often different forms of retained money by the customers in awaiting the completion of a certain activity or that the customer's administrative procedures have caused the confirmation of the invoices to be late. When an assignment is completed, the company risks being without income over a shorter or longer period of time from persons employed in such assignments before new assignments have been established. Sigma is always looking for new customers to reduce such risk and simultaneously achieve organic growth.

IT-infringement The risk for an infringement of Sigma's IT environment does exist. In the majority of Sigma's assignments, development is made directly in the customer's own IT environment. In certain management assignments and also operation commitments, Sigma's customers handle data on behalf of Sigma. The risk is managed wherein different types of security solutions against infringement, as well as procedures for storage and handling of computer equipment such as data media. Large parts of the group are also ISO-certified for Information security, ISO 27001.

Insurance To handle some of the risks that exist in a consulting company, the group has extensive insurance policies for all group companies throughout the world. Such insurance policies cover general liability, professional indemnity, property insurance including operational interruptions and travel insurance. The different insurance policies have certain maximum values on individual damages, total damages during a year and are limited with a deductible for the company.

Financial risks and market risks For risks with financial receivables, also see note 3. Liquidity risk in the form of necessary credit frameworks and loans is assessed to be small. Contracts relating to bank overdraft facilities mean that the banks have the right to demand repayment of the overdraft facilities but the risk for this is assessed to be small. The group's risk exposure connected to changes in currency markets is assessed to be insignificant since the absolutely overwhelming part of the group's invoicing is generated in the same currency as costs. Currency risk for the consolidation of subsidiaries' net assets is also quite small. Other market risks such as interest rates affect the group's earnings per share, but are limited even in the event of a doubling of the interest rates on loans.

Sensitivity analysis and reporting of key figures

In regard to the above reported risks, the company follows and measures a number of key figures in order to have control of the operation's development in addition to the financial result. Many of these are not reported publicly but make up a portion of the company's internal follow-ups. The degree of invoicing is followed every week and month in accordance with an internal definition of the key figure. The hourly price is also measured as the effective hourly price in relation to income and time expended. The development of the hourly price in the group affects how large a portion of revenue that comes from countries with other price structures, for example, the Ukraine, China and Hungary, but does not mean that there is less profitability even if the hourly price drops. This also applies to sales per employee, which are affected both by the number of employees in different countries and by the percentage of invoicing, which is related to external partners or sub-consultants. Personnel turnover in 2011 totaled 21% (15). Certain personnel turnover is positive in the majority of Sigma's operations in order to obtain a beneficial cost structure. The percentage of the company's revenue that is constituted by fixed price assignments totaled 12% (12). The percentage of assignments by invoice totaled 47% (49). Far from all assignments are carried out at a fixed price. Often a commitment involves us taking responsibility for a function within a certain stated framework and is charged for in accordance with time expended or other resource. The company's largest single customer accounts for 12% (12) of the groups revenue. Revenue from this customer is distributed between several different countries and different types of services and assignments and also under two separate general agreements. According to management, the risk for dominance from this customer is therefore balanced.

Sensitivity analysis

Variable	Change	Effect on earnings
Number of working days	+/- 1 day	+/- SEK 4.1 M
Hour price	+/- SEK 10 hour	+/- SEK 18.0 M
Degree of invoicing	+/- 1% -unit	+/- SEK 11.9 M
Salary cost	+/- 1% -unit	-/+ SEK 6.8 M
Interest rate on loans and credits	+/- 1% -unit	-/+ SEK 1.4 M

The above effect on earnings per workday refers to change regarding the total number of days between two calendar years where it is assumed that the revenue is variable with the number of available hours but the cost is fixed since salaries, leases and other costs are fixed regardless of the number of workdays in the period. The number of workdays within a year and quarter affects the results in individual quarters. The Easter holiday may fall in either the first or the second quarter, which affects the

distribution of earnings between these periods. The largest vacation effect arises in the third quarter. The placement of the Christmas holidays in regard to different week-days affects the number of working days in the fourth quarter. Since 2009, Sigma has applied an accounting method, which involves salary costs being calculated on an annual basis and distributed over a period of time as work expended. The purpose of the method is to even out the effects of a different number of workdays in individual quarters or months. The method involves no difference or effect on an annual basis.

Seasonal variations, Sweden	Q1	Q2	Q3	Q4	Total, year
Number of working days – 2010	62	61	66	64	253
Number of working days – 2011	63	60	66	64	253
Number of working days – 2012	64	59	65	62	250
Number of working days – 2013	62	60	66	62	250

In assessing the number of working days, consideration must also be given to when in the year the number is different from a normal month. Few workdays in a period without holidays or days in between a holiday and weekend affect employment more than in connection with holidays when many employees still often have vacation. The fact that there are few workdays in December does not have as much effect on invoicing as, for example, few workdays in September.

Other risks that are not reported in this section are not assessed to be significant for the group. Also see the section regarding internal controls on page 33 in the Corporate governance report. The parent company's risks are primarily liquidity risk, and to a certain extent, currency risk, as was described above.

PERSONNEL-RELATED INFORMATION

The number of employees at the end of the year totaled 1,493 people (1,288).

In 2011, the personnel strength increased net by a total of 205 people. The number has increased by 493 through recruiting and 297 people have left the company. Changes in different types of time-off have resulted in an increase by 13 people. The average number of employees during the year totaled 1,420 (1,174). The majority of Sigma's Swedish subsidiaries have signed the collective agreement. Those that have not signed such agreements, however, adhere to regulations regarding minimum wage, salary increases and pension conditions. In Sigma, there are two Group-wide policies within the areas of personnel, ethical and equality policies. Each subsidiary then adapts and develops local policies for each workplace.

SIGMA GROUP'S FUTURE DEVELOPMENT

The Board's goals and strategies to achieve these are reported in more detail on pages 9–12 in this annual report. For several years now, Sigma has not presented any forecasts for forthcoming periods.

DISTRIBUTION OF PROFITS PARENT COMPANY

For the financial year 2011, the Board and CEO propose a dividend of SEK 0.25 (0.25) per share. Increased earnings justify an increase in dividend payments but at the same time, growth with long payment times ties up operating capital. In view of this, in 2010 Sigma acquired Cypoint and the acquisition was primarily paid for in cash, which is why the net debt increased. In view of this, an unchanged dividend payment is proposed. The following amounts are at the Annual General Meeting's disposal: (SEK)

Retained earnings	226,271,719
Profit/loss for the year	27,240,383
Total	253,512,101
Dividends to shareholders	-21,686,618
Carried forward	231,825,483

Distributable earnings in the group totaled as of 2011-12-31 to SEK 316.7 M (277.8). With reference to the above and with what has additionally reported to the Board, the Board's opinion is that a comprehensive assessment of the company and the Group's financial position means that the dividend is justifiable, with reference to the requirements that the business type, scope and risks place on the size of the company and the Group's equity and the company and Group's need to strengthen the balance sheet, liquidity and position in general.

EVENTS AFTER BALANCE SHEET DATE

There have been no significant events after the balance sheet date up until the authorization of this annual report.

MISCELLANEOUS

The articles of incorporation in Sigma do not contain any special provisions regarding the appointment and dismissal of board members and instead adhere to the Company Act's regulations without supplements. In addition, there are no special regulations regarding changes to the articles of incorporation. No contracts or other factors that affect a purchase offer exist except that in several of the signed general agreements with important customers for Sigma, there is a clause that gives the customer the right to renegotiate or terminate such contracts if the ownership structure should change considerably. A corresponding clause is in the company's credit agreement with banks. No conditions for leading executives exist relating to a possible purchase offer. Sigma does not carry out any operation that requires licensing, certification or which is subject to reporting obligations. No authorization to the board from the annual general meeting regarding the issue of new shares exists. The number of shares issued amounts to 86,746,471 shares, 1,024,124 of which are A shares, providing ten (10) votes per share and 85,722,347 B shares, providing one (1) vote per share. The quota value of the shares is SEK 1.00

Only one individual shareholder has voting rights exceeding 10% as of the end of the calendar year, and combined with several different holdings, one additional shareholder has more than 10%. The development of the Sigma share as well as ownership structure is described in more detail on page 59. No ownership by personnel through a personnel foundation or equivalent exists. One of the convertible debt instruments that was issued in 2010 was directed to personnel with conversion in the fall of 2013 at a price of SEK 6.10. There are no limitations on the number of votes an individual shareholder can submit at the annual general meeting.

In regard to the group and parent company's position in general, please refer to the following income statements and balance sheets, report on equity and cash flow statements with accompanying notes. The accounting principles are stated in Note 3, page 42.

CORPORATE GOVERNANCE

Governance of the Sigma Group is exercised through the Annual General Meeting, the Board and the CEO and also Group management in accordance with the Swedish Companies Act, the Articles of Association and decisions made by the above forums and instances. Sigma adheres to the Swedish code for corporate governance as well as the listing agreement with Nasdaq OMX Stockholm Stock Exchange and those regulations that apply in accordance with the Companies Act regarding corporate governance. Further in this report is a report with a list of deviations from the code.

ANNUAL GENERAL MEETING

The highest decision-making authority is the annual general meeting, which is the forum through which shareholders exercise their influence over the company. The annual general meeting appoints and dismisses the board of Sigma AB (publ). A nominating committee, which represents the largest shareholders, proposes representatives to the board and the chairman of the board to those participating in the annual general meeting. The annual general meeting also adopts the income statements and balance sheets, decides on release from liability for the board, selects an auditor for four years, in those years that such a decision shall be made, and also decides on guidelines for compensation to management in the company. A decision regarding dividends is made by the annual general meeting based on a proposal from the board. The annual general meeting regarding the financial year 2010 was held in Malmö on April 28, 2011 and there were 23 shareholders present who represented 45,618,868 shares corresponding to approximately 57% of the total number of votes and 53% of the total number of shares. Compared with previous years, there were fewer shareholders and shares represented. The annual general meeting decided to release the board from liability and also decided on the other proposals that were included in the notification. The full minutes of the AGM are available on the company's website. The forthcoming AGM will be held in Malmö on April 26, 2012. See additional information on page 63. The choice of Malmö for the annual general meeting 2012 is motivated by the company's registered office being there and also the number of shareholders residing in the region. Proposals to the annual general meeting can be submitted to the company through CFO, Lars Sundqvist, or the Chairman of the Board, Dan Olofsson.

ARTICLES OF INCORPORATION

The current applicable articles of incorporation for Sigma AB were adopted at the annual general meeting 2010, conditional upon the fact that the Companies Act is changed regarding the method in how the notification to the annual general meeting is announced and took effect as of January 1, 2011. There were no other changes to the articles of incorporation. The company's registered office is in Malmö while the company's registered address is Gothenburg. In accordance with the articles of incorporation, the operation consists of offering consulting services and software solutions within the areas, information technology, surveys, project management and programming of information within administrative data processing, sales of system solutions, development of new IT concepts, production of services for electronic commerce in different forms as well as development of trade solutions, advertising, etc., based on the Internet and intranet and other activities associated to these operations. Shares shall be able to be issued in two series; series A with ten (10) votes per share and series B with one (1) vote per share. In general, all shares entitle the holder to an equal right in the company's assets and profits. The company's financial year shall be the calendar year. Notification of the annual general meeting shall be made four to six weeks before the ordinary annual general meeting of shareholders. The notification for the annual general meeting is announced in the Swedish Official Gazette and on the company's website. That such a notification has occurred is announced in the newspaper, Dagens Industri. For notification regarding an extra-

ordinary meeting, the notification shall be made between two and six weeks before such a meeting. Shareholders who wish to participate in the annual general meeting shall report this to the company in accordance with the notification and be entitled to be assisted by no more than two people. The board can select to hold the annual general meeting in either Malmö, Gothenburg or Stockholm. The board shall consist of at least three and no more than ten board members. The auditor appointed shall be an authorized public accountant or a registered public accounting firm. Changes in the articles of incorporation are decided by the annual general meeting. The complete articles of incorporation can be found on the company's website.

THE BOARD

The nominating committee submits proposals to the annual general meeting for the election of board members. Prior to the annual general meeting, the board consisted of seven ordinary board members and two alternate members. At the annual general meeting in 2011, all seven board members were reelected without alternates. In addition to that, employee organizations have the right to appoint two representatives to the board, whereby Akademikerna (a union of university graduates who have a degree in economics, social science, social work or personnel management) has appointed a representative as of the annual general meeting 2011. The board appoints its own officers, with the exception of the chairman, who is elected by the annual general meeting, at a meeting immediately following the annual general meeting. At the board meeting following the election, decisions are made regarding possible committees within the board. Below is a list of the board members and their respective shareholdings, attendance records and their independence to shareholders and the company. During the year, ten meetings were held, all ordinary meetings. A more detailed presentation of the persons can be found on page 61. The board represents a wide range of competences and experiences with a distribution over several generations. At one of the ordinary meetings of the board during the year, the delegation of responsibilities to the Board and instructions for the CEO were agreed. Lars Sundqvist has acted as the Board's secretary. Other people from the company also present reports on separate issues. The roles and responsibilities of the Board are defined in the Swedish Companies Act. In addition to this, the Board is responsible for establishing general goals and strategies, making decisions on larger investments and organizational issues as well as supervising that the CEO is fulfilling his obligations. The board's remuneration was decided by the annual general meeting and set at SEK 125,000 to each of the ordinary board members that do not receive a salary from the company as well as SEK 30,000 to committee chairman and SEK 20,000 to other committee members. For work on the board's Project committee, a fixed fee of SEK 20,000 is paid out as well as an additional fee of SEK 10,000 per project decision that results in more than one meeting.

THE CHAIRMAN OF THE BOARD

Besides presiding over the Board's meetings, the Chairman of the Board is responsible for keeping in regular touch with the CEO and monitoring the Board's development, as well as consulting it on strategic issues. The chairman of the board, in cooperation with the President shall be responsible for the notification regarding the meetings and the agendas for the board meetings and shall also ensure that handling of the items are not contrary to the regulations. The work of the board is evaluated once a year with each of the board members.

COMMITTEES AND THE NOMINATION COMMITTEE

In 2010, a remuneration committee was appointed consisting of Dan Olofsson and Sune Nilsson. The remuneration committee has met on one occasion during the year. Its task is to establish guidelines for remuneration to corporate management and conditions for the president, and after this to inform the other board members.

The entire board has been appointed to the auditing committee since they have dealt with these types of issues within the framework of ordinary board meetings. The company's accountant has met with the board one time during the year and reported to them via telephone on one occasion. The auditing committee has the task of: planning the auditing cycle, quality assuring the company's financial reporting and regularly meeting with the company's accountant, evaluating the need for internal auditing and views on the company's risks, establishing guidelines for what services other than accounting and auditing the company can purchase from the company's accountant, evaluating accounting efforts and informing the company's nominating committee about the result of the evaluation and also reporting on the implemented review to other board members. The auditing committee shall also assist the nominating committee in formulating proposals to auditors and the setting of fees for auditing work. The annual general meeting of 2011 decided to appoint a nominating committee consisting of the chairman of the board as well as one repre-

	Elected year	Number Series A shares	Number Series B shares	Number nominal	Convertibles	Attendance board meetings	Dependent/independent
Dan Olofsson	2001	615 171		23 454 828	-	10 of 10	Dependent to the largest shareholder, Danir AB
Johan Glennmo	2001	-		6 000	-	9 of 10	Dependent to the largest shareholder, Danir AB
Konstantin Caliacmanis	2001	381 000		321 658	-	10 of 10	Independent
Christina Ramberg	2001	-		-	-	7 of 10	Independent
Sune Nilsson	2001	-		105 739	-	10 of 10	Independent
Henrietta Hansson	2009	-		-	-	10 of 10	Independent
Lars Wollung	2010	-		10 000	-	8 of 10	Independent
Joachim Hopstadius	2011	-		-	20 000	5 of 5	Dependent to the company – employed

sentative for each of the four largest shareholders in terms of voting rights: Dan Olofsson, Konstantin Caliacmanis, Caroline af Ugglas representing Skandia Liv, Thomas Ehlin representing Nordea fonder and also Mikael Nordberg representing Danske Capital. Thomas Ehlin was appointed chairman of the nominating committee. The nominating committee has had several meetings prior to the annual general meeting 2012 including the adoption of this annual report in addition to ongoing informal contact.

The task of the nominating committee is to provide proposals regarding board members, the chairman of the board, fees, and where necessary, the election of auditors. These proposals are presented in the notification regarding the annual general meeting, which will be made public in mid-March. Proposals to the nominating committee can be submitted either to the chairman of the board, Dan Olofsson, at telephone +46 (0) 40-665 90 00 or the nominating committee's chairman, Thomas Ehlin at telephone +46 (0) 8-579 420 22.

The board has also appointed a project committee whose task is to evaluate larger offers for project commitments when these exceed the mandate that the president has in his current administration. Normally, 3–5 projects are handled by the project committee per year, and for very large projects, the entire board is involved in the final decision.

BOARD MEETINGS

During the year, eight regular meetings have been held along with a board meeting following the election and one per capsulam for adopting the company's annual report. Of the regular meetings, four have been telephone meetings where only interim reports and the press release of unaudited annual earnings figures were addressed and at the other four meetings, the board discussed strategic issues and the establishment of budgets, etc. The annual general meeting elected Dan Olofsson as chairman and the meeting after the election appointed representatives in committees in accordance with what is stated above. Attendance per member is reported above as well as the affiliation or independence of the board members elected at the respective annual general meetings to the largest shareholders and the company and when they were elected to the board.

AUDIT

The auditing firm Deloitte AB was selected as the auditor for the parent company in 2009 until the ordinary annual general meeting for 2013 is held. Deloitte thereafter appointed Jan Nilsson as responsible for the assignment. In all subsidiaries in Sweden the accounting firm, Deloitte, has been selected as auditor with an authorized public accountant as the auditor in charge. In foreign subsidiaries, local accountants have been selected, which in turn report their audits to Deloitte AB in Sweden. In some smaller foreign subsidiaries where there is no requirement for an auditor in accordance with the respective country's local regulations, no auditor has been appointed.

