ANNUAL REPORT 2009

The Annual Report is prepared in Swedish and translated into English. Should differences occur between the Swedish Annual Report and the English translation, the Swedish version shall prevail.

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SCANDINAVIAN COVERAGE

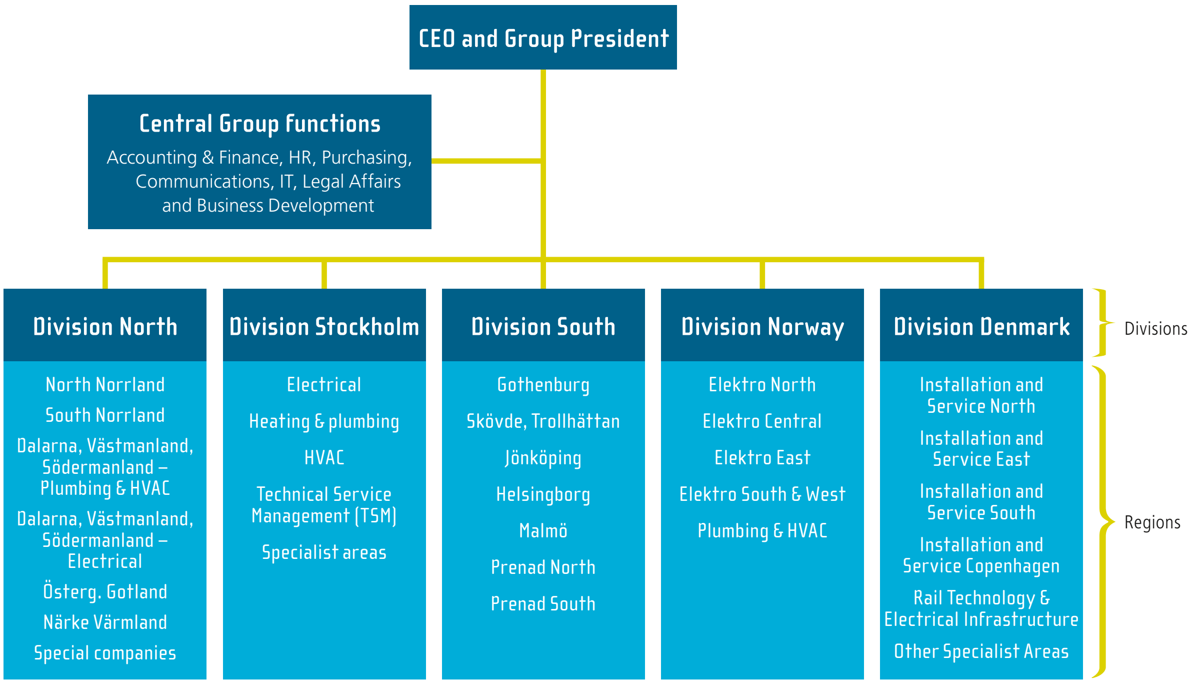
Bravida has a presence in 150 locations in Sweden, Norway and Denmark. The head office is in Stockholm.

HISTORY

- **1922** Twelve building guilds form the foundation of BPA
- **1967** Aktiebolaget BPA Byggproduktion AB is formed
- **1986** BPA's shares are listed on the Stockholm Stock Exchange
- **1993** Building services becomes the company's main business area
- **1994** Ventilationsunion is acquired from Trelleborg AB
- **1995** Ludvigsen & Herman A/S, a Danish plumbing & HVAC firm, is acquired
- **1999** BPA's shares are delisted
- **2000** BPA's and Telenor's building services operations are merged
- **2003** Bravida acquires Semco A/S and Prenad of Denmark
- **2004** The company's operations are concentrated to the core business areas electrical, heating & plumbing and HVAC
- **2006** The private equity firm Triton becomes the new main owner
- **2009** Bravida acquires Siemens Installation AS in Norway

This is Bravida

Bravida is Scandinavia's premier integrated supplier of technical installation and service solutions for buildings and plants. With 8,500 employees in 150 locations, Bravida combines the resources available for a large company with the flexibility and local presence of a small company.

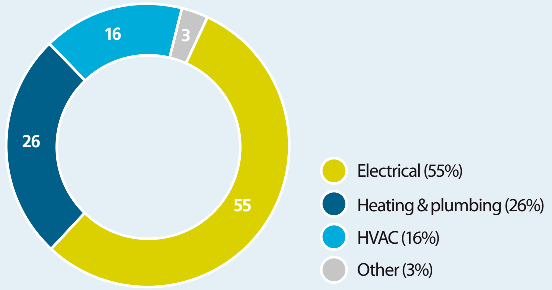


Bravida operates through five divisions: Sweden North, Sweden Stockholm, Sweden South, Norway and Denmark. Each division is in turn divided into regions, based on geographic market or business focus.

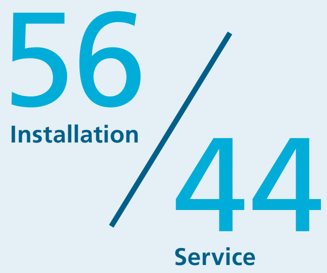
BUSINESS CONCEPT

Bravida's expertise and efficient technical solutions in installation and service provide daily benefits and added value for our customers in electrical installations, heating & plumbing and HVAC. We offer specialist expertise and integrated solutions based on a local presence coupled with the purchasing advantages, resources and structured processes available to a large company.

BREAKDOWN BY TECHNOLOGY AREA
SHARE OF TOTAL SALES, %



BREAKDOWN BY INSTALLATION/SERVICE
% OF SALES

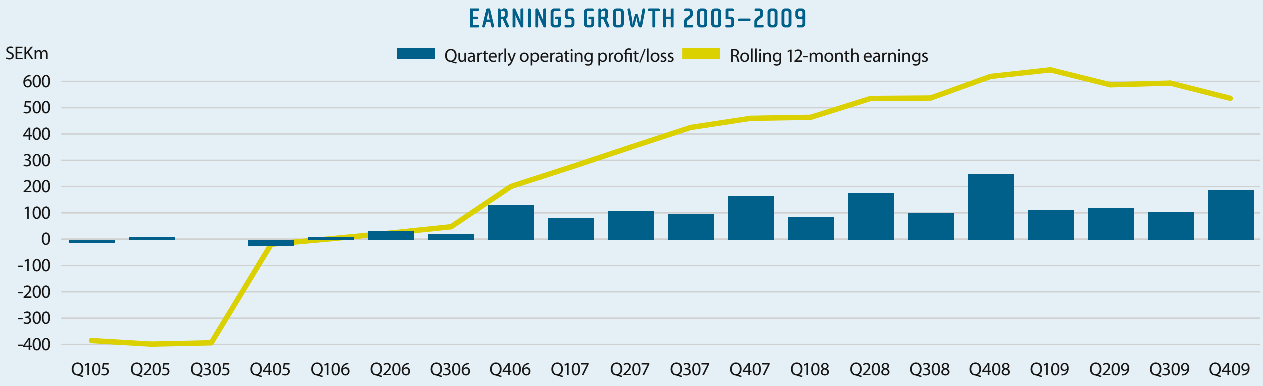


Installation and service in three technology areas

Bravida offers specialist expertise and integrated solutions in electrical installations, heating & plumbing and HVAC. In these three areas of technology Bravida operates at all stages of the installation – from advice and project planning to installation and service.

Installation	Service
By installation Bravida refers to the building or redevelopment of technical systems in buildings, plants and infrastructure. Bravida coordinates a team of technicians, fitters and installers from different fields of technology, giving the customer access to a partner that is able to effectively coordinate and assume responsibility for all aspects of a project.	Our service business comprises operations and maintenance as well as minor adjustments to installations in buildings and plants. Regular service and a proactive approach ensure that the various components maintain the right functionality and that the operation of the system is being optimised.

Electrical	Heating & plumbing	HVAC
With expertise in heavy-current and light-current installations, Bravida offers integrated, energy-efficient solutions for everything from industries and sports arenas to offices and housing.	Bravida performs everything from complex installations for the process industry to simple repair jobs and preventive maintenance in apartment buildings.	Bravida offers customised ventilation solutions as well as all the technology that is required for air handling, air conditioning and climate control, ensuring a good indoor climate.



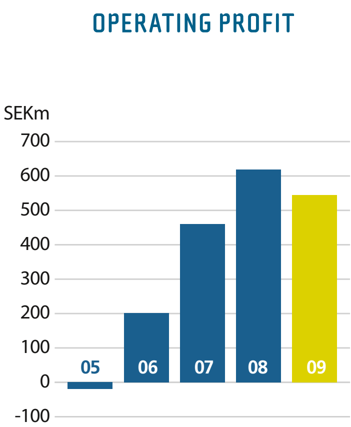
Figures for operating profit/loss before 2007 are pro forma.

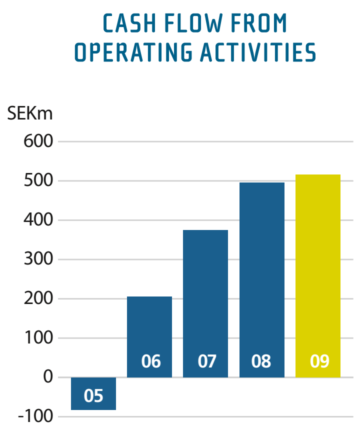
Highlights of 2009

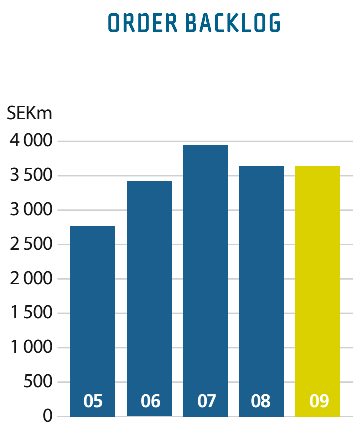
Thanks to our efforts and investments in previous years, Bravida is today a stable company that has so far successfully navigated the recession while advancing its position in the Scandinavian market.

KEY PERFORMANCE INDICATORS, SEKM	2009	2008
Net sales	10,831	10,511
EBITA	545	619
Operating profit	536	617
Earnings after financial items	511	574
Cash flow from operating activities	516	495
Operating margin, %	5.0	5.9
Return on capital employed, %	24.8	27.3
Interest coverage ratio, times	12.9	8.5
Equity/assets ratio, %	28.2	22.3
Order intake	10,215	10,267
Order backlog	3,648	3,647

- EBITA was SEK 545 million (619).
- The operating profit was SEK 536 million (617).
- Earnings after financial items was SEK 511 million (574).
- Cash flow from operating activities improved by 4 per cent to SEK 516 million (495).
- The return on capital employed was 24.8 per cent (27.3%).
- The equity/assets ratio increased by 5.9 percentage points to 28.2 per cent (22.3%).
- On 1 July Bravida acquired the Norwegian electrical installation company Siemens Installation AS.







TORBJÖRN TORELL | CEO and Group President

> Bravida is a stable company that has so far successfully navigated the crisis while advancing its position

Bravida has advanced its positions!

At the start of 2009 we had just entered the current economic downturn. As Bravida is a late-cyclical business the alarm bells had already sounded and we were well prepared to face the approaching storm. We had put our house in order and mapped out a course for the future. Our employees had been instructed to increase their sales efforts, manage risks and keep costs under control. One year later I view Bravida as a stable company that so far has weathered the crisis well, and also exploited it to advance its positions in the Scandinavian market.

Bravida grows with positive cash flow

Bravida's net sales increased by a highly satisfactory 3 per cent in 2009, to SEK 10,831 million (10,511). The operating profit decreased to SEK 536 million (617). This represents an operating margin of 5.0 per cent (5.9%). In assessing the figures, it should be kept in mind that 2008 was a year of strong economic growth when we posted our strongest earnings to date. In 2009 the building services sector experienced falling demand, resulting in increased competition and price pressure.

We have been working hard to improve operating cash flow at all levels of the organisation, so it was particularly satisfying that we managed to improve the figure by 4 per cent, to SEK 516 million (495) in 2009.

Selecting the right project

Yet growth does not come for free, and building services is a low-margin industry. Minor changes in price levels can spell the difference between profit and loss in an installation project. A decision to take on the wrong project can easily have a negative impact on profitability if the buyer defaults on its payments or if the costs prove higher than expected. Selecting the right project, producing accurate cost estimates and monitoring risks are crucial success factors in our line of business. The management team therefore provides extensive support to our various local departments, helping them to manage growth, profitability and risk. This is an ongoing effort, but in 2009 we implemented a number of additional measures, helping us to maintain good profitability.

Acquisitions strengthen Bravida

In 2009 I had the pleasure of welcoming new colleagues in the businesses we acquired. On 1 July 2009 1,300 Siemens employees became a part of Bravida. The acquisition more than doubled our turnover in Norway and put us in a market-leading position in the Norwegian electrical installations market. This was a merger of two equals with considerable potential, partly thanks to the customer base that we gained access to and partly through the exchange of knowledge that is now taking place between staff in both organisations. The integration project is expected to be completed in the summer of 2010.

The acquisition has given us a taste for more, and we are now turning our attention east - to the Finnish market. In our long-term business plan we envisage having a leg in Finland, where I see a significant potential for a major player like Bravida.

Staff cuts

Unfortunately, some staff also had to leave Bravida in 2009. Demand fell in several of Bravida's local markets. We had to scale back operations and dismiss staff, which we see as a major loss, both for Bravida and for the individuals concerned. Our management and staff are therefore implementing important measures in the affected businesses with the aim of reversing negative trends and hopefully preventing any further cutbacks.

One company – one culture

The Bravida Group has undergone major changes in the last five years. Previously operating through a large number of separate subsidiaries, Bravida has now restructured itself into separate companies in each country and taken a firm grip of the organisation with the aim to build a sense of common purpose, improve efficiency and capture synergies. Bravida is today a specialised and overall profitable installation and service company with operations concentrated to the core business areas electrical, heating & plumbing and HVAC. In the wide spread of results among our various units we see ample opportunities for improvement.

Bravida's business and deliveries are transacted locally, where our customers meet skilled professionals and suitable representatives for Bravida. We are striving to build a company with a single culture where our common values of professionalism, simplicity, competence and good conduct inspire everything we do. In each locality our staff can draw on the resources available to a large company. A core strength for Bravida is our central enterprise systems, such as our Bravis Purchasing System, and the Bravida Product Range, which gives our customers access to a wide range of high-quality products at competitive prices, and our ProjektBAS project management system and ServiceBAS service system.

> **Our service business has grown and now accounts for 44 per cent of our total revenues**

Our customers should feel that Bravida represents quality and thorough project management. Each day our staff work on installation and service projects throughout Scandinavia. Yet, regardless of whether we are doing an installation in Tromsø, Norrköping or Helsingør, the same task needs to be solved in the same manner and to the same high standards - the same need, the same solution. Each customer and each project is unique and requires a personal and focused commitment. That is why it is important to also give our staff freedom and to encourage creativity and dedication within the limits of our responsibility.

Bravida pushes the agenda forward on several fronts

The Scandinavian building services sector is highly fragmented, with some 35,000 companies. The industry is going through a phase of consolidation equivalent to that which occurred in the construction industry about 15 years ago. At the same time building services' share in total investments in new builds and redevelopment projects is increasing. This creates opportunities for a major player like Bravida. We take an active role in the ongoing consolidation through carefully selected acquisitions and we also see opportunities to push things forward in other areas.

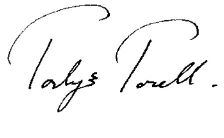
Our goal is to increase the share of revenues generated by service work. In spring 2010 we will be concluding our major initiative in our service business, ServiceBAS, a carefully designed service concept. Our service business has grown and now accounts for 44 per cent of total revenues. I am confident we will be able to reach our target of 50 per cent service revenues within the next couple of years. We are also working on strengthening Bravida's position as an integrated supplier. A growing number of customers have discovered the benefit of entrusting a single supplier with responsibility for all installations instead of spreading the responsibility among several suppliers. In this work our broad and deep expertise, our size and our resources play a key role in giving our customers the confidence to entrust us with all aspects of the installation delivery and thus reduce their own risk.

Proud employees

Bravida's employees have done an impressive job in 2009 and should be proud of what we have achieved.

The recession has forced us to take tough measures but we have emerged stronger and our confidence has been strengthened. As we go into 2010 I believe Bravida is well positioned in the market thanks to our geographic presence, wide range of services and strong finances. Yet it is hard to say when demand will pick up again. In management we are prepared for another year when we together with our staff need to do our utmost to consolidate the positions we have achieved.

Stockholm, March 2010
Torbjörn Torell, CEO and Group President



PER LEOPOLDSON | Chief Financial Officer

Our strong results in 2009 are the fruit of previous years' efforts and investments

Developments in 2005–2009

Our strong results in 2009 are the fruit of previous years' efforts and investments aimed at creating a strong and stable installation and service company. Over the last five years the Group has undergone major changes. Bravida was previously a decentralised company without strong central coordination – today Bravida is one company with a single culture, common work processes and operational support. Bravida has worked systematically in several dimensions:

Operational support – the Group has developed a strong shared IT platform comprising a central ERP system and support systems for the operations. The related administrative and work processes are the same throughout the Group. On the operational side, systems for project management as well as environmental, quality and risk management have been developed.

Structure – Bravida currently operates through five divisions. The number of operating companies has been sharply reduced. Central Group functions have been established for purchasing, business development, IT, communications, HR, legal affairs, and finance and treasury, which provide effective support for the company's local operations.

Profitability and cash flow – all levels of the organisation have a strong focus on the profitability and cash flow for each assignment. In order to reduce its operating capital and administrative expenses, the Group has implemented efficiency projects aimed at making better use of working capital and streamlining its administrative processes. As part of this, the accounting and payroll functions in the Swedish business have been centralised to a number of shared service centres.

Comments on performance in 2005–2009

Increased net sales

Net sales increased by 18 per cent during the period 2005–2009. Excluding currency effects, this equates to an annual growth of over three per cent. The acquisition of Siemens Installation AS increased net sales by SEK 955 million in 2009. Sales per employee increased by 18 per cent from SEK 1.138 million to SEK 1.341 million.

At the end of 2009 the company's order backlog was worth SEK 3,648 million, which was 31 per cent higher than at year-end 2005, excluding the effect of currency conversions.

Lower costs

Bravida works actively to adapt its cost base. Thanks to coordinated purchasing, improved administrative procedures and cost-cutting programmes our administrative and selling expenses have remained constant, despite the increase in sales. The efficiency improvements have also had a positive impact on our production costs.

Improved earnings

All divisions increased their earnings sharply from 2005 to 2009. EBITA increased by SEK 564 million to SEK 545 million and the EBITA margin has gone from -0.2 per cent to 5.0 per cent. In 2009 the margin shrank slightly, which was due to the market situation. In 2007 the company's loans were refinanced, which explains the increase in long-term debt. The figures for net financial expense for the last five years are therefore not comparable. The same applies to the tax expense, as tax loss carry-forwards were recognised as a deferred tax liability in Norway in 2009.

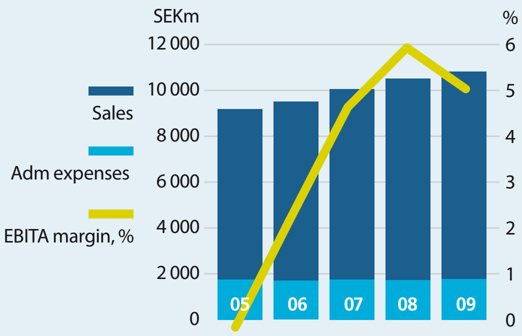
A solid balance sheet

Bravida's balance sheet has strengthened over the last five years. Equity has increased from SEK 644 million to SEK 1,720 million, raising the equity/assets ratio from 16 to 28 per cent. The increase in goodwill is due to the introduction of IFRS in 2009 and the acquisition of Siemens. Other increases in balance sheet items are primarily attributable to higher sales and an increase in cash and cash equivalents from SEK 121 million to SEK 905 million.

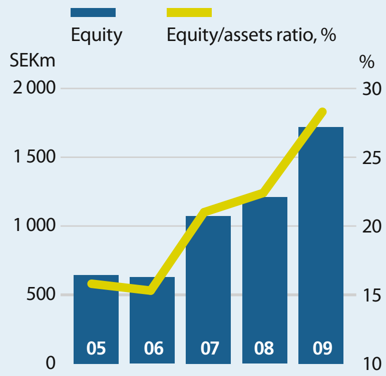
A strong cash flow

Cash flow from operating activities has gone from SEK -82 million to SEK 516 million. The increase of SEK 598 million is attributable to the growth in earnings during the period and to capital efficiencies. In 2007–2009 the company paid down debt by SEK 450 million and paid SEK 250 million in dividends.