PRESIDENT, GROUP MANAGEMENT AND ADMINISTRATION OF THE OPERATION

The Chief Executive Officer is appointed by the Board and presides over the company in accordance with the guidelines and instructions laid down by the Board. The president, Håkan Karlsson, has appointed a company/group management with a total of eight people including the president. Their names are presented below and a more detailed presentation of them can be found on page 60. The group management has met several times per year for more comprehensive meetings in addition to regular, more or less, daily contact. The matters addressed by group management include financial follow-up, marketing activities and branding, different proposals for acquisitions and establishments as well as other strategic issues and goal fulfillment. In the respective business areas there is also a management group that focuses on specific issues for the business area. Sigma's subsidiaries are partially governed and managed formally through the board work to meet the formal laws, requirements and conditions that are placed on a company, and partly through more in-depth overviews of the operation with the subsidiaries' management. It is normally the business area manager and a controller who carry out the more in-depth overview of the operations in subsidiaries. The subsidiaries are given annual goals for the operation by which they are governed and followed-up against. Sigma's organization is decentralized and also flat with short decision-making channels, from all employees to the President and CEO. Corporate management's holdings of shares and call options (only series B shares) are allocated in accordance with the following:

	Part of corporate management since	Number shares	Number options	Convertibles, nominal amount
Håkan Karlsson	2008	15,000	300,000	1,000,000
Lars Sundqvist	2001	55,900	-	1,000,000
Michael Krantz	2001 *)	-	-	-
Jan Andersson	2004 *)	93,613	-	500,000
Göte Berntsson	2001 *)	1,050	-	250,000
Arne Jansson	2011	225,000	-	-
Carl Vikingsson	2001 *)	4,125	-	1,000,000
Niklas Börjesson	2008	-	-	1,000,000

*) with the exception of 2007

INTERNAL CONTROLS REGARDING FINANCIAL REPORTING

The board of directors has ultimate responsibility in accordance with the Companies Act and the Swedish Code for Corporate Governance as well as the exchange listing

agreement on the Nasdaq OMX Stockholm Stock Exchange for good internal controls. Rules of procedure and instructions from the president for both the parent company and subsidiaries make up a section of the internal control environment that exists in the group. The operational overviews that are described in the section above are also a part of the company's internal control environment. The board stays informed about how the internal controls are handled through the auditing committee. The actual management of the internal controls is delegated to corporate management. The internal controls are primarily structured through instructions from the president in both the parent company and subsidiaries. In addition, in each company there are established confirmation procedures, process descriptions and similar documents that regulate the responsibility at different levels including the right to act as company signatory. These documents also regulate the right to enter into different contracts in regard to scope and commitment for the company. The parent company has also issued internal governance documents with accounting principles that apply to the group and consolidated reporting as well as detailed instructions about financial reporting to the groups central consolidation system. All subsidiaries and other reporting units submit monthly financial statements that are consolidated. Different forms of internal checks and analyses are carried out and are made before such reports are submitted. A special controller function at the group level analyzes and processes those reports that come in and compiles and consolidates them into a collective consolidated report. In the quarterly financial reports, an in-depth overview and analysis with reconciliation are made. Certain assessments are made regarding the documentation that is reported by the executive management or when this is necessary. Management and the board are provided with the financial reports on a monthly basis. These reports form the basis for the quarterly reports and press release of unaudited earnings figures and the annual report that Sigma makes public in Swedish and English. The information that is made public through press releases is also published on the company's website www.sigma.se. All policies are published on the company's intranet and accessible to all employees. The right to act as signatory for the company for current administration is normally solely granted to the president while other types of signatures require two joint signatures. In the group, the main principle that all bank accounts or equivalent shall be signed for by two people jointly is applied. There is no internal auditing function in Sigma since this is not justified by the scope of the company and risk exposure, and also due to the other types of internal controls that are reported on in this section.

RISK MANAGEMENT

The company's major risks and management of these is reported in the administration report on page 30.

OVERALL POLICIES

The Board lays down the Group's overall policies for the Group. The majority of operational policies are laid down by the respective subsidiaries within the Group, as they work very independently. Central policies for Sigma are the information and communication policy, the equality policy, the ethical policy and the IT policy.

CALL OPTIONS

In 2010, Danir AB issued a total of 300,000 call options to Håkan Karlsson, which expire in March 2012. Every option is equivalent to one share. The purchase options have been formulated in accordance with the Black & Scholes model for both the option premium and redemption price. The purchase options have been drawn up for existing shares, which is why they do not affect the total number of shares in the parent company.

OWNERSHIP STRUCTURE AND SHAREHOLDING STRUCTURE

The number of shareholders as of December 31, 2011 totaled 8,088. Of these, approximately 60% (61) were shareholders with 500 or fewer shares. Private individuals own approximately 23% (23) of the capital. Foreign shareholders held 17% (14) of the capital stock. The company's largest shareholders with more than 10% of the capital is Danir AB with 28% and Nordea fonder with 20% of the capital.

CAPITAL STRUCTURE

Since September 28, 2001, Sigma's series B share has been listed on the Nasdaq OMX Stockholm Stock Exchange Small Cap-list. The A share is not listed. The number of shares totals 86,746,471 shares, of which series A shares total 1,024,124 and series B shares total 85,722,347. The quota value of the shares is SEK 1.00 See more information in note 30 on page 54 regarding outstanding convertible programs and their possible dilution.

DIVIDEND POLICY

The board has not established a dividend policy and instead evaluates annually the possibility for dividend payments based on the company's financial position, cash flow and capital needs. For 2011, the board proposes a dividend of SEK 0.25 per share, which corresponds to a dividend payment of SEK 21.7 M. Sigma's earnings after tax for 2011 totaled SEK 72.8 M, which corresponds to SEK 0.84 per share, and cash flow from current operation totaled SEK 5.4 M. Sigma's equity/assets ratio at the end of 2011 totaled 47%, and adjusted for the proposed dividend, to 45%.

SWEDISH CODE FOR CORPORATE GOVERNANCE

Sigma adheres to the Swedish code for corporate governance without deviation.

Board member Sune Nilsson was former president of the parent company. The company has made the assessment that he is independent despite the fact that he left his post as president less than five years ago.

GROUP FINANCIAL SUMMARY

CONSOLIDATED INCOME STATEMENTS

SEK M	2011	2010	2009	2008	2007
Income (including other operating income and earnings in associated company)	1,402.7	1,171.4	1,131.9	1,360.5	1,383.4
Operating expenses excluding depreciation	-1,291.8	-1,102.7	-1,073.2	-1,281.0	-1,296.8
Earnings before depreciation	110.9	68.7	58.7	79.5	86.6
Depreciation	-9.9	-9.6	-11.8	-12.4	-11.5
Earnings before write-down of goodwill	101.0	59.1	46.9	67.1	75.1
Write-down of goodwill	-	-	-	-	-50.5
Operating profit/loss	101.0	59.1	46.9	67.1	24.6
Net financial income/expense	-8.9	-5.0	-2.5	-6.1	-5.6
Earnings after net financial income/expense	92.1	54.1	44.4	61.0	19.1
Tax	-19.3	-13.8	-9.3	-22.1	-20.9
Profit/loss for the year	72.8	40.3	35.1	38.9	-1.8
Minority share of earnings for the year	4.1	3.1	-0.9	0.4	2.6

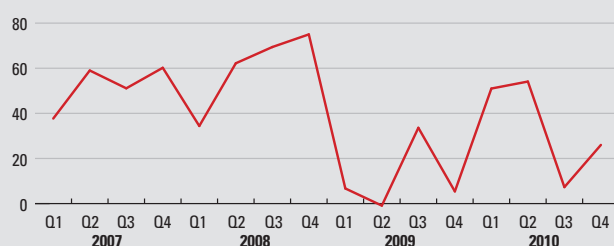
OPERATIVE BALANCE SHEETS

SEK M	2011	2010	2009	2008	2007
Accounts receivable	322.5	328.2	204.9	271.4	287.1
Other current receivables	138.9	52.8	83.2	84.5	95.8
Total	461.4	381.0	288.1	355.9	382.9
Deductibles					
Accounts payable	-85.1	-72.5	-61.0	-66.1	-83.9
Other current non-interest-bearing liabilities	-163.1	-180.8	-126.8	-158.1	-158.8
Total	-248.2	-253.3	-187.8	-224.2	-242.7
Net operating capital	213.2	127.7	100.3	131.7	140.2
Additional					
Fixed assets, excluding goodwill	37.0	37.7	17.5	40.3	57.4
Goodwill	408.7	408.7	285.0	289.2	286.2
Deductibles					
Other non-interest-bearing liabilities	-	-	-	-	-0.2
Provisions	-1.6	-3.6	-8.5	-16.7	-13.9
Operating capital	642.7	555.9	394.3	444.5	469.7

CASH FLOW FROM OPERATING ACTIVITIES

SEK M	2011	2010	2009	2008	2007
Net sales	1,400.8	1,171.4	1,131.9	1,360.5	1,383.4
Operating expenses, affecting cash flow	-1,289.9	-1,099.5	-1,072.1	-1,268.1	-1,303.3
Interest and tax paid	-25.7	1.3	-15.3	-24.3	-36.1
Cash flow from operating activities, excl. changes in operating capital	85.2	73.2	44.5	67.1	44.0
Change in working capital	-59.2	-36.0	30.4	-7.6	-22.2
Cash flow from operating activities	26.0	37.2	75.0	60.0	21.8

Cash flow from operating activities annual rate, MSEK



KEY FIGURES

	2011	2010	2009	2008	2007
Margin and return					
Operating margin, %	7.2	5.1	4.1	5.0	1.8
Profit margin, %	6.6	4.6	3.9	4.5	1.4
Return on equity, %	16.3	9.3	9.4	10.7	0.2
Return on operating capital, %	16.6	12.2	11.1	14.7	5.8
Return on capital employed, %	17.1	12.7	11.9	15.6	6.9
Return on total capital, %	11.4	8.3	7.7	10.0	4.1
Earnings and statistics					
Income per employee, SEK thousands	986.7	996.0	993.0	1,064.2	1,063.0
Value added per employee, SEK thousands	680.1	686.0	684.0	725.0	714.0
Operating profit/loss per employee, SEK thousands	71.1	50.3	41.2	52.7	19.0
Number of annual employees, average	1,420.0	1,174.0	1,139.0	1,271.0	1,302.0
Salaries and remuneration, MSEK	580.8	501.4	494.4	564.3	571.7
Salary cost per employee, SEK 000s	409.0	427.1	434.1	444.0	439.1
Balance sheet and capital measurement					
Equity, SEK M	441.9	403.9	391.6	374.8	352.8
Capital employed, MSEK	640.8	561.4	413.1	454.1	486.4
Interest-bearing net liabilities, SEK M	-178.3	-138.5	-10.4	-66.6	-113.3
Total assets, SEK M	940.3	865.4	631.9	715.9	760.0
Interest coverage ratio, times	13.7	16.8	46.5	11.3	5.2
Net debt/equity ratio, %	40.4	34.3	2.6	17.8	32.1
Equity/assets ratio, %	47.0	46.7	62.1	52.4	46.4
Risk-bearing capital, %	51.8	51.3	66.4	55.0	49.1
Capital turnover rate, times	1.6	1.6	1.7	1.8	1.9
Acid-test ratio, times	1.2	1.3	1.5	1.2	1.0
Key figures per share					
Earnings per share, SEK	0.84	0.46	0.40	0.45	-0.02
Equity per share, SEK	5.09	4.66	4.51	4.32	4.10
Cash flow per share (from current operations)	0.06	0.49	0.86	0.69	0.25
Dividend per share (for the current year, refers to the board's proposal for dividends)	0.25	0.25	0.25	0.17	0.17

DEFINITIONS

PERCENTAGE OF RISK-BEARING CAPITAL

Equity plus the minority share and deferred tax liabilities divided by the balance sheet total.

NUMBER OF SHARES

Over the year, the average number of outstanding shares.

RETURN ON EQUITY

Earnings for the year after deductions for minority shares as a percentage of average equity.

RETURN ON OPERATING CAPITAL

Operating profit/loss as a percentage of the average operating capital.

RETURN ON CAPITAL EMPLOYED

Operating profit/loss increased by financial revenue as a percentage of average capital employed.

RETURN ON TOTAL CAPITAL

Operating profit/loss increased by financial revenue as a percentage of average capital employed.

EQUITY

The average equity has been calculated as the opening and closing equity, divided by two.

EQUITY PER SHARE

Equity at the end of the year divided by the number of shares at the end of the year.

VALUE ADDED PER EMPLOYEE

Earnings before depreciation and personnel-related expenses, divided by the average number of employees. Personnel-related expenses include salaries, salary expenses, training expenses, staff benefits and overtime compensation, etc.

CAPITAL TURNOVER RATE

Net sales divided by the average total assets.

CASH FLOW PER SHARE

Cash flow from current operations divided by the average number of shares.

LIQUID RATIO

Current assets divided by short-term liabilities.

NET DEBT/EQUITY RATIO, %

Interest-bearing net debt divided by equity.

OPERATING MARGIN

Operating profit/loss as a percentage of sales.

INTEREST-BEARING NET DEBT

Utilized loan credits reduced by bank deposits and interest-bearing receivables.

INTEREST COVERAGE RATIO

Operating profit/loss increased by interest income divided by interest expenses.

EQUITY/ASSETS RATIO

Equity plus the minority shares as a percentage of the balance sheet total.

CAPITAL EMPLOYED

Balance sheet total reduced by non-interest-bearing liabilities. The average capital employed has been calculated as the opening and closing equity, divided by two.

PROFIT MARGIN

Earnings after net financial income/expense as a percentage of sales.

EARNINGS PER SHARE

Earnings for the year divided by the average number of shares.

INCOME STATEMENTS AND REPORT ABOUT TOTAL EARNINGS IN THE GROUP

Income statement, SEK 000s	Note	2011	2010
Income	5	1,400,727	1,168,892
Other operating income	7	121	2,515
Goods for sale and subcontractors		-311,046	-246,088
Gross profit		1,089,802	925,319
Other external costs	6, 8	-126,119	-120,225
Personnel costs	9	-854,600	-736,796
Depreciation and write-downs on fixed assets	15, 18	-9,915	-9,572
Shares in the profits from associated companies	20	1,822	363
Operating profit/loss		100,990	59,089
Profit/loss from financial items			
Financial income	11	1,521	2,737
Financial expenses	12	-10,401	-7,737
Total earnings from financial items		-8,880	-5,000
Profit/loss after financial items		92,110	54,089
Taxes	13	-19,285	-13,791
Profit/loss for the year		72,825	40,298
Earnings for the year are allocated between:			
– Shareholders in the parent company		68,750	37,172
– Minority shareholders in subsidiaries		4,075	3,126
Earnings per share, SEK, before dilution	14	0.84	0.46
Average number of shares before dilution		86,746,471	86,746,471
Earnings per share, SEK, after dilution	14	0.81	0.46
Average number of shares after dilution		89,481,964	88,306,580
Report over total earnings in the group, SEK 000s			2010
Earnings for the year in accordance with above		72,825	40,298
Currency exchange differences for translation of foreign units		339	-5,094
Total, other total earnings		339	-5,094
Total earnings		73,164	35,204
Total earnings are divided between:			
– Shareholders in the parent company		68,447	34,451
– Minority shareholders in subsidiaries		4,717	753

Operating profit/loss changes compared to previous year	
Operating profit/loss 2010	59,089
Volume and margin changes in the respective business area;	
IT & Management	16,511
Information Logistics	22,672
Other operations	4,025
Earnings from associated companies	1,459
Earnings from the parent company	-2,766
Operating profit/loss 2011	100,990

Quarterly development 2008-2011

	2008				2009				2010				2011			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Sales, SEK M	366	370	284	335	318	293	229	291	278	286	247	358	361	366	295	377
Operating earnings, SEK M	23.7	21.6	-6.1	28	22.3	10.6	3.7	10.3	11	11.4	10.1	26.6	27.0	23.7	22.5	27.9
Margin, %	6.5	5.8	-2.2	8.3	7.0	3.6	1.6	3.6	4.0	4.0	4.1	7.4	7.5	6.5	7.6	7.4
No. of working days	62	62	66	62	62	60	66	63	62	61	66	64	63	60	66	64
Employees/end of period	1,292	1,256	1,246	1,191	1,159	1,144	1,106	1,073	1,088	1,130	1,269	1,288	1,337	1,405	1,478	1,493

COMMENTS TO THE CONSOLIDATED INCOME STATEMENT

Operating revenue

The main revenues in the group are consulting revenues, which are based on a combination of hourly-based revenues and compensation for delivered solutions and assignments, at both variable and fixed prices. In assessing revenue per employee, it must be taken into consideration that Sigma has 363 employees in countries with another cost structure, which is why comparisons with competing companies that have equivalent organizations are not possible. Revenue also includes sales of software licenses, and to a certain extent, also IT equipment. Growth during 2011 was 20% of which 15% was organic growth. Measured as SEK, growth was SEK 180 M of which SEK 53 was organic growth. There were no acquisitions in 2011. Cypoint, which was acquired in 2010, was consolidated as of August 13, 2010.

Operating expenses

Goods for sale in the form of computer equipment for re-sale, together with expenses for subcontractors, constitute direct expenses in the Group. Aside from these direct expenses, it is personnel expenses that are the most significant expense. These make up around 66 percent (67) of the total costs. Rental expenses also comprise a large part, followed by travel and sales expenses. Costs for marketing and sales have increased during the year, especially regarding advertising for recruiting. Overhead expenses include SEK 13.2 M (11.5) for directly-depreciated investments in software, computers and similar equipment. These are considered to have a short lifespan and are written off directly.

The cost increases are related to growth. The number of employees is an average of 246, and account for the majority of the increase of SEK 118 M in personnel costs. Personnel cost per employee has decreased through growth abroad.

Leasing contracts for company cars have been classified as operational leasing contracts since the driver of the vehicle is liable for the risk for changes in value to the vehicle. In addition, only limited leasing occurs within the Group. For Sigma, the contracts are therefore equal to operational leasing.

Earnings growth during the year

Sigma has reported higher earnings and margins in all quarters for 2011 as compared with 2010. In total, earnings have increased by 71% compared with the previous year, from SEK 59 M to over SEK 101 M with a margin improvement of more than 40%, from 5.1% to 7.2%. During the summer, it looked like there would be a downturn in the business cycle as a result of the global debt crisis. However, this has not affected the development significantly for Sigma. Decisions take longer, and are often made by the management or board in regard to major issues, but the demand continues to be good. Sigma has reduced its recruitment rate somewhat, but still grown by 88 people during the second half-year. Sigma's internal measurement figures on the degree of invoicing and the number of employees between customer assignments has continuously improved after the summer. Normally, there is a downturn in demand directly after vacations and the New Year, but at the beginning of 2012, the number of employees between customer assignments was at record low levels after time off.

Growth and strong demand together with an improved internal efficiency have contributed to increased profitability in both business areas. IT & Management has had the largest growth by SEK 155 M together with a significantly higher operating margin and an increased number of employees by 59 people or 7%. In Information Logistics, growth has been 34% or SEK 85 M with an increased operating margin from 12.4% to a record high 16.0%. The number of employees in the business area has also increased by 146 persons, of which 32 persons in Sweden and the rest abroad. A more detailed report on the business areas that make up the group's segment can be found in note 5 on page 45.

Financial income and expenses

Growth during the year has tied-up a lot of operating capital. In part, the greatest percentage of growth occurs in the largest global customer companies, which often have long credit times, and in part, because every recruitment results in more operating capital. During the year, payments in regard to the regulation of previously contracted purchase prices and acquisitions of minority interests was paid in the amount of more than SEK 50 M. Net debt has increased from SEK 138 M at the beginning of the year to SEK 178 at year-end. Together with a higher interest level, this has resulted in increased interest expenses.

Taxes

The percentage of tax in relation to earnings before tax totals approximately 21 percent (25). A more detailed analysis of tax costs can be found in Note 13.

REPORTS ABOUT THE GROUP'S FINANCIAL POSITION

Amounts in SEK thousands	Note	2011-12-31	12/31/2010
ASSETS			
Fixed assets			
Tangible fixed assets	15	31,725	30,767
Goodwill	16	408,711	408,670
Other intangible fixed assets	18	5,298	6,904
Shares in associated companies	20	4,385	2,783
Other financial fixed assets	21	2,137	2,137
Deferred tax assets	22	5,237	11,498
Other long-term receivables		852	852
Total fixed assets		458,345	463,611
Current assets			
Accounts receivable, etc	23	420,389	359,140
Other financial current assets	24	4,762	4,621
Current tax claims		7,808	1,461
Prepaid expenses	25	28,435	17,202
Liquid funds	27	20,594	19,347
Total current assets		481,988	401,771
TOTAL ASSETS		940,333	865,382
EQUITY AND LIABILITIES			
Equity			
Equity assignable to parent company shareholders			
Capital stock	28, 31	86,746	86,746
Other contributed capital		35,770	35,770
Other reserves		1,348	1,348
Translation reserve		-4,499	-4,196
Retained earnings including earnings for the year		316,685	277,757
Total equity assignable to the shareholders		436,050	397,425
Minority share of equity		5,854	6,469
Total equity		441,904	403,894
Long-term liabilities			
Convertible bonds	30	19,126	37,972
Other long-term liabilities		7,345	7,345
Deferred tax liability	34	38,946	33,512
Bank credits	36	38,500	35,000
Total long-term liabilities		103,917	113,829
Current liabilities			
Accounts payable, etc	35	248,233	253,293
Convertible bonds	30	19,790	20,177
Bank credits	36	121,494	64,077
Current tax liability		3,468	6,535
Provisions	33	1,527	3,577
Total current liabilities		394,512	347,659
Total liabilities		498,429	461,488
TOTAL EQUITY AND LIABILITIES		940,333	865,382

COMMENTS TO THE GROUP'S REPORTS REGARDING FINANCIAL POSITION

The balance sheet total in the group has increased through increased capital tied-up related to the company's growth. Certain capital-related key figures have been affected negatively by this but continue to be strong. The company's equity/assets ratio totals 47% (47) and payment ability measured as cash liquidity is 1.2 times (1.3). More detailed reporting of key figures and definitions can be found on page 35.

Investments that affect reported assets only refer to current investments in machinery and equipment in 2011 compared with the previous year when the company invested in subsidiaries and through that certain intangible and tangible assets. The total investments are shown in the table below. The investments that were made regarding acquisitions of minority interested in subsidiaries have been reported as a reduction in equity in accordance with applicable reporting regulations by SEK 10.1 M when it is a transaction where a deciding influence is retained.

Investments, SEK M	2011	2010
Goodwill	-	126.1
Other intangible fixed assets	0.0	5.4
Tangible fixed assets	9.4	24.8
Total	9.4	156.3

Liquid funds and financial position

The available liquidity totaled SEK 50 M (81) as of December 31 measured as bank balances in bank accounts and the non-utilized portion of granted bank overdraft facilities. At the end of the year, the net debt in the group was SEK 178 M (138) including convertible debt instruments of SEK 39 M. The current interest-bearing loan liability that is reported refers to bank overdraft facilities and the current portion of long-term bank loans. The structure of the credits means that they are reported as current liabilities while the intention is that they are long-term. Sigma has group accounts in two banks. The conditions between the banks in the form of margins, collateral and so-called covenants are essentially the same.

At the beginning of 2011, Sigma had three different convertible loans. During the year, one of them was settled through repayment with a nominal amount of SEK 20 M when the conversion price exceeded the company's share price. A detailed report of liabilities related to convertible debt instruments can be found on page 54 in note 30.

Operating capital

The Group's operating capital is mainly comprised of receivables and accrued income on the asset side. These are significantly higher than the previous year due to the company's growth. Among the operative liabilities, there are, in addition to accounts payable, primarily personnel related liabilities such as social costs and vacation pay. Net operating capital amounted to MSEK 647 (563). The average credit time for accounts receivable totaled 55 days (53). Accounts receivable as at December 31 amounted to 18 per cent (22) of the Group's invoicing.

REPORTS ABOUT THE GROUP'S CASH FLOWS

Amounts in SEK thousands	Note	2011	2010
Operating activities			
Operating profit/loss		100,990	59,089
Adjustments for items not included in cash flow;			
– Depreciation on fixed assets	15, 18	9,915	9,536
– Write-downs and disposals		-	36
– Other items		686	3,577
– Capital gains from shares in subsidiaries and inventory		1,140	56
– Earnings from associated companies		-1,822	-363
Cash flow from current operations before changes in operating capital, interest and tax		110,909	71,931
Interest received and similar items		1,521	2,737
Interest paid and similar items		-10,190	-7,868
Tax paid	13	-17,005	6,396
Total interest and taxes		-25,674	1,265
Change in working capital			
Current receivables		-72,622	-69,420
Current liabilities – non-interest-bearing		13,430	33,428
Change in working capital		-59,192	-35,992
Cash flow from operating activities		26,043	37,204
Investment activities			
Investments in intangible fixed assets		-20	-812
Investments in tangible fixed assets		-10,430	-5,164
Financial investments		220	1,711
Sales of associated companies		-	1,028
Redemption of minority shares/paid additional purchase sums		-11,292	-4,937
Effect of acquisition of subsidiaries	38	-	-138,142
Cash flow from investment activities		-21,522	-145,316
Cash flow after investment activities		4,521	-108,112
Financing activities			
Borrowings		33,500	46,000
Amortization of loans		- 36 535	-
Change in bank overdraft facilities		41,447	35,569
Issue of convertible debt instruments		-	60,500
Redemption of convertible debt instruments		-20,000	-
Dividend to shareholders		-21,686	-21,686
Cash flow from financing activities		-3,274	116,383
Change in liquid funds		1,247	8,271
Liquid funds at start of the year		19,347	11,076
Liquid funds at beginning of year		20,594	19,347

COMMENTS TO THE CONSOLIDATED CASH FLOW STATEMENT

The cash generating earnings are SEK 40 M higher compared with the previous year.

The operative cash flow, before tax and interest, totaled SEK 31 M (36) or 2 percent (3) of the group's sales. Paid tax and interest totaled SEK -26 M (7).

Investments in fixed assets and minority shares has impacted cash flow. The operation has been financed through increased utilization of bank overdraft facilities and the conversion of a portion of these to loan with amortization plans through the end of 2013.

Cash flow per share (from the operation including paid tax) totaled SEK 0.06 (0.49).

Liquidity growth

The liquidity curve in a consulting company fluctuates strongly during the year and follows the number of actual working days with 1–3 months displacement. The greater part of the working capital consists of customer receivables established during a month. Invoicing takes place immediately following the end of the month and payment is made by customers in the following months with a credit period of between 30 and 90 days. In some cases, invoicing takes place on an ongoing basis during the month.

Under optimal conditions with immediate payment from customers, there is around 1.5 months of actual credit time, but often longer through contracts with longer credit periods.

The expenses for corresponding income is, however, paid immediately as this mainly concerns salaries paid at the end of the month of performance, i.e. even before the customer has been invoiced. This ties up a lot of capital in a consultancy business.

In the fall, liquidity is always at its lowest as income from July and August is less but salary and holiday payments are nevertheless made.

Cash flow from operating activities annual rate, MSEK



Quarterly cash flow 2008-2011

	2008				2009				2010				2011			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cash flow from operating activities	26.2	28.9	12.8	24.3	24.4	12.4	2.1	21.1	14.4	12.3	12.3	32.9	30.2	25.3	24.6	30.8
Change in operating capital	21.1	-5.8	-10.4	-12.8	13.7	17.2	11.2	-11.6	-6.0	-14.8	14.4	-29.6	33.9	-29.7	-29.9	-33.6
Interest and tax paid	-9.6	-1.8	-10.4	-2.4	-3.6	-1.7	-6.1	-3.9	-1.7	-5.1	3.2	4.9	-12.4	-0.1	-7.1	-6.0
Cash flow before investment and financing activities	37.7	21.3	-8.0	9.1	34.4	27.8	7.2	5.6	6.7	-7.6	29.9	8.2	51.7	-4.5	-12.4	-8.8

REPORTS OF CHANGES IN THE GROUP'S EQUITY

Summary of changes in equity	Capital stock	Other contributed capital	Other reserves ¹⁾	Translation reserve	Retained earnings	Attributable to shareholders in the parent company	Pertaining to the minority	Total
Equity as at January 1 2010	86,746	35,770	-	-5,112	267,999	385,403	6,231	391,634
Profit/loss for the year	-	-	-	-	37,172	37,172	3,126	40,298
Translation differences, currency	-	-	-	-2,721	-	-2,721	-2,373	-5,094
Translation differences, sold subsidiaries	-	-	-	3,637	-3,637	-	-	-
Total earnings	-	-	-	916	33,535	34,451	753	35,204
Dividend to shareholders	-	-	-	-	-21,686	-21,686	-	-21,686
Issue of convertible debt instruments (note 30)	-	-	1,822	-	-	1,822	-	1,822
Deferred tax on convertible debt instruments	-	-	-474	-	-	-474	-	-474
Acquisition of minority shares	-	-	-	-	-2,091	-2,091	-515	-2,606
Total changes in equity that are not reported in the income statement	-	-	1,348	-	-23,777	-22,429	-515	-22,944
Equity, December 31 2010	86,746	35,770	1,348	-4,196	277,757	397,425	6,469	403,894
Profit/loss for the year	-	-	-	-	68,750	68,750	4,075	72,825
Translation differences, currency	-	-	-	-303	-	-303	642	339
Translation differences, sold subsidiaries	-	-	-	-	-	-	-	-
Total earnings	-	-	-	-303	68,750	68,447	4,717	73,164
Dividend to shareholders	-	-	-	-	-21,687	-21,687	0	-21,687
Change in minority shares	-	-	-	-	1,689	1,689	-3,019	-1,330
Acquisition of minority shares	-	-	-	-	-9,824	-9,824	-2,313	-12,137
Total changes in equity that are not reported in the income statement	-	-	-	-	-29,822	-29,822	-5,332	-35,154
Equity, December 31 2011	86,746	35,770	1,348	-4,499	316,685	436,050	5,854	441,904

¹⁾ Other reserves refer to the proportion of equity in connection with the issue of convertible debt instruments in 2010.

PLEDGED ASSETS

SEK thousands	Group	
	2011	2010
Shares in subsidiaries, reported at the consolidated value	419,630	382,154
Total	419,630	382,154

CONTINGENT LIABILITIES NOTE 39

SEK thousands	Group	
	2011	2010
Other contingent liabilities	944	880
Total	944	880

INCOME STATEMENT PARENT COMPANY

Amounts in SEK thousands	Note	2011	2010
Income	5	33,788	35,972
Goods for sale and subcontractors		-10,899	-20,102
Gross profit		22,889	15,870
Other external costs		-14,588	-10,216
Personnel costs	9	-16,424	-10,989
Depreciation on fixed assets	15	-171	-193
Operating profit/loss		-8,294	-5,528
Profit/loss from financial items			
Earnings from shares in subsidiaries and associated companies	10	48,685	49,637
Interest income and similar items	11	4,156	1,610
Interest expense and similar items	12	-9,114	-5,695
Total earnings from financial items		43,727	45,552
Profit/loss after financial items		35,433	40,024
Appropriations	32	-3,590	-11,032
Taxes	13	-4,602	-8,761
Profit/loss for the year		27,241	20,231
Report of total earnings in the parent company, SEK 000s		2010	
Earnings for the year in accordance with the above		27,241	20,231
Total earnings		27,241	20,231

COMMENTS ON THE PARENT COMPANY'S INCOME STATEMENT

The majority of revenues are related to internal group invoicing for those services the parent company offers subsidiaries. In addition to that is invoicing regarding customer assignments where the work is carried out by subsidiaries but the actual contract is signed through the parent company. Earnings in subsidiaries are not affected by these transactions.

The costs largely refer to, in addition to personnel costs, costs attributable to being an exchange-listed company and expenses associated with this. Another major cost is the cost for profiling the Sigma brand.

Earnings from shares in subsidiaries refer to value adjustments in subsidiaries for dividends from these, which are eliminated at the group level. New for 2011 is that group contributions are reported among financial items such as earnings for participations in subsidiaries. Adjustments of comparison figures for 2010 have been done in accordance with the same principle.

A large part of the company's interest income and interest expense is to subsidiaries that are connected to the group's group account structures. Sigma AB is the contracting party for the company's banks, which is why all external interest costs for liquid funds and loans are reported here, with counterclaims to the subsidiaries.

COMMENTS ON THE PARENT COMPANY'S BALANCE SHEETS

The bulk of assets mainly consists of shares and participations in subsidiaries. Other receivables largely refer to receivables in subsidiaries, where the majority are made up of balances in different group account systems with banks as well as receivables on received group contributions.

BALANCE SHEET PARENT COMPANY

Amounts in SEK thousands	Note	2011-12-31	12/31/2010
ASSETS			
Fixed assets			
Intangible fixed assets	18	15	15
Tangible fixed assets	15	398	392
Financial fixed assets			
Shares in subsidiaries	19	396,007	414,117
Shares in associated companies	20	2,895	1,895
Other long-term fixed assets	21	17	17
Other long-term receivables		852	852
Total financial fixed assets		399,771	416,881
Total fixed assets		400,184	417,288
Current assets			
Current tax claims		678	-
Current receivables	26	352,445	325,191
Liquid funds	27	301	88
Total current assets		353,424	325,279
TOTAL ASSETS		753,608	742,567
EQUITY, PROVISIONS AND LIABILITIES			
Equity			
Capital stock (86,746,471 shares at SEK 1)		86,746	86,746
Statutory reserve		35,791	35,791
Total restricted funds		122,537	122,537
Share premium reserve		1,348	1,348
Retained earnings		224,924	226,379
Profit/loss for the year		27,241	20,231
Total unrestricted funds		253,513	247,958
Total equity	28, 30	376,050	370,495
Untaxed reserves	32	76,988	73,399
Long-term liabilities			
Convertible debt instruments	30	19,126	37,972
Bank credits	36	38,500	35,000
Deferred tax liability	34	-	323
Total long-term liabilities		57,626	73,295
Current liabilities			
Bank credits	36	121,473	64,046
Convertible debt instruments	30	19,790	20,177
Current tax liability		-	5,983
Current operating liabilities	35	101,681	135,172
Total current liabilities		242,944	225,378
TOTAL EQUITY, PROVISIONS AND LIABILITIES		753,608	742,567

MEMORANDUM ITEMS

Contingent liabilities		
SEK thousands	2011	2010
Guarantees for subsidiaries regarding leasing contracts	6,834	16,537
Guarantees to the benefit of subsidiaries	437	1,574
Other guarantees	-	1,540
Total	7,271	19,651
Pledged assets		
SEK thousands	2011	2010
Shares in subsidiaries, reported at the book value	384,585	403,626

CASH FLOW STATEMENTS PARENT COMPANY

Amounts in SEK thousands	Note	2011	2010
Operating activities			
Operating profit/loss		-8,294	-5,528
Adjustments for items not included in the cash flow			
– Depreciation of fixed assets	15	171	193
Cash flow from operating activities before changes in operating capital		-8,123	-5,335
Interest received and similar items	11	4,156	1,610
Interest paid and similar items	12	-8,346	-5,824
Tax paid	13	-11,263	8,017
Total interest and taxes		-15,453	3,803
Change in working capital			
Current receivables		-7,037	13,923
Current liabilities – non-interest-bearing		-16,171	20,175
Change in working capital		- 23 208	34,098
Cash flow from operating activities		-46,784	32,566
Investment activities			
Investments in tangible fixed assets		-177	-
Investments in subsidiaries and associated companies		-31,050	-198,214
Sales of subsidiaries and associated companies		-	1,028
Group contributions and dividends received from subsidiaries		78,984	47,148
Cash flow from investment activities		47,757	-150,038
Cash flow after investment activities		973	-117,472
Financing activities			
Borrowings		33,500	46,000
Amortization of loans		-36,535	-
Issue of convertible debt instruments		-	60,500
Redemption of convertible debt instruments		-20,000	-
Change in overdraft facility		43,961	32,746
Change in provisions		-	-
Dividend to shareholders		-21,686	-21,686
Cash flow from investment activities		-760	117,560
Change in liquid funds, cash and bank balances		213	88
Liquid funds at start of the year		88	-
Liquid funds at year-end, cash and bank balances		301	88

COMMENTS ON THE PARENT COMPANY'S CASH FLOW STATEMENT

The parent company's cash flow before changes in operating capital is normally negative in the current operation and the company is primarily financed through dividends or group contributions from subsidiaries.

CHANGES IN EQUITY PARENT COMPANY

Summary of changes in equity	Stock capital	Statutory reserve	Share premium reserve	Retained earnings	Total equity
Shareholders' equity January 1 2010	86,746	35,791	-	248,064	370,601
Profit/loss for the year	-	-	-	20,231	20,231
Total earnings	-	-	-	20,231	20,231
Issue of convertible debt instruments	-		1,822	-	1,822
Deferred tax on convertible debt instruments			-474		-474
Dividend to shareholders	-	-	-	-21,686	-21,686
Shareholders' equity January 1 2011	86,746	35,791	1,348	246,610	370,495
Profit/loss for the year	-	-	-	27,241	27,241
Total earnings	-	-	-	27,241	27,241
Dividend to shareholders	-	-	-	-21,686	-21,686
Shareholders' equity December 31 2011	86,746	35,791	1,348	252,165	376,050

Development of share capital	Increase in the number of shares	Increase in share capital, SEK	Total share capital, SEK	Total number of A shares	Total number of B shares	Total number of shares	The share's quota value
2001 Split	103,950	–	105,000	–	105,000	105,000	1.00
2001 Bonus issue	18,825,282	18,825,282	18,930,282	327,500	18,602,782	18,930,282	1.00
2003 Preferential issue	3,860,564	37,860,564	56,790,846	655,000	55,808,346	56,790,846	1.00
2003 Directed share issue	9,772,727	9,772,727	66,563,573	982,500	65,581,073	66,563,573	1.00
2004 Directed share issue upon acquisition of subsidiaries	17,845,714	17,845,714	84,409,287	1,024,124	83,385,163	84,409,287	1.00
2006 Directed share issue upon acquisition of subsidiaries	1,633,212	1,633,212	86,042,499	1,024,124	85,018,375	86,042,499	1.00
2007 Directed share issue upon acquisition of subsidiaries	703,972	703,972	86,746,471	1,024,124	85,722,347	86,746,471	1.00

NOTES

NOTE 1 GENERAL INFORMATION

Sigma AB, referred to below as the company, is a corporation registered in Sweden with the corporate registration number 556347-5440. The company's registered office is in Malmö but its registered address is in Gothenburg at Lindholmspiren 9. The operations of the company and its subsidiaries are described in more detail in note 19 below.

NOTE 2 CHANGES IN ACCOUNTING PRINCIPLES

During the year, new standards and interpretations within IFRS have taken effect. Sigma applies these principles in this annual report, which primarily refers to different types of notes, including IAS 24 notes about related parties, changes in IAS 32 classifications of financial instruments and also certain changes interpretations of previously issued regulations. None of these that have been applied as of 2011 have had any substantial effect on the group.

In IAS 24, *Information about related parties*, the definition of related parties has been simplified and clarified. The change involves no major differences for Sigma. The change in IAS 32 regarding the classification of financial instruments does not affect Sigma in this or previous reports since the company does not have subscription rights in foreign currencies. It is the company's assessment that other new and changed standards and interpretations have not had any effect on the group's financial reports for 2011.