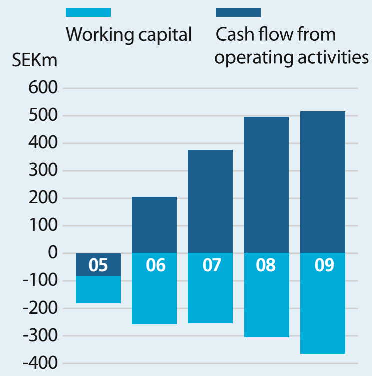
SALES, ADMINISTRATIVE EXPENSES & EBITA MARGIN



EQUITY AND EQUITY/ASSETS RATIO



WORKING CAPITAL AND CASH FLOW



INCOME AND EXPENSE ITEMS, SEKM	2009	2008	2007[2]	pro forma[1] 2006[2]	pro forma[1] 2005[2]
Net sales	10,831	10,511	10,062	9,502	9,187
Costs of production	-8,507	-8,136	-7,833	-7,575	-7,422
Administrative and selling expenses	-1,779	-1,756	-1,769	-1,726	-1,784
Operating profit/loss before goodwill amortisation (EBITA)	**545**	**619**	**460**	**201**	**-19**
Amortisation and impairment of intangible assets	-9	-2	-102	-112	-108
Operating profit/loss (EBIT)	**536**	**617**	**357**	**89**	**-127**
Net financial income/expense	-25	-43	-54	-44	-45
Earnings after financial items (EBT)	**511**	**574**	**304**	**45**	**-172**
Tax	35	-148	-110	-70	-146
Profit/loss for the year	**545**	**426**	**193**	**-25**	**-318**

BALANCE SHEET ITEMS

Goodwill	2,149	1,866	1,857	1,117	1,225
Other non-current assets	476	313	443	551	567
Current assets	3,465	3,240	2,846	2,468	2,298
Total assets	**6,091**	**5,419**	**5,146**	**4,136**	**4,090**
Equity	1,720	1,209	1,073	628	644
Non-current liabilities	963	921	987	512	116
Current liabilities	3,408	3,289	3,086	2,996	3,330
Total equity and liabilities	**6,091**	**5,419**	**5,146**	**4,136**	**4,090**

CASH FLOW

Cash flow from operating activities	516	495	375	205	-82
Cash flow from investing activities	-183	-24	-4	-32	26
Cash flow from financing activities	-87	-290	-411	-103	-961
Cash flow for the year	**246**	**181**	**-40**	**70**	**-1,017**

KEY PERFORMANCE INDICATORS	2009	2008	2007	2006	2005
EBITA margin	5.0 %	5.9 %	4.6 %	2.1 %	-0.2 %
Profit margin	4.7 %	5.5 %	3.0 %	0.5 %	-1.9 %
Return on capital employed	24.8 %	27.3 %	25.2 %	8.7 %	-5.7 %
Interest coverage ratio, times	12.9	8.5	4.8	2.4	-4.2
Equity/assets ratio	28.2 %	22.3 %	20.9 %	15.2 %	15.7 %
Order intake	10,215	10,267	10,664	10,149	9,148
Order backlog	3,648	3,647	3,953	3,423	2,776
Average number of employees	8,078	8,050	8,066	7,995	8,074
Sales per employee	1.341	1.306	1.247	1.188	1.138
Administrative expenses as a % of sales	16.4 %	16.7 %	17.6 %	18.2 %	19.4 %
Working capital as a % of sales	-3.4 %	-2.9 %	-2.5 %	-2.7 %	-2.0 %

1) The comparative figures for the years 2005 and 2006 are pro forma figures based on data for the Bravida AS Group in which comparable operations were conducted.
2) 2005-2007 have not been restated in accordance with IFRS, which means, for instance, that these years include goodwill amortisation.

Business concept, strategy and goals

Bravida's strategic focus areas are customers, profitability, growth and competence. Bravida aims to grow profitably by taking a systematic approach to these areas.

Vision

Bravida is aiming to become the leading Nordic business partner for the development of efficient technical systems in installation and service. With expertise covering all aspects of its field, Bravida works to improve its customers' competitiveness.

Business concept

Bravida's expertise and efficient technical solutions in installation and service provide daily benefits and added value for our customers in electrical installations, heating & plumbing and HVAC. We offer specialist expertise and integrated solutions based on a local presence coupled with the purchasing advantages, resources and structured processes available to a large company.

GOALS FOR 2008–2010

	TARGET	COMMENT
FINANCIAL GOAL	**Operating margin > 7 per cent** Bravida's long-term goal is to ensure that all local departments, regions and divisions achieve an operating profit in excess of 7 per cent of sales after fully allocated costs over the course of a business cycle.	*In 2009 40 per cent of local departments and 33 per cent of regions achieved the target of an operating margin above 7 per cent. None of the five divisions achieved the target during the year.*
POSITION GOAL	**Bravida shall be the largest or second largest operator in at least one field of technology in those locations where the company operates.** Bravida shall be the largest operator in installation and service in our geographic markets: Sweden, Norway and Denmark. Bravida shall be the best-known company in its industry.	*In 2009 Bravida strengthened its position in Norway through the acquisition of Siemens Installation and is now the largest electrical installation company in the Norwegian market.* *A Swedish brand survey conducted in autumn 2009 showed that Bravida has a higher brand recognition than its competitors.*
MARKET GOAL	**An even breakdown, 50/50,** between the installation and service businesses.	*In 2009 the share of sales generated by service assignments increased and now stands at 44 per cent.*
CUSTOMER GOAL	**Bravida's goal is to be the customers' supplier of choice.** For 2009 the target was a customer satisfaction index (CSI) score above 4 on scale of 1 to 5.	*Customer satisfaction surveys for 2009 show that Bravida has consolidated its relationships with customers, scoring 4.0 in installation projects and 3.9 in service projects.*
EMPLOYEE GOAL	**Bravida's goal is to be the employer of choice for its staff.** For 2009 the target was an employee satisfaction index (ESI) score above 3.5 on scale of 1 to 5.	*In 2009 an employee survey was conducted among white-collar workers throughout the Group for the first time. It resulted in an ESI score of 3.8. The 2010 survey will also cover blue-collar workers.*

TARGET: OPERATING MARGIN

7 %

OUTCOME 2009

5.0 % GROUP	6.5 % DIVISION NORTH	5.1 % DIVISION STOCKHOLM
5.7 % DIVISION SOUTH	3.8 % DIVISION NORWAY	1.7 % DIVISION DENMARK

Bravida prioritises margins over growth. The Group's divisions, regions and local departments are monitored at operating margin level, where all central costs are distributed, ensuring comparability among different units. The focus shifts to growth only once a local department has achieved good profitability.

Customer strategy

Satisfied customers are fundamental to Bravida's development and essential to the company's continued growth. Key strategies for this are that:

- Bravida combines size with a local presence. With offices at some 150 locations across Scandinavia, Bravida is always close to the customer and is able to offer the company's full range of solutions and products.
- Bravida works systematically to improve customer satisfaction and works methodically to improve the efficiency and quality of all processes and deliveries.

Profitability strategy

Bravida puts priority on profitability over rapid expansion. This is achieved by ensuring that:

- Bravida works continuously on improving operational efficiency. Through systematic project management based on clearly defined procedures and uniform work methods, Bravida improves efficiency while ensuring a high and constant quality in the services it provides to customers.
- Bravida continually adapts its production capacity and administrative expenses to sales volumes and demand.
- Bravida only takes on projects with calculable risks where the company is able to offer staff with the required expertise.
- Bravida streamlines and coordinates its purchases by taking advantage of the company's total purchasing volume. This enables us to offer our customers a competitive range of high-quality products. The potential is considerable, as purchases of materials and services from subcontractors account for more than half of the company's production costs.
- Bravida focuses on making better use of working capital to improve cash flow and strengthen the company's financial position.

Growth strategy

Over the last five years, when the main emphasis has been on consolidation, Bravida has grown at an annual rate of just over 4 per cent, both organically and through acquisitions. To achieve continued growth, Bravida will:

- Expand into fields of technology that are not covered locally in order to grow in its existing locations.
- Establish a presence outside Scandinavia.
- Take part in the ongoing consolidation in the building services market based on the company's position as the leading player in the industry.
- Prioritise growth in service. Based on a methodical and efficient work method in its service business, Bravida seeks to ensure that it is able to offer optimal customer solutions.

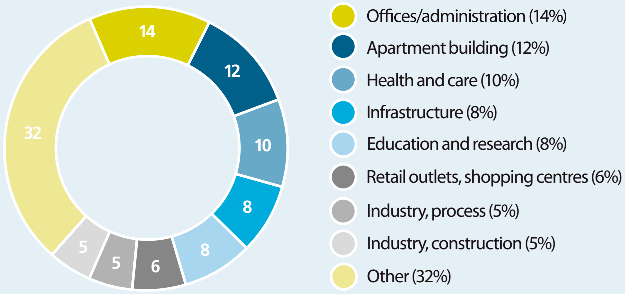
Competence strategy

To have the best customer offering in the market, Bravida needs to ensure that it is able to attract, retain and develop the company's employees. Bravida develops the skills of its employees by:

- Ensuring that a large part of its activities are conducted in project form, giving the company's engineers and technicians the opportunity to develop in varying areas through minor assignments as well as major projects.
- Investing continuously in staff training. In recent years several Group-wide training programmes have been implemented in areas such as leadership development and service. In 2009 the Bravida School was launched in Sweden. The school serves as an umbrella for central training programmes and so far about ten courses for various professional categories have been held.
- Prioritising recruitment and training of young engineers. The company builds relationships with schools and universities to help develop courses in building services and increase its visibility among young applicants.

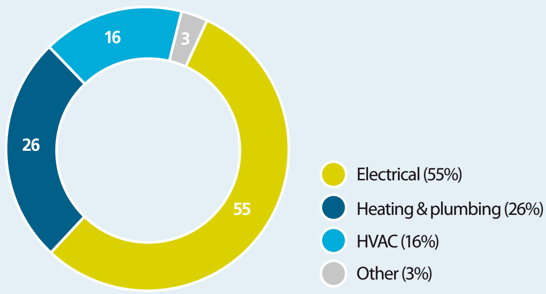
BREAKDOWN BY TYPE OF INSTALLATION

SHARE OF TOTAL SALES, %



BREAKDOWN BY FIELD OF TECHNOLOGY

SHARE OF TOTAL SALES, %



Offer

Bravida's expertise and experience in electrical installations, heating & plumbing and HVAC ensure a long-term solution for the customer, in terms of the initial investment as well as future operation and maintenance through regular service.

A competent partner with large resources

Bravida offers specialist expertise and integrated solutions in electrical installations, heating & plumbing and HVAC. In these three areas of technology Bravida operates at all stages of the installation process – from advice and project planning to installation and service. The offer is divided into two main areas:

- Installation of technical systems in buildings and infrastructure (new installation or redevelopment).
- Service and maintenance of completed installations.

Bravida has a strong position in the Scandinavian building services market. With a local presence in some 150 locations in Sweden, Norway and Denmark, Bravida always operates close to the customer. Thanks to its size, Bravida also has the capacity required to carry out major and complex projects without geographic limitation.

Bravida gives its customers access to highly trained and skilled staff. Regardless of size, all of Bravida's projects are conducted using methods that assure a constant and high level of quality. A strong purchasing organisation also gives customers access to a competitive range of high-quality products.

The core business comprises three fields of technology

Through analysis and regular service, preventive maintenance and early action, Bravida builds successful long-term solutions that benefit the customer as well as the environment. Bravida operates primarily in three fields of technology.

Electrical

With expertise in heavy current and light current installations, Bravida offers complete and energy-efficient solutions for everything from industries and sports arenas to offices and housing. Bravida plans, designs and installs complete solutions for optimal functionality and efficient energy use with an emphasis on high operational reliability and personal safety.

Heating & plumbing

Bravida performs everything from complex installations for the process industry to simple repairs and preventive maintenance in apartment buildings. With over 1,000 certified plumbers, Bravida offers heating and cooling systems that help to create a good indoor climate and guarantee the right temperature for sensitive products. Bravida also has specialist expertise in sprinkler systems, where the company has specific certification. Heating & plumbing is largely about sustainable solutions and reducing energy consumption. A growing area in heating & plumbing is installation and service of district heating, geothermal heating and other energy-saving solutions.

HVAC

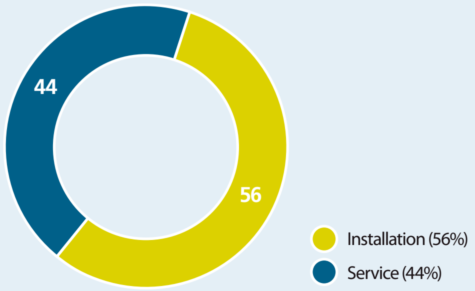
Bravida offers customised ventilation solutions as well as all the technology required for air handling, air conditioning and climate control, ensuring a good indoor climate. Energy use accounts for an increasing share of total property-related expenditure, leading to a greater demand for more efficient ventilation and climate control systems. A good indoor climate is also a high priority for end customers and property owners. Bravida installs solutions for everything from comfort cooling in offices and residential buildings to commercial cooling in freezer rooms and cold rooms.

Specialist areas

In order to provide its customers with a complete offering in installation and service, Bravida also offers products and services in a number of specialist areas, such as con-

BREAKDOWN BY INSTALLATION/SERVICE

SHARE OF TOTAL SALES, %



SERVICE OFFER IN FOUR MAIN AREAS

Operation • Supervision • Supervision and upkeep	**Consulting services** • Statutory HVAC inspections • Energy optimisation
Maintenance • Corrective maintenance • Planned maintenance	**Minor redevelopment and extensions** • ROT projects (repair, renovation, extension) • Adaptations for tenants • Upgrading & modernisation

sulting services and security systems for alarms and access control. Bravida's specialist areas draw on professionals and resources from different fields of technology.

A complete installation offer

By installation Bravida refers to the building or redevelopment of technical systems in buildings and infrastructure. Bravida coordinates technicians, fitters and installers from different fields of technology, giving the customer access to a partner that is able to effectively coordinate and assume responsibility for all aspects of the project. In cases where the customer does not carry out the project planning and design stages itself Bravida has the expertise to take on these stages of the process.

Efficient integrated solutions

Bravida prioritises energy-efficient solutions. Bravida's size, experience and expertise in its fields of technology - electrical installations, heating & plumbing and HVAC - give it the capacity to take responsibility for and optimise all aspects of a building's environment. This ensures improved functionality and more efficient use of energy, which reduces running costs as well as the impact on the environment. As an integrated supplier, Bravida also takes responsibility for and coordinates the interfaces between different fields of technology, reducing the risk for the customer.

Turnkey function solutions

A function solution is where a customer buys a specific function, such as a certain indoor climate or a particular air quality. Bravida assumes responsibility for the overall delivery of function solutions, from the initial requirements analysis to project planning, construction, programming, installation and commissioning, in order to be able to deliver a turnkey system with the agreed function to the customer.

Growing service business

Our service business comprises operations and maintenance as well as minor adjustments to installations in buildings and infrastructure. Regular service and a proactive approach are key elements of Bravida's offer. Regular supervision and upkeep increase the economic life of an installation and reduce running costs while also assuring the customer that the various components maintain their functionality and that the operation of the system is being optimised.

Bravida carries out both large and small service projects, coordinates technicians and installers from different fields of technology and delivers an efficient, high-quality service solution. Bravida's expertise and experience secure a long-term solution that is both functional and economical, in terms of the initial investment as well as future operation and maintenance, by minimising disruptions and improving reliability.

Greater customer benefits through increased focus on service

Since a couple of years Bravida has been focusing on giving its customers access to an attractive service offer. Under the Group-wide ServiceBAS business concept, Bravida has developed internal training courses, common processes and tools for improving its service solutions.

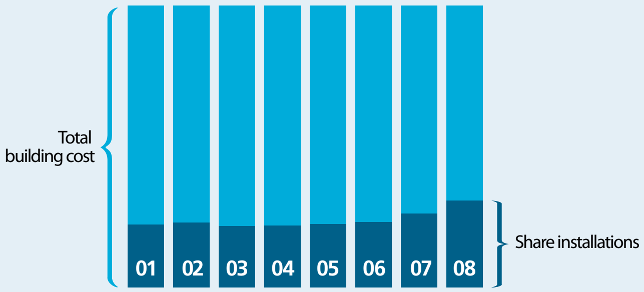
With a stronger focus on the customers' needs, a clearer packaging of the company's range of service options and a more proactive approach, Bravida is able to offer its customers a more trouble-free existence, security and reduced costs.

A prime mover in developing new installation and service solutions

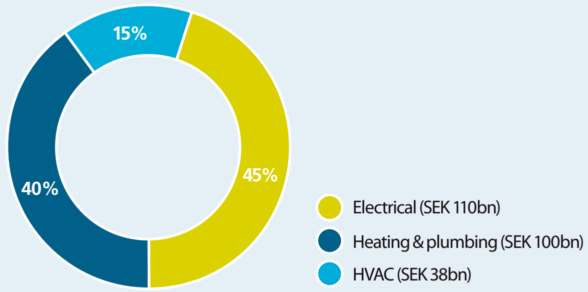
Bravida is continually developing new concepts and solutions to increase customer benefits in areas like:

- Sustainability: development of sustainable energy solutions.
- Building Information Management – BIM: wider use of methods for efficient management of data generated during the design and construction processes and subsequent use in the management phase.
- Service solutions for large companies: Bravida services all installations in Nordea's Danish offices, for instance.

INCREASED SHARE OF INSTALLATIONS*
AS A SHARE OF TOTAL BUILDING COST IN SCANDINAVIA



THE SCANDINAVIAN BUILDING SERVICES MARKET*
BY FIELD OF TECHNOLOGY, 2008



*Data from each country's national statistics office and Prognoscentret.

Market

Building services account for a growing share of investments in new builds. Bravida has established itself as the leading supplier in the Scandinavian market and continues to strengthen its position.

The market is driven by demands for comfort and energy savings

Investments in building services are growing as a share of the total building cost. This is mainly due to two factors:

Increased demands for comfort and functionality

Ever growing demands for comfort and functionality in our homes, workplaces and public spaces have created an increasing demand for advanced installation solutions. The building services market has historically been characterised by slow development and product-focused sales, but this has changed in recent years. Where a customer would previously buy a product, he or she now buys a function, feeling or environment.

Energy-saving solutions

Cutting running costs has become increasingly important, both in new builds and renovation projects. The energy cost is the most significant part of a building's running costs, accounting for 70 per cent of the total cost. However, with today's technology and knowledge substantial savings can be made. Many customers are therefore putting increasing priority on introducing energy-saving installations, which has a positive impact on the demand for building services.

Modern environments require an integrated approach

Modern indoor environments often combine several fields of technology – electrical installations, heating & plumbing and HVAC. The right measures can have a considerable impact on the running costs of a building while also contributing to sustainable development. At the installation stage these sustainable and energy-saving solutions require an integrated approach covering electrical installations, heating & plumbing and HVAC. At the same time installation solutions are becoming an integrated part of the building process, requiring closer collaboration among the owner, builder and building services provider.
More and more customers are also realising that a higher initial investment coupled with a clear plan for maintenance and service lead to lower costs over time.

Complexity increases the need for service

The complexity of modern installation solutions is also creating a greater need for service and maintenance. Previously characterised by poor forward planning and a reactive approach, the service market for installations has become increasingly proactive. Energy inspections and assessments, CE certification of installations in buildings and statutory inspections of HVAC systems are other factors leading to a continuous increase in demand for service solutions.

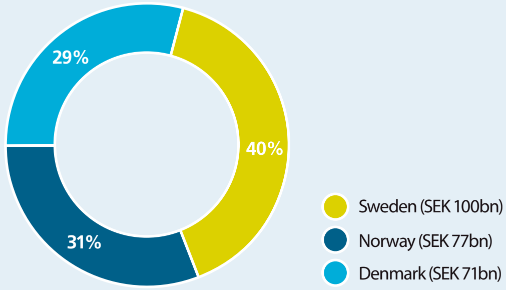
Tough competition and pressured margins in a fragmented market

Demand for new technical installations largely mirrors the trend in investments in new buildings with a lag of 6–12 months. However, the installation industry is less cyclical than the construction industry, as renovations and redevelopment projects generally increase when new builds decline. The share of installation work is also greater in these types of projects. There is also a relatively constant need for service. However, the weak economy had a negative impact on the building services industry in 2009 and will continue to affect Bravida and other suppliers in the market over the next few years.

In 2008 the Scandinavian building services market was worth about SEK 250 billion, shared between some 35,000 providers. Of these, about 30,000 had less than 10 employees and the great majority focused on a single field of technology.

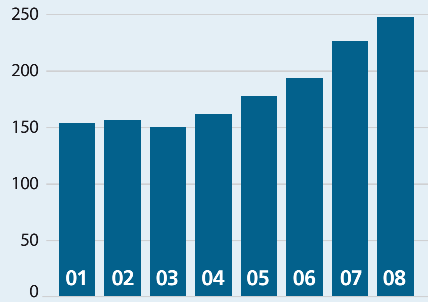
THE SCANDINAVIAN BUILDING SERVICES MARKET*

BY COUNTRY, 2008



GROWTH IN THE BUILDING SERVICES MARKET*

SCANDINAVIA, SEK BILLIONS



*Data from each country's national statistics office.

Bravida is a market leader

Along with YIT of Finland, Bravida is the largest supplier and the market leader in Scandinavia. Both companies provide integrated solutions covering several fields of technology in several geographic markets. However, in individual markets Bravida faces strong competition from rival suppliers in various fields of technology, such as NVS and NEA in Sweden, Kemp & Lauritzen in Denmark and GK in Norway.