Prior to 2012, changes in IFRS 7, financial instruments, will take effect regarding increased disclosure requirements for the transfer of financial assets to a third party, but the company will retain a certain continued exposure in the asset. It is the company's assessment that other new and changed standards and interpretations that take effect in 2012 or later will not have any significant impact on the group's financial reports in the period in which they are applied for the first time. The majority of the decided regulations have not yet been adopted by the EU, which must be done before they can be applied.

NOTE 3 ESSENTIAL ACCOUNTING PRINCIPLES, GROUP

The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and also statements regarding interpretation from the International Financial Reporting Interpretations Committee (IFRIC) as they have been adopted by the EU for application in the EU. In addition, the recommendation, RFR 1 "Complementary accounting regulations for groups" as well as statement UFR 2-8 from the Council for financial reporting, have been applied. The accounting principles for the parent company in accordance with the Annual Accounts Act and RFR 2 are reported separately at the end of this note. The financial reports are prepared in accordance with the historical acquisition value and accrued acquisitions value. The main principles for the Group are described below.

Terms for consolidation

The consolidated financial reports include Sigma AB (publ) with all subsidiaries in Sweden and abroad. A subsidiary is considered to be a legal entity where Sigma AB controls more than half the votes or owns shares in the legal entity and has the right to solely exercise deciding influence over this entity due to contract or other provision so that Sigma achieves benefits corresponding to majority ownership. Earnings from companies that have been acquired during the year are included in the consolidated accounts as of the time of acquisition. Earnings from sold companies are included up through the time of the sale. Where appropriate, the accounting principles for subsidiaries acquired have been adapted to those that otherwise apply for the Sigma Group. The minority share of the net assets in consolidated subsidiaries is included as part of the Group's equity. The minority share consists of the original share of equity from the date of acquisition and changes in equity since then. Losses in minority owned companies are reported as an asset only in those cases where there is a commitment from the minority owners to contribute funds to cover the losses, or where growth in the company will likely restore the loss in the near future.

Consolidated accounts

The consolidated accounts have been prepared applying the acquisition method. This means that the acquisition value is calculated at the actual value that the parent company takes on through assets, liabilities and/or its own capital instruments for the purpose of achieving control of the acquired subsidiary. The acquired company's identifiable assets and liabilities as well as possible liabilities, hereafter referred to as net assets, which meet the criteria in IFRS 3 are valued at the actual value on the acquisition day, with the exception for fixed assets that are held for sale, in accordance with IFRS 5, fixed assets for sales that are reported at the net sale value. If the acquisition value of shares in subsidiaries exceeds the estimated fair value of the acquired company's net assets in accordance with the acquisition analysis, the difference is made up of goodwill. If the acquisition value is less than the estimated fair value of the net assets of the acquired company in accordance with the acquisition analysis, the difference is reported in the income statement.

The purchase price also includes the actual value at the time of acquisition for those assets or liabilities that are a result of an agreement regarding conditional purchase price. Changes in actual value for a conditional purchase price that arise due to additional information being obtained after the acquisition regarding facts and conditions that existed as of the time of acquisition, quality as adjustments during the valuation period and are adjusted retroactively, with corresponding adjustment of goodwill. All other changes in the actual value for a conditional additional purchase price that are classified as an asset or liability are reported in accordance with applicable standards. Conditional purchase price that is classified as equity is not revalued and the sub-

sequent adjustment is reported within equity. The minority share of equity in an acquired company is valued to the proportional percentage of holdings.

In the consolidated accounts, transactions between subsidiaries are eliminated. Such transactions can be internal sales and purchases between group companies as well as receivables and liabilities between such companies.

Costs regarding the acquisition of shares in subsidiaries are charged to the operating profit/loss in the consolidated accounts but are included in accumulated acquisition costs in the parent company's balance sheet

Currency

The foreign subsidiaries are reported using their functional currencies, which correspond to the currency in the primary economic environment in which the respective subsidiaries conduct their operations. In the consolidated accounts, the subsidiaries' accounting has been translated to SEK, which is the parent company's functional currency and the group's reporting currency. The principle applied means that assets and liabilities are converted to the closing day rate, and income and expenses to the average rate for the year. The translation difference, which is the effect of the foreign countries' net assets being converted at a different rate at the end of the year than at the beginning, is reported directly in equity in the balance sheet.

Transactions in subsidiaries involving a currency other than the functional currency are converted on the date of transaction to the functional currency at the current rate of exchange. Receivables and liabilities in foreign currencies are valued at the balance sheet day at the current price and unrealized exchange rate gains and losses are included in the earnings. The Group does not have significant net exposures in foreign currency.

The Group does not apply any hedging method for either investments in foreign currency or transactions in foreign currency. Exchange rate gains and losses on operating receivables and operating liabilities are reported in operating profit/loss and financial exchange rate differences are reported in the result from financial investments.

Investments in associated companies

Associated companies are defined as companies that are not subsidiaries and where Sigma has a considerable influence over the associated company but is not a so-called joint venture. Considerable influence is considered a clear possibility to participate in decisions regarding financial and operative strategies without the right to formulate such strategies.

For associated companies, the equity method is applied, which means that the group's share of the associated company's earnings and liabilities are included in these financial reports with the exception of assets for sale, in accordance with IFRS 5, Fixed assets for sale. According to the equity method, investments in associated companies are reported at the acquisition price, adjusted for changes in the Group's share of the net assets with a deduction for a reduction in value in respect of an individual asset. Losses in associated companies exceeding the Group's book value are not reported. If the acquisition value for investments exceeds the investments in associated companies, the calculated actual value of the acquired company's identifiable assets, liabilities and possible commitments in accordance with the acquisition analysis, constitutes the difference of goodwill. Goodwill is included in the reported value for associated companies. If the acquisition value is less than the estimated fair value of the net assets of the acquired company in accordance with the acquisition analysis, the difference is reported in the income statement.

Transactions between consolidated subsidiaries and associated companies in the Group are eliminated by the proportion of the associated company that this income and expense amounts to.

Transactions with minority shares (Holdings without a deciding influence)

Changes in the parent company's share in a subsidiary that does not lead to a loss of deciding influence are reported as equity transactions (in other words, as transactions the group's shareholders). Possible differences between the amount by which holdings without a deciding influence are adjusted and the actual value of the paid or received compensation is reported directly in equity and divided among the parent company's shareholders.

Goodwill

Goodwill that arises in the acquisition of subsidiaries corresponds to the surplus value that the acquisition value exceeds net assets by at the time of acquisition. Goodwill is reported as an asset at the acquisition value minus any write-downs. Goodwill shall be derived from every cash generating unit for which the group is calculated to profit by financial benefits through the acquisition. A calculation of the recovery amount as calculated discounted future cash flows that come from the assets is carried out on every cash generating unit annually. If there is a reason to assume a decrease in value, the calculation shall be made more often. If the recoverable amount is lower than the net book value of the unit, a write-down shall initially be made on goodwill and secondly on other assets. The writing down of goodwill for a unit must not be reversed. In Sigma, business areas are classified as the smallest cash generating unit. Operations in the subsidiaries in each business area are largely integrated with each other in joint customer relationships and projects.

When units are sold with goodwill allocated, this should be included in the calculation of capital gains/losses on the unit at the date of sale.

Goodwill attributable to investments in associated companies is reported above under the heading Investments in associated companies.

Segment accounting

A segment is an identifiable part of the group in the accounts. A description of the group's segments can be found in note 5 below. Sigma reports segments in accordance with IFRS 8 Operating segments.

Revenue recognition and work in progress

Revenues are reported at the actual value, net, after discounts and possible sales tax for services carried out or products, which are expected to come into the company. Consultation services and other similar services are carried out, as a rule, on an ongoing basis whereby revenues are reported at the same rate that the work is carried out. Income from the sale of hardware and software is reported at time of delivery, at which time the risk for the goods is transferred to the purchaser. On certain occasions, Sigma acts as an intermediary for customers in regard to hardware. Sigma may also act as an intermediary for services between other consulting companies and the customer through Sigma's general agreement with the customer but where all conditions are handled directly between the external consulting company and the customer does the actual through-invoicing in Sigma. Sigma takes no risk in such transactions which is why only Sigma's possible commissions or equivalent is reported in Sigma's accounts. Additional income for software, such as annual licensing costs or the equivalent, are reported on an ongoing basis for the period they are attributable to. The reporting of income and work in progress performed on open-account terms is recorded at the sale price on the basis of an individual assessment of loss risks. Work in progress performed at a fixed price is recorded as income in cases where a reliable calculation of the outcome can be performed at the acquisition value plus part of the estimated profit big enough to correspond to the proportion of expenses accrued as part of the estimated total costs, as of the balance sheet date, in accordance with the principle for gradual income recognition. In those cases where it is feared there will be a loss on a fixed price project, a reserve is set aside for such losses immediately.

Interest income is reported on an ongoing basis at the time of earning at the effective rate of interest that applies to each asset. Dividends from investments are reported when the right to receive payment has been determined.

Government subsidies

The governmental support or equivalent that is obtained has been wholly reported in the income statement since no demand for repayment exists. Support that refers to subsidies for salary costs have reduced the company's costs. Any subsidies that are regulated by the company's performance are reported as guarantees.

Leasing

Leasing agreements mainly refer to company cars and photocopiers and, in some individual cases, computers or software for computers. In the majority of cases for car leasing, the driver is liable for the risk for change in value at the end of the period, which is why car leasing is classified as operational. The leasing contracts for premises are also operational. Operational leasing agreements are reported linearly as a cost in the income statement over the leasing period.

Pensions

The different pension solutions within the group have been classified as defined contribution plans and defined benefit plans. Defined benefit plans are only such through Alecta. In the case of defined contribution pension plans, premiums are expensed concurrently with the period they relate to. When classification is made as defined benefit plans, the calculation is made on the size of the commitment in defined benefit pension plans according to the so-called "Project Unit Credit Method", in a way that divides the cost over the employee's vocational life. These commitments are valued at the present value of future payments, using a discount rate. Actuarial profits and losses, outside the ten per cent corridor, are distributed in accordance with the employee's estimated average remaining term of employment.

The Financial Accounting Standard's Statement UFR 3 is applied until Alecta can report basic data for the calculation of defined benefit pension commitments. UFR 3 means that pensions plans with Alecta are reported as defined contribution plans for the time being.

Loan costs

Costs for interest and other fees for loan liabilities on the group's overdraft facilities refer to, to a small extent, penalty interest to suppliers and are reported on an ongoing basis and classified in their entirety as financial costs in the income statement.

Taxes

Tax expenses or tax income, where appropriate, correspond to current tax and deferred tax.

Current tax is based on the taxable earnings for the year. This result can deviate from reported earnings depending on the fact that certain revenues or costs are not liable to tax or deductible, or shall be taxed in other periods. Current tax liabilities are based on the tax rate applicable on the closing day.

The group uses the balance sheet method to calculate deferred tax liabilities and prepaid tax. The balance sheet method means that the calculation is done on the basis of tax rates as of the closing day, applied to differences between an asset and a liability's accounting or taxable value and deductions for losses. These deductions for losses can be used to reduce future taxable income. In those cases where it is deemed that such deductions for losses may be utilized, a deferred tax claim is entered for such deductions for losses. The effect on earnings after tax is reported as part of the earnings for the year and, in the balance sheet, as deferred tax and equity. Deferred tax that relates to items that are normally reported directly in equity. In this case the deferred tax should also be reported directly in equity.

Current tax claims are set off against current tax liabilities in different units where setting off of taxable earnings between similar units is possible and the Group intends to use this set-off option. The corresponding principle applies to deferred tax claims and liabilities.

Tangible and intangible fixed assets

Fixed assets are reported at the acquisition value with deductions for accumulated depreciation and impairment. Depreciation is calculated linearly over the estimated economic life of an asset. Expenses for depreciation have affected the year's earnings. Investments in machinery and inventories covering mainly office equipment and computer servers with an economic life of more than a year are reported as tangible fixed assets.

Goodwill that has arisen through the acquisition of operations is primarily reported as intangible fixed assets. Goodwill is not written off. Other intangible fixed assets can be acquired patents, utilization rights, customer relations or capitalized development expense that are calculated to generate future financial benefits, either as individual investments or through the acquisition of operations. In addition to directly acquired fixed assets, the value of intangible fixed assets has also been identified for the acquisition of subsidiaries in the acquisition calculation as well as other differences between book value and actual value of such assets. Capital gains/losses from the sale of a fixed asset are calculated as the value entered in the balance sheet compared with the net liquidity obtained for the asset, which is reported in the income statement.

Depreciation according to plan is based on the asset's acquisition value and calculated utilization period in accordance with the table below:

Office equipment	10 years	10%
Machinery and cars	5 years	20%
Computer equipment	3 years	33%
Capitalized development expenditure	3 years	33%
Intangible assets	3-5 years	20-33%
Art	-	0%

The majority of investments in computer equipment as well as all software has been written off directly as these have been assessed to have a lifetime of one year or less.

Taxable depreciation is calculated in accordance with the legislation and regulations applying in each individual country. Taxable depreciation in excess of depreciation according to plan is regarded as accelerated depreciation, which constitutes an untaxed reserve.

Capitalized development expenses and expensed development expenses

In Sigma, the company's various products and concepts are developed. Certain expenses for the development of products and concepts are reported as capitalized development expenditures in accordance with IAS 38. These are expenses for identifiable products and concepts that are assessed to generate future financial advantages where it is possible to reliably calculate the costs incurred.

Capitalized development costs are capitalized at the actual cost price and examples of expenditure that is capitalized are salaries and additional salary costs as well as other direct expenses attributable to product development such as sub-consultants attributable to the respective asset. Utilization value is reviewed on an ongoing basis to identify possible write-down needs, see below. There is no research within the Sigma group. The capitalized amount is reported as a reduced cost in the income statement and as an asset in the balance sheet.

For expenses that cannot be classified in accordance with the above criteria, expenses are booked directly in the income statement at the rate in which they arise.

Write-downs of fixed assets, excluding goodwill

On every balance sheet day, tangible and intangible fixed assets are reviewed to identify possible needs for write-downs through a calculation of the recovery value, either of the utilization value on the calculated discounted future cash flow that comes from the asset, or using the net sales value. If there are difficulties calculating the recovery value of an individual asset, a calculation should take place for the entire cash-generating unit. If the benefit value is lower than the net book value of the unit, an impairment of the same amount should be performed in the income statement. Where a calculation is performed on an asset the value of which becomes fixed through the valuation, the expense should be reported in accordance with the revaluation method.

When reversing an impairment in respect of an asset, the asset must not achieve a higher book value than it would have had in the event of linear depreciation. When reversing an impairment of an asset the value of which is determined through valuation, the income should be reported as a valuation difference income.

Financial instruments

For all financial assets and liabilities, the reported value is assessed to be a good approximation of their real value, unless stated otherwise in the following notes. Financial instruments are every form of contract that gives rise to a financial asset, financial liability or equity instrument. Financial assets and financial liabilities are reported in the consolidated balance sheet in those cases the group is a party in a contractual transaction. Assets are removed when the rights are realized or the company loses control of them. Liabilities are removed when the obligation is met or extinguished in another manner. On every balance sheet day, the company evaluates if there are objective indications that a financial asset or group of financial assets need to be written down due to events that have occurred. Examples of such events include significantly worsened financial position for a counterparty or lack of payment on an overdue amount. The asset side includes liquid funds, accounts receivable, accrued income and other current financial assets. The liability side includes accounts payable, other current liabilities, bank overdraft facilities, bank loans and convertible debt instruments. Liquid funds are made up of cash and bank balances.

Classification of financial instruments, all financial assets and liabilities are classified in four categories.

- Loan receivable and accounts receivable have fixed payments or payments that can be established. Liquid funds, accounts receivable and loan receivables are included in this category.
- Other financial liabilities at the accrued acquisition value include financial liabilities such as accounts payable as well as borrowing and convertible debt instruments.
- Financial assets that can be sold.
- Financial liabilities that are valued at the actual value outside the income statement.

Loan receivables and accounts receivable

Accounts receivable are reported at the accrued acquisition value. In those cases where this is clear, reserves for customer losses are reported as an expense in the income statement. Accounts receivable are booked when an invoice has been sent to the customer. Writing-off of unregulated receivables is done after bankruptcy, liquidation or equivalent is established with the debtor. Accrued income and ongoing customer projects are also reported at the accrued acquisition value and refer to identified in-

come that has not yet been invoiced. Accrued income is always invoiced the month after reprocessing has occurred. Ongoing customer projects refer to reprocessed fees to some form of fixed price that is invoiced in accordance with special payment plans and deducted in accordance with gradual profit deduction.

Other receivables refer to such receivables where the amount is known and they are expected to be paid to the company in the near future and are reported at the accrued acquisition value.

Liquid funds are reported at the actual value and consists of cash and bank balances as well as other assets that can be immediately converted to liquid funds where insubstantial risk for changes in value exists.

Financial assets that can be sold

Other financial fixed assets refer to smaller investments in equity instruments that do not have a listed market price in an active market and whose actual value cannot be calculated in a reliable way. These are reported at the acquisition value.

Other financial liabilities

Accounts payable, other current liabilities and loan liabilities in the form of overdraft facilities or bank loans are reported at the accrued acquisition value. Possible differences between the nominal amount and obtained or paid amount are reported as loan costs. For costs, liabilities are booked when there is an obligation to pay. If supplier invoices have been received, the liability is classified as such, in other cases classified as accrued costs or other liabilities depending on the type of transaction.

No exchange rate hedging, interest rate instruments or other similar instruments or assets to hold until maturity exist.

Financial liabilities that are valued at the actual value

Financial liabilities that are valued at the actual value consist of a liability regarding the additional purchase price for the redemption of minority shares

Convertible debt instruments

Convertible debt instruments can be converted to shares whereby the holder exercises his option to convert the rights to shares. Convertible debt instruments are reported as a combined financial instrument divided into a debt section and an equity section. The debt section is initially reported at the actual value, which is calculated whereby the future payment flows are discounted by the current market interest rate for a similar debt, without the right to conversion. The value of the equity instrument is initially reported as the difference between the actual value on the entire combined financial instrument and the debt section's actual value. Directly attributable transactions costs are divided among the debt and equity sections in proportion to their initial reported value. After the time of acquisition, the debt section is valued at the accrued acquisition value through the use of the effective interest method. Interest expenses are reported in earnings for the year. The equity section is not re-valued after the time of acquisition, but upon conversion or redemption.

Provisions

A provision is reported in the balance sheet when the group has an existing legal or informal duty, which as a result of an event that has occurred, it is likely that an outflow of financial resources will be required to regulate the obligation and also reliable estimation of the amount can be made. Provisions are divided between current and long-term provisions in the balance sheet.

Provisions refer to such reservations that are made for possible future costs, for example, for non-utilized premises or salary costs in the event of restructuring and where there is uncertainty if these will be paid or not and in what amount.

Risks attributable to financial instruments

Financial instruments involve different types of financial risks such as fluctuations in the company's earnings and cash flow as a result of credit risks, liquidity risks and market risks. Sigma has a policy for financial governance in the group including allocation of responsibility between the parent company and subsidiaries as well as a mandate to make decisions. The risks are handled through different processes and methods of following and monitoring these risks in order, where necessary, to act and counteract the financial effects that arise from these risks. The comprehensive goal is to minimize negative effects on the group's earnings and to handle these risks in a cost-efficient way.

Credit risks

Credit risks refer to the risk that a party cannot fulfill his commitments. The nominally largest risk is accounts receivable. The majority of the receivables are not overdue, and of the overdue receivables, the majority of them are overdue by less than 30 days and many of those are overdue by less than 10 days. A report on the age structure of accounts receivable can be found in note 23. Several customers generally pay a few days late, mostly due to administration reasons. Of receivables older than 30 days, the usual reason is different types of retained funds by the customer in awaiting for the completion of a certain activity. In some cases, special payment plans have been structured with customers afterwards, but the receivables are still considered overdue in relation to the original agreement. All new customers undergo a credit evaluation and existing customers are monitored in regard to other possible payment problems. The group's customers are largely made up of the largest Swedish brands on an international market whose financial status is assessed to be good. Historical results of customer losses are small in the group, which is why the collective risk is deemed to be very small.

Accrued income in this regard can be compared with accounts receivable. There is a small risk that in the reported amount for ongoing customer assignments that either the reprocessed value is erroneously assessed or that the customer, for different reasons, does not accept parts of the completed delivery. Any impact as a result of this on the group's earnings is deemed to be small. Other financial receivables are not assessed to have any significant credit risk.

Liquidity risks

Liquidity risk is considered to be the risk that the company cannot fulfill its obligations, for example, payment of financial liabilities. A term analysis of financial liabilities such as convertible debt instruments and bank loans can be found in notes 30 and 36. Accounts payable and other liabilities are normally due within 90 days. The company manages liquidity risk by constantly tracking the group's available funds and making projects about future cash flows. Sigma is financed through a combination of bank overdraft facilities and bank loans where bank loans are used to finance acquisitions and bank overdraft facilities are used for operating capital. Liquidity risk also includes the risk that the banks terminate lines of credit or that the company is not granted new credit. This risk is assessed to be small.

Market risks

Market risks involve the value of an assets or liability varies due to changes in market prices, currency rates, interest rate or price risks. Exchange rate risk is limited since only a smaller portion of the group's assets or liabilities consist of foreign currencies and only the net value of a certain currency constitutes a risk in the event of consolidation. Interest rate risk is the risk that market interest rates increase when the company has net liabilities. Even in the event of a clear upturn in market interest rates, the impact on earnings per share is insignificant. Sigma has no inventory, which is why price risk does not arise in reported assets or income. For more about price risk, see the administration report. Quantitative risks in connection with respective financial instruments.

PARENT COMPANY

The annual report for the parent company, Sigma AB has been prepared in accordance with the Annual Accounts Act and RFR 2. In the parent company's accounts, changes have been made in regard to UFR 2 and the reporting of group contribution, which as of the closing of the accounts in 2011, are reported as earnings from participating in subsidiaries as opposed to previously being reported in total earnings. Tax on or from group contributions continues to be reported under Taxes.

Shares in subsidiaries

Participations in subsidiaries are reported in the parent company in accordance with the acquisition method. Writing down of book values of shares in subsidiaries has taken place in those cases where it has been possible to either establish the fair value through a sale later completed or where the operation has ceased in the individual subsidiary.

Group contributions, taxes and untaxed reserves

The parent company's reporting of group contributions is made outside the income statement under the heading Earnings from investments in subsidiaries.

In the parent company, untaxed reserves are reported, inclusive of deferred tax liabilities.

Therefore, in the consolidated accounts, untaxed reserves are reclassified as deferred tax liabilities and equity.

Other accounting principles

In all cases, shareholders' contributions have been reported as investments in Group companies where the purpose of the shareholder's contribution has been to strengthen the balance sheets of these.

NOTE 4 CRITICAL EVALUATIONS AND ASSESSMENTS

In the assessment regarding possible write-down of goodwill, future cash flows have been assessed on cash generating units that are based on historical assessments, results during the current year and future outlooks for the respective units. The assessed level of future cash flows is the most vital factor for how the current value of these has been calculated. The net growth that is assumed is based on the fact that the IT consulting market is continuously growing. This is partially due to the new functions and possibilities through IT development and partially due to the fact that more and more IT production and management is being outsourced to external companies such as Sigma. Detailed information about the calculation of write-down needs can be found in note 16.

The collective net value of goodwill in the balance sheet makes up SEK 408.7 M (408.7), which corresponds to 92% of equity (101) and 43% of total assets (47). At the start of the year, it is deemed that there are no impairment requirements. All units evaluated have a very good margin in these valuations according to the productive value method before any impairment requirements, which is shown in Note 16.

In the case that a subsidiary reports a fiscal deficit that cannot be offset against profits in other group companies, an assessment is made regarding the probability that the individual company will generate a fiscal surplus or that the group, through contracted ownership changes, can utilize such in the immediate future. See note 22 below. Evaluation of risks and losses in fixed price projects is done on a continuous basis. Valuation is made so that an assessment is made regarding remaining time and cost in the project relative to the income that has not previously been taken up as revenue. Many times it is difficult to make assessments so far ahead in time, which is why there is always a risk that earnings will be affected by such assessments. Of the group's total revenue, only 12% is made up of assignments at a fixed price (12).

Outstanding overdue accounts receivable are constantly valued, and in those cases where there is documentation to assess that payment will not be made, provisions are made for doubtful receivables. There is always a risk that such assessments are not sufficient. In note 23, the due date structure for accounts receivable is reported.

NOTE 5 SEGMENT ACCOUNTING

The Group's two business areas constitute the Group's reporting segments. These make up the level that both the management and the board follow the operation on. The segment is governed by the operating profit/loss and operative receivables and liabilities. Other operations do not make up a reportable segment and include the parent company, certain administrative units and also accounting for associated companies. The financial earnings, taxes and financing, as well as bank credits, are handled at the group level and are not included in the segment. The highest executive position is the CEO. To assist the CEO, he has group management, which includes representatives from both business areas as well as staffs for sales and finance. Identification of the different segments is based on the group's internal follow-up and governance. The same accounting principles apply for segments as for the entire group. No special valuations in segment accounting exist.

The business area IT & Management provides services within the areas, systems development, management, and business systems. Operations are primarily carried out from Sweden but also in Finland and England.

The business area, Information Logistics, provides services within the areas product documentation and information management, etc. The offer is mainly directed to customers' development units. Operations are carried out in Sweden, Finland, Hungary, China and the Ukraine. The operation in the Ukraine also serves the business area, IT & Management.

The internal invoicing that occurs between subsidiaries as well as between business areas largely refers to through-invoicing without a profit increase since certain customers require receiving an invoice only from a group company or that the legal customer agreement is structured in such a way that invoicing must be made from a certain group company or in a joint invoice. There is a great deal of internal invoicing between the Group's foreign companies and Swedish companies as these units are often involved in the same project as one of the Swedish companies. There, commercial increases on such internal invoicing is done to adhere the tax regulations in different countries.

The segment-allocated assets and liabilities are all operative. Those receivables and liabilities that are divided between segments are financial receivables and liabilities as well as prepaid tax and tax liabilities.

Condensed income statement per segment and allocation of revenues

SEK thousands	IT & MANAGEMENT		INFORMATION LOGISTICS		OTHER OPERATIONS		ELIMINATIONS		TOTAL		PARENT COMPANY	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Revenue, external customers												
Consulting fees and other services	1,056,802	893,222	252,748	222,135	10,899	20,102	-	-	1,320,449	1,135,459	10,899	20,102
Sales of hardware and software	13,085	12,174	386	30	-	-	-	-	13,471	12,204	-	-
Other revenues attributable to consulting operations	17,374	18,008	49,395	3,101	38	120	-	-	66,807	21,229	38	120
Internal revenues ¹⁾	15,821	24,404	30,864	23,194	22,851	21,332	-69,536	-68,930	-	-	22,851	15,750
Total revenues	1,103,082	947,808	333,393	248,460	33,788	41,554	-69,536	-68,930	1,400,727	1,168,892	33,788	35,972
Other operating income	119	2,385	2	130	-	-	-	-	121	2,515		
Earnings from associated companies	-	-	-	-	1,822	363	-	-	1,822	363		
Operating expenses excluding depreciation	-1,041,734	-906,317	-277,653	-215,535	-41,914	-50,187	69,536	68,930	-1,291,765	-1,103,109		
Depreciation and impairment on fixed assets	-7,472	-6,392	-2,272	-2,257	-171	-923	-	-	-9,915	-9,572		
Operating profit/loss	53,995	37,484	53,470	30,798	-6,475	-9,193	0	0	100,990	59,089		
Interest income and other financial revenue	1,385	2,445	860	277	4,156	1,582	-4,880	-1,567	1,521	2,737		
Interest expenses and other financial costs	-3,138	-1,701	-3,053	-1,890	-9,090	-5,713	4,880	1,567	-10,401	-7,737		
Pre-tax profit/loss	52,242	38,228	51,277	29,185	-11,409	-13,324	0	0	92,110	54,089		
Tax expense	-9,431	-9,557	-8,549	-7,852	-1,304	3,618	-	-	-19,285	-13,791		
Profit/loss for the year	42,811	28,671	42,728	21,333	-12,713	-9,706	0	0	72,825	40,298		

Balance sheet per segment December 31

SEK thousands	IT & MANAGEMENT		INFORMATION LOGISTICS		OTHER OPERATIONS		ELIMINATIONS		TOTAL	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Assets divided into segments	803,385	808,641	233,815	157,204	354,294	324,189	-455,546	-427,435	935,948	862,599
Investments in associated companies	-	-	-	-	4,385	2,783	-	-	4,385	2,783
Assets not divided into segments	-	-	-	-	-	-	-	-	-	-
Total assets									940,333	865,382
Liabilities divided into segments	444,220	460,664	134,007	100,621	335,842	296,922	-455,546	-427,435	458,523	430,772
Liabilities not divided into segments	-	-	-	-	-	-	-	-	39,906	30,716
Total liabilities									498,429	461,488
Other information per business area										
Investments, fixed assets	8,706	155,180	2,433	1,138	-	-	-	-	11,139	156,318
Average number of employees during the year	831	730	581	436	8	8	-	-	1,420	1,174
Number of employees at the end of the year.	855	796	631	484	8	8	-	-	1,493	1,288

¹⁾ Internal revenues between business areas and also within business areas are at the market price.

Geographic allocation of revenues

SEK thousands	2011	2010
Revenue from Sweden	1,270,468	1,084,255
Revenue from other countries	130,380	87,152
Total revenues	1,400,848	1,171,407

The largest customer accounts for 12% (12) of total sales. The second largest customer accounts for 9% (8) of total sales.

Geographic allocation of fixed assets

SEK thousands	2011	2010
Fixed assets in Sweden	45,009	51,378
Fixed assets in other countries	4,625	3,563
Total fixed assets	49,634	54,941

Goodwill is not included in fixed assets allocated by country since these cannot be divided by country.

Note 6 Other notes to the income statement

SEK thousands	Group		Parent Company	
	2011	2010	2011	2010
Auditors' fees				
Deloitte AB				
Accounting assignments	1,470	1,250	556	555
Accounting operations in addition to the accounting assignment	125	156	125	156
Tax advisement	10	122	10	122
Other services	128	300	55	284
Other auditors				
Accounting assignments	112	247	-	-
Other services	-	105	-	-
Total	1,845	2,180	746	1,117

Exchange rate differences

In the operating profit/loss, under income and other external costs respectively, exchange rate gains and losses are included in the amount of SEK 2,686,000 (1 560,000) and SEK -3,223,000 (-1,593,000).

Government subsidies

SEK thousands	Group		Parent Company	
	2011	2010	2011	2010
Subsidized employment allowance	834	844	-	-
Total	834	844	-	-

Note 8 Leasing

SEK thousands	Group		Parent Company	
	2011	2010	2011	2010
Rent paid for premises	28,141	26,259	999	1,023
Other leasing charges	2,695	2,243	503	301
Total	30,836	28,502	1,502	1,324

The contracts, excluding premises contracts, mainly run for a period of between one and three years. All leasing contracts are classified as operational leasing.

Future payments for leasing charges SEK thousands	Group				Parent Company			
	Operational 2011	Of which rent for premises 2011	Operational 2010	Of which rent for premises 2010	Operational 2011	Of which rent for premises 2011	Operational 2010	Of which rent for premises 2010
Year 1	29,994	26,402	29,085	22,502	589	166	1,234	1,034
Year 2-5	48,386	44,132	38,638	33,138	1,173	-	1,185	1,049
Year 6 and later	488	452	3,978	3,573	-	-	286	190
Total	78,868	70,986	71,701	59,213	1,762	166	2,705	2,273

Note 9 Personnel, number of employees, pensions, etc.

Number of employees	Group			Parent Company		
	At the end of 2011	Number of employees, average number 2011	Of which men 2011	At the end of 2010	Number of employees, average number 2010	Of which men 2010
The parent company in Sweden	8	8	5	5	5	2
Subsidiaries						
Sweden	1,073	1,044	770	993	919	669
Finland	34	28	15	23	20	11
China	55	53	22	50	45	19
UK	14	15	12	15	14	11
The Ukraine	259	228	181	172	145	116
Hungary	48	42	29	27	24	16
USA	2	2	1	3	2	2
Total for subsidiaries	1,485	1,412	1,030	1,283	1,169	844
Group total	1,493	1,420	1,035	1,288	1,174	846

Salaries and other remuneration, SEK 000s	Board of Directors and president ¹⁾ 2011	Of which bonuses and through that equal compensation. ²⁾ 2011	Other employees 2011	Board of Directors and president ¹⁾ 2010	Of which bonuses and through that equal compensation. ²⁾ 2010	Other employees 2010
The parent company in Sweden	4,343	1,159	5,021	3,416	186	2,618
Subsidiaries	22,200	5,588	549,200	20,738	1,883	474,651
Group total	26,543	6,747	554,221	24,154	2,069	477,269

¹⁾ Includes current and previous board members and their alternatives as well as current and previous presidents.

²⁾ Refers only to the group defined under ¹⁾ above.

³⁾ The operation in Canada is run by outsourced personnel.

Salaries and other remuneration, all employees including board, SEK 000s	Salaries and other remuneration 2011	Social fees 2011	Of which pension costs 2011	Salaries and other remuneration 2010	Social fees 2010	Of which pension costs 2010
Parent company	9,364	5,638	2,563	6,034	3,965	1,626
Subsidiaries	571,400	233,214	74,354	495,389	212,023	69,845
Group total	580,764	238,852	76,917	501,423	215,988	71,471

Group management/board

Board members, including the chairman of the board, are paid fees in accordance with the decision by the annual general meeting, which in 2011 was the amount of SEK 125,000 (100,000) each to ordinary board members that do not receive a salary from the company. For work on the remuneration committee, a fee is paid to the chairman in the amount of SEK 30,000 (30) and to other committee members of SEK 20,000 (20). For work in the Project committee, a fixed fee of SEK 20,000 (-) is paid and SEK 10,000 per project that require more than one meeting. No other remuneration, in addition to the board and committee fees above, is paid to the board. Payment to Group management consists of basic salary, variable salary and any benefits such as company cars. Pension benefits to other leading executives is paid as a percentage of salary and is a defined contribution plan. Group management is presented on page 60 of this report. SEK 1,092,000 has been allocated in the financial statements for 2011 for a payment to be made to the president in 2012. For 2010, a variable salary of SEK 228,000 was paid to the president, which was allocated in the 2010 financial statements. Salary to the CEO of the parent company is negotiated by the board's Remuneration Committee, with a presentation to the other board members afterwards. The period of notice of termination of employment is 12 months on the part of the CEO, and 24 months for the company. Other leading executives in the parent company and group have market-based employment conditions and there are no employment agreements regarding severance pay or notice of termination salaries totaling more than 24 months. There are no pension commitments or other commitments after the cessation of employment and the pension terms correspond to the level in the ITP plan, the majority of which are on defined premium terms. The CEO has a pension premium amounting to 35% of basic salary with a pensionable age of 65. Of the parent company's pension costs, SEK 919,000 (810,000) are related to the president. The parent company has no outstanding pension commitments to the CEO. Of the group's pension costs, SEK 6,745,000 (5,447,000) refers to presidents in the parent company and subsidiaries, and in certain cases to vice-presidents. The Group's outstanding pension obligations to these amount to SEK 0 (0). Reported personnel costs in the income statement include, in addition to salaries and

social fees in accordance with the above, also other personnel-related costs such as training, etc. The convertible debt instruments for personnel issued by the company have also been subscribed to by members of corporate management in accordance with the table on page 33.

The board has decided to deviate from the guidelines established by the annual general meeting regarding remuneration wherein two people in management have received more than the maximum 60% of fixed salary in variable salary. The deviation is justified by focused work that has resulted in exceptionally high earnings and margins in the operation that formed the basis for the variable salary.

Information on defined benefit pensions

Of Sigma's total approximately 1,500 employees, approximately 1,100 are employed in Sweden. Of these, the majority are covered by pension insurance in Alecta, which according to definition, are defined benefit plans, but which shall be reported as defined contribution plans. See further information below. The premium constitutes an individually established percentage of pension-based salary. There are no separate assets or provisions for pension plans in any cases beyond the premiums paid and entered. The commitment for old-age pension and family pension for salaried employees in Sweden in companies with collective agreements are secured through insurance with Alecta. According to a statement from the Financial Reporting Board, UFR 3, this is a defined benefit plan that covers several employers. For the financial statements for 2011, the company has not had access to such information that makes it possible to report this plan as a defined benefit plan. The pension plan according to ITP, which is secured through an insurance policy with Alecta, is therefore reported as a defined contribution plan. Alecta's surplus can be allocated to policy holders and/or the insured. At the end of 2011, Alecta's surplus, in the form of the collective consolidation level, totaled 113 percent (146). The collective consolidation level is made up of the market value of Alecta's assets as a percentage of policy holders calculated in accordance with Alecta's actuarial calculation obligations.

Remuneration and benefits during the year (SEK 000s) *)	Basic salary/fees	Variable remuneration	Other benefits	Pension costs	Total 2011	Total 2010
Dan Olofsson, Chairman of the Board	141	-	-	-	141	120
Christina Ramberg, member of the board of directors	121	-	-	-	121	150
Henrietta Hansson, board member	118	-	-	-	118	133
Johan Glennmo, member of the board of directors	118	-	-	-	118	133
Konstantin Caliacmanis, member of the board of directors	111	-	-	-	111	100
Lars Wollung, elected at the ordinary AGM 2010	100	33	-	-	133	67
Sune Nilsson, member of the board of directors	120	33	-	-	153	40
Gunder Lilius, alternate board member, resigned at the ordinary AGM 2010	-	-	-	-	-	17
Göran Larsson, alternate board member, resigned at the ordinary AGM 2010	-	-	-	-	-	17
Håkan Karlsson, president and CEO	2,485	1,092	90	919	4,586	3,391
Other corporate management – total of seven people (six people 2010)	9,553	3,129	451	2,593	15,726	14,655
Total	12,867	4,260	541	3,512	21,180	18,823

*) Variable remuneration to the board refers to remuneration to project committees depending on the number of meetings.