Bravida is one of the two largest suppliers in all of the Scandinavian markets:

- In Sweden Bravida is the largest player, with a market share of about 7 per cent.
- In Norway Bravida is number two in the market, with a market share of about 3 per cent. In electrical installations Bravida is the market leader.
- In Denmark Bravida is the largest player in the market, along with a competitor of similar size. The market share is about 3 per cent.

The market is undergoing a process of consolidation, and large companies like Bravida are playing an increasingly important role, not least because the increasingly complex solutions being demanded require a wider range of skills and greater resources.

Bravida is positioning itself as a leading integrated supplier

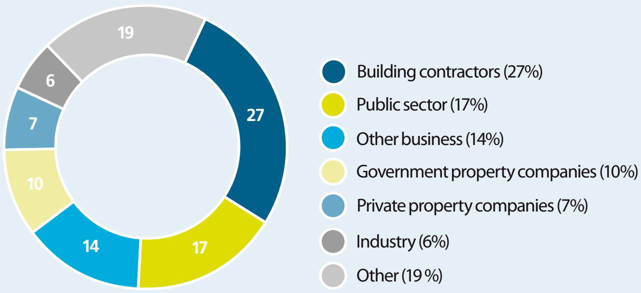
Bravida is Scandinavia's premier integrated supplier of technical installation and service solutions for buildings and infrastructure. With some 8,500 employees and a local presence in about 150 locations in Sweden, Norway and Denmark, Bravida operates close to the customer. Whatever the project - a new installation project, redevelopment or service - the company has the expertise required as well as a local presence that simplifies the relationship with the customer. Bravida operates at all stages of the installation process, from design and project planning to installation and service.

Tight margins and a slower growth rate have been offset by active efforts to cut costs and develop the less cyclical service business. However, the recession can also create new opportunities, as the process of consolidation in the market accelerates, creating an opportunity for Bravida to strengthen its market positions through acquisitions and organic growth, in existing as well as new geographic markets.

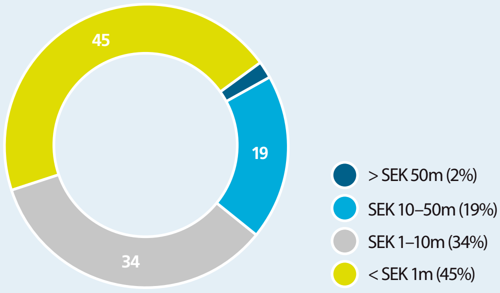
An expansion to Finland, where the building services market is currently worth about SEK 50 billion, is part of the company's long-term business plan and is seen as a natural next step.

A larger initial investment coupled with a clear plan for maintenance and service leads to lower installation costs over time

BREAKDOWN OF SALES
BY CUSTOMER GROUP 2009, %



BREAKDOWN OF SALES
BY PROJECT SIZE 2009, %



Customers

Bravida has a large number of established customer relationships in various industries and among different categories of customer. Through proactive sales and closer contacts with customers, Bravida wants to strengthen its profile as the customers' supplier of choice.

A broad customer portfolio

Bravida's customers are widely distributed across different industries and categories of customer. The largest customer group is building contractors, who subcontract installation services as part of a construction project. The second most important group is the public sector. No individual customer accounts for more than 5 per cent of sales. Due to the recession, the importance of customers in the public sector increased in 2009. Bravida is commissioned for installation and service projects in all types of infrastructure and buildings, including industrial buildings, offices, shopping centres, arenas, schools, hospitals and residential buildings.

Small or large – every project is important

For Bravida every project is important, whatever its size. A sizeable portion of Bravida's sales comes from a large number of small and medium-sized projects, such as minor adaptations to office premises and redevelopments and extensions of buildings. In addition to these, Bravida also carried out installations in a number of major projects, including large new builds, in 2009.

Although customers and projects vary greatly, there are certain typical customers and contracts that are more common than others. A typical installation project has an implementation time to final delivery of six months but can also stretch over several years. Service assignments range from one- or two-hour emergency call-outs to maintenance agreements stretching over several years. In 2009 Bravida had over 28,000 active projects in installation and service. This equates to an average value per project of about SEK 380,000. Customer relationships are generally long-term and most customers come back to buy new services.

Increased proactive sales

Installation is a sector facing strong price pressures where many contracts go to the supplier offering the lowest price. In most cases customers put out separate tenders for electrical installations, heating & plumbing and HVAC, and building services providers are often drawn in at a later stage after a construction project has already begun and the lead contractor has been appointed. A local presence and good customer relationships are key factors determining whether a company is invited to participate in tenders. Bravida is striving to become more proactive in its customer relationships. The goal is to sell more by better understanding the customer's needs. This will be achieved through active add-on sales in existing contracts and a greater degree of proactivity in all customer relationships. Sales skills are also a part of the training given to Bravida's managers and project managers.

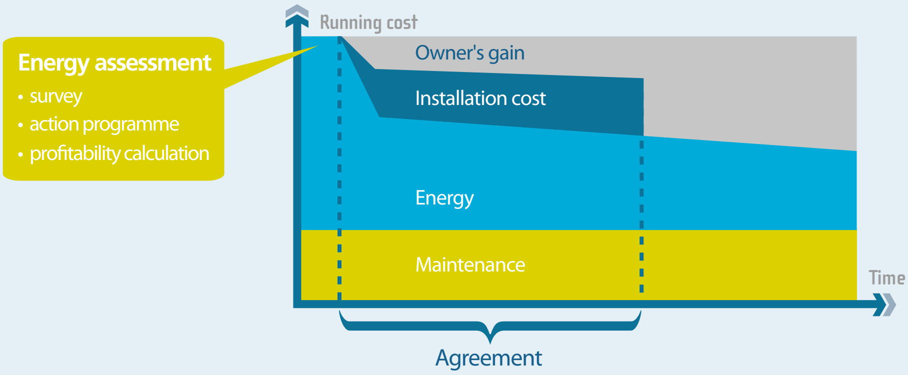
Property owners are changing their behaviour

As installation investments increase in importance, more property developers are choosing to procure services directly from the building services company in major new builds rather than through a construction firm. Giving the building services company total responsibility for integrating the installations can create synergies, in terms of performance as well as financially. Examples of such projects where Bravida has delivered integrated solutions covering several fields of technology are the Malmö Arena, Clarion Sign Hotel and the "Södra länken" motorway tunnel in Stockholm.

Strong customer relationships

Bravida wants to be the supplier of choice for its customers, and customer contact is crucial to achieving this goal. Work on strengthening the company's customer relationships is underway at all levels of the Group. The aim is to build a relationship of trust, being visible and available to the customer at the premises and placing a greater emphasis on the customers' needs. Bravida's profile as a company offering a high level of service and quality in its deliveries was strengthened during the year, as shown in the company's customer satisfaction index for 2009. The survey showed that four out of five customers are satisfied or very satisfied with Bravida as a whole and that the share of dissatisfied customers is very low.

ENERGY SAVINGS CAN FUND SUSTAINABLE INVESTMENTS



A property's running cost consists of costs for maintenance and energy use. As part of its customised energy agreements, Bravida takes an integrated approach to a property's energy consumption and makes investments and implements measures that significantly reduce consumption. The customer commits itself to a 3–7-year agreement period. During that time Bravida implements the necessary changes and services the installations. Investments in energy-saving measures are funded by collecting a portion of the savings made by the customer.

Sustainability

By developing sustainable installation solutions that save energy and money for its customers, Bravida creates opportunities for sustainable development. And in its own operations Bravida works actively to minimise the environmental impact from its own operations.

Internal commitment

Bravida works to minimise the company's environmental impact and ensure the long-term sustainability of its operations. Bravida continually identifies, examines and evaluates the company's impact on the environment. Key focus areas are employees' travel and transports as well as waste and energy consumption during installation projects.

Fossil fuels – Bravida's biggest impact on the environment comes from the use of fossil fuels for the company's 3,700 commercial vehicles in Scandinavia. A general environmental goal for Bravida is therefore to cut the use of fossil fuels in company vehicles by 3 per cent compared with the year before. This goal was achieved in 2009.

Waste – Bravida's operations do not involve environmentally hazardous processes subject to official notification requirements. Employees with duties that can have a significant environmental impact receive appropriate training. Bravida is licensed to transport hazardous waste by road, enabling it to meet its customers' demands and need for environmentally friendly transports and management of waste.

Sustainable solutions are good business

Bravida's main opportunity to make a positive contribution to sustainable development is in the solutions it delivers to its customers. Using an integrated approach that draws on the company's expertise in electrical installations, heating & plumbing and HVAC, we are able to create systems with a high potential to optimise energy consumption. In parallel with this Bravida works actively to develop efficient solutions in each field of technology.

Adapting technology to behaviour

Bravida's energy-related activities focus on letting the end user's behaviour govern the technology. Solutions are customised based on users' behaviour. This can be something as simple as ensuring that the lights are turned off when an office is empty or a more complicated task like adapting air quality in an industrial facility using advanced automatic control systems.

Energy-saving services

Bravida's offering comprises simple, everyday energy-saving measures as well as complex integrated solutions covering all aspects of a building's energy consumption. Examples of energy-saving services include:

- Energy assessments – a property's indoor climate and energy costs are analysed to identify potential savings through adjustments to existing installations or redevelopment. Energy use can often be cut by up to 25 per cent.
- Statutory energy assessments – a building's energy use is assessed and documented. This is a legal requirement in several Nordic countries.
- Customised energy contracts – Bravida takes responsibility for the operation and maintenance of all technical installations in a building, providing a functional warranty. Energy use is optimised and investments are made to minimise operations, maintenance and energy costs. A fixed compensation is charged for operations and maintenance while investments in energy savings are funded by collecting a portion of the savings made by the customer.
- Replacing electricity meters – in 2008/2009 Bravida replaced one million electricity meters to give power companies the opportunity to remotely monitor power consumption, enabling them to identify and address unwanted consumption.

BRAVIDA'S VALUES

PROFESSIONALISM – A clear economic responsibility
In every part of our organisation there are opportunities and paths taking the company forward. Each employee assumes personal economic responsibility for the company, through all phases of a project.

SIMPLICITY – A uniform and uncomplicated approach
Simple, uncomplicated procedures and work processes ensure flexibility and efficiency in our operations. Based on a uniform approach, each Bravida office solves similar problems in the same way. The motto is "the same need - the same solution."

COMPETENCE – Knowledge, will and ability
In each new project Bravida always ensures that the right person is in the right place. The company's staff are organised in a way that promotes the best interests of the company and its customers. Bravida stays one step ahead and thinks in new ways. Employees from different offices and fields of technology work together.

GOOD CONDUCT – Reliability and correctness
Bravida has a clear style of doing business that is based on reliability and correctness. Our employees take a personal responsibility and keep what they promise. A friendly and approachable manner in meetings is second nature to Bravida's employees.

Employees

Bravida is an innovative building services company with a strong belief in the future that operates at the forefront of technology. The company's success is based on the expertise and reliability of its employees and their ability to deliver the solutions demanded by the customers, today and tomorrow.

Expertise, leadership and new talents take Bravida forward

As Bravida grows and strengthens its position as the leading supplier of installation and service solutions, the skills and commitment of its staff are crucial to its continued success. At year-end 2009 the Group had about 8,500 employees, who work on the planning and implementation of installation and service projects. Skills development and leadership training as well as recruitment are key focus areas in Bravida's human resources activities.

Skills development

Bravida works systematically to build a common skills platform in the Group. The motto "The same need, the same solution" is a guiding principle in the company's skills development activities. Continuous training of Bravida's staff is the key to improving the efficiency and quality of all processes and deliveries. But the opportunity to learn new things is also an incentive and a driving force for employees seeking to develop in their professional roles.

As part of its continuous development work, the company established the Bravida School in Sweden in 2009. The school serves as an umbrella for all key training programmes for the Group's Swedish employees. Similar training initiatives are being implemented in Norway and Denmark.

In 2009 Bravida conducted several training programmes for various professional categories. Run chiefly by experienced in-house staff, the internal training programmes play a key role in building networks and spreading knowledge within the Group.

Leadership training and succession planning

Bravida's goal is to become self-sufficient in leaders. Central leadership training programmes have been developed with the aim of training the company's current and future leaders in leadership, staff responsibility, communication, motivation and conflict management. Since 2007 just over half of Bravida's managers have initiated or completed the programme, which runs over 18 months and ends with the award of an internal diploma.

SUCCESSFUL RECRUITMENT WORK

The share of women in Bravida's workforce remains low. But in our TSM unit (Technical Service Management), which works on building operation and management, Bravida has successfully increased the share of female engineers by actively recruiting several women at the same time.

– *"Simultaneous recruitment of several female employees has proved helpful in improving the integration of women and men and in ensuring that women choose to stay with Bravida for the long term"*, Kurt Waltersson, Regional Manager TSM, says.

EMPLOYEES

Number of employees*	2009	2008
Total in Group	8,078	8,050
Of which, women	477	499
Sweden	5,024	5,280
Norway	1,527	989
Denmark	1,527	1,781

* Average number of employees during the year.

Age structure, %	2009	2008
Over 60 years	8.4	8.3
51-60 years	18.7	19.0
41-50 years	25.1	24.6
31-40 years	23.0	23.5
21-30 years	21.2	21.4
Under 20	3.6	3.2

Bravida's organisation offers a variety of career paths and opportunities for personal development. Bravida's day-to-day activities are mostly conducted in project form, enabling the company's engineers and technicians to develop in different areas, through minor assignments as well as major projects. Experience and exposure to many different areas of expertise enable leaders to gradually take on increasingly demanding and senior roles in Bravida.

Recruitment

Bravida faces a challenge recruiting younger staff, both white-collar and blue-collar workers. Longer-term, the building services industry is set to grow, and technological advances will require more skilled employees. The age structure of the company's employees points to a need to recruit younger, educated staff.

Bravida strives to offer good development opportunities for its staff. The company therefore emphasises personal development and internal recruitment over external recruitment. Work on increasing the number of young engineers continues, and the company has increased its visibility at various schools in Scandinavia through involvement in courses, dissertation-writing and direct recruitment.

An electronic support system that is designed to facilitate recruitment of new staff at central as well as local levels was successfully installed in 2009. However, efforts to recruit new staff were limited in 2009. Due to the recession and falling demand, the company has also been forced to dismiss staff in several parts of the Group.

One company – one culture

In recent years Bravida has acquired a number of companies with strong ties to various geographic areas in Scandinavia. Due to the decentralised nature of the Group's operations, central administrative processes and other support functions play a key role. Bravida strives to build a strong common company culture and a strong brand.

Bravida's values are the foundation for what we do

The company's culture and values are important for keeping the Group together and guiding employees in their work. Alongside leaders and managers, the trade unions play a key role in building a common company culture and in human resources activities. A dialogue with trade union representatives is important to the implementation and acceptance of various improvement measures.

Bravida's day-to-day activities are governed by a code of conduct, which supports each employee in their professional role and explains the significance of the company's core values. The code describes what Bravida expects from each employee in various situations, e.g. in respect of gifts, confidential information, equal opportunities and diversity.

THE BRAVIDA SCHOOL IN SWEDEN WAS ESTABLISHED IN 2009

- Project Management School – advanced project management skills, accounting and finance, legal affairs and purchasing – is mandatory for all project managers.
- BAM – "A Better Work Environment", an occupational health and safety programme that is mandatory for all managers, project managers, service managers and trade union health and safety representatives.
- Best in production – a course aimed at project managers and supervising installers.
- Leadership training – for managers throughout the Group.
- Service programme – a programme covering sales and work methods aimed at service managers and coordinators as well as other employees.

CUSTOMER SATISFACTION INDEX (CSI)

	CSI score Installation	CSI score Service
2009	4.0	3.9
2008	3.8	3.9
2007	3.9	4.0

CSI 2009 = 4.0 and 3.9 Target 4.0

Bravida continually assesses the quality of the company's work through customer satisfaction surveys. Since 2007 over 1,000 projects and service assignments in the Swedish business have been evaluated.

Bravida's overall quality goals are to achieve an average CSI score of at least 4 (scale 0–5) and to exceed the previous year's value each year. The 2009 surveys show that Bravida strengthened its customer relationships during the year.

Quality and occupational health and safety

Our quality assurance activities are a key reason why many customers choose Bravida as their supplier. The company's occupational health and safety activities are another important reason why customers as well as employees want to work with Bravida.

Quality

Bravida's quality assurance activities are based on responsibility, commitment, expertise and trust. The company strives to ensure that the installation solutions and services it provides meet our customers' as well as society's expectations and requirements. Quality is the responsibility of all staff and should inspire everything we do, from the initial customer contact to final delivery. Our employees have a high level of expertise and Bravida works with suppliers that live up to the company's demand for across-the-board quality.

Proactive quality assurance prevents risk

Bravida has a comprehensive quality management system that supports processes at different stages of the company's production, from tendering to final delivery. Installation projects and service projects are quality-planned and quality-assured to meet our customers' requirements and expectations, but also to proactively identify, prevent and price risks. Ultimately, our quality assurance activities are governed by Bravida's quality policy.

Bravida has grown and new operations have been added to the Group. Bravida's ambition is to standardise the Group's work processes to achieve a situation where the same needs result in the same solutions. Common work processes have been established in the Group and adapted to local conditions and legislation. Bravida has also obtained accreditation in several of the areas in which it operates. In 2008 and 2009 the company's Cooling and Fire Alarms product areas were accredited in the Swedish business.

A systematic approach to quality assurance builds credibility and prevents risk

QUALITY ASSURANCE PREVENTS RISK

Bravida's management system prevents risk and reduces the company's risk exposure.

In their daily activities employees at all levels of our organisation face significant risks that need to be managed. These include risks to health and the environment, risks in tenders and functional undertakings in deliveries as well as various financial risks. Through a systematic approach to quality assurance, environmental and occupational health and safety issues, Bravida works proactively to ensure that its employees do not expose themselves, the customers or the company to undefined risks.

SICKNESS AND ACCIDENTS

	Sick leave, %		Occupational injury rate*	
	2009	2008	2009	2008
Sweden	4.4	4.2	9.5	5.2
Norway	7.0	7.0	8.5	7.6
Denmark	4.2	4.9	34.4	39.7

* Occupational injuries resulting in at least 1 day of sick leave per million work hours

EMPLOYEE SATISFACTION INDEX (ESI)

ESI 2009 = 3.8   Target 3.5

Bravida aims to be an attractive employer. To measure this, Bravida conducted its first employee survey among white-collar workers in 2009. The target was an ESI score of 3.5. The actual score was 3.8. In particular, the company's managers received very high marks.

In 2010 the survey will cover all staff.

Our employees should exude quality in their behaviour towards customers

In addition to working preventively, quality is also about taking responsibility for any errors that may occur. The customer must feel confident that Bravida will take responsibility for what it has delivered and that the company takes a structured approach to dealing with any errors and problems that may occur. Professionalism, good conduct and service-mindedness are the guiding principles for this work. Bravida's staff are also trained in dealing with contingencies. The organisation also provides direct support and assistance in these situations.

A good work environment

Bravida's occupational health and safety (OHS) activities are always up-to-date and the work environment at the company's workplaces is a key competitive asset from a sales, employee and recruitment perspective. OHS activities are also an integral part of Bravida's central enterprise systems. In Sweden 150–200 employees undergo an OHS training programme (A Better Work Environment) each year. The programme is mandatory for managers, project managers and trade union health and safety representatives and is arranged by the Bravida School. In total over 1,000 staff have completed the course. Similar initiatives are being implemented in Norway and Denmark.

OHS development comprises work on:

- Reducing sick leave, including long-term sick leave – much emphasis is placed on preventing occupational injuries, for instance through training in load ergonomics. Work has also begun on evaluating various models for reporting incidents.
- Rehabilitation – Bravida has established rehabilitation programmes for employees on long-term sick leave as well as action plans and measures for ensuring that as many as possible are able to return to work.
- Safety – safety is a high priority in Bravida's quality assurance activities, where key areas include work on hazardous materials, working at high levels, lifts, etc.
- Work equipment – a key part of promoting occupational health and safety is to ensure that equipment such as clothing, cars and tools maintain a high quality. This is important for ensuring that the company's employees are able to perform their duties effectively and safely. Having the right equipment also helps promote job satisfaction, a sense of style and professionalism.
- Follow up – To ensure adequate follow-up and emphasise the importance of occupational health and safety, a number of health and safety issues are included in internal audits.

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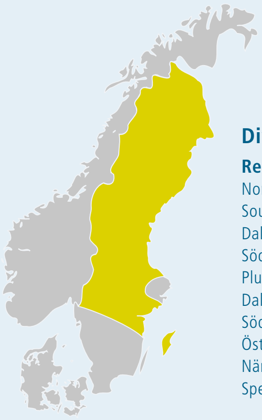
OHS activities are an integral part of Bravida's central enterprise systems

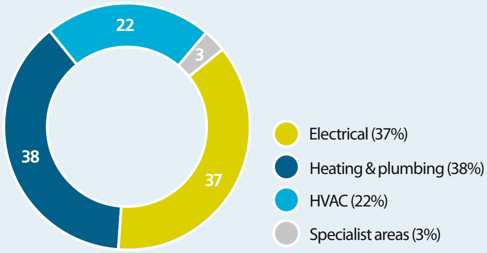


Division North

Regions:
North Norrland
South Norrland
Dalarna, Västmanland, Södermanland – Plumbing & HVAC
Dalarna, Västmanland, Södermanland – Electrical
Österg. Gotland
Närke Värmland
Special companies

BREAKDOWN BY FIELD OF TECHNOLOGY

SHARE OF DIVISION'S SALES, %



BREAKDOWN BY INSTALLATION/SERVICE

SHARE OF DIVISION'S SALES, %

46 Installation / 54 Service

Division North

Division North focuses on the public sector, commercial private property owners and industry. In 2009 the division increased its focus on service and shifted its segment focus to markets and customers with stable conditions.