Note 10 Profit/loss from investments in subsidiaries and associated companies^{*)}

SEK thousands	2011	Group 2010	Parent Company 2011	Parent Company 2010
Dividends received from subsidiaries	-	-	62,890	1,697
Group contributions received from subsidiaries	-	-	80,213	59,995
Dividends received from associated companies	-	-	657	1,290
Group contributions to subsidiaries	-	-	-46,915	-7,558
Write-down of shares in subsidiaries	-	-	-48,160	-
Write-down of shares in subsidiaries	-	-	-	-6,589
Profit/loss from sales of associated companies	-	-	-	802
Total	-	-	46,685	49,637

^{*)} Accounting regarding group contributions has changed compared to previous years and the comparison figures are updated in accordance with the new methods.

Note 11 Interest income and similar income items

SEK thousands	2011	Group 2010	Parent Company 2011	Parent Company 2010
Interest, external (liquid funds)	103	30	18	-
Interest, group companies (liquid funds)	-	-	3,896	1,421
Interest, external (accounts receivable)	120	447	-	-
Exchange rate gains	1,089	2,083	242	189
Other financial income	209	177	-	-
Total	1,521	2,737	4,156	1,610

Note 12 Interest expenses and similar profit/loss items

SEK thousands	2011	Group 2010	Parent Company 2011	Parent Company 2010
Interest, bank loans and bank overdraft facilities	-6,429	-2,080	-6,410	-2,048
Interest, convertible debt instruments	-842	-574	-842	-574
Interest, other external (accounts payable, etc.)	-128	-903	-	-858
Interest, group companies (internal loans and credits)	-	-	-1,017	-169
Exchange rate losses	-1,682	-2,916	-253	-1,105
Other financial expenses	-1,320	-1,264	-592	-941
Total	-10,401	-7,737	-9,114	-5,695

Note 13 Paid tax and tax expenses

SEK thousands	2011	Group 2010	Parent Company 2011	Parent Company 2010
TAX PAID				
Tax expenses in accordance with the income statement	-19,285	-13,791	-4,602	-8,761
Change in current tax liability/claims	-9,415	143	-6,661	16,778
Change in deferred tax liability/claims	11,695	20,044	-	-
Total	-17,005	6,396	-11,263	8,017
TAX EXPENSES				
Current tax	-15,363	-14,151	-4,925	-8,761
Deferred tax regarding untaxed reserves	-4,055	-2,767	-	-
Change in deferred tax	133	3,127	323	-
Total	-19,285	-13,791	-4,602	-8,761

SEK thousands	2011	Group 2010	Parent Company 2011	Parent Company 2010
RECONCILIATION OF TAX COSTS				
Reported pre-tax earnings	92,110	54,089	31,843	28,992
Reported earnings before tax x 26.3%	-24,225	-14,225	-8,375	-7,625
Tax effect on differences between taxable and accounting values:				
– non-booked deferred tax	157	2,279	-	-
– revaluation of deferred tax	2,722	-693	323	-
– profit/loss from sales of subsidiaries/operations	-	-537	-	-
– other non-deductible costs	-1,156	-1,703	-12,724	-1,889
– non-taxable revenue	1,148	689	16,541	1,129
– standard tax on tax allocation reserve	-609	-581	-393	-376
Differences in rates of tax in foreign companies	2,167	979	-	-
Adjustment of tax for previous years	511	1	26	-
Tax on profit/loss for the year	-19,285	-13,791	-4,602	-8,761

The overwhelming majority of the group's operation is carried out in Sweden with a tax rate of 26.3%. For foreign subsidiaries, the tax rate varies but in the above compilation is applied at 26.3% and an adjustment is made thereafter regarding differences in these tax rates.

Note 14 Earnings per share

SEK thousands	Group	
	2011	2010
Average number of shares during the year	86,746,471	86,746,471
Number of shares at beginning of year	86,746,471	86,746,471
Number of shares at end of the year	86,746,471	86,746,471
Earnings per share related to majority shareholders	0.84	0.42
Earnings per share, all shareholders	0.82	0.40

In the fall of 2010, three different programs for convertible debt instruments were issued, which are reported on in note 3 and also in note 30, two of which are still active at the end of 2011. In those loans to the sellers of Cypoint, the main assumption is that conversion shall be made at SEK 10 and the convertibles issued to personnel have a conversion price of SEK 6.10 per share.

Average number of shares after dilution in accordance with below	89,481,964	88,306,580
Earnings per share related to majority shareholders after dilution	0.77	0.43
Earnings per share, all shareholders, after dilution	0.81	0.46

SEK thousands	Group		Parent Company	
	2011	2010	2011	2010
Number of shares at beginning of the year	86,746,471	86,746,471	86,746,471	86,746,471
Number of shares at end of the year	86,746,471	86,746,471	86,746,471	86,746,471
Dilution upon conversion of outstanding convertible debt instruments, average	2,735,493	1,560,109	2,735,493	1,560,109
Total number of shares upon conversion in accordance with note 30 below	89,481,964	88,306,580	89,481,964	88,306,580

Note 15 Tangible fixed assets – equipment, tools, fittings and fixtures

SEK thousands	Group		Parent Company	
	2011	2010	2011	2010
Opening acquisition value	84,856	51,797	1,737	1,737
Opening acquisitions, through the acquisition of subsidiaries	-	15,632	-	-
Purchasing	9,265	19,109	177	-
Sales/disposals	-528	-469	-	-
Currency translation	38	-1,213	-	-
Closing accumulated acquisition values	93,631	84,856	1,914	1,737
Opening depreciation	-54,089	-39,683	-1,345	-1,152
Opening depreciation, through the acquisition of subsidiaries	-	-9,876	-	-
Depreciation for the year	-8,333	-5,831	-171	-193
Sales/disposals	492	413	-	-
Currency translation	24	888	-	-
Closing accumulated depreciation	-61,906	-54,089	-1,516	-1,345
Closing residual value	31,725	30,767	398	392

Tangible fixed assets largely refer to office machines, furniture and other fixtures in offices as well as investments in computer halls. To a small extent, cars and art are included, totaling less than SEK 200,000. There is no financial leasing and so none is included in the above report.

Note 16 Goodwill

SEK thousands	Group	
	2011	2010
Opening acquisition value	475,682	352,775
Purchasing	-	126,088
Reversed during final settlement of previous acquisitions	-	-1,858
Currency translation	-29	-1,323
Closing accumulated acquisition values	475,653	475,682
Opening write-downs	-67,012	-67,778
Currency translation	70	766
Closing write-downs	-66,942	-67,012
Closing planned residual value	408,711	408,670

Consideration of the need for write-down of goodwill is done annually as well as when indications of a need for write-downs exist. The recoverable amount of a cash generating unit is established based on the calculation of utilization value. The calculations are based on the estimated future cash flows based on the established budget for the coming year and by individual forecasts made by the management that cover an additional 2-year period. After that, the growth in earnings for the following seven years has been assessed at 4% (4%), which coincides with the group's long-term assumption about inflation and the market's long-term growth based on external information. Thereafter, a perpetual growth rate of 2% (4%) is used. In the assessment of future cash flows, assumptions are primarily made regarding sales growth and operating margin. The discount rate 14.1% (8.01%) before tax reflects specific risks associated to assets and are the same for the entire discount period. The same discount rate has been used for both cash generating units. The utilization value exceeds reported goodwill value for both cash generating units.

The allocation of goodwill on cash generation units and estimated recovery value is stated below:

SEK thousands	Recovery value		Recovery value	
	Goodwill 2011	2011	Goodwill 2010	2010
IT & Management	367,181	1,037,507	367,193	1,131,868
Information Logistics	41,530	621,072	41,477	609,468
Total	408,711	1,658,579	408,670	1,741,336

The calculation of the recovery value has been refined and developed as compared with the previous year, but the new calculation method does not affect the recovery value significantly. Goodwill in subsidiaries essentially corresponds to the cash generating units' net assets. A doubling of the underlying market interest rate would mean that the collective recovery value would decrease from SEK 1,658 M to SEK 1,321 M. None of the individual recovery values indicates an impairment requirement in the event of a change in the rate. A 50% decrease in the underlying market interest rate would mean that the collective recovery value would decrease from SEK 1,658 M to SEK 829 M. None of the individual recovery values indicates an impairment requirement in the event of such a great change in earnings. A change in both parameters at the same time would mean that the collective recovery value would decrease from SEK 1,658 M to SEK 660 M. None of the individual recovery values indicate a need for write-downs in the event of such changes. Therefore, the company's reported goodwill has very good margins relative to such return values and no need for write-down exists, even with major changes in interest rates and earnings.

Note 17 Acquisition of subsidiaries

There were no new acquisitions in 2011. On the other hand, the company has acquired minority shares in previously partially-owned companies so that the group currently owns 100% of these companies. Previous ownership was Sigma Emprove AB 65% and Sigma Dynamics AB 60%.

The acquisition for both companies' minority shares totaled SEK 10.1 M and in accordance with applicable accounting regulations, the purchase price in its entirety has been reported against equity, divided between the minority and majority's share of equity.

In addition, the parent company has invested SEK 50,000 in a newly started company and thereafter made a shareholder contribution of SEK 30,000 to the same company, which will be the new parent company for the Sigma Kudos companies.

In addition, the company has made a final settlement regarding the previously allocated additional purchase price regarding Maxiflex Oy, which was acquired in 2008. This final settlement has no major effect on the accounts.

Business combinations 2010

As of August 13, 2010, all shares in the parent company, Cypoint Group AB, were acquired, from which day they were also consolidated into Sigma. They are specialized in delivering functional commitments within mobile solutions, e-commerce and infrastructure. The reason for the acquisition was that the operation carried out in the Cypoint companies complemented Sigma's previous operations. The acquisition price includes a debt for future redemption of minority shares in two of the subsidiaries in the Citypoint group of SEK 7,345,000 in accordance with the option agreement. The company

has assessed that it is 100% certain that the redemption of the minority shares will occur. Therefore, this was treated as an additional purchase price in connection with the acquisition. Sigma has thereby valued and reported the additional purchase price as a liability at the actual value as of the time of acquisition. The formula for calculating the redemption price is regulated in the contract as to when and at what price these shares shall be acquired in 2013 and 2014 respectively. The calculation is based on the most likely developments in the respective subsidiaries without any ceiling or the maximum additional purchase price. Acquisition-related fees total SEK 1,282,000. These have been reported as other costs in the income statement for 2010 in the group. A more detailed description of the acquisition and establishment of actual value in connection with the acquisition can be read in the annual report for 2010. The debt regarding the additional purchase price for minority shares have been revalued to actual value as of the balance sheet day 2011, which is assessed to be in line with the original assessment of the value that was done in connection with the acquisition.

Payment of the purchase price, SEK thousands

Cash payment on the day of taking possession August 2010	95,132
Cash payment of additional purchase price in October 2010	1,750
Cash payment in December 2010	20,000
Issued reversals	20,000
Issued convertible debt instruments	40,000
Debt for redemption of minority shares	7,345
Total acquisition price	184,227

Note 18 Other intangible fixed assets

SEK thousands	Parent Company Utilization rights 2011	Utilization rights 2010
Opening acquisition value	15	15
Closing accumulated acquisition values	15	15

Group	Capitalized development costs 2011	Patents, licenses and utilization rights 2011	Customer relations 2011	Capitalized development costs 2010	Patents, licenses and utilization rights 2010	Customer relations 2010
SEK thousands						
Opening acquisition value	860	13,640	24,394	673	12,234	20,944
Purchasing	-	20		-	7	-
Purchases through the acquisition of subsidiaries				187	1,751	3,607
Sales/disposals	-	-13	-1,100	-	-260	-
Currency translation	-	-25	-41	-	-92	-157
Closing accumulated acquisition values	860	13,622	23,253	860	13,640	24,394
Opening depreciation	-756	-11,846	-19,388	-345	-11,161	-16,959
Depreciation for the year	-104	-17	-1,460	-224	-1,027	-2,490
Future depreciation through the acquisition of subsidiaries	-	-	-	-187		-
Sales/disposals	-	13	1,100	-	260	-
Currency translation	-	21	0	-	82	61
Closing accumulated depreciation	-860	-11,829	-19,748	-756	-11,846	-19,388
Closing residual value	0	1,793	3,505	104	1,794	5,006

The above intangible fixed assets have been assessed to have a determined lifetime of between three and five years during which period these are depreciated using straight line depreciation of three years on balanced development expenses and three to five years on other intangible assets.

Note 19 Shares and participations in group companies

SEK thousands	Parent Company	
	2011	2010
Opening acquisition value	424,817	206,375
Acquisitions	50	178,214
Shareholder contributions provided	30,000	40,000
Closing accumulated acquisition values	454,867	424,817
Opening impairment	-10,700	-10,700
Write-downs for the year	-48,160	-
Closing write-downs	-58,860	-10,700
Book value	396,007	414,117

In all cases, shareholders' contributions have been reported as investments in Group companies when the purpose of these contributions has been to strengthen the balance sheets of the subsidiaries.

Write-down of shares in subsidiaries has only been done regarding companies where the operation has been transferred to another group company.

Holdings at the end of the year	Operation/ Business area	Corporate registration no.	Status	Headquarters	Number of shares	Scope of holdings of votes and capital percentage %	2011 Parent company's book value	2010 Parent company's book value
Sigma IT & Management Group AB	Holding company	556279-4262	Holding company	Gothenburg	16,128,340	100	178,320	178,320
Sigma Dynamics AB	IT & Management	556386-1730	Active	Linköping	320,512	100	-	-
Sigma Consulting Solutions Ltd	IT & Management	6,237,914	Active	Cheshire, England	100,000	100	-	-
Sigma Dynamics AB dormant	IT & Management	556688-3061	Dormant	Stockholm	100,000	100	-	-
Sigma Emprove AB	IT & Management	556731-5907	Dormant	Karlskrona	100,000	100	-	-
Sigma Exallon AB	IT & Management	556214-7842	Dormant	Malmö	2,500	100	-	-
Sigma iMål Projektleddning AB	IT & Management	556684-6530	Dormant	Malmö	700	100	-	-
Sigma Integra AB		556318-5700	Dormant	Malmö	2,500	100	-	-
Sigma IT Services Inc.	IT & Management	27-0876156	Active	Massachusetts, USA	100	100	-	-
Sigma IT Services Canada Inc.	IT & Management	83389 1260 RC0001	Active	Montreal, Canada	100	100	-	-
Sigma Pdb Servicecenter AB	IT & Management	556832-0674	Active	Jönköping	51	51	-	-
Sigma IT & Management Sweden AB	IT & Management	556451-9345	Active	Gothenburg	1,000	100	-	-
Sigma Solutions Oy	IT & Management	2078607-1	Active	Tampere, Finland	10,000	100	-	-
Sigma Kudos Group AB	Holding company	556869-6016	Holding company	Gothenburg	500	100	30,050	-
Sigma Kudos (Beijing) Co.,Ltd	Information Logistics	110,000,450,049,256	Active	Peking, China	-	100	-	-
Sigma Kudos Engineering Services AB	Information Logistics	556382-5933	Active	Solna	1,000	100	-	-
Sigma Kudos Finland Oy	Information Logistics	1633381-1	Active	Helsinki, Finland	100	100	-	-
Sigma Kudos Hungary Kft	Information Logistics	253,285,092	Active	Budapest, Hungary	-	100	-	-
Sigma Kudos Sweden AB	Information Logistics	556348-3634	Active	Gothenburg	1,000	100	-	-
Sigma Managed Solutions AB ¹⁾	IT & Management	556587-5423	Holding company	Stockholm	101,523	100	176,215	178,215
Sigma Connect AB ¹⁾	IT & Management	556777-9649	Active	Stockholm	6,000	92	-	-
Sigma IT Services AB ¹⁾	IT & Management	556576-7059	Active	Stockholm	5,000	100	-	-
Sigma System Innovation AB ¹⁾	IT & Management	556516-9975	Active	Stockholm	6,000	100	-	-
Sigma Technology Consulting AB ¹⁾	IT & Management	556592-9774	Active	Stockholm	4,000	85	-	-
Sigma Global Services AB	Internal admin. company	556544-4220	Dormant	Gothenburg	1,422,518	100	1,731	2,000
Sigma Kudos AB	Internal admin. company	556000-9366	Dormant	Gothenburg	80,000	100	1,200	47,091
Sigma Ukraine LLC	Information Logistics	31,935,930	Active	Kharkiv, the Ukraine	-	60	8,491	8,491
Total							396,007	414,117

¹⁾ The holding company that was previously called Cypoint Group AB and the underlying company Cypoint are now Sigma.

Note 20 Participations in associated companies

Parent Company							
Holding at the end of the year	Operation	Corporate registration number	Headquarters	Number of participations	Scope of holdings vote and capital share %	2011 Book value of the parent company	2010 Parent company's book value
Holisticon AG	IT services	HRB 20228	Hamburg, Germany	49,001	44.5 %	1,875	1,875
Qronos AB	IT services	556823-4073	Malmö	200	40.0 %	1,020	-
Total						2,895	1,875

Group SEK thousands	2011	2010
Opening acquisition value	1,303	10,697
Acquisitions	1,000	20
Sales	-	-9,414
Total acquisition value	2,303	1,303
Opening accumulated change in value after the acquisition date	1,480	-4,072
Sales	-	6,046
Change in value in operating profit/loss for the year	1,822	363
Change in value in operating profit/loss for the year	-563	-632
Dividends for the year	-657	-225
Closing accumulated change in value after the acquisition date	2,082	1,480
Total book value	4,385	2,783
Summary of the associated companies' financial information		
Total assets	9,723	7,734
Total liabilities	4,431	3,698
Total net assets	5,291	4,036
Income	30,593	29,695
Profit/loss for the year	2,481	1,230
The Group's share of earnings for the year, including tax	1,259	732
Other changes in value during the year	-657	-369
Total changes in value during the year	602	-494

Note 21 Other financial fixed assets

SEK thousands	Group		Parent Company	
	2011	2010	2011	2010
Other long-term securities holdings	2,137	2,137	17	17
Total	2,137	2,137	17	17

Note 22 Deferred tax assets

SEK thousands	Group		Parent Company	
	2011	2010	2011	2010
Deferred tax assets regarding non-utilized deficit deductions	5,237	11,498	-	-
Total deferred tax claims	5,237	11,498	-	-

The majority of subsidiaries in Sweden can offset fiscal deficits against surpluses in other group companies. In partially-owned companies this is not possible if the ownership is lower than 91%. The shares in previously partially-owned companies that had deficits were acquired by the company in 2011, whereby such deficits are expected to be utilized within one to two years from the current balance sheet day. In foreign units, deferred tax is not reported, as there are fewer options for offsetting and the amounts are negligible. The collective fiscal deficit that exists in the group's subsidiaries that is not reported as deferred tax totals SEK 11.1 M (10.7). The previously reported deferred prepaid tax of SEK 6.9 M regarding losses in Denmark have been utilized in the taxation for 2011.