Market conditions

The public sector saw strong demand for renovations and modernisations of schools and healthcare institutions. The service and maintenance market was stable, with growing demand in the energy area. Because of the recession, demand in the industrial segment was weak in 2009.

Financial performance

The division's sales fell by 14 per cent in 2009, to SEK 1,848 million (2,137). The decrease was primarily due to lower construction volumes, which were partly offset by increased service volumes. The operating profit was SEK 120 million (117), which represents a margin improvement of 6.5 per cent (5.5%). Profitability was good throughout the division.

The order intake fell by 21 per cent to SEK 1,712 million (2,164) while the order backlog at year-end stood at SEK 579 million (714).

Projects and focus areas

In the fourth quarter the division was commissioned to carry out electrical installations, heating & plumbing and HVAC installations in a project to convert office premises in 250 residential units in the Tvålflingan block in Stockholm. The project was commissioned by Kungsfiskaren and the owner is ALM Equity. The project is expected to continue until 2011. In 2009 Division North was also commissioned to carry out all installations at Dragonskolan, a school in Umeå, and the electrical installations for the E18 motorway tunnel between Sagån and Enköping. To secure its skills base and expand the offering, the division was strengthened in areas such as safety, fire protection, lifts and energy optimisation. To further improve its offering in energy and environmental services, a concept for energy optimisation in buildings and related training programmes has been initiated.

Outlook

The tough economic backdrop will continue to affect pricing and opportunities for growth in the early part of 2010, but it is hoped that we will see a normalisation of demand based on a pent-up need for renovation and installations coupled with resurgent demand from the industrial segment.

DIVISION OVERVIEW

Sales	Operating margin	Order intake	Order backlog
1,848	6.5 %	1,712	579

Share of Group

17 %	**SEK 1,848m** sales
22 %	**SEK 120m** operating profit
18 %	**1,480** average no. of employees

Sweden's first wood-built multi-storey car park

The town of Skellefteå grew up around the local forestry industry and timber trade. In late 2009 Sweden's first wood-built multi-storey car park was completed in Skellefteå. Sustainable, renewable, beautiful – wood is an excellent building material in many ways, and an important reason to choose wood rather than other materials is to minimise your ecological footprint.

Interest in buildings with a load-bearing wood construction is increasing steadily, creating a need for new building methods and installation solutions. In the multi-storey car park Bravida has installed geothermal heating systems in the ramps. Due to the movement in the wood the coils of pipe are protected using special protective casings to prevent breakages.

– "*Doing an installation in wood is quite different, as wood is a living material. It swells and shrinks depending on the season and the humidity, and this requires a special approach when you're doing the installation",* says Peter Bäcklund, the project manager for the integrated installation project, Bravida.

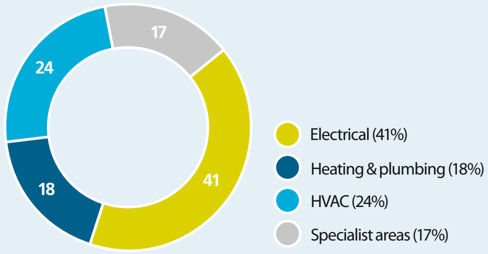
Doing an installation in wood is quite different, as wood is a living material.

PETER BÄCKLUND | Project Manager Bravida

Division Stockholm

Regions:
Electrical
Heating & plumbing
HVAC
Technical Service Management (TSM)
Special

BREAKDOWN BY FIELD OF TECHNOLOGY
SHARE OF DIVISION'S SALES, %



BREAKDOWN BY INSTALLATION/SERVICE
SHARE OF DIVISION'S SALES, %

68 Installation / 32 Service

Division Stockholm

In 2009 Division Stockholm faced growing competition from competitors that do not normally operate in the market. 2010 is expected to be a tough year but the division will seek to defend its market share through an increased focus on integrated solutions and service.

Market conditions
Although the volume of installation contracts decreased in 2009, a number of very large projects in the Stockholm region are due to begin in the near future. Housing production was low in 2009 but a shortage of housing coupled with low interest rates and a large number of properties about to undergo major renovation create a potential for recovery. Investment in new housing by the public sector has also increased sharply. The increase is partly due to major investments in sport and recreation.

Financial performance
Division Stockholm generated sales of SEK 1,974 million (2,050) in 2009, which was a decrease of 4 per cent. With a margin of 5.1 per cent (5.9%), the operating profit was SEK 101 million (121). For comparable units and excluding last year's capital gain of SEK 6 million, the margin was unchanged compared with the year before.

The order intake in 2009 was high, at SEK 1,946 million (1,872), which was an increase of 4 per cent compared with the year before. However, the order backlog fell by 4 per cent to 742 million (770).

Projects and focus areas
In the fourth quarter Bravida won an order for installation of HVAC, heating & plumbing, and alarm and access control systems in the new Biocentrum building at Sweden's largest agricultural university. The project has been commissioned by Akademiska Hus. As the project has a strong energy focus, the installations need to be highly energy-efficient, especially in the new energy-efficient lab rooms. Work began in January 2010 and the project is expected to be completed in mid-2011. In 2009 the division also received a contract to install its new in-house-developed Integra alarm and access control system in all buildings of Uppsala University and to carry out installations of electrical, heating & plumbing and HVAC systems in Gottsunda Centrum.

Outlook
Due to the increase in major projects in the Stockholm region that will be put out to tender over the next twelve months, there are good opportunities to increase the division's installation project services over the next year. However, competition from companies that do not normally operate in this market could make it difficult for the division to defend its market share.

DIVISION OVERVIEW

Sales	Operating margin	Order intake	Order backlog
1,974	5.1 %	1,946	742

Share of Group

18 %	**SEK 1,974m** sales
19 %	**SEK 101m** operating profit
15 %	**1,243** average no. of employees

Kungsbrohuset – one of the world's most eco-smart buildings

In central Stockholm a new part of town is emerging through the redesign of Västra City. The area will become home to Europe's largest conference centre. The Cityterminalen central coach station is being renovated and there are plans to cover and build on top of railway tracks. In the heart of the area is Kungsbrohuset, a building the owner Jernhusen is planning to certify under no less than three environmental classification systems, including the EU's GreenBuilding standard and the new Swedish environmental classification system Miljöklassat Hus. Bravida's role in the project is to install ventilation systems, including a fan room to be constructed on site, which will create a pleasant indoor climate in the offices. Work began in spring 2009 and the project is expected to be completed around year-end 2010.

– *"A modern building of this type requires high standards, both in terms of the products we use and the work we do, especially in view of the stringent environmental targets"*, Jessica Interstein, Contract Engineer at Bravida, says.

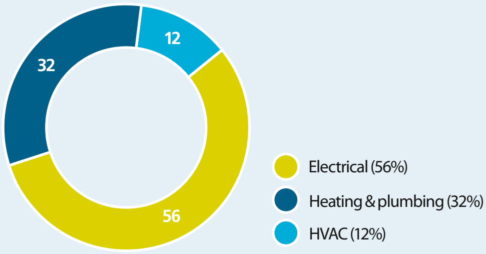
A modern building of this type demands a high standard of execution

JESSICA INTERSTEIN | Contract Engineer Bravida

Division South

Regions:
Gothenburg
Skövde, Trollhättan
Jönköping
Helsingborg
Malmö
Prenad North
Prenad South

BREAKDOWN BY FIELD OF TECHNOLOGY
SHARE OF DIVISION'S SALES, %



BREAKDOWN BY INSTALLATION/SERVICE
SHARE OF DIVISION'S SALES, %

58 Installation / 42 Service

Division South

Division South is aiming to increase its share of service projects and will intensify its proactive marketing work to offset the slack in demand. Although the coming years are expected to remain difficult, the division is confident about the future.

Market conditions
The sharp fall in demand for installation services has squeezed margins and reduced volumes for Division South. The slowdown in the market was particularly pronounced in the metropolitan regions, resulting in stiffer competition and mounting pressure on prices. The office, residential and industrial market segments were the weakest while the public sector, hospitality and sports facilities fared better. Demand also softened in Bravida's service business, as many big customers postponed their maintenance plans.

Financial performance
Sales in the division fell by 7 per cent in 2009, to SEK 2,909 million (3,122). The decrease was due to a number of very large projects that were largely completed and recognised in 2008. The operating profit was SEK 166 million (211), which represents a margin of 5.7 per cent (6.7%). The trend in earnings remained positive in most regions.

The order intake shrank by 3 per cent to SEK 3,048 million (3,153) and the order backlog stood at SEK 1,289 million (1,155) at the end of the year, up 12 per cent compared with year-end 2008.

Projects and focus areas
In the fourth quarter the division received a contract to carry out all electrical and lighting installations in Sweden's new national arena in Solna. The owner is Arenabolaget i Solna KB and the project has been commissioned by PEAB. Work has begun and the arena is scheduled for completion in August 2012. During the year Division South was also commissioned to carry out installations in the new IKEA store in Svågertorp outside Malmö as well as electrical and telecom installations in connection with the modernisation of the hospital in Västervik. In response to the weak economy, the division intensified its marketing efforts to improve its opportunities to access projects at an early stage.

Outlook
As market conditions are expected to remain tough also in coming years, the division continues to work on increasing the share of service assignments to offset a slightly lower volume of installation contracts. However, by carefully monitoring the market and rapidly adjusting to changing needs and demand, the division is confident that it will continue to perform well in future.

DIVISION OVERVIEW

Sales	Operating margin	Order intake	Order backlog
2,909	5.7 %	3,048	1,289

Share of Group

27 %	**SEK 2,909m** sales
31 %	**SEK 166m** operating profit
28 %	**2,229** average no. of employees

Major service contract in Malmö Arena

The large volume, the great heights and a tight schedule were major challenges in the project to build the Malmö Arena. Installation-wise, the task in the 58,000 square metre arena was highly complex, partly due to the high density of installations and the demand for energy-optimising solutions and flexibility, as the arena needs to be adaptable for different types of events and functions.

The building has now been completed and, after successfully completing the installations, Bravida has also been commissioned to perform regular service in the arena. The contract covers supervision and upkeep of installations in all fields of technology and runs until 31 December 2013.

– *"Good supervision and upkeep are crucial to maintaining the arena's high technical status and to avoid costly outages. The fact that Bravida has expertise in all fields of technology and is able to assume responsibility for all maintenance activities makes our work easier"*, Anders Jakobsson, Operations Manager at Malmö Arena, says.

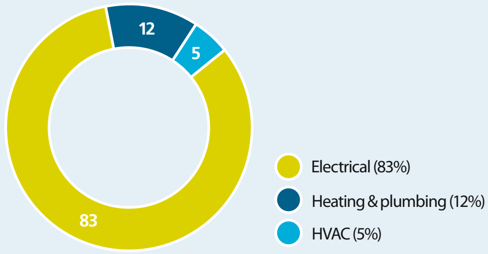
Bravida has expertise in all fields of technology and is able to assume responsibility for all maintenance activities

ANDERS JAKOBSSON | Operations Manager Malmö Arena

Division Norway

Regions:
Elektro North
Elektro Central
Elektro East
Elektro South & West
Plumbing & HVAC

BREAKDOWN BY FIELD OF TECHNOLOGY
SHARE OF DIVISION'S SALES, %



BREAKDOWN BY INSTALLATION/SERVICE
SHARE OF DIVISION'S SALES, %

42 Installation / 58 Service

Division Norway

In the last few years Division Norway has shifted its focus towards service and minor installation projects while reducing the share of major installation contracts. The acquisition of Siemens Installation AS has strengthened Bravida's position in the Norwegian market.

Market conditions
Demand in the residential segment was weak in 2009, with weakness also in offices and other commercial premises. The market for energy-saving and infrastructure projects was more buoyant, however. In the Oslo region increased competition put pressure on margins. The market for service assignments and ROT projects (repair, renovation, extension) was relatively stable in 2009 but has to some extent been affected by the increase in competition and pricing pressures.

Financial performance
The division generated sales of SEK 2,073 million (1,195), which was an increase of 67 per cent in local currency terms compared with 2008. The increase was due to the acquisition of Siemens Installation AS, which has been included in the division as of 1 July 2009. For comparable units sales decreased by 10 per cent. The operating profit improved to SEK 79 million (46), which represents a margin of 3.8 per cent, the same as the year before.

The order intake was 1,722 million (1,064), which is an increase of 56 per cent in local currency terms. The acquisition of Siemens increased the order backlog to SEK 516 million (320), an increase of 55 per cent in local currency terms.

Projects and focus areas
The acquisition of Siemens Installation AS and its 1,300 employees has significantly strengthened the division's position in the Norwegian market for electrical installations. Intensive efforts to integrate the two businesses are underway and the process is expected to be completed by summer 2010. In the fourth quarter Bravida received a contract from Statbygg to carry out all electrical installations in the project to build a new courthouse in Bergen, Gulating Lagmannsrett. Work began in January 2010 and the project is expected to be completed in May 2011. In 2009 Division Norway was also commissioned to perform all electrical and heating & plumbing installations in a new pediatric department at the hospital in Ålesund.

Outlook
The Norwegian market remains tough, although there are signs of improvement in certain geographic markets and segments. The business needs to adapt to the weak economy. Placing a strong emphasis on service assignments is imperative in order to offset the slowdown in installation projects.

DIVISION OVERVIEW

Sales	Operating margin	Order intake	Order backlog
2,073	3.8 %	1,722	516

Share of Group

19 %	**SEK 2,073m** sales
15 %	**SEK 79m** operating profit
19 %	**1,527** average no. of employees

Energy-saving integrated solution outside Oslo

With a school, nursery school, sports hall, library and health centre, Storøya Grendesenter in Fornebu outside Oslo is an impressive facility and an important part of the life of the local community. Through a consortium, Bravida has together with the building contractor, architect and technology consultant acted as lead contractor in a partnering contract with the Bærum local authority. Bravida has performed all installations of electrical, heating & plumbing and HVAC systems.

Finding sustainable solutions was a high priority in the development of the centre, and the project was required to meet ambitious environmental targets, both in terms of the end product and the implementation of the project. The nursery school was built as a passive house, which requires a high standard of coordination between the installations and the building work. The low energy consumption and the use of solar thermal collectors to heat water makes the facility both climate- and cost-efficient.

– *"Integrated solutions of this type represent a big investment for the customer but over time they also sharply reduce the running costs"*, Magnus Hamerslag, Bravida's Project Manager, says.

Sharply reduced running costs through integrated solutions

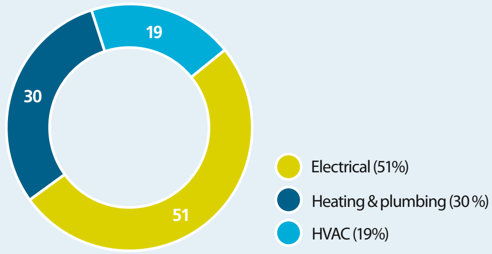
Magnus Hamerslag | Project Manager Bravida

Division Denmark

Regions:
Installation and Service North
Installation and Service East
Installation and Service South
Installation and Service Copenhagen
Rail Technology & Electrical Infrastructure
Other Specialist Areas

BREAKDOWN BY FIELD OF TECHNOLOGY

SHARE OF DIVISION'S SALES, %



BREAKDOWN BY INSTALLATION/SERVICE

SHARE OF DIVISION'S SALES, %

63 Installation / 37 Service

Division Denmark

Division Denmark was hit hard by the recession but after putting a tough year behind it, the division is now looking forward with a focus on strategic sales of integrated solutions and major service contracts.

Market conditions

In most areas the installation market in Denmark has been hit hard by falling demand and continued price pressure. The service market was also slow in 2009, as many customers chose to defer their investments. The government's support package in the form of stimulus measures for the construction sector and tax relief had no significant impact during the year but is expected to increase demand in the public sector as we move into 2010. However, public investment will not fully offset the fall in demand.

Financial performance

Division Denmark generated sales of SEK 2,102 million (2,099). In local currency terms this was a decline of 10 per cent. The operating profit fell compared with the year before, to SEK 35 million (93), which represented a margin of 1.7 per cent (4.4%). The fall in earnings was mainly attributable to a significant loss in the Region Rail Technology but other regions also saw earnings fall in 2009.

The order intake was SEK 1,861 million (2,107), which was a decrease of 20 per cent excluding currency effects. The order backlog at the end of the period was SEK 521 million (688), which was a decrease of 32 per cent in local currency terms.

Projects and focus areas

In the fourth quarter Region Rail Technology concluded an agreement with Rail Net Denmark for the replacement of fuse and signalling systems in connection with the rebuilding of tracks on the Nordbanen line. The project will draw in a large part of the region's fuse installers and is expected to be implemented during the period February to November 2010. In 2009 Division Denmark was commissioned to perform the installations in the extensive modernisation of Tryg Vestas' head office in Ballerup outside Copenhagen and in the building of a new head office for Lemvig-Müller in Herlev.

Outlook

As installation is a late-cyclical sector, the market is expected to remain weak in 2010. The division is aiming to strengthen its positions through strategic selling of integrated solutions and major service assignments to selected customer groups, and the government's stimulus packages may also strengthen the market in due course.

DIVISION OVERVIEW

Sales	Operating margin	Order intake	Order backlog
2,102	1.7 %	1,861	521

Share of Group

19 %	**SEK 2,102m** sales
7 %	**SEK 35m** operating profit
19 %	**1,527** average no. of employees

Green cooling system in Denmark's largest IKEA store

In 2009 Bravida Denmark carried out installation work in the new IKEA store in Odense. The contract covered HVAC, kitchen refrigerators and ventilation of server rooms. A key part of the work involved installing greener, CO_2-based cooling systems from Bravida in Sweden.

– "*We are particularly pleased that we were able to perform the project using CO_2-based cooling systems. To be able to do so successfully, it was a big advantage that Bravida gave us access to specialists from so many different areas. The key is to exploit these opportunities and work together*", Karsten Bormlund, Head of Department at Odense Ventilation, says.

The collaboration between the owner, the OBH group, and the various suppliers was exemplary and the store was able to open as scheduled.

– *"For us the size of the company and access to skilled staff mean a lot, such as the fact that Bravida was able to adjust its workforce from 20 to 35 people depending on our needs"*, Sven Persson, Project Manager at IKEA Fastigheter, says.

Access to skilled staff means a lot

SVEN PERSSON (middle) | Project Manager IKEA Fastigheter

Amounts in SEK millions unless otherwise stated.

Directors' Report

The Board of Directors and Chief Executive Officer of Bravida AB, reg. no. 556713-6535, hereby present their annual report and consolidated financial statements for the financial year 2009.

The business

Bravida is Scandinavia's leading provider of installation and service solutions with approximately 8,500 employees in some 150 locations in Sweden, Norway and Denmark. Bravida provides specialist services and integrated solutions in its business segments electrical, heating & plumbing and HVAC, offering everything from planning and design to installation, operation and maintenance.

The contracts mainly relate to offices, public premises, residential buildings, industries and infrastructure. The company's extensive geographic presence in Scandinavia provides a strong foundation for Bravida's service and maintenance activities, which account for over 44 per cent of revenues.

In its electrical installations business Bravida offers integrated solutions for lighting, heating and energy supply. Alarm, surveillance and security systems are rapidly changing segments and constitute an important additional area of business on top of traditional heavy-current installations.

The company's heating & plumbing segment provides integrated solutions for water, waste water, energy, heating and cooling. The segment also has specialist expertise in sprinkler systems, an area in which Bravida has special certification.

The HVAC segment (heating, ventilating and air conditioning) offers customised ventilation solutions and all the technology required for air handling, air conditioning and climate control. Demand for energy-efficient ventilation systems is growing fast and Bravida also performs energy assessments and projects relating to energy audits and energy efficiency.

Bravida also has qualified staff in certain specialist areas. Bravida Säkerhet specialises in fire and safety technology. Bravida Technical Service Management (TSM) offers technical property services comprising supervision, maintenance and on-call services. Erfator Projektledning offers project management services in the construction and real estate sectors.

The operations are organised in five divisions: North, Stockholm and South in Sweden, and Norway and Denmark. Operational management and administration are performed at the local level.

The Group's head office is located in Stockholm and provides support functions including purchasing, business development, IT, communications, HR, legal affairs, and accounting and finance.

Changed accounting principles

The Board of Bravida AB has decided that the Bravida Group will apply the IFRS standards with effect from 1 January 2009. Comparative figures for 2008 have been restated in accordance with the same principles, resulting in an increase in earnings after tax of 102 and an increase in equity of 89 million. See also Note 1 Accounting policies and Note 37 Information concerning the transition to IFRS.

Acquisition of Siemens Installation AS

On 1 July, in a strategically motivated deal, Bravida Norway acquired the electrical installation firm Siemens Installation AS, which had about 1,300 employees and generated sales equivalent to about SEK 2 billion in the last financial year. During the period that it has formed part of the Group the acquired business generated an operating profit of 61 on net sales of 955 million. Earnings include integration costs of 51 million, which have largely been offset by elimination of other provisions. The order intake was 812 and the order book at year-end was worth 391 million.