Note 23 Accounts receivable, etc. – only group

SEK thousands	Group	
	2011	2010
Accounts receivable (net)	322,459	328,163
Accrued income	73,453	27,055
Ongoing customer projects – service assignments	24,477	3,922
Total	420,389	359,140
Sigma's accounts receivable as of the balance sheet day had the following age structures (net after reservations for doubtful receivables:		
Accounts receivable not overdue	263,894	302,261
Due <30 days	50,605	19,489
Due 30-90 days	3,546	3,838
Due >90 days	4,414	2,575
Total	322,459	328,163
Provisions for doubtful receivables have changed as follows:		
Provisions at beginning of the year	-9,287	-5,785
Reserves during the year	-442	-3,079
Reversed provisions	3,841	1
Established losses	-439	-424
Exchange rate changes on provisions	-174	-
Provisions at end of the year	-6,501	-9,287

There are no provisions for other classes of assets. Other receivables are not overdue.

Credit risks

The main financial receivables consist of accounts receivable and cleared but not invoiced assignments. The credit risk on accounts receivable is substantial in its total exposure as a nominal amount of the group's combined assets, but the majority are not overdue receivables. It is the company's assessment that payment will be received for accounts receivable that are overdue but not written down since the customers have a good payment history. The theoretical maximum risk on accounts receivable is the total reported value of accounts receivable. The largest volume of overdue receivables is shorter than 30 days, and among these, the large majority are less than 10 days. Several customers generally pay a few days late, mostly due to administration reasons. Of receivables older than 30 days, the usual reason is different types of retained funds by the customer in awaiting for the completion of a certain activity. In some cases, special payment plans have been structured with customers afterwards, but the receivables are still considered overdue. The overwhelming majority of all financial receivables come due within 90 days. All new customers undergo a credit evaluation and existing customers are monitored in regard to other possible payment problems. The group's customers are largely made up of the largest Swedish brands on an international market whose financial status is assessed to be good. Historical results of customer losses are small in the group, which is why the collective risk is deemed to be very small. Other financial receivables are not assessed to have any significant risk.

Note 24 Other financial current assets – group only

SEK thousands	Group	
	2011	2010
Other receivables, non-interest bearing	4,762	4,621
Total	4,762	4,621

Note 25 Prepaid costs – only group

SEK thousands	Group	
	2011	2010
Prepaid rents	6,200	6,874
Personnel costs	8,353	2,000
Premises costs	2,874	2,500
Other prepaid expenses	11,008	5,828
Total	28,435	17,202

Note 26 Current receivables – only parent company

SEK thousands	Parent Company	
	2011	2010
Accounts receivable	1,318	1,909
Prepaid rents	305	245
Other prepaid expenses	1,016	2,183
Other receivables	1,035	2,177
Receivables at Group companies	348,771	318,677
Total	352,445	325,191

Note 27 Liquid funds

Liquid funds consist of money in banks and, to a small extent, petty cash. Bank funds are made up of positive bank balances. Liquid funds do not reflect the group's available funds, which is the difference between utilized credit and granted credit frameworks. Refer to Note 35 below. Liquid funds consisting of money in banks is deemed to involve a negligible risk.

Note 28 Managed capital

Sigma defines managed capital as the total of the group's net debt and equity including minority shares and convertible debt instruments. Net debt refers to the net of liquid funds and interest-bearing liabilities. At the end of the year, managed capital amounted to SEK 659 M (562). Sigma has no external requirements on the management of capital other than those conditions that exist for the company's bank overdraft facilities with banks. These require an equity/assets ratio in the group of at least 30% and an interest coverage level of 3 times, both of which are exceeded by a good margin. Normally, return on investments as well as on acquisition of companies is better than the interest the group would have had with surplus liquidity, which is why the financing of acquisitions that involve debt can give a better return on capital. Future acquisitions are also intended to be paid for largely through liquid funds. The group's goal with capital management is to ensure the group's ability to continue an independent operation and to provide relevant return to shareholders and benefits to other interested parties. The number of shares issued amounts to 86,746,471 shares, 1,024,124 of which are A shares, providing ten (10) votes per share and 85,722,347 B shares, providing one (1) vote per share. There are no limits to the number of votes an individual shareholder can submit at the annual general meeting. The quota value of the shares is SEK 1.00 There are no restrictions on transferring shares.

Convertible debt instruments and their possible effect on the number of shares is reported in the following note 30.

Note 29 Categorization of financial instruments

Book value for financial assets and financial liabilities divided by valuation category is illustrated by the table below.

SEK thousands	Group		Parent Company	
	2011	2010	2011	2010
Financial assets				
Loan receivables, account receivables, etc., category a)				
Accounts receivable	322,459	328,163	1,318	1,909
Accrued income	73,453	27,055	-	-
Ongoing customer projects – service assignments	24,477	3,922	-	-
Other receivables, non-interest bearing	4,762	4,621	-	-
Liquid funds	20,594	19,347	301	88
Sub-total category a)	445,745	383,108	1,619	1,997
Financial receivables that can be sold, category c)	2,137	2,137	17	17
Total financial assets	447,882	385,245	1,636	2,014
Financial liabilities				
Other financial liabilities, category b)				
Loan liabilities and bank credits	159,994	99,077	159,973	99,046
Convertible bonds	38,916	58,149	38,916	58,149
Accounts payable	85,123	72,464	2,806	2,877
Other financial liabilities	70,116	75,646	803	20,312
Sub-total category b)	354,149	305,336	202,498	180,384
Financial liabilities that are valued at the actual value, category d)	7,345	7,345	-	-
Total financial liabilities	361,494	312,681	202,498	180,384

No re-classifications between the valuation categories above have occurred during the period.

Financial liabilities in accordance with category d) belong to level 3, in other words, financial instruments where the actual value is established based on the valuation models where significant incoming data is based on non-observable data.

Note 30 Convertible debt instruments

As a part of the financing of the acquisition of Cypoint, convertible debt instruments were issued to the sellers of Cypoint in accordance with the table below. In addition, it was decided to offer personnel in Sweden the right to subscribe to convertible debt instruments that have a maturity of three years to November 2013. The report in accordance with this refers to both the parent company and the group.

Convertibles and holders	Nominal value	Accrued acquisition value	Conversion period	Conversion price	Full dilution number of shares ^{*)}	Dilution % ^{*)}	Average dilution number of shares ^{*)}
I Convertible debt instruments 2010/2011	20,000	-	July 2011	-	-	-	-
II Convertible debt instruments 2010/2012	20,000	19,790	July 2012	10.00	2,000,000	2.3 %	1,428,571
III convertible debt instrument 2010/2013 (personnel convertibles)	20,500	19,126	November 2013	6.10	3,360,656	3.7 %	1,306,922
Total	40,500	38,916			5,360,656	6.0%	2,735,493

I Convertible debt instruments 2010/2011

This convertible debt instrument was redeemed through repayment in July 2011. The conditions for these convertible debt instruments are reported in the annual report for 2010.

II Convertible debt instruments 2010/2012

An extraordinary meeting of shareholders on September 2 decided to issue convertible debt instruments in the amount of SEK 20,000,000 to the sellers of Cypoint Group AB with a maturity date of September 30, 2012. Conversion to series B shares can be made (i) during the period from July 6, 2011 until June 29, 2012 at a conversion price of SEK 10.00 and (ii) during the period from July 6, 2012 through September 30, 2012 at a conversion price of SEK 2.50. The loan is not subordinated to other liabilities but is included in the company's liabilities.

The convertible loan runs with a fixed interest rate of 3.5% through June 30, 2012, and after that, with 20% interest. If conversion does not occur before June 30, 2012, Sigma intends to repay the convertible loan immediately. If Sigma cannot repay the loan it will continue at the higher interest rate (20% instead of 3.5%) and a lower conversion price (SEK 2.50 instead of SEK 10.00). Upon conversion to shares with a conversion price of SEK 10.00, dilution will be 2.3%, and with a conversion price of SEK 2.50, 8.4% of the number of outstanding shares based on the number of shares at the time subscription is made.

III Convertible debt instruments 2010/2013

An extraordinary meeting of shareholders on September 30 decided to issue convertible debt instruments in the amount of SEK 20,500,000 with a maturity date of December 10, 2013. Conversion to series B shares can occur during the period from November 1 through November 20, 2013 at a conversion price of SEK 6.10 per share, which corresponds to 115% of the reference price the first week in October 2010. The loan has an interest rate of Stibor 3 M + 1.00% with an annual maturity. The loan is a subordinated loan, which means it is subordinate to other liabilities. Upon full conversion to shares at a conversion price of SEK 6.10, the dilution will be 3.7% of the number of outstanding shares based on the number of shares at the time of subscription. The loan is a preferential loan directed to the personnel within Sigma. Personnel subscribed for SEK 9,431,000 of the loan and the remaining amount was subscribed for by the guarantee of Christian W Jansson. Of personnel entitled to subscribe, approximately 15% participated in the subscription. The conditions for the convertible are market-based and the program is not combined with conditions for continued employment or performance by the employees. Through an external bank, employees have been offered financing for the convertible loans without any guarantees or other commitments from Sigma. Later, Christian W. Jansson sold part of his holdings to personnel in the company that did not originally subscribe.

^{*)} In calculating the dilution in the table, it has been assumed that the conversion will be made at SEK 10.00 per share, and not the alternative conversion price of SEK 2.50. The lower conversion price applies only in the event the conversion is not made at the price of SEK 10.00 and Sigma does not have the funds to redeem the loan in accordance with those conditions that apply. Only after that will the conversion right at the price of SEK 2.50 be valid.

The accrued acquisition value for convertibles has been calculated whereby a discount has been made with the market interest rate for corresponding credits without conversion rights and totals approximately 5% based on information from a bank. The reported value essentially corresponds to the actual value as of the balance sheet day.

Convertible debt instruments are divided between current and long-term liabilities

SEK thousands	2011	2010
Convertible debt instruments, current liabilities	19,790	20,177
Convertible debt instruments, long-term liabilities	19,126	37,972
Total	38,916	58,149

SEK thousands	2011	2010
I Convertible debt instruments 2010/2011 – discount interest rate 2.99%		
Nominal value	20,000	20,000
Original amount classified as equity	82	82
Debt element upon issue	20,082	20,082
Transaction costs on the debt portion upon issue	-109	-109
Transaction costs on equity portion upon issue	0	0
Debt element opening balance	20,177	-
Transaction costs allocated to a certain period during the year	72	36
Plus earned interest	269	166
Minus paid interest	-518	-
Minus redemption of convertible debt instruments	-20,000	-
Closing liabilities on balance sheet day	-	20,177
Of which current	-	20,177
Of which long-term	-	-
II Convertible debt instruments 2010/2012 – discount interest rate 4.42%		
Nominal value	20,000	20,000
Original amount classified as equity	-367	-367
Debt element upon issue	19,633	19,633
Transaction costs on the debt portion upon issue	-83	-83
Transaction costs on equity portion upon issue	-2	-2
Debt element opening balance	19,800	-
Transaction costs allocated to a certain period during the year	45	13
Plus earned interest	801	238
Minus paid interest	-856	-
Closing liabilities on balance sheet day	19,790	19,800
Of which current	19,790	-
Of which long-term	-	19,800
III Convertible debt instruments 2010/2013 – discount interest rate 5.23 %		
Nominal value	20,500	20,500
Original amount classified as equity	-1,537	-1,537
Debt element upon issue	18,963	18,963
Transaction costs on the debt portion upon issue	-936	-936
Transaction costs on equity portion upon issue	-77	-77
Debt element opening balance	18,172	-
Transaction costs allocated to a certain period during the year	304	53
Plus earned interest	1,441	170
Minus paid interest	-671	-
Minus paid transaction costs	-119	-
Closing liabilities on balance sheet day	19,126	18,172
Of which current	-	-
Of which long-term	19,126	18,172

Note 31 Dividends

For the financial year 2011, a dividend of SEK 0.25 per share (0.25) is proposed.

Note 32 Untaxed reserves and appropriations

SEK thousands	Parent Company	
	2011	2010
Untaxed reserves		
Accelerated depreciation	98	126
Tax allocation reserve	76,890	73,273
Total	76,988	73,399
Appropriations		
Difference between booked depreciation and depreciation according to plan	28	72
Provision for tax allocation reserves	-3,618	-11,104
Total	-3,590	-11,032

Note 33 Provisions

SEK thousands	Group		Parent Company	
	2011	2010	2011	2010
Other provisions				
Opening value	3,577	3,926	-	2,451
Set aside during the year	686	3,577	-	-
Utilized/reversed	-2,736	-3,926	-	-2,451
Closing value	1,527	3,577	-	-

Provisions refer to such reservations that have been made for possible future costs where uncertainty exists as to whether these will be paid or where the size of the amount is uncertain. In addition, provisions refer to reservations for future costs for premises that cannot be utilized in the operation as well as costs for personnel that have been terminated.

SEK thousands	Group		Parent Company	
	2011	2010	2011	2010
Provisions at the end of the year are expected to come due in accordance with what is stated below				
Due within 3 months	-	124	-	-
Due within 3-12 months	1,527	3,453	-	-
Total	1,527	3,577	-	-

Note 34 Deferred tax liabilities

SEK thousands	Group		Parent Company	
	2011	2010	2011	2010
Deferred tax liability untaxed reserves	36,281	29,299	-	-
Deferred tax liabilities from acquisition calculations	2,665	4,213	-	323
Total	38,946	33,512	-	323

Provisions refer to the deferred tax that arises through the conversion of Swedish subsidiaries' untaxed reserves to equity by 73.7 percent and deferred tax liabilities by 26.3 percent of these reserves. In addition, there are smaller provisions for deferred taxes arising through the adjustment to actual value in the acquisition calculations.

Note 35 Accounts payable, etc.

SEK thousands	Group		Parent Company	
	2011	2010	2011	2010
Accounts payable	85,123	72,464	2,806	2,877
Deferred income	11,408	-	-	-
Other liabilities (value-added tax, tax at source, etc.)	70,116	75,646	803	312
Liabilities to Group companies	-	-	93,487	107,659
Sub-total other liabilities	166,647	148,110	97,096	110,848
Accrued salaries	16,847	12,433	1,328	311
Vacation pay liability	35,901	31,229	506	300
Social security contributions	12,026	13,670	577	201
Invoices not received	3,442	13,070	100	147
Promissory note liabilities	-	20,000	-	20,000
Other accumulated costs	13,370	14,781	2,074	3,365
Sub-total accrued expenses	81,586	105,183	4,585	24,324
Total	248,233	253,293	101,681	135,172

Accounts payable and reserved but not received invoices as well as value added tax, tax at source, and social fees come due within 60 days. Accrued salaries refer to different types of variable salaries that are paid out as soon as all documentation is final, the majority within 30 days, but up to 90 days. Promissory notes of SEK 20,000,000 were paid in January 2011. Vacation salaries are paid out at the rate that vacation time is taken, which largely occurs in the third quarter. Other accrued costs come due within one year with the majority coming due within 90 days.

Note 36 Bank credits

SEK thousands	Group		Parent Company	
	2011	2010	2011	2010
Long-term bank loans	38,500	35,000	38,500	35,000
Short-term bank loans as well as amortization within 1 year	24,465	11,000	24,465	11,000
Total bank loans	62,965	46,000	62,965	46,000
Granted credit frameworks	126,885	114,874	123,500	111,500
bank credits	-97,029	-53,077	-97,008	-53,046
Credit utilized	29,856	61,797	26,492	58,454
Total bank credits	159,994	99,077	159,973	99,046

Operating capital in the group is financed through bank overdraft facilities in two banks and via bank loans. The purpose of bank overdraft facilities is that they are long-term, but their technical structure means that they are reported as current liabilities since the contract time runs for a period of one year at a time. All bank overdraft facilities have a variable interest rate. Due to the short-term contract conditions of the overdraft facilities, there is always a risk that they will not be extended. However, Sigma has assessed that this risk is small. As of 2010, acquisitions and associated transactions have been financed through bank loans with amortization and fixed interest periods. As collateral for the company's commitment to banks, the parent company has pledged shares in subsidiaries as collateral, which is reported under pledged assets. In addition, a contract has been signed regarding so-called covenant conditions, meaning that the company does not have the right to sell important parts of an operation without the consent of the banks and that the equity/assets ratio also has to total at least 30% and the interest coverage ratio has to be three times and also that the debt/equity ratio may not exceed 1.4. The debt/equity ratio is defined as interest-bearing liabilities in relation to profit/loss before depreciation. In addition, the parent company does not have the right to place guarantees or other collateral outside of current management.

SEK thousands	Group		Parent Company	
	2011	2010	2011	2010
Maturity analysis, bank credits				
Due within 3 months	12,090	2,750	12,090	2,750
Due within 3-12 months	12,375	8,250	12,375	8,250
Due within 1-5 years	38,500	35,000	38,500	35,000
Total	62,965	46,000	62,965	46,000

The liabilities reported above refer to the liabilities' nominal value and include non-discounted cash flows, in other words, both interest and amortization are included.

Note 37 Transactions with related parties

Via companies, Dan Olofsson - chairman of the board of Sigma - and his family, own 100 per cent of Danir AB, which is the largest owner of Sigma, with approximately 28 per cent of the capital. Danir AB also owns 100 per cent of Epsilon AB. Epsilon previously belonged to the same Group and, at the time of the Group being split into independent units in 2001, a number of commitments were split between these companies. These relate to, among other things, rental agreements for premises. These expenses are split on the basis of the degree of use. In addition to that, Sigma buys and sells services to Epsilon as sub-consultants to each other's external customer assignments. All transactions are on market terms and no representative of Danir takes part in decisions concerning transactions between the two Groups. During 2011 and 2010 only a few smaller transactions have been made with Danir AB.

SEK thousands	Group		Parent company	
	2011	2010	2011	2010
Revenue from the Epsilon group	367	150	-	-
Revenue from Danir AB	1,155	663	-	-
Total revenues	1,522	813	-	-
Costs from the Epsilon group	-4,436	-4,372	88	83
Costs from Danir AB	-	-6	-	6
Total costs	-4,436	-4,378	88	89
Parent company's transactions with subsidiaries				
Revenue from subsidiaries	-	-	22,851	15,750
Costs to subsidiaries	-	-	-3,972	-1,727
Interest income from subsidiaries	-	-	3,896	1,417
Interest expenses to subsidiaries	-	-	-1,017	-169
Receivables in subsidiaries	-	-	348,771	318,677
Liabilities to subsidiaries	-	-	93,487	107,659

Board member Sune Nilsson also received a smaller fee for board work in an associated company. The convertible debt instruments are issued to the sellers of Sigma Managed Solutions AB (Cypoint), which are part of a subsidiary's corporate management.

For transactions with leading executives, please see note 9.