Activities in 2009

Faced with a declining market, Bravida posts a strong result for the year. Bravida prioritises margins over volumes by avoiding installation contracts with a high risk and poor profitability. The company is also working on increasing the share of service assignments, which are less cyclical.

Net sales increased by 3 per cent on 2008. Adjusted for currency effects and acquired businesses, sales decreased by 8 per cent. The operating profit was slightly lower than the year before, falling by 13 per cent. Earnings were affected by costs for capacity adjustments and the integration of the acquired business in Norway. Cash flow from operating activities improved by 4 per cent.

The recession had a continued negative impact on demand, resulting in increased price pressures. The order intake fell by 1 per cent compared with 2008 while the order book was unchanged. The number of employees increased as a result of the acquisition of Siemens Installation AS and Bravida continued to adjust its resources.

Net sales

Consolidated net sales were 10,831 (10,511). Adjusted for currency conversions, this was an increase of 1 per cent on the year before. Out of the total figure, the service business accounted for just over 44 per cent, with installation projects accounting for the remainder. In the Swedish business sales fell by 8 per cent to 6,656 (7,217). In Denmark sales increased to 2,102 (2,099) but were down 10 per cent in local currency terms. In Norway sales increased to 2,073 (1,195). In local currency terms this was an increase of 67 per cent.

Amounts in SEK millions unless otherwise stated.

Operating profit
The operating profit was 536 (617), which represents an operating margin of 5.0 per cent (5.9%). In the Swedish business the margin was 6.1 per cent (6.5%). In Denmark the operating margin was 1.7 per cent (4.4%) and in Norway 3.8 per cent (3.8%). The operating profit includes a goodwill impairment charge of -6 (-) and amortisation of other intangible assets of -3 (-2). Adjusted for these items, earnings (EBITA) were 545 (619). Earnings also include a 6 capital gain from the sale of operations.

Earnings after financial items
The net financial expense was -25 (-43). The improvement was related to a lower leverage and lower interest rates. Earnings after financial items fell by 11 per cent to 511 (574).

Earnings after tax
The tax income for the year was +35 (-148). Out of the total tax income, +60 (-134) referred to deferred tax income, due to the recognition of a 153 deferred tax asset in Norway. The current tax expense was -26 (-14). Earnings after tax were thus 545 (426).

Comprehensive income for the period
Translation differences from the translation of foreign operations were 21 (28) due to the weakening of the Swedish krona. The comprehensive income for the period increased by 25 per cent to 567 (454).

Order intake and order backlog
Because of the recession and difficulties in funding new projects, many investments have been put on hold. The general trend was that demand continued to falter, resulting in increasing competition. However, there were considerable local variations, with demand remaining good in some locations while falling sharply in other areas, resulting in intense price pressures. The market was generally weakest in the housing construction sector and in industry investments while demand was kept up by public-sector investment. On the whole, the service market remained stable.

Bravida's order intake was 10,215 (10,267), a reduction of 3 per cent after currency conversions. In Norway the order intake increased by 56 per cent in local currency terms as a result of the acquisition. In Sweden and Denmark the order intake fell by 7 and 20 per cent, respectively.

The order backlog was 3,648 (3,647). After currency conversions, this was a decline of 2 per cent compared with the same time the year before. In Sweden the order backlog was largely flat while it fell by 32 per cent in Denmark. In Norway it was up by 55 per cent. Bravida's service business is not included in the order backlog.

Sales and acquisitions
At 31 December Bravida Enacab AB was sold. The company's operations did not fit in with Bravida's core business. The company generated sales of 32 in 2009 and had 17 employees. The sale resulted in a capital gain of 6 million.

On 1 July the Group acquired Siemens Installation AS, which was thus consolidated as of the third quarter. The acquired company, which is one of Norway's largest in electrical installation, has offices in about 20 locations in Norway. The company has about 1,300 employees and generated sales equivalent to about SEK 2 billion in the last financial year. Through the acquisition Bravida became a leading installation company in the Norwegian market. The acquisition has strengthened Bravida's market position in Norway as well as Scandinavia as a whole, which is in line with Bravida's strategic ambition to become Scandinavia's leading player in the industry. Following the merger with Siemens Installation AS, Bravida has a market share of over 10 per cent in the Norwegian electrical installation market, making the company the largest player in the market.

On 1 May Appelgrens El i Mölndal AB was acquired. The company has 30 employees and an annualised turnover of about 30 million. On 1 January Bravida acquired Juhl Air Control AB in Löddeköpinge. The company has 13 employees and a turnover of about 45 million. For more information about the acquisitions, see Note 4.

Regional markets
Operations in Sweden
In Sweden Bravida operates through three divisions: North, Stockholm and South. Sales in 2009 were 6,656 (7,217), which was a decrease of 8 per cent compared with the year before. The operating profit fell by 14 per cent to 403 (468), which represents an operating margin of 6.1 per cent (6.5%). The average number of employees was 5,024 (5,280). In many regions capacity utilisation retreated from a high level. The order intake fell by 7 per cent to 6,632 (7,096) and the order backlog stood at 2,610 (2,639).

Sales in Division North fell by 14 per cent to 1,848 (2,137). The reduction was primarily due to lower construction volumes, which were partly offset by increased service volumes. The operating profit was 120 (117) and the margin increased to 6.5 per cent (5.5%). Profitability was good throughout the division. The industrial segment saw continued weak demand in 2009. In the public sector demand was good in the form of renovations and modernisations of schools and healthcare institutions. The service and maintenance market was stable, with growing demand in the energy area.

The order intake fell by 21 per cent to 1,712 (2,164) while the order backlog at year-end stood at 579 (714).

The average number of employees was 1,480 (1,623), a decrease by 9 per cent.

Amounts in SEK millions unless otherwise stated.

Sales in Division Stockholm were 1,974 (2,050), a decrease of 4 per cent. The operating profit was 101 (121), which represents a margin of 5.1 per cent (5.9%). For comparable units, and excluding the previous year's capital gain of 6 million, the margin was unchanged.

Although the volume of installation contracts decreased in 2009, there are a number of very large projects in the Stockholm region that will be put out to tender in a near future. Housing production was low in 2009 but a shortage of housing coupled with low interest rates create a potential for recovery. Investments in the construction of new housing in the public sector has increased sharply. The increase is partly due to major investments in sport and recreation. The order intake in 2009 was high, at 1,946 (1,872), which was increase of 4 per cent compared with the year before. The order backlog fell by 4 per cent to 742 (770).

The average number of employees fell by 5 per cent to 1,243 (1,310).

Sales in Division South fell by 7 per cent to 2,909 (3,122). The decrease was due to a number of very large projects that were brought to completion the year before. The division continued its efforts to increase the share of service projects to offset the slightly lower contract volume in the installation business. The operating profit was 166 (211), which represents a margin of 5.7 per cent (6.7%). Demand remained stable, despite a softening in demand in the metropolitan regions which resulted in an increase in competition and falling prices.

The order intake fell by 3 per cent to 3,048 (3,153). The order backlog was 1,289 (1,155), which was an increase of 12 per cent compared with the same period the year before.

The average number of employees was 2,229 (2,283), which is a decrease by 2 per cent.

Operations in Norway

In the last few years Division Norway has shifted its focus towards service assignments and minor installation projects while reducing the share of major installation contracts. On 1 July 2009 Bravida acquired Siemens Installation AS. The company had about 1,300 employees and generated sales equivalent to about 2,000 in the last financial year. Intensive efforts to integrate the two businesses are underway.

Sales for the period were 2,073 (1,195) , which was an increase by 67 per cent in local currency terms compared with 2008. For comparable units sales shrank by 10 per cent. The operating profit improved to 79 (46), which equates to a margin of 3.8 per cent, the same as the year before.

Demand in the housing segment remained weak. The same was true of offices and other commercial premises while the market for energy-saving and infrastructure projects was better. The market for service projects and projects commissioned with support from the government's ROT tax relief programme for repair, redevelopment and extension work was relatively stable. Competition increased, especially in the Oslo region, and prices were pressured. The order intake was 1,722 (1,064), which is an increase of 56 per cent in local currency terms. The acquisition of Siemens increased the order book to 516 (320), which was an increase by 55 per cent in local currency. The average number of employees for the period increased by 55 per cent to 1,523 (984). In the fourth quarter the average number of employees in the division was 2,138.

Operations in Denmark

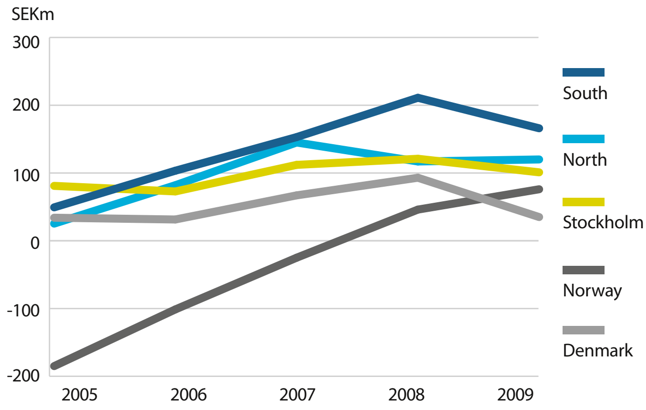
Sales in Division Denmark were 2,102 (2,099).
In local currency terms this was a decrease of 10 per cent. The operating profit fell compared with the year before, to 35 (93), which represented a margin of 1.7 per cent (4.4%). The fall in earnings was mainly attributable to a significant loss in the Railway Technology region, especially in the second quarter, which was due to capacity adjustments, project impairment charges and impairment of goodwill. Other regions also saw a decline in earnings in 2009.

In most areas the installation market in Denmark has been hit hard by falling demand and continued price pressures. These factors led to continued selection, especially in major installation contracts. The government's support package in the form of stimulus measures for the construction sector and tax relief is expected to increase demand in the public sector. The impact of the support package will be felt with a certain delay and the public-sector initiatives will not fully offset the fall in demand from other sources.

The order intake was 1,861 (2,107), which was a decrease of 20 per cent after currency conversions. The order book at the end of the period was 521 (688), which was a decrease of 32 per cent in local currency terms.

The average number of employees fell by 14 per cent to 1,527 (1,781).

Financial performance by division



Amounts in SEK millions unless otherwise stated.

Cash flow and investments

Cash flow from operating activities improved by 4 per cent to 516 (495). The increase was partly related to a continued focus on capital efficiencies. Cash flow from investing activities was -183 (-24), of which -154 referred to the acquisition of Siemens Installation AS. Cash flow before financing activities was thus 333 (471).

In 2009 Bravida paid down debt by 50 (50) and reduced its use of the company's overdraft facility. Cash flow from financing activities was thus -87 (-290). Cash flow for the year was 246 (181).

Financial position

Consolidated cash and cash equivalents at 31 December were 905 (650). Bravida also had access to 599 (399) in undrawn overdraft facilities. At 31 December the company had interest-bearing loans of 800 (850). Equity at the end of the period was 1,720 (1,209), representing an equity/assets ratio of 28.2 per cent (22.3%).

Employees

The average number of employees increased by 5 per cent in 2009 to 8,078 (8,050). Significant staff cuts were made during the year to adapt to faltering demand in the market. The acquisition of Siemens' installation business in Norway increased the number of staff by 1,300 as of 1 July. In the fourth quarter the average number of employees was about 8,500. In Sweden and Denmark the number of staff was cut by 5 and 14 per cent, respectively. In Norway the average number of employees increased by 55 per cent as a result of the acquired business, which was only consolidated for six out of twelve months of the year. Bravida continues to monitor developments in its local markets very closely and is well prepared to adapt its resources to changes in demand.

Occupational health & safety

The work environment at Bravida's workplaces is a key competitive asset, both from an employee and a sales perspective. Occupational health and safety (OHS) activities are an integral part of the Group's central enterprise systems.

A good work environment promotes better health, a higher level of commitment and increased job satisfaction. To reduce the percentage of sick leave and prevent occupational injuries, Bravida focuses on increasing employees' knowledge of work load ergonomics. All installers and fitters receive instruction in heavy lifting, risky work positions, good aids and alternative work methods. Each year 150-200 employees complete Bravida's "A Better Work Environment" training programme. The programme is a mandatory course in OHS and is arranged by the Bravida School.

Equal treatment

Bravida has adopted an equal treatment plan, which promotes equal opportunities and rights for all employees as well as those applying for employment with Bravida. Bravida is in regular contact with the central apprenticeship councils for the plumbing & HVAC and electrical installation industries with the aim of increasing the proportion of skilled women in the sector. In 2009 Bravida conducted another salary survey and updated its equal pay action plan. Bravida also works actively to prevent every form of discrimination in compliance with the new anti-discrimination law.

Skills development

Since 2007 just over half of Bravida's managers have initiated or concluded Bravida's leadership training programme, which runs over 18 months and concludes with the award of an internal diploma. Bravida's success is based on the expertise and reliability of its employees and their ability to deliver the solutions demanded by the customers. Continuous training is the key to improving the efficiency and quality of all processes and deliveries. In 2009, as part of its development activities, the company established the Bravida School, which serves as an umbrella for all key staff training programmes.

Recruitment

For each vacant position Bravida seeks to identify the individual who has the best skills profile and development potential among the applicants. To be able to offer good career prospects in the company, Bravida promotes internal recruitment and personal development. The Group's age structure points to a need to attract younger, well educated employees. A number of civil and graduate engineers were recruited in 2009.

Quality goals for 2009-2010

The general goal is to achieve an employee satisfaction index (ESI) score of at least 3.5 among the Group's employees. In 2009 an employee satisfaction survey was conducted among all white-collar employees, resulting in an ESI score of 3.8.

Quality and environment

Bravida's quality and environment activities are ultimately governed by the policies adopted by the company's management.

The company's quality and environmental management system supports processes at various stages of our production. As part of its commitment to constant improvement, this means that the company works actively to achieve general and detailed quality and environmental goals, operational plans and reviews to measure improvements.

Bravida has introduced procedures for identifying, examining and evaluating the environmental impact of our operations. The most significant environmental impact is in areas like travel, transports, energy consumption in infrastructure and waste.

Amounts in SEK millions unless otherwise stated.

Bravida's operations are currently not of such scale or nature as to be subject to the notification or permit requirements for environmentally hazardous activities under Chapter 9, Section 6 of the Swedish Environmental Code. The operations are conducted in such a way that there is no risk of significant contamination or of other significant damage to human health or the environment.

Quality goals for 2009–2010

The overall goal is to achieve an average annualised CSI score (customer satisfaction index) of at least 4.0 at local office level.

In order to continually assess and measure the quality of our services and products, Bravida conducts customer satisfaction surveys on a regular basis. Bravida's definition of a satisfied customer is a customer who generates a CSI score over 4.0 on a scale of 1 to 5. In the latest survey Bravida obtained a CSI score of 3.9 in Sweden.

Environmental goals for 2009–2010

The overall goal is to work actively to reduce energy use and other environmental impacts from the company's projects. Bravida continually evaluates the environmental impact of its transports with a view to reducing that impact.

The company is seeking to reduce the use of fossil fuels in the company's roughly 3,000 vehicles, and recent figures point to a continued downward trend, with a lower total consumption per distance travelled and a growing share of green cars.

Training activities are underway to ensure that Bravida has the number of certified energy experts required to perform energy assessments.

Significant risks and uncertainties

In its operations Bravida is exposed to various types of risk, both operational and financial. Operational risks are associated with day-to-day operations such as tendering, capacity utilisation, price risks and revenue recognition. Financial risks arise from the amount of capital tied up and the company's capital requirements. Bravida is exposed to greater operational risks than financial risks.

Risk management

The management of operational risks is a continuous process due to the large number of ongoing projects and service assignments. Bravida's management system prevents risk and reduces the company's risk exposure. The company's systematic work on quality and environmental issues as well as occupational health and safety issues are the key building blocks for the management system. The Group's financial risks are managed centrally for the purpose of minimising and controlling the risk exposure. Credit risks in the business operations are managed locally.

Operational risks

Market

Fluctuations in the economy affect the building services sector, which is sensitive to market fluctuations and political decisions that can have an impact on demand for residential and commercial new builds and investments in industry and the public sector. Demand for service and maintenance work is not as sensitive to fluctuations in the economic cycle. Service assignments account for about 44 per cent of Bravida's sales, with installation contracts accounting for the rest.

Tendering

A building services provider is exposed to commercial and production-related risks. To reduce these, Bravida has drawn up process descriptions and checklists that are aimed at identifying and pricing the risks in the company's cost estimates and tenders.

Capacity utilisation

Capacity utilisation is heavily dependent on demand in Bravida's local markets. An unforeseen decline in capacity utilisation generally results in a loss of revenue which in the short term cannot be offset by a corresponding cost reduction. Bravida seeks to mitigate these risks through continuous resource planning and by employing subcontractors during periods of peak production.

Revenue recognition

Bravida recognises revenue from its projects in accordance with the percentage of completion method. The recognition of revenue is based on the degree of completion of the project and the final forecast. Bravida continually monitors the economic status of its projects to limit the risk of incorrect forecasts and consequently of incorrect revenue recognition. Bravida's quality assurance system specifies the processes to be used from the beginning to the end of the project, in order to ensure efficient production. In large projects the company also performs project assurance activities to ensure a high quality in the implementation of its projects.

Insurances

Bravida has adequate insurance cover for its operations, comprising liability, contract and property insurance.

Financial risks

Bravida is exposed to financial risks, which arise partly as a result of changes in debt levels and interest rates. For information about financial risks, including interest, currency, financing and credit risks, see Note 28.

Amounts in SEK millions unless otherwise stated.

Material disputes

There are a small number of disputes in progress in the Group. The disputes are related to the operational activities, and most of them concern claims for work carried out. On the whole, the scope and nature of the disputes are not out of proportion to the scope and nature of the operations. The exception is a dispute in Denmark where a client has taken legal action against Bravida claiming that a company acquired by Bravida in 2003 was involved in coordinated bidding in 2002. A ruling in the case is expected in 2010.

Outlook

Bravida has a presence in about 150 locations across Scandinavia, and local market conditions vary considerably. The Scandinavian installation market as a whole weakened in 2009, resulting in falling market prices. The fall in demand was related to the recession and customers' difficulties in raising money for new investments in capital markets.

There have been signals that the economy as a whole is starting to turn but Bravida, which operates in a late-cyclical industry, is expected to face a continued weakening of demand in 2010. However, the rate of decline is expected to slow compared with 2009. It is expected that the Group's Danish business will face tougher market conditions than the Swedish and Norwegian businesses.

The building of new commercial premises, which are an important segment for Bravida, is expected to slow sharply due to high vacancies in existing properties. However, residential construction is expected to pick up in all three countries, albeit from a low level. Public-sector investments in hospitals, schools, care facilities and infrastructure are expected to remain at a high level in 2010.

As the rate of new builds remains low, demand is expected to shift slightly towards redevelopment and renovation, and thus also towards service and maintenance projects. The need for energy efficiencies and reduced running costs are factors that are expected to become increasingly important drivers behind installation investments in existing buildings.

In recent years Bravida has structured and streamlined its sales, purchasing, production and administration activities. Throughout 2009 significant measures have been taken to adapt the company's production capacity and administrative expenses to demand in the market. This work will continue into 2010. At the same time Bravida continues to expand its service business, which is less cyclical than the installation projects business. The acquisition of Siemens' building services business in Norway was a strategic move that made Bravida the leading player in the Norwegian electrical installations market. The merger represents a significant strengthening of Bravida's Norwegian business. Thanks to the measures described above, it is deemed that Bravida is in a strong position going into 2010.

Ownership

Since December 2006 Bravida AB has been a wholly-owned subsidiary of Scandinavian Installation Acquisition AB, reg. no. 556713-6519.

The work of the Board of Directors

In 2009 the Board of Directors held 11 meetings, of which four were regular meetings and seven extraordinary meetings. The extraordinary meetings were convened primarily to discuss issues relating to the acquisition of Siemens Installation AS in Norway as well as a couple of changes to the Board. One of the regular meetings was held at Bravida's head office in Oslo. Members of senior management and the central Group functions presented reports at the Board meetings. Bravida's auditors were present at one of the Board meetings.

The Board's work has followed the formal rules of procedure for the Board of Directors, as adopted at the Board meeting in May 2009. Issues discussed included strategic issues, business plans, financial reports and major transactions. Reporting on the activities and financial positions of the company and Group has been a standing agenda item.

The Board's work has continued to be focused on further improving the profitability of the Group's operations. The Board has defined a number of goals relating to changes and improvements to the operations with a view to adapting the business to the weak economic environment. The Board continuously monitors efforts aimed at achieving these goals.

Parent company

Bravida AB's net sales during the period were 3 (2). Earnings after financial items were negative, -19 (223). In 2008 the parent company received 250 in dividend payments from subsidiaries. Cash and cash equivalents were 7 (9). Equity was 1,250 (1,250), resulting in an equity/assets ratio of 63 per cent (74%). The parent company had no employees.

Events after the end of the financial year

No significant events have occurred after the end of the financial year.

Proposed allocation of profit

The Board proposes that the parent company's non-restricted equity of SEK 1,239,875,352 be allocated as follows:

Dividend	SEK 400,000,000
Carried forward	SEK 839,875,352
Total	**SEK 1,239,875,352**

For more information about the company's results and financial position, see the following income statements and balance sheets and the notes to the accounts.

Consolidated income statement

SEK millions	Note	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31
Net sales	2	10,831	10,511
Costs of production		-8,522	-8,138
Gross profit/loss		**2,309**	**2,373**
Other operating income	5	6	–
Administrative and selling expenses		-1,779	-1,756
Operating profit	3, 6, 7, 8, 31	**536**	**617**
PROFIT/LOSS FROM FINANCIAL ITEMS			
Financial income		23	31
Financial expenses		-48	-73
Net financial income/expense	9	**-25**	**-43**
Profit/loss before tax		**511**	**574**
Tax on profit for the year	10	35	-148
Profit/loss for the year		**545**	**426**
OTHER COMPREHENSIVE INCOME			
Translation differences for the year from the translation of foreign operations		21	28
Comprehensive income for the year		**567**	**454**

Consolidated balance sheet

SEK millions	Note	2009-12-31	2008-12-31	2008-01-01
ASSETS				
Intangible assets	11	2,151	1,867	1,859
Property, plant & equipment	12	48	47	39
Interests in associates	13	0	0	0
Pension assets	14	162	145	119
Other securities held as non-current assets	15	61	56	74
Long-term receivables	16	27	22	16
Deferred tax asset	10	177	42	179
Total non-current assets		**2,627**	**2,179**	**2,286**
Inventories		65	55	58
Tax assets		28	28	28
Trade receivables	17	1,744	1,679	1,754
Accrued but not invoiced income	18	543	649	346
Prepayments and accrued income	19	114	111	116
Other receivables	16	55	57	93
Short-term investments and restricted funds	20	11	11	10
Cash and cash equivalents		905	650	441
Total current assets		**3,465**	**3,240**	**2,846**
TOTAL ASSETS	27	**6,091**	**5,419**	**5,132**
EQUITY				
Share capital		10	10	10
Reserves		49	28	–
Retained earnings including profit/loss for the year		1,661	1,171	1,049
Equity	21	**1,720**	**1,209**	**1,059**
LIABILITIES				
Long-term interest-bearing liabilities	22	750	800	850
Pension provisions	14	159	78	84
Other provisions	23	54	43	53
Total non-current liabilities		**963**	**921**	**987**
Current interest-bearing liabilities	22	50	84	77
Trade payables		883	824	824
Tax liabilities		9	5	22
Invoiced but not accrued income	24	796	904	694
Liabilities to parent company	25	210	146	78
Other liabilities	25	297	262	293
Accruals and deferred income	26	940	902	827
Provisions	23	222	162	271
Total current liabilities		**3,408**	**3,289**	**3,086**
Total liabilities	27	**4,371**	**4,210**	**4,073**
TOTAL EQUITY AND LIABILITIES		**6,091**	**5,419**	**5,132**

Pledged assets and contingent liabilities for the Group

SEK millions	Note	2009-12-31	2008-12-31	2008-01-01
Pledged assets	22, 30	4,447	4,441	4,397
Contingent liabilities	22, 30	0	14	14

Consolidated statement of changes in equity

SEK millions	Share capital	Translation reserve	Retained earnings incl. profit/loss for the year	Total equity
Opening balance acc to balance sheet				
Equity 1 January 2008	10	–	1,049	1,059
Adjustment for retroactive application[1]			-5	-5
Adjusted equity 1 January 2008	**10**	**–**	**1,044**	**1,054**
Comprehensive income for the year		28	426	454
Dividend paid			-250	-250
Group contributions			-68	-68
Tax effect of Group contributions			19	19
Equity 31 Dec 2008	**10**	**28**	**1,171**	**1,209**
Opening balance acc to balance sheet				
Equity 1 January 2009	10	28	1,171	1,209
Adjustment for retroactive application[1]			-9	-9
Adjusted equity 1 January 2009	**10**	**28**	**1,163**	**1,201**
Comprehensive income for the year		21	545	567
Group contributions			-64	-64
Tax effect of Group contributions			17	17
Equity 31 Dec 2009	**10**	**49**	**1,661**	**1,720**

1) The item refers to the effect of a change of accounting policy for pensions in Norway.

More information on equity is provided in Note 21 on page 62.

Consolidated cash flow statement

SEK millions	Note	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31
OPERATING ACTIVITIES			
Profit/loss before tax		511	574
Adjustments for non-cash items	33	21	-137
Income taxes paid		-2	-14
Cash flow from operating activities before changes in working capital		**529**	**424**
CASH FLOW FROM CHANGES IN WORKING CAPITAL			
Increase (-) / Decrease (+) in inventories		-1	5
Increase (-) / Decrease (+) in operating assets		448	206
Increase (+) / Decrease (-) in operating liabilities		-461	-141
Cash flow from operating activities		**516**	**495**
INVESTING ACTIVITIES			
Acquisition of subsidiaries	4, 32	-167	-2
Acquisition of assets and liabilities	4	-3	-15
Sale of assets and liabilities		–	13
Acquisition of intangible assets		-2	-3
Acquisition of property, plant & equipment		-11	-24
Sale/reduction of financial assets		–	8
Cash flow from investing activities		**-183**	**-24**
FINANCING ACTIVITIES			
Repayment of loans		-50	-50
Change in utilisation of overdraft and credit facilities		-37	10
Dividend paid		–	-250
Cash flow from financing activities		**-87**	**-290**
Cash flow for the year		246	181
Cash and cash equivalents at beginning of year		650	441
Foreign exchange difference in cash and cash equivalents		9	28
Cash and cash equivalents at end of year		**905**	**650**

Parent company income statement

SEK millions	Note	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31
Other operating income	5	3	2
Administrative and selling expenses	6, 7, 8	-2	-2
Operating profit/loss		**1**	**0**
PROFIT/LOSS FROM FINANCIAL ITEMS			
Profit/loss from interests in Group companies		–	250
Interest and similar income		0	0
Interest and similar expenses		-19	-28
Net financial income/expense	**9**	**-19**	**222**
Profit/loss before tax		**-19**	**223**
Tax on profit for the year	**10**	**5**	**7**
Profit/loss for the year		**-14**	**230**

Parent company balance sheet

SEK millions	Note	2009-12-31	2008-12-31
ASSETS			
Non-current assets			
Non-current financial assets			
Interests in Group companies	32	1,958	1,685
Deferred tax asset	10	5	5
Total non-current assets		**1,963**	**1,690**
Current assets			
Current receivables			
Other receivables		0	0
Prepayments and accrued income	19	–	0
		0	**0**
Cash and bank balances		7	9
Total current assets		**7**	**9**
TOTAL ASSETS	27	**1,971**	**1,699**
EQUITY			
Restricted equity			
Share capital (51,313,833 shares)		10	10
Total restricted equity		**10**	**10**
Non-restricted equity			
Retained earnings		1,254	1,010
Profit/loss for the year		-14	230
Total non-restricted equity		**1,240**	**1,240**
Total equity	21	**1,250**	**1,250**
LIABILITIES			
Non-current liabilities			
Liabilities to Group companies	22	508	300
Total non-current liabilities		**508**	**300**
Current liabilities			
Trade payables		0	1
Liabilities to parent company	25	210	146
Other liabilities	25	0	1
Accruals and deferred income	26	1	1
Total current liabilities		**212**	**149**
TOTAL EQUITY AND LIABILITIES	27	**1,971**	**1,699**

Pledged assets and contingent liabilities for the parent company

SEK millions	Note	2009-12-31	2008-12-31
Pledged assets	30	None	None
Contingent liabilities	30	17	17

Parent company statement of changes in equity

SEK millions	Share capital	Non-restricted equity: Retained earnings	Non-restricted equity: Profit/loss for the year	Total
Opening balance acc to balance sheet				–
Equity 1 January 2008	10	921	319	1,250
Profit/loss for the year			230	230
Appropriation of retained earnings		319	-319	–
Group contributions		27		27
Tax effect of Group contributions		-8		-8
Dividend		-250		-250
Equity 31 Dec 2008	**10**	**1,010**	**230**	**1,250**
Opening balance acc to balance sheet				
Equity 1 January 2009	10	1,010	230	1,250
Profit/loss for the year			-14	-14
Appropriation of retained earnings		230	-230	–
Group contributions		19		19
Tax effect of Group contributions		-5		-5
Equity 31 Dec 2009	**10**	**1,254**	**-14**	**1,250**

More information on equity is provided in Note 21 on page 62.

Parent company cash flow statement

SEK millions	Note	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31
OPERATING ACTIVITIES			
Profit/loss before tax		-19	223
Adjustments for non-cash items	33	18	47
Income taxes paid		–	–
Cash flow from operating activities before changes in working capital		**0**	**269**
CASH FLOW FROM CHANGES IN WORKING CAPITAL			
Increase (-) / Decrease (+) in operating assets		0	74
Increase (+) / Decrease (-) in operating liabilities		-1	49
Cash flow from operating activities		**-1**	**392**
INVESTING ACTIVITIES			
Shareholder contributions made	32	-273	–
Acquisition of subsidiaries		–	-1
Cash flow from investing activities		**-273**	**-1**
FINANCING ACTIVITIES			
Loans received		273	–
Repayment of loans		-1	-143
Dividend paid		–	-250
Cash flow from financing activities		**273**	**-393**
Cash flow for the year		-2	-1
Cash and cash equivalents at beginning of year		9	10
Cash and cash equivalents at end of year		**7**	**9**

Amounts in SEK thousands unless otherwise stated.

Notes Content

Notes and accounting policies

Note 1 Significant accounting policies

General accounting policies

As of 1 January 2009 the consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as well as interpretations from the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the EU. In connection with the transition from previously applied accounting policies to IFRS reporting the Group has applied IFRS 1, which is the standard which describes how the transition to IFRS should be accounted for. Recommendation RFR 1:2, Supplementary Accounting Rules for Corporate Groups, of the Swedish Financial Reporting Board has also been applied, in accordance with Swedish law. The accounting recommendations that have had the biggest impact on the consolidated balance sheet and income statement is IFRS 3 Business Combinations and IAS 36 Impairment of Assets, where the difference compared with the current policy is, inter alia, that under IAS 36 goodwill is not amortised but tested for impairment annually or when there is an indication of impairment. The other new IFRS standards are deemed to have only a marginal effect.

The parent company applies the Swedish Annual Accounts Act and Recommendation RFR 2.2, Accounting for Legal Entities, of the Swedish Financial Accounting Standards Council. In cases where the parent company applies other accounting policies than the Group this is stated at the end of this Note.

Registered office

The company is a limited liability company with registered office in Stockholm, Sweden. The address of the head office is Mikrofonvägen 28, 126 81 Stockholm.

Assessments and estimates in the financial statements

Preparing financial statements in accordance with IFRS requires that management make assessments and estimates as well as assumptions which affect the application of the accounting policies and the recognised amounts of assets, liabilities, income and expenses. Actual outcomes may differ from these estimates and assessments.

Estimates and assessments are reviewed on a regular basis. Changes to estimates are reported in the period when the change is made if the change only affects this period, or in the period when the change is made and future periods if the change affects both the current period and future periods.

Assessments made by management in applying IFRS which have a significant impact on the financial statements and estimates that can lead significant adjustments to the financial statements for the following year are described in greater detail in Note 35.

New or amended relevant IFRS and interpretations that have not yet been applied

IFRS 3 (Revised) Business Combinations (applies from 1 July 2009). The application of the amendment will result in a change in how future acquisitions are accounted for, notably as regards accounting of transaction costs, any contingent considerations and successive purchases. The Group will apply IFRS 3 (Revised) prospectively for business combinations from 1 January 2010. The amendment of the standard is not deemed to have any impact on previous acquisitions but will affect the accounting of future transactions.

IAS 27 (Revised) Consolidated and Separate Financial Statements (applies from 1 July 2009). This amendment states, inter alia, that earnings attributable to minority shareholders must always be accounted for if this would result in a negative minority interest, that transactions with minority shareholders must always be recognised in equity, and that any remaining interest must be restated at fair value in cases where a parent company loses its controlling influence. The amendment of the standard will affect the accounting of future transactions.

Operating segment reporting

An operating segment is a component of the Group which engages in business from which it may earn revenues and incur expenses, for which separate financial information is available and whose results are regularly reviewed by the company's chief operating decision maker for the purpose of evaluating the results and allocating resources to the operating segment. See Note 3 for additional information on the breakdown into and presentation of operating segments.

Consolidation

Subsidiaries

The consolidated financial statements include subsidiaries in which the parent company directly or indirectly holds more than 50 per cent of the votes.

Subsidiaries are those companies in which the parent company directly or indirectly holds more than 50 per cent of the votes or otherwise exercises a controlling influence over the company's operational and financial control. Subsidiaries are included in the consolidated financial statements as of the date at which the controlling influence is transferred to the Group. They are excluded from the consolidated financial statements as of the date at which the controlling influence ceases.

The purchase method is used in accounting for the Group's acquisition of subsidiaries. The cost of an acquisition is the fair value of all assets provided as compensation, issued equity instruments and liabilities incurred or assumed at the transfer date plus costs that are directly attributable to the acquisition. Identifiable acquired assets and assumed liabilities and contingent liabilities in the acquisition of an operation are initially stated at fair value at the acquisition date regardless of the size of any minority interest. The surplus consisting of the difference between cost and fair value of the Group's share of identifiable acquired assets, liabilities and contingent liabilities is recognised as goodwill. If the cost is less than the fair value of the acquired subsidiary's assets, liabilities and contingent liabilities the difference is recognised directly in the income statement.

Amounts in SEK thousands unless otherwise stated.

Intercompany transactions and balance sheet items and unrealised gains on transactions among Group companies are eliminated. Unrealised losses are also eliminated but any losses are viewed as an indication of possible impairment. Where applicable, the accounting policies for subsidiaries have been amended to guarantee a consistent application of the Group's policies.

Associates

Associated companies are those companies in which the Group exercises a significant, but not a controlling, influence, which normally applies for shareholdings representing between 20 and 50 per cent of the votes. Interests in associates are accounted for by applying the equity method and are initially stated at cost.

Translation of foreign currencies

Functional currency and reporting currency

Items included in the financial statements for the various units of the Group are valued in the currency used in the economic environment in which each company primarily operates (functional currency). Swedish kronor (SEK), the functional and reporting currency of the parent company, is used in the consolidated financial statements.

Transactions and balance sheet items

Transactions in foreign currencies are translated to the functional currency at the exchange rates applying at the transaction date. Foreign exchange gains and losses arising from such transactions and upon translation of monetary assets and liabilities in foreign currencies at closing rates are recognised in the income statement. Foreign exchange differences on borrowing are recognised under financial items while other foreign exchange differences are included in operating profit/loss.

Financial statements of foreign operations

Results and financial position for all foreign operations included in the consolidated financial statements that have a different functional currency than the reporting currency are translated to the Group's reporting currency as follows:

- assets and liabilities for each of the balance sheets are translated at the closing rate
- income and expenses for each of the income statements are translated at the average rate
- all resulting foreign exchange differences are recognised through other comprehensive income as a separate part of equity (translation reserve)

Upon consolidation, foreign exchange differences arising from the translation of net investments in foreign operations are transferred to equity through other comprehensive income. Upon divestment, wholly or partially, of a foreign operation the foreign exchange differences recognised in equity through other comprehensive income are transferred to profit/loss for the year. Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities in this operation and translated at the closing rate.

Cash flow statement

The cash flow statement is prepared in accordance with the indirect method, which means that adjustments are made for transactions that do not result in incoming or outgoing payments.

Revenue

Revenue is recognised in the income statement when it is possible to reliably measure the revenue and it is probable that the economic benefits will accrue to the Group. The company's revenue primarily consists of revenues from installation contracts. Revenue is recognised in accordance with the percentage of completion method. This method is described below in the section "Installation contracts". Interest income is recognised over the term of the loan by applying the effective interest method. Dividend income is recognised when the right to receive payment has been established.

Intangible assets

Goodwill

Goodwill represents the difference between the cost and fair value of an acquired operation and the fair value of the Group's share of the acquired operation's identifiable net assets at the time of acquisition. Goodwill from the acquisition of operations is recognised as an intangible asset. Goodwill is tested annually for impairment and stated at cost less accumulated impairment losses. Goodwill impairment losses are never reversed. Any gain or loss from the sale of a unit includes the divested portion of the recognised value of goodwill. In testing for impairment, goodwill is allocated to cash-generating units.

Goodwill is thereby allocated to those cash-generating units or groups of cash-generating units that are expected to benefit from the acquisition giving rise to the goodwill item.

Subsequent expenditure

Subsequent expenditure on an intangible asset or item of property, plant and equipment is added to the asset's carrying amount only if it is probable that those future economic benefits which exceed the initial assessment and the expenditure can be reliably measured. All other expenditure is recognised as incurred.

Depreciation and amortisation

Amortisation is based on the asset's original cost less any residual value. Amortisation is recognised in the income statement on a straight-line basis over the useful life of the intangible asset, unless the asset has an indefinite useful life. Assets are amortised from the date at which they became available for use. Other intangible assets are amortised over 5 years.

Property, plant and equipment

Land and buildings mainly comprise warehouses and offices. All property, plant and equipment is stated at cost less depreciation. Cost does not include expenditure that is directly attributable to the acquisition of the asset. Any additional expenditure is added to the carrying amount of the asset or recognised as a separate asset only when it is probable that the future economic benefits associated with the asset will accrue to the Group and the cost can be reliably measured. The carrying amount of the replaced portion is removed from the balance sheet. All other forms of repairs and maintenance are recognised as expenses in the income statement in the periods in which they are incurred.

Land is not depreciated. Other assets are depreciated to allocate the cost down to the estimated residual value over the assets' estimated useful lives. The assets are depreciated on a straight-line basis as follows:

Depreciation of property, plant and equipment

	Useful life
Buildings	20 years
Expenditure on property not owned by the company	Over remaining lease term
Machinery and other technical plant	3–5 years
Equipment, tools and installations	3–10 years

Residual values and useful lives of assets are tested at each closing date and adjusted where required. Any gain or loss from the sale of an asset is determined by comparing the sale proceeds and the carrying amount, whereby the difference is recognised in other operating income or other operating expenses in the income statement

Impairment of non-financial assets

Goodwill and other assets with indefinite useful lives are tested annually to determine whether the recoverable amount, i.e. the higher of fair value less selling expenses and value in use, exceeds the carrying amount. For other non-financial assets a similar test is made as soon as there is an indication that the carrying amount is too high. The value of an asset is written down to the recoverable amount as soon as this is shown to be lower than the carrying amount.

Leasing

Non-current assets held under a lease agreement are classified based on the economic substance of the lease. Leases of non-current assets where the economic risks and benefits associated with ownership have essentially been transferred to the Group are classified as finance leases. Finance leases are accounted for as non-current assets at the beginning of the lease term and recognised at the lower of the fair value of the leased asset and the present value of the minimum lease payments. The corresponding payment obligations are recognised as a liability in the balance sheet. Each lease payment is divided into repayment of the loan and financial expenses to obtain a fixed rate of interest for the recognised liability.

The recognised liability is included in the balance sheet item "Liabilities relating to finance leases". The interest portion of the financial expense is recognised in the income statement distributed over the term of the lease so that an amount corresponding to a fixed interest rate for the liability recognised in each accounting period is charged to the income statement in each period. Non-current assets that are held under finance leases are depreciated over their estimated useful lives. Finance leases refer to the Bravida

Amounts in SEK thousands unless otherwise stated.

Group's passenger and commercial vehicles. Other leases are classified as operating leases. Payments made during the lease term are charged to the income statement on a straight-line basis over the term of the lease.

Financial assets

Bravida classifies its financial assets into the following categories: financial assets carried at fair value through the income statement, available-for-sale financial assets, and loans and trade receivables. The classification depends on the purpose for which the financial asset was acquired. The classification of financial assets is determined by management upon initial recognition.

General principles

Purchases and sales of financial assets are recognised at the transaction date, which is the date when the Group undertakes to buy or sell the asset. Financial instruments are initially recognised at cost plus transaction costs, which applies to all financial assets that are not carried at fair value through the income statement. Financial assets carried at fair value through the income statement are initially recognised at fair value while the related transaction costs are recognised in the income statement. Financial assets are removed from the balance sheet when the right to receive cash flows from the instrument has expired or been transferred and the Group has transferred virtually all risks and benefits associated with ownership to another party. After the acquisition date available-for-sale assets and financial assets carried at fair value through the income statement are stated at fair value. Loans and trade receivables are stated at amortised cost by applying the effective interest method.

At each balance sheet date the Group assesses whether there is objective evidence of impairment of a financial asset or group of financial assets, for instance that it is not probable that the debtor will be able to fulfil its obligations. Impairment tests of trade receivables are described below.

Financial assets carried at fair value through the income statement

Financial assets carried at fair value through the income statement are financial assets that are held for trading. A financial asset is classified in this category if it was acquired primarily for the purpose of being sold in the short term. Any derivatives are classified as held for trading if they have not been identified as hedges. An interest rate swap is stated at fair value based on future discounted cash flows, which means that the value will vary with changes in interest rates. Bravida does not meet the criteria for application of hedge accounting in accordance with IAS 39, and changes in value are therefore recognised through the income statement.