Note 38 Cash flow effects with the acquisition and sale of subsidiaries – group

	2011		2010	
	Acquisitions	Sales	Acquisitions	Sales
Intangible fixed assets	-	-	132,188	-
Tangible fixed assets	-	-	19,656	-
Current receivables	-	-	30,173	-
Liquid funds	-	-	39,102	-
Long-term liabilities	-	-	-4,251	-
Current liabilities	-	-	-27,677	-
Deferred tax liabilities surplus value	-	-	-4,601	-
Purchase price paid	-	-	184,589	-
Minus unpaid additional purchase price	-	-	-7,345	-
Liquid funds in acquired/sold companies	-	-	-39,102	-
Affect on the group's liquid funds	-	-	138,142	-

Note 39 Contingent liabilities

In January 2011, the subsidiary Sigma Kudos AB received an official letter from the County Council in Uppsala County to investigate liability conditions regarding a number of properties in Uppsala and their possible impact on the environment. Uppsala Ekeby Bruk AB carried out brick manufacturing at the property until 1978, partially in the company that is now called Sigma Kudos AB. It has been assessed that this will not have any substantial effect on Sigma.

Note 40 Categorization of financial instruments

In an extraordinary board meeting held on March 2, 2012, the board approved this annual report and also decided that it shall be published on the company's website on March 15 and will be sent to those shareholders that have actively given notification that they would like it sent to them as soon as possible.

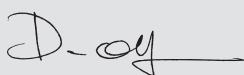
SIGNATURES

The Annual Report and consolidated accounts were approved by the board of directors on March 2, 2012. The group's income statement and balance sheet will be presented for adoption by the annual general meeting on April 26, 2012.

The Board and CEO hereby certify that the annual accounts have been prepared in accordance with the Annual Accounts Act and RFR 2 and provide a true picture of the company's position and earnings and that the administration report provides a true summary of developments in the company's activity, position and earnings as well as describing significant risk and instability factors the company faces.

The Annual Report has been prepared in accordance with generally accepted accounting principles. The board of directors and the president hereby certify that the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and provide a fair and realistic picture of the group's position and earnings and that the administration report for the group gives a true overview of development of the group's operations, position and earnings and also describes significant risks that the company and group face.

Malmö March 5, 2012



Dan Olofsson, chairman of the board



Håkan Karlsson, President



Konstantin Caliacmanis, board member



Christina Ramberg, board member



Henrietta Hansson, board member



Johan Glenn, board member



Sune Nilsson, board member



Lars Wollung, board member



Joachim Hopstadius, personnel representative

Our audit report was submitted on March 5, 2012



DELOITTE AB, Jan Nilsson, Authorized public accountant

AUDITOR'S REPORT

To the Annual General Meeting of Sigma AB (publ)
Corporate Reg. No. 556347-5440

Report regarding the annual report and consolidated accounts

We have audited the annual report and consolidated financial statements for Sigma AB (publ) for the financial year 2011-01-01 – 2011-12-31 with the exception of the corporate governance report on pages 32–33. The company's annual report and consolidated accounts are included in the printed version of this document on pages 30–57.

The Board of Directors and President's responsibility for the annual report and consolidated accounts

It is the board of directors and the president that are responsible for preparing an annual report that gives a fair and true picture in accordance with the Annual Accounts Act, and consolidated financial statements that give a true representative in accordance with the international accounting standards IFRS, as they have been adopted by the EU, and the Annual Accounts Act, and for the internal controls that the board and president deem necessary for preparing an annual report and the consolidated accounts, which do not contain essential errors, regardless of whether these are due to improprieties or errors.

Auditors' responsibility

Our responsibility is to give an opinion regarding the annual report and consolidated accounts based on our audit. We have conducted the audit in accordance with International Standards on Auditing and accepted accounting practices in Sweden. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual report and consolidated accounts are free of material misstatement.

An audit includes, on a test basis, examining evidence supporting the amounts and disclosures in the annual report and consolidated accounts. The auditor selects what actions are to be carried out by assessing the risks for substantial errors in the annual report and consolidated accounts, regardless of whether these are due to improprieties or errors. In this risk assessment, the auditor takes into consideration those parts of internal controls that are relevant for how the company prepares the annual report and consolidated accounts to give a true and fair picture for the purpose of structuring audit actions that are appropriate in regard to the circumstances, but not for the purpose of making a statement concerning the efficiency in the company's internal controls. An audit also includes an evaluation of the suitability of the accounting principles that have been used and of the reasonability in the board of directors and president's estimations in the accounts, as well as an evaluation of the comprehensive presentation in the annual report and consolidated accounts.

We believe that the accounting documentation that we have received is sufficient and appropriate as grounds for our report.

Statement

In our opinion, the annual report has been prepared in accordance with the Annual Accounts Act and gives a fair and true picture, in all regards, of the parent company's financial position as of December 31, 2011, and of its financial earnings and cash flow for the year in accordance with the Annual Accounts Act, and that the consolidated accounts have been prepared in accordance with the Annual Accounts Act and give a true and fair picture, in all regards, of the group's financial position and its earnings and cash flow in accordance with international accounting standards, as adopted by the EU, and in accordance with the Annual Accounts Act. Our report does not include the corporate governance report on pages 32–33. The statutory administration report is consistent with the other parts of the annual accounts and the consolidated accounts.

Therefore, we recommend that the annual general meeting adopt the income statement and balance sheet for the parent company and the report of financial position for the group.

Report on other requirements in accordance with laws and other statutes

In addition to our audit of the annual report and consolidated accounts, we have also audited the proposal for disposition regarding the company's profit or loss and also the board of directors' and president's administration of Sigma AB for the financial year 2011-01-01 – 2011-12-31. We have also carried out a statutory overview of the corporate governance report.

Board of Directors and President's liability

It is the board of directors that has the responsibility for the proposal regarding disposition of the company's profit or loss, and it is the board of directors and the president that have the responsibility for the administration in accordance with the Companies Act.

Auditors' responsibility

Our responsibility is, with reasonable certainty, to provide an opinion about the proposed disposition of the company's profit or loss and about the administration based on our audit. We have carried out the audit in accordance with accepted accounting practices in Sweden.

As support for our statement regarding the board's proposal for the disposition of the company's profit or loss, we have reviewed the board's motivating statement as well as a selection of documentation for this in order to be able to assess if the proposal is in compliance with the Companies Act.

As support for our statement regarding release from liability we have, in addition to our audit, reviewed important decisions, actions and relationships in the company to be able to assess if any board member or the president is liable to pay compensation to the company. We have also reviewed whether any board members or the president, in any other way, have acted in contravention of the Companies Act, Annual Accounts Act or the articles of incorporation.

We believe that the accounting documentation that we have received is sufficient and appropriate as grounds for our report.

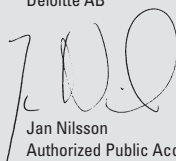
In addition, we have read the corporate governance report, and based on this and our knowledge of the company and group, we feel that we have sufficient grounds for our statement. This means that our statutory overview of the corporate governance report has another focus and a substantially smaller scope compared with the focus and scope that an audit in accordance with International Standards on Auditing and accepted accounting practice in Sweden has.

Statement

We recommend that the annual general meeting utilize the profit in accordance with the proposal in the administration report and release the board members and president from liability for the financial year.

A corporate governance report has been prepared, and its statutory information is in accordance with other sections of the annual report and the consolidated accounts.

Gothenburg, Monday, March 05, 2012
Deloitte AB

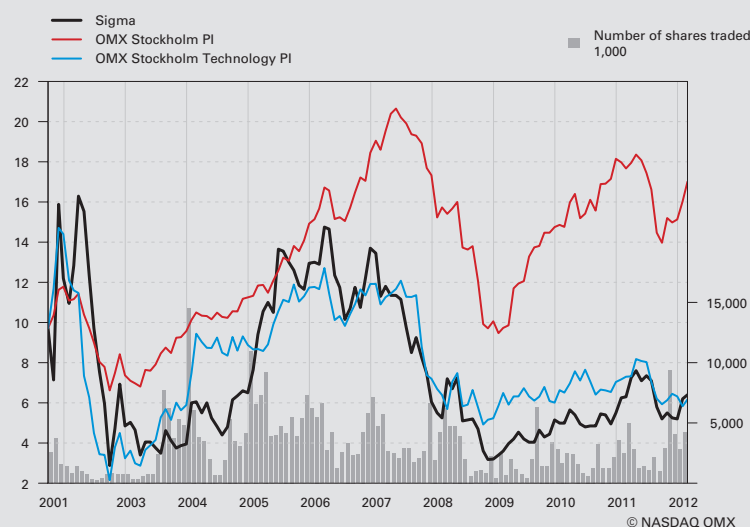


Jan Nilsson
Authorized Public Accountant

SHAREHOLDERS AND PRICE TRENDS

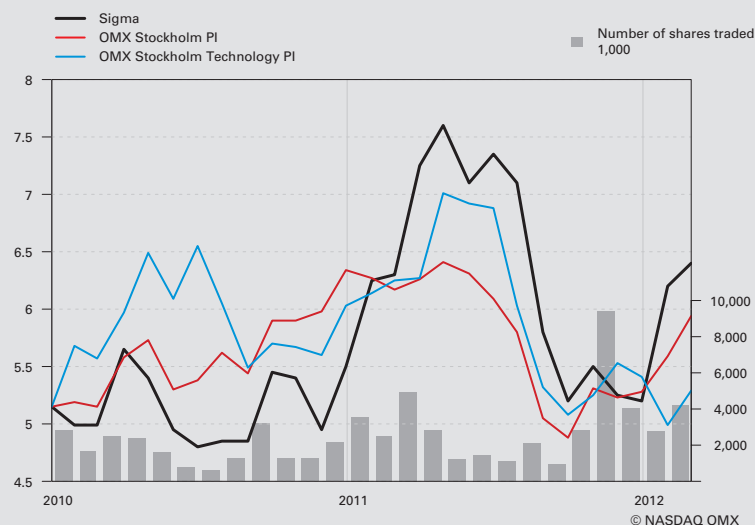
Shareholders as of 2011-12-31	No. of A shares	No. of B shares	Holding %	Votes %
Danir AB	615,171	23,954,828	28.32%	31.37%
Nordea Fonder		17,178,974	19.80%	17.90%
Konstantin Caliacmanis	381,000	321,658	0.81%	4.31%
Danske Capital Sverige AB		3,200,000	3.69%	3.33%
Insurance company Avanza pension		2,009,321	2.32%	2.09%
Kåre Gilström		1,736,960	2.00%	1.81%
ESR EQ Pikkujättläiset		1,513,023	1.74%	1.58%
Länsförsäkringar fondförvaltning AB		1,287,160	1.48%	1.34%
Nordnet Pensionsförsäkring AB		1,266,619	1.46%	1.32%
SEB Trygg Life Ireland Assurance		1,056,425	1.22%	1.10%
	27,953	32,197,379	37.15%	33.84%
Total	1,024,124	85,722,347	100.0%	100.0%

PRICE DEVELOPMENT SINCE SIGMA WAS LISTED ON SEPTEMBER 28, 2001 IS ILLUSTRATED IN THE DIAGRAM BELOW.



During the year, approximately 37 million shares (21) have been traded at a value of around SEK 221 M (114). The number of shares traded corresponds to approximately 42 percent (25) of the total number of listed shares. The average number of shares that are traded on a daily basis was approximately 146,000 or around SEK 882,000 compared to the previous year of around 85,000 or approximately SEK 452,000. Price development during the year has fluctuated quite a bit, and in general, has been in a downward trend. The price level started out just above SEK 6.00 to gradually rise to its highest close on April 28 at SEK 8.00. Up through July it was stable above SEK 7.00 the entire period, even after dividend payments of SEK 0.25 had been made. In connection with the debt crisis being focused on, the price fell dramatically in late July/early August and settled into a range between SEK 4.90 and SEK 6.00. The final price for the year was SEK 5.20 after an upturn during the last trading days of the year. The highest settlement price was SEK 7.75 with a high of SEK 8.00 in April and the lowest settlement price during the year was SEK 4.91 in November. At the beginning of 2012, the price rose and closed on February 29, 2012 at SEK 6.40.

PRICE DEVELOPMENT FROM JANUARY 1, 2010 THROUGH FEBRUARY 28, 2012 IS ILLUSTRATED IN THE DIAGRAM BELOW.



Historical share data 2007–2011

	2011	2010	2009	2008	2007
Final price on last trading day of the year	5.2	5.50	5.15	3.20	6.05
Turnover share trading, SEK 000s	220 687	113 898	95 780	189 529	458 383
Average number of shares	86 746 471	86 746 471	86 746 471	86 746 471	86 394 485
Rate of turnover	43%	25%	26%	38%	51%



MANAGEMENT

CARL VIKINGSSON

Information logistics; business area manager,
President and CEO of Sigma Kudos Group AB
Education: High school engineering
degree, DIHM
Age: 50 years old
Location: Kungsbacka
Employed since: 1986
Employment experience: Previous
consulting manager and consultant

GÖTE BERNTSSON

IT & Management; Regional manager
IT & Management Sweden AB, West
Education: Civil engineer
Age: 56 years old
Location: Lerum
Employed since: 1996
Employment experience: President of
Mandator i Göteborg AB

ARNE JANSSON

IT & Management; Regional manager
IT & Management Sweden AB, Mid
Education: Systems engineering
Age: 54 years old
Location: Örebro
Employed since: 1997
Employment experience: Consultant,
development manager PBS Inc and
vice-president Meteorit AB

JAN ANDERSON

IT & Management; Regional manager
IT & Management Sweden AB, South
Education: High school engineering
degree
Age: 60 years old
Location: Vellinge
Employed since: 1987
Employment experience: President
and CEO for RKS AB.

MICHAEL KRANTZ

Sales manager Sigma AB
Education: University studies
Age: 55 years old
Location: Spånga
Employed since: 1997
Employment experience: Sales manager
IBM, IT manager Municipality of Haninge
and also IT consultant

LARS SUNDOVIST

Chief Financial Officer Sigma AB
Education: High school economics
degree and University studies
Age: 48 years old
Location: Gothenburg
Employed since: 2001
Employment experience: Previous finance
manager at Allgon Microwave AB as well
as controller in the BTL group

NIKLAS BÖRJESSON

Information logistics; vice-president
and COO Sigma Kudos Group
Education: Civil engineer electro-
technology
Age: 42 years old
Location: Mölndal
Employed since: 1995
Employment experience: Previous
consulting manager and consultant

HÅKAN KARLSSON

Chief Executive Officer Sigma AB and
Business area manager IT & Management
Education: Technical high school degree
and also IHM Executive program
Age: 54 years old
Location: Vallentuna
Employed since: 1999–2004 and since 2008
Employment experience: Previous
President and CEO of Måldata AB,
President of Dataunit AB

**JOHAN
GLENMÖ**



Education: Bachelor of Science, University of Tampa
Age: 37 years old
Location: Limhamn
Directorships: Chairman of the board in Epsilon AB and also board member in Danir AB
Employment experience: IT consultant and vice president of the technical consulting operation

**HENRIETTA
HANSSON**



Education: Administration program, major in economics, Lund University, Department of Computer and Systems Sciences, Leadership within Ruter Dam
Age: 47 years old
Location: Kristianstad
Employment experience: President of Länsförsäkringar Kristianstad, President Agria Djurförsäkring and also IT Center Länsförsäkringar AB.

**DAN
OLOFSSON**



Chairman
Education: Civil engineer
Age: 61 years old
Location: Malmö
Directorships: Board member in Danir AB and Epsilon AB
Employment experience: Founder of the Sigma group, CEO Sigma, Teleca and Epsilon
Board member in the remuneration committee

**KONSTANTIN
CALIACMANIS**



Education: Civil engineer
Age: 56 years old
Location: Athens, Greece
Directorships: Chairman of the board Qualco SA
Employment experience: Founder of Sigma Exallon AB

**LARS
WOLLUNG**



Education: Civil engineer, Master of Business Administration
Age: 50 years old
Location: Stockholm
Directorships: Chairman of the board in Transia AB and Mountainlife AB.
Employment experience: President and CEO for Intrum Justitia, President and CEO as well as founder of the consulting company Acando, company consultant at McKinsey & Company.
Board member in the project committee.

**SUNE
NILSSON**



Education: High school economics degree
Age: 58 years old
Location: Gothenburg
Directorships: Chairman of the board for Länsförsäkringar Gothenburg and Bohuslän, Almi Väst AB and also STS Schools AB and board member in Länsförsäkringar AB, Incit AB and Infocube AB.
Employment experience: Founder of Sigma Solutions AB, President and CEO Sigma 2001–2008.
Board member in the project committee and remuneration committee.

**CHRISTINA
RAMBERG**



Education: Master of Law, Doctor of Law
Age: 50 years old
Location: Stockholm
Directorships: Board member in Far Akademi AB and Länsförsäkringar Fondförvaltning AB. Board member in the Government Regulations Council
Employment experience: Professor in civil law at Stockholm University, previously also active at the law firm, Vinge.

**JOACHIM
HOPSTADIUS**



Personnel representative
Education: Industrial Economics, Luleå University of Technology
Age: 38 years old
Location: Löddeköpinge
Employment experience: IT consultant, operations developer/project manager.

THE BOARD



FINANCIAL INFORMATION

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The future interim reports and year-end report will be published as follows:

Interim report 3 months (Q1)	April 26, 2012
Interim report 6 months (Q2)	July 13, 2012
Interim report 9 months (Q3)	October 24, 2012
Press release of unaudited earnings figures 12 months (Q4)	February 1, 2013

OBTAINING INFORMATION ON THE INTERNET

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Interim reports are published on Sigma's website: www.sigma.se. Excerpts from the reports are also sent to the press. The Annual Report will be sent to those shareholders who have requested this from the company in the questionnaire sent out.

The annual report is a document that reflects Sigma through February 2012.

Follow us daily in digital and social media:

Web: www.sigma.se

Twitter: twitter.com/#!/sigmaab

The share on Twitter: twitter.com/#!/thesigmashare

Blog: blogg.sigma.se

Facebook: www.facebook.com/SigmaAB

Linkedin: www.linkedin.com/company/sigma-ab

Youtube: www.youtube.com/user/TheSigmaAB

INVITATION TO ANNUAL GENERAL MEETING

Shareholders of Sigma AB (publ) are hereby notified of the Annual General Meeting on Thursday April 26, 2012 at 5:00 PM at the Radisson SAS hotel in Malmö. The premises will open for registration at 4:00 PM. A complete notification regarding the Annual General Meeting containing proposals to the agenda is made through the company's website and announcements in the Swedish Official Gazette at the end of March. A notification of this with summarized information about the annual general meeting will also be made in Dagens Industri and Sydsvenska Dagbladet.

Shareholders that wish to participate in the annual general meeting must be listed in Euroclear Sweden AB's shareholder register as shareholders as of April 20, 2012 and indicate their intention to participate in the annual general meeting in accordance with what is stated below. Shareholders who have trustee-registered their shares must temporarily re-register them in their own name with Euroclear Sweden AB in order to participate in the annual general meeting. Such registration must be carried out not later than Thursday April 19, 2012. This means that shareholders must notify their trustees in ample time of their desire to re-register the shares.

Notice of attendance at the meeting should be provided in writing to the address: Sigma AB, Annual General Meeting, Lindholmspiren 9, 417 56 Gothenburg or by email to bolagsstamma@sigma.se or by telephone to the company's switchboard at +46 (0) 20-550 550, request "annual general meeting" or apply via fax at +46 (0) 31-40 32 20. The registration must include name, social security number of corporate registration number, number of shares as well as daytime telephone. Possible power of attorney shall be attached to the application. The application shall be submitted to Sigma by Thursday April 19, 2012 at 1:00 pm.