Loans and trade receivables

Loans and trade receivables are financial assets that are not derivatives. They have specified or specifiable payments and are not listed on an active market. They are included in current assets, with the exception of items maturing later than 12 months from the balance sheet date, which are classified as non-current assets. Loans and trade receivables are initially stated at cost and subsequently at amortised cost by applying the effective interest method, less any provisions for impairment. A provision for impairment of trade receivables is posted when there is objective evidence that the Group will not be able to recover all overdue amounts in accordance with the original terms and conditions for the receivables. The size of the provision is the difference between the carrying amount of the asset and the present value of estimated future cash flows. An impairment loss on trade receivables is recognised in the income statement in the function “other operating expenses” while an impairment loss on loans is recognised in financial items.

Reversal of impairment losses

Impairment losses on loan receivables and trade receivables stated at amortised cost are reversed if a later increase in the recoverable amount can objectively be attributed to an event occurring after the time at which the impairment loss was recognised.

Inventories

Inventories are measured at the lower of cost and net realisable value. This also takes into account the risk of obsolescence. Cost is determined using the first-in/first-out method (FIFO). Net realisable value is the estimated selling price in the company’s operating activities less any applicable variable selling expenses. The cost of company-produced semi-finished and finished goods consists of direct costs of production plus a reasonable portion of indirect costs of production. Normal capacity utilisation is also taken into account in the valuation.

Installation contracts

Bravida applies the percentage of completion method. Under this method, earnings are determined in accordance with the degree of completion of the project. Determining the earnings accrued at any given time requires information about the following components:

- Project revenue – the value of all revenues attributable to the contract.
- Project cost – all costs corresponding to the project revenues that are attributable to the project.
- Degree of completion – recognised costs in relation to estimated total project costs.

Expenditure that has been incurred during the year but that relates to future work is not included in project costs paid at the time of determining the degree of completion. These are reported as materials and inventories, advances or other assets depending on their character. Changes to the scope of the project, claims and incentive pay are included in project revenue to the extent that they have been agreed with the customer and can be reliably measured. A fundamental condition for application of the percentage of completion method is that project revenues and project costs can be reliably measured and that the degree of completion is determined in a way that is relevant with respect to the reliability requirement.

For projects where revenues and costs cannot be reliably measured at the closing date the zero profit method is applied. This means that revenue equal to the incurred costs is recognised for the project, i.e. the profit is zero until such time as it is possible to determine the earnings. As soon as this is possible the percentage of completion method is applied. Provisions are made for expected losses, i.e. when the project costs are expected to exceed the total project revenues, and these amounts are charged to earnings for the year.

The Bravida Group recognises as assets receivables (balance sheet item “Accrued but not invoiced income”) from buyers of installation projects for which the project costs and recognised profits (after deducting recognised losses) exceed the invoiced amount. Partially invoiced amounts that have not yet been paid by the customer and amounts withheld by the buyer are included in the item Trade receivables. Bravida recognises as liabilities (balance sheet item “Invoiced but not accrued income”) any liabilities to buyers of installation contracts for projects in progress for which the invoiced amount exceeds the project costs and recognised profits (after deducting recognised losses).

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances, and other short-term investments maturing within three months of the acquisition date.

Financial liabilities

The Bravida Group's financial liabilities are divided into the following categories:

Financial liabilities carried at fair value through the income statement

Derivatives with negative fair value that do not meet the criteria for hedge accounting are carried at fair value through the income statement. For information about which derivatives are reported by the Bravida Group, see the section “Financial assets carried at fair value through the income statement”.

Financial liabilities carried at amortised cost

Loans and other financial liabilities, e.g. trade payables, are included in this category. Financial liabilities are initially stated at fair value, net of transaction costs. Subsequently financial liabilities are carried at amortised cost and any difference between the amount received (net of transaction costs) and the amount repayable is recognised in the income statement over the term of the loan by applying the effective interest method. Compensation for any difference in interest upon early redemption of a loan is recognised in the income statement at the date of redemption. Dividends paid are recognised as a liability upon approval of the dividend by the Annual General Meeting.

Borrowing and other financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer payment of the liability for at least 12 months after the balance sheet date.

Income tax

Reported income taxes include tax that is payable or due in respect of the current year, adjustments relating to current tax for previous years and changes in deferred tax. All tax liabilities and assets are valued at their

Amounts in SEK thousands unless otherwise stated.

nominal amounts and based on the tax rules and tax rates that have been adopted or that have been announced and are highly likely to be confirmed. For items included in the income statement the associated tax effects are also recognised in the income statement. The tax effect of items recognised directly in equity are also recognised in equity. Deferred tax is calculated in accordance with the balance sheet method for all temporary differences between the carrying amounts and tax bases of assets and liabilities. Deferred tax assets relating to unused tax loss carry-forwards or other future tax deductions are recognised to the extent that it is probable that such deductions can be used to offset future taxable profits.

Employee benefits

Employee benefits are recognised in the consolidated financial statements in accordance with IAS 19 Employee Benefits.

Post-employment benefits

In Denmark all employees are covered by defined contribution plans. In Sweden most employees are covered by a defined contribution plan, but a significant number are covered by a defined benefit plan. In Norway most of Bravida's employees are covered by a defined contribution pension plan.

In a defined contribution plan the company makes fixed contributions to a separate legal entity and has no obligation to make any further contributions. Costs are charged to the consolidated income statement when the benefits are earned.

In a defined benefit plan benefits accrue to employees and former employees based on their salaries on retirement and the number of years of service. The Group bears the risk associated with payment of promised retirement benefits.

The defined benefit pension plans are both funded and unfunded. In a funded plan the assets have been segregated, mainly in pension funds. These plan assets can only be used to make payments in accordance with the terms of the pension agreements.

The estimated present value of the obligations less fair value of the plan assets is recognised in the balance sheet as a provision or a non-current financial asset, as appropriate.

The pension cost and the retirement benefit obligation for defined benefit pension plans is calculated annually by independent actuaries. The obligation is defined as the present value of expected future payments to beneficiaries. The discount rate used is the yield on high-quality corporate bonds or government bonds with maturities equivalent to the average maturity of the obligations and the currency.

Actuarial gains and losses may arise when defining the present value of the retirement benefit obligation and the fair value of the plan assets. These arise either because fair value differs from the previous assumption or because the assumptions are changed. That part of the accumulated actuarial gains and losses at the end of the previous year that exceeds 10 per cent of the higher of the present value of the obligations and fair value of the plan assets is recognised in the income statement over the estimated remaining period of service for employees covered by the plan.

The accounting policy described above is applied for the consolidated financial statements. The parent company and subsidiaries report defined benefit pension plans in accordance with local rules and regulations in the country concerned.

A provision (receivable) is recognised for special payroll tax when the pension cost defined in accordance with IAS 19 is higher (lower) than the pension cost defined in the legal entity. The provision (receivable) is based on the difference between these amounts. The provision (receivable) is not discounted to present value.

Termination benefits

A provision is recognised in connection with the termination of staff only if the company is demonstrably obliged to terminate the employment before the normal date or when compensation is paid as the result of an offer made to encourage voluntary redundancy. In the event of involuntary retirement the company will draw up a detailed plan specifying, as a minimum, the workplace, positions and approximate number of individuals affected as well as the benefits for each category of employee or position and the date on which the plan will be implemented.

Provisions

A provision is recognised in the balance sheet when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Warranty provision

A provision is recognised when the underlying product or service has been sold. Upon completion of the installation work a warranty period of 24 months normally applies. The warranty provision is calculated on the basis of previous years' warranty expenditure and an assessment of future warranty risks.

Restructuring reserve

A provision is recognised when a detailed restructuring plan has been adopted and the restructuring has been initiated or publicly announced. No provision is made for future operating expenses.

Contingent liabilities

A contingent liability is recognised when there is a possible obligation arising from past events and whose existence will be confirmed only by one or more uncertain future events, or when there is an obligation which is not recognised as a liability or provision because it is unlikely that an outflow of resources will be required.

Parent company accounting principles

As of the financial year 1 January 2009 to 31 December 2009 the parent company prepares its annual accounts in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2.2, Accounting for Legal Entities, of the Swedish Financial Reporting Board. RFR 2.2 states that the parent company's annual accounts for the legal entity should be prepared by applying all EU-adopted IFRS statements insofar as this is possible under the Swedish Annual Accounts Act and with regard to the relationship between accounting and taxation.

Changed accounting policies

Essentially, the transition to reporting in accordance with RFR 2.2 for the parent company has only increased the number of additional disclosures. The parent company applies the same accounting policies as the Group except in respect of the exemptions and additions specified in RFR 2.2 Accounting for Legal Entities. The differences that exist between the policies applied in preparing the parent company and consolidated financial statements are due to limitations on the applicability of IFRS in the parent company as a result of the Swedish Annual Accounts Act.

Differences between the Group and parent company accounting policies

Differences between the Group and parent company accounting policies are described in the following. The stated accounting policies have been applied consistently for all periods presented in the parent company's financial statements.

Subsidiaries

Interests in subsidiaries are accounted for in the parent company using the cost method. Only received dividends are recognised as income, provided that the dividends were earned after the acquisition. Dividends in excess of such earnings are treated as repayments of the investment and thus reduce the carrying amount of the interest.

Group contributions and shareholder contributions

The company reports shareholder contributions in accordance with the statement of the Urgent Issue Committee of the Swedish Financial Accounting Standards Council. Shareholder contributions are recognised directly in equity in the receiving entity and converted into shares and interests in the contributing entity, insofar as no impairment loss is required.

Group contributions are accounted for based on their economic substance. This means that Group contributions that have been made for the purpose of minimising the Group's total tax expense are recognised directly in retained earnings less their current tax effect. Group contributions that are equivalent to dividends are accounted for as a reduction of equity in the contributing entity and as financial income in the receiving entity. A Group contribution that is equivalent to a shareholder contribution is accounted for in the same manner.

Goodwill

Goodwill in the parent company is recognised at cost less accumulated amortisation and any impairment losses. This means that goodwill is amortised over a useful life of 5-10 years.

Leased assets

In the parent company all leases are accounted for in accordance with the rules for operating leases.

Amounts in SEK thousands unless otherwise stated.

Note 1 Cont.

Presentation of the income statement and balance sheet
The parent company applies the form of presentation for income statements and balance sheets prescribed in the Swedish Annual Accounts Act, which means that equity is presented differently and that provisions are reported under a separate main heading in the balance sheet.

Information about the Group
The company is a wholly owned subsidiary of Scandinavian Installation Acquisition AB (reg.no. 556713-6519) with registered office in Stockholm. The highest company in the Group that prepares consolidates financial statements is Bravida HoldCo S.à r.l. (reg.no. B-122.235) with registered office in Luxembourg. The consolidated financial statements are available from Bravida AB.

Out of the parent company's total purchases and sales in Swedish kronor, 0 per cent (0%) of purchases and 100 per cent (100%) of sales refer to other companies in the corporate group to which the company belongs.

Note 2 Distribution of revenue

Group	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31
Invoicing	10,699,488	10,402,621
Change in work in progress	131,558	107,955
Net sales	**10,831,046**	**10,510,576**

Net sales by field of technology

Group	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31
Electrical	5,870,349	5,347,355
Heating & plumbing	2,859,140	3,028,274
HVAC	1,726,838	1,690,181
Other	374,719	444,766
Net sales	**10,831,046**	**10,510,576**

Note 3 Segment reporting

The Group's operations are controlled and reviewed on per geographic market basis by the chief operating decision maker. Operationally, Bravida is organised into divisions which correspond to these geographic markets. Internal prices charged between the various segments of the Group are set based on the arm's length principle, i.e. between parties that are independent of each other, are well informed and have an interest in ensuring that the transactions are completed. None of the companies' customers generate more than 5 per cent of total consolidated income.

Geographic markets
Geographic markets constitute the company's operating segments. The Group's geographic markets comprise the divisions North, Stockholm and South in Sweden, and Norway and Denmark. In each geographic market activities are conducted in the areas of electrical, heating & plumbing, HVAC and other. The terms "Group", "central" or "common" refer to functions that are common to Sweden and the Group as a whole.

	Sweden[2]							
2009	**North**	**Stockholm**	**South**	**Norway**	**Denmark**	**Central**	**Elimination and other**	**Total**
REVENUE								
External net sales	1,816,947	1,939,831	2,899,207	2,073,008	2,101,792	261	–	10,831,046
Internal net sales	30,624	33,839	9,771	–	-153	186,785	-260,866	–
Net sales	1,847,571	1,973,670	2,908,978	2,073,008	2,101,639	187,046	-260,866	10,831,046
Operating expenses	-1,727,735	-1,872,028	-2,743,244	-1,989,483	-2,062,307	-169,782	278,409	-10,286,170
Amortisation and impairment of intangible assets	–	-400	–	-4,557[1]	-4,258[1]	–	–	-9,215
Operating profit/loss	**119,826**	**101,242**	**165,734**	**78,968**	**35,074**	**17,264**	**17,543**	**535,661**

1) Of which impairment of goodwill -2,145 in OK Klima Vest AS and -4,258 in Region Rail Technology.
2) External net sales in Sweden were SEK 6,656,246,000.

Amounts in SEK thousands unless otherwise stated.

2008	North	Sweden[2)] Stockholm	South	Norway	Denmark	Central	Elimination and other	Total
REVENUE								
External net sales	2,092,296	2,009,407	3,114,833	1,195,345	2,098,421	274	–	10,510,576
Internal net sales	45,093	40,241	7,213	–	289	190,519	-283,355	–
Net sales	2,137,389	2,049,648	3,122,046	1,195,345	2,098,710	190,793	-283,355	10,510,576
Operating expenses	-2,020,807	-1,928,442	-2,911,502	-1,148,274	-2,005,734	-183,507	306,466	-9,891,800
Amortisation and impairment of intangible assets	–	-400	–	-1,241[1)]	–	–	–	-1,641
Operating profit/loss	**116,582**	**120,806**	**210,544**	**45,830**	**92,976**	**7,286**	**23,111**	**617,135**

1) Refers to impairment of goodwill in Bravida Oil & Energy AS.
2) External net sales in Sweden were SEK 7,216,810,000.

Net sales, installation contracts and service assignments

Group	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31
Installation contracts	6 011 620	6 411 451
Service	4 819 426	4 099 125
Net sales	**10 831 046**	**10 510 576**

Note 4 Acquisition of operations

On 1 July 2009 the Group acquired 100 per cent of the shares of Siemens Installation A/S. The acquired company, which was one of Norway's largest in electrical installation, had offices in about 20 locations in Norway. The company had about 1,300 employees and generated sales equivalent to about SEK 2,000 million in the last financial year. In the six-month period that followed the acquisition the subsidiary contributed 46 to consolidated earnings after tax in 2009. If the acquisition had taken place at 1 January 2009 consolidated income would have been approximately 11,860 and the impact on the profit for the year would have been positive.

Effects of the acquisition of Siemens Installation AS in 2009

The acquisition has the following effects on consolidated assets and liabilities.

	Carrying amount in Siemens Installation AS before acquisition	Fair value adjustment	Fair value recognised in Group
Intangible assets	–	69,519	69,519
Other non-current assets	19,711	-3,306	16,406
Other current assets	392,060	-7,907	384,152
Cash and cash equivalents	330,567	–	330,567
Non-current liabilities	-94,790	45,048	-49,741
Current liabilities	-477,967	-54,618	-532,585
Net identifiable assets and liabilities	169,581	48,737	218,318
Consolidated goodwill			**266,575**
Cost			484,893
Cash and cash equivalents (acquired)			330,567
Net effect on cash and cash equivalents			**-154,326**
Calculation of cost			
Cash consideration paid			480,800
Acquisition costs			4,093
Cost			**484,893**

The goodwill value includes the value of an improved market position in key sub-markets, synergies and the technical expertise of the employees.

Effects of other acquisitions in 2009

On 1 May Appelgrens El i Mölndal AB was acquired. The company has 30 employees and an annualised turnover of about SEK 30 million. On 1 January Bravida acquired Juhl Air Control AB in Löddeköpinge. The company has 13 employees and a turnover of about SEK 45 million.

	Carrying amount in other acquired companies before acquisition	Fair value adjustment	Fair value recognised in Group
Intangible assets	483		483
Other non-current assets	1,557		1,557
Other current assets	10,208		10,208
Cash and cash equivalents	6,400		6,400
Current liabilities	-10,273		-10,273
Net identifiable assets and liabilities	8,375	0	8,375
Consolidated goodwill			**14,181**
Cost			22,556
Consideration recognised as a liability			2,750
Cash and cash equivalents (acquired)			6,400
Net effect on cash and cash equivalents			**-13,406**
Calculation of cost			
Cash consideration paid			19,806
Consideration recognised as a liability			2,750
Cost			**22,556**

Amounts in SEK thousands unless otherwise stated.

Note 4 Cont.

Effects of acquisitions in 2008

In the fourth quarter of 2008 Region Rail Technolog acquired the operations of Sorgenfri Enterprise in Copenhagen with 40 employees. The goodwill arising from the acquisition was fully written down in 2009.

The acquisition has the following effects on consolidated assets and liabilities.

	Carrying amount in acquired operation before acquisition	Fair value adjustment	Fair value recognised in Group
Other non-current assets	12,403		12,403
Current liabilities	-2,035		-2,035
Net identifiable assets and liabilities	10,368	–	10,368
Consolidated goodwill			**4,683**
Cost			15,051
Cash and cash equivalents (acquired)			0
Net effect on cash and cash equivalents			**-15,051**
Calculation of cost			
Cash consideration paid			14,680
Acquisition costs			371
Cost			**15,051**

Note 5 Other operating income

	Group		Parent company	
	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31
Gain from sale of shares in subsidiaries	5,760	–	–	–
Other	–	–	3,139	1,978
	5,760	**–**	**3,139**	**1,978**

Note 6 Employees, staff costs and compensation to senior executives

Number of employees	2009-01-01 –2009-12-31	of which women	2008-01-01 –2008-12-31	of which women
PARENT COMPANY				
Sweden	–	0.0 %	–	0.0 %
Total in parent company	**–**	**0.0 %**	**–**	**0.0 %**
SUBSIDIARIES				
Sweden	5,024	5.6 %	5,280	5.1 %
Denmark	1,527	7.0 %	1,781	7.0 %
Norway	1,527	5.7 %	989	6.2 %
Total in subsidiaries	**8,078**	**5.9 %**	**8,050**	**5.6 %**
Total, Group	**8,078**	**5.9 %**	**8,050**	**5.6 %**

Breakdown between men and women in management

Female representation	2009-12-31	2008-12-31
PARENT COMPANY		
Board	0.0 %	0.0 %
Other senior executives	0.0 %	0.0 %
TOTAL, GROUP		
Board	0.0 %	0.0 %
Other senior executives	0.0 %	0.0 %

Salaries, other compensation and social-security contributions

	2009-01-01 –2009-12-31		2008-01-01 –2008-12-31	
	Salaries and compensation	Social-security contributions	Salaries and compensation	Social-security contributions
Parent company	233	73	133	42
(of which pension costs)	(–)	(–)	(–)	(–)
Subsidiaries	4,059,004	747,610	3,821,082	727,195
(of which pension costs)	(234,663)	(32,404)	(184,745)	(36,343)
Total, Group	**4,059,237**	**747,683**	**3,821,215**	**727,237**
(of which pension costs)	(234,663)	(32,404)	(184,745)	(36,343)

Salaries and other compensation by country and broken down between Directors etc. and other employees

	2009-01-01 –2009-12-31		2008-01-01 –2008-12-31	
	Board and CEO	Other employees	Board and CEO	Other employees
PARENT COMPANY				
Sweden	233	–	133	–
(of which bonuses etc.)	(–)	(–)	(–)	(–)
SUBSIDIARIES				
Sweden	9,267	2,191,623	9,837	2,331,285
(of which bonuses etc.)	(2,429)	(57,105)	(3,028)	(51,866)
Denmark	3,499	998,005	4,349	951,410
(of which bonuses etc.)	(–)	(2,448)	(1,185)	(6,995)
Norway	6,650	849,960	5,770	518,356
(of which bonuses etc.)	(2,603)	(5,608)	(735)	(8,035)
Subsidiaries, total	19,416	4,039,588	19,956	3,801,051
(of which bonuses etc.)	(5,032)	(65,161)	(4,948)	(66,896)
Total, Group	**19,649**	**4,039,588**	**20,089**	**3,801,051**
(of which bonuses etc.)	(5,032)	(65,161)	(4,948)	(66,896)

Senior executives' benefits

The total fee paid to the Board of Directors of the parent company, as adopted at the general shareholders' meeting in 2009, was 233, of which 0 was paid to the Chairman of the Board and 233 to the other Directors.

Amounts in SEK thousands unless otherwise stated.

The compensation paid to senior executives refers mostly to fixed salaries. The CEO's contract is subject to six months' notice by either party. In case of termination the CEO also has a right to severance pay in the form of 18 months' salary. The contracts of other senior executives are subject to six months' notice. The CEO has an individual occupational pension plan with a pension premium of 35 per cent of the basic salary.

Under the company's pension policy, other senior executives have a right to an occupational pension in accordance with individual agreements, as applicable from time to time.

Compensation and other benefits in 2009	Basic salary/ Directors' fees	Variable compensa-tion	Other benefits	Pension cost	Total
Jan Åkesson, Chairman of the Board	–	–	–	–	–
Lars-Ove Håkansson, Director	100				100
Thomas Erséus, Director	100				100
Thomas Tarnowski, Director	–				–
Magnus Lindquist, Director	–				–
Mats O Paulsson, Director	33				33
Torbjörn Torell, CEO	3,096	1,641	161	1,051	5,949
Other senior executives[1)]	12,550	5,386	147	3,638	21,721
	15,879	**7,027**	**308**	**4,689**	**27,903**

1) During the year the group other senior executives consisted of 6 persons.

Compensation and other benefits in 2008	Basic salary/ Directors' fees	Variable compensa-tion	Other benefits	Pension cost	Total
Jan Åkesson, Chairman of the Board	–	–	–	–	–
Lars-Ove Håkansson, Director	100	–	–	–	100
Thomas Erséus, Director	33				33
Thomas Tarnowski, Director	–				–
Torbjörn Torell, CEO	3,094	2,429	163	1,060	6,746
Other senior executives[1)]	12,787	7,190	143	3,442	23,562
	16,014	**9,619**	**306**	**4,502**	**30,441**

1) During the year the group other senior executives consisted of 6 persons.

Note 7 Auditors' fees and expenses

	Group		Parent company	
	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31
KPMG				
Audit assignments	5,121	3,633	905	220
Other assignments	1,343	2,124	247	13
OTHER				
Other assignments	13	30	–	–
Total	**6,477**	**5,787**	**1,152**	**233**

Note 8 Operating expenses by function of expense

	Group		Parent company	
	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31
Costs for materials	3,309,856	3,133,482	–	–
Subcontractors and purchased services in production	970,072	1,053,070	–	–
Staff costs	4,806,920	4,548,351	571	83
Depreciation and amortisation	26,436	34,157	–	–
Vehicle expenses	307,642	286,772	–	–
Premises expenses	184,728	154,609	–	–
Consulting fees	82,968	91,141	1,587	1,309
IT expenses and telephony	121,357	129,776	–	–
Travel expenses	50,689	49,763	–	–
Other operating expenses	440,478	412,267	337	254
	10,301,146	**9,893,388**	**2,495**	**1,646**

Amounts in SEK thousands unless otherwise stated.

Note 9 Net financial income/expense

	Group		Parent company	
	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31
PROFIT/LOSS FROM INTERESTS IN GROUP COMPANIES				
Dividend	–	–	–	250,000
Capital gain/loss on sale of subsidiaries	–	–	-1	–
	–	**–**	**-1**	**250,000**
FINANCIAL INCOME				
Interest income, Group companies	–	–	–	–
Interest income, other	19,180	25,675	46	263
Foreign exchange gains	686	–	6	–
Interest on arrears	3,039	3,892	–	–
Other	151	951	–	–
	23,056	**30,518**	**52**	**263**
FINANCIAL EXPENSES				
Interest expense, Group companies	–	–	-19,286	-26,557
Interest expense, other	-42,664	-63,163	–	–
Foreign exchange losses	–	-2,860	–	-77
Interest on arrears	-1,874	-2,836	-1	–
Other	-3,432	-4,383	–	-1,419
	-47,970	**-73,242**	**-19,287**	**-28,053**
Net financial income/expense	**-24,914**	**-42,724**	**-19,236**	**222,210**

Amounts in SEK thousands unless otherwise stated.

Note 10 Tax

	Group		Parent company	
	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31
CURRENT TAX EXPENSE (-) / TAX INCOME (+)				
Tax expense for the period	-9,656	-4,468	–	–
Tax effect of Group contribution made/received	-16,824	-19,151	4,903	7,688
Adjustment of tax in respect of prior years	928	9,599	–	–
	-25,552	**-14,020**	**4,903**	**7,688**
DEFERRED TAX EXPENSE (-) / TAX INCOME (+)				
Deferred tax arising from temporary differences	-14,795	-39,566	–	–
Deferred tax relating to changes in tax rates	-326	-9,928	–	-323
Deferred tax income in tax loss carry-forwards recognised during the year	152,787	2	–	–
Deferred tax liability resulting from utilisation of previously recognised taxable value in tax loss carry-forwards	-77,461	-84,471	–	–
Deferred tax relating to untaxed reserves	68	-62	–	–
	60,273	**-134,025**	**–**	**-323**
Total recognised tax expense/tax income	**34,721**	**-148,045**	**4,903**	**7,365**
RECONCILIATION OF EFFECTIVE TAX				
Profit/loss before tax	510,746	574,464	-18,642	222,542
Tax at tax rate applying to parent company	-134,326	-160,850	4,903	-62,312
Effect of different tax rates for foreign subsidiaries	567	3,173	–	–
Amortisation of consolidated goodwill	601	–	–	–
Permanent differences	785	-6,211	–	–
Deductible items not affecting earnings	1,486	1,714	–	–
Increase in tax loss carry-forwards without corresponding recognition of deferred tax	-343	-23,147	–	–
Recognition of tax loss carry-forwards in respect of prior years	162,096	–	–	–
Recognition of temporary differences without corresponding recognition of deferred tax in respect of prior years	5,378	–	–	–
Tax in respect of prior years	-1,197	-8,365	–	–
Effect of changed tax rates in Sweden	–	-3,918	–	-323
Non-taxable income, dividend	–	–	–	70,000
Deferred tax asset in respect of prior years	-326	–	–	–
Deferred tax, temporary differences without corresponding recognition	–	49,544	–	–
Recognised effective tax	**34,721**	**-148,045**	**–**	**7,365**

Tax attributable to other comprehensive income
No tax expense is attributable to other comprehensive income.

Tax items recognised directly in equity	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31
Deferred tax expense in respect of changed accounting policies	2,872	–	–	–
	2,872	**–**	**–**	**–**

Amounts in SEK thousands unless otherwise stated.

Note 10 Cont.

Reported deferred tax assets and liabilities
Deferred tax assets and liabilities are attributable as follows:

Group	2009-12-31		2008-12-31	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Intangible assets	233	–	–	-869
Property, plant and equipment	20,169	–	6,054	–
Non-current financial assets	9	–	8	–
Inventories	806	–		–
Trade receivables	10,964	–	6,788	–
Pension provisions		-27,467	–	-36,023
Provisions for projects		-118,776	–	-44,952
Warranty provisions	11,835	–	2,469	–
Other provisions	34,966	–	25,001	–
Tax allocation reserves		-369		-62
Other	50,174	–	435	–
Tax loss carry-forwards	194,381	–	83,113	–
	323,537	**-146,612**	**123,868**	**-81,906**
Net asset	**176,925**		**41,962**	

In 2009 Sweden changed the rate of corporate tax from 28 per cent to 26.3 per cent. In Norway the corporate tax rate is 28 per cent. Denmark's corporate tax rate is 25 per cent.

Parent company	2009-12-31		2008-12-31	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Tax loss carry-forwards	5,009	–	5,009	–
	5,009	**–**	**5,009**	**–**

	Group		Parent company	
	2009-12-31	2008-12-31	2009-12-31	2008-12-31
SPECIFICATION BY COUNTRY				
Sweden	-15,847	66,582	5,009	5 009
Norway	223,802	1,676	–	–
Denmark	-31,030	-26,296	–	–
	176,925	**41,962**	**5,009**	**5 009**

Unrecognised deferred tax assets
Deductible temporary differences and tax loss carry-forwards for which deferred tax assets have not been recognised in the income statements and balance sheets:

	Group		Parent company	
	2009-12-31	2008-12-31	2009-12-31	2008-12-31
SPECIFICATION BY COUNTRY				
Norway	343	160,130	–	–
	343	**160,130**	**–**	**–**

Change in deferred tax in temporary differences and tax loss carry-forwards

Group 2009	Amount at 1 Jan 2009	Recognised through income statement	Recognised in equity	Acquisition/sale of company	Amount at 31 Dec 2009
Tax loss carry-forwards	83,113	111,268	–	–	194,381
Untaxed reserves	-251	68	–	-372	-555
Property, plant and equipment	6,054	16,838	–	-2,723	20,169
Trade receivables	6,788	2,793	–	1,383	10,964
Provisions for projects	-44,952	-50,271	–	-23,553	-118,776
Warranty provisions	2,469	3,496	–	5,870	11,835
Pensions	-36,023	-6,666	2,872	12,350	-27,467
Other	24,764	-16,953	–	78,563	86,374
Total	**41,962**	**60,573**	**2,872**	**71,518**	**176,925**

Group 2008	Amount at 1 Jan 2008	Recognised through income statement	Recognised in equity	Acquisition/sale of company	Amount at 31 Dec 2008
Tax loss carry-forwards	178,415	-95,302	–	–	83,113
Untaxed reserves	-220	-31	–	–	-251
Property, plant and equipment	7,816	-1,762	–	–	6,054
Trade receivables	10,912	-4,124	–	–	6,788
Provisions for projects	-19,460	-25,492	–	–	-44,952
Warranty provisions	13,019	-10,550	–	–	2,469
Pensions	-32,228	-3,795	–	–	-36,023
Other	21,005	3,759	–	–	24,764
Total	**179,259**	**-137,297**	**0**	**0**	**41,962**

Amounts in SEK thousands unless otherwise stated.

Parent company 2009	Amount at 1 Jan 2009	Recognised through income statement	Recognised in equity	Acquisition/sale of company	Amount at 31 Dec 2009
Tax loss carry-forwards	5,009				5,009
Total	**5,009**	**0**	**0**	**0**	**5,009**

Parent company 2008	Amount at 1 Jan 2009	Recognised through income statement	Recognised in equity	Acquisition/sale of company	Amount at 31 Dec 2009
Tax loss carry-forwards	5,009				5,009
Total	**5,009**	**0**	**0**	**0**	**5,009**

Note 11 Intangible assets

Group 31 Dec 2009	Goodwill	Other intangible	Total
ACCUMULATED COST			
At beginning of year	1,867,312	2,000	1,869,312
Acquisition of subsidiaries	289,850	–	289,850
Purchases	2,100	1,554	3,654
Sales and disposals	-570	–	-570
Reclassifications	-3,013	3,013	–
Foreign exchange differences for the year	1,104	380	1,484
At end of year	**2,156,783**	**6,947**	**2,163,730**
ACCUMULATED SCHEDULED AMORTISATION			
At beginning of year	–	-800	-800
Reclassifications	–	-1,170	-1,170
Scheduled amortisation for the year	–	-2,812	-2,812
Foreign exchange differences for the year	–	-200	-200
At end of year	**–**	**-4,982**	**-4,982**
ACCUMULATED IMPAIRMENT			
At beginning of year	-1,241	–	-1,241
Impairment losses for the year[1)]	-6,403	–	-6,403
At end of year	**-7,644**	**–**	**-7,644**
Carrying amount at beginning of period	**1,866,071**	**1,200**	**1,867,271**
Carrying amount at end of period	**2,149,139**	**1,965**	**2,151,104**

1) The impairment refers to Region Rail Technolog in Denmark and OK Klima Vest AS in Norway.

Group 31 Dec 2008	Goodwill	Other intangible	Total
ACCUMULATED COST			
At beginning of year	1,857,438	2,000	1,859,438
Acquisition of subsidiaries	9,536	–	9,536
Foreign exchange differences for the year	338	–	338
At end of year	**1,867,312**	**2,000**	**1,869,312**
ACCUMULATED SCHEDULED AMORTISATION			
At beginning of year	–	-400	-400
Scheduled amortisation for the year	–	-400	-400
At end of year	**–**	**-800**	**-800**
ACCUMULATED IMPAIRMENT			
Impairment losses for the year[1)]	-1,241	–	-1,241
At end of year	**-1,241**	**–**	**-1,241**
Carrying amount at beginning of period	**1,857,438**	**1,600**	**1,859,038**
Carrying amount at end of period	**1,866,071**	**1,200**	**1,867,271**

1) Refers to impairment of goodwill in Bravida Oil & Energy AS.

Amounts in SEK thousands unless otherwise stated.

Note 11 Cont.

Group 1 Jan 2008	Goodwill	Other intangible	Total
ACCUMULATED COST			
At beginning of year	1,857,438	2,000	1,859,438
At end of year	**1,857,438**	**2,000**	**1,859,438**
ACCUMULATED SCHEDULED AMORTISATION			
At beginning of year	–	-400	-400
At end of year	**–**	**-400**	**-400**
Carrying amount at beginning of period	**1,857,438**	**1,600**	**1,859,038**
Carrying amount at end of period	**1,857,438**	**1,600**	**1,859,038**

Impairment for the year is reported in costs of production in the income statement.

Impairment tests for cash-generating units containing goodwill

The following cash-generating units have significant recognised goodwill values in relation to total goodwill values recognised in the consolidated financial statements:

SEKm	2009	2008
Bravida Sweden	1,559	1,549
Division Denmark	314	315
Division Norway	277	2
	2,149	**1,866**
Units with no significant goodwill values	0	0
	2 149	**1 866**

Impairment of goodwill

In 2009 the Group recognised an impairment loss on a goodwill item that arose through the acquisition of an operation in Denmark in 2008. The reason for the impairment loss was that the acquired operation posted a significant loss as a result of a decision by the largest customer to defer its planned investments. The impairment loss recognised for OK Klima Vest is due to lower profitability in the operations. For those cash-generating units where the recoverable amount has been calculated and no impairment has been identified management deems that no reasonably possible changes in key assumptions would cause the recoverable amount to fall below the carrying amount.

Method for calculating the recoverable amount

For all goodwill values the recoverable amount has been determined by calculating value in use for the cash-generating unit. The model of calculation is based on the discounting of future expected cash flows in relation to carrying amounts for the unit. Future cash flows are based on five-year forecasts produced by the management for each cash-generating unit. Impairment tests of goodwill are based on the assumption of a perpetual horizon and the extrapolation of cash flows for the years after the forecasting period has been based on a growth rate of 2 per cent from year 6.

Key variables for calculating value in use:

The following variables are material and common for all cash-generating units in calculating value in use.

Sales: The competitiveness of the business, expected trends in the construction sector, general socio-economic trends, central and local government investment plans, interest rates, and local market conditions.

Operating margin: Historical profitability levels and efficiency in the business, access to key individuals and qualified labour, skills in dealing with customers/customer relationships, access to internal resources, trends in expenses for salaries, materials and subcontractors.

Working capital requirements: An assessment in each individual case of whether the working capital reflects the operational requirements or needs to be adjusted for the forecasting periods. For the trend going forward a reasonable or cautious assumption is that working capital will track sales growth. A high ratio of in-house-developed projects could require more working capital.

Investment needs: Investment needs in the businesses are assessed based on the investments required to achieve the forecast cash flows from the baseline, i.e. without investments for expansion. Normally, the level of investment has corresponded to the rate of depreciation of property, plant and equipment.

Tax burden: The tax rate in the forecasts is based on Bravida's expected tax situation in each country in respect of tax rates, tax loss carry-forwards, etc.

Discount rate: Forecast cash flows and residual values are discounted to present value using the weighted average cost of capital (WACC). The interest rate paid on borrowed capital is defined as the average interest rate on consolidated net debt. The required rate of return on equity is defined using the capital asset pricing model (CAPM). Calculations of value in use are based on a weighed discount rate before tax of about 7 per cent.

Note 12 Property, plant and equipment

Group 31 Dec 2009	Buildings and land	Machinery and equipment	Total
ACCUMULATED COST			
At beginning of year	2,052	222,420	224,472
Purchases	–	11,428	11,428
Acquisition of subsidiaries	–	37,921	37,921
Sales and disposals	–	-31,786	-31,786
Foreign exchange differences for the year	–	6,056	6,056
	2,052	**246,039**	**248,091**
ACCUMULATED SCHEDULED DEPRECIATION			
At beginning of year	-530	172,112	172,112
Acquisition of subsidiaries	–	-28,515	-28,515
Sales and disposals	–	29,928	29,928
Scheduled depreciation of cost for the year	-54	-17,084	-17,138
Foreign exchange differences for the year	–	-6,082	-6,082
	-584	**-193,865**	**-194,449**
ACCUMULATED IMPAIRMENT			
At beginning of year	–	-5,132	-5,132
Foreign exchange differences for the year	–	-647	-647
	–	**-5,779**	**-5,779**
Carrying amount at end of period	**1,468**	**46,395**	**47,863**

Amounts in SEK thousands unless otherwise stated.

Group 31 Dec 2008	Buildings and land	Machinery and equipment	Total
ACCUMULATED COST			
At beginning of year	23,660	199,599	223,472
Purchases	1,039	16,211	17,250
Acquisition of subsidiaries	–	12,697	12,697
Sales and disposals	-15,651	-12,496	-28,147
Reclassifications	-5,469	5,469	–
Foreign exchange differences for the year	-1,527	940	-587
	2,052	**222,420**	**224,472**
ACCUMULATED SCHEDULED DEPRECIATION			
At beginning of year	-7,106	-171,191	-178,297
Sales and disposals	14,103	11,161	25,264
Reclassifications	-1,375	1,375	–
Scheduled depreciation of cost for the year	-7,020	-13,070	-20,090
Foreign exchange differences for the year	868	-387	481
	-530	**-172,112**	**-172,642**
ACCUMULATED IMPAIRMENT			
At beginning of year	-4,175	-1,443	-5,618
Sales and disposals	–	90	90
Reclassifications	3,880	-3,880	–
Foreign exchange differences for the year	295	101	396
	–	**-5,132**	**-5,132**
Carrying amount at end of period	**1,522**	**45,176**	**46,698**

Group 1 Jan 2008	Buildings and land	Machinery and equipment	Total
ACCUMULATED COST			
At beginning of year	23,660	199,599	223,472
	23,660	**199,599**	**223,472**
ACCUMULATED SCHEDULED DEPRECIATION			
At beginning of year	-7,106	-171,191	-178,297
	-7,106	**-171,191**	**-1728,297**
ACCUMULATED IMPAIRMENT			
At beginning of year	-4,175	-1,443	-5,618
	-4,175	**-1,443**	**-5,618**
Carrying amount at end of period	**12,379**	**26,965**	**39,344**

Taxable values in Sweden	2009-12-31	2008-12-31	2008-01-01
Buildings	2,449	2,282	2,282
Land	1,130	790	790

Note 13 Interests in associates

Group	2009-12-31	2008-12-31	2008-01-01
ACCUMULATED COST			
At beginning of year	243	243	243
Sales	-193	–	–
Share in profit of associates	-2	–	–
Carrying amount at end of period	**48**	**243**	**243**

Specification of interests in associates

				2009-12-31
Associate, reg.no., regd office	**Profit/ loss for the year**	**Owned share, %**	**Consolidat-ed value of capital share**	**Carrying amount**
Mätarspecialisterna i Göteborg AB, 556733-7786, Gothenburg	-2	50%	48	50
			48	**50**

				2008-12-31
Associate, reg.no., regd office	**Profit/ loss for the year**	**Owned share, %**	**Consolidat-ed value of capital share**	**Carrying amount**
Klagshamn Exploaterings AB, 556058-3774, Malmö	–	50%	193	193
Mätarspecialisterna i Göteborg AB, 556733-7786, Gothenburg	–	50%	50	50
			243	**243**

				2008-01-01
Associate, reg.no., regd office	**Profit/ loss for the year**	**Owned share, %**	**Consolidat-ed value of capital share**	**Carrying amount**
Klagshamn Exploaterings AB, 556058-3774, Malmö	–	50%	193	193
Mätarspecialisterna i Göteborg AB, 556733-7786, Gothenburg	–	50%	50	50
			243	**243**

Amounts in SEK thousands unless otherwise stated.

Note 14 Pension assets and provisions for pensions and similar obligations

In Sweden there are pension plans covering all employees. Most of these are defined contribution plans. White-collar employees are covered by a defined benefit pension plan, which is accounted for in the Group in accordance with IAS 19. The parent company had no retirement benefit obligations.

Bravida Norge 2 AS (formerly Siemens Installation AS) had a defined benefit pension plan for its employees. The following figures for Norway refer to Bravida Norge 2 AS.

Other employees in Norway and Denmark are covered by a defined contribution pension plan.

2009-12-31	Parent company	Other Sweden	Norway	Denmark	Total
Active	–	899	1,215	–	2,114
Former employees, not retired	–	3,085	–	–	3,085
Retired	–	2,196	25	–	2,221
Total	**–**	**6,180**	**1,240**	**–**	**7,420**

2008-12-31	Parent company	Other Sweden	Norway	Denmark	Total
Active	–	1,036	–	–	1,036
Former employees, not retired	–	3,180	–	–	3,180
Retired	–	2,147	–	–	2,147
Total	**–**	**6,363**	**–**	**–**	**6,363**

2008-01-01	Parent company	Other Sweden	Norway	Denmark	Total
Active	–	856	–	–	856
Former employees, not retired	–	3,445	–	–	3,445
Retired	–	1,834	–	–	1,834
Total	**–**	**6,135**	**–**	**–**	**6,135**

Amounts in SEK thousands unless otherwise stated.

Defined benefit obligations and the value of plan assets

Group	2009-12-31	2008-12-31	2008-01-01
Present value of fully or partly funded obligations	-1,134,129	-1,105,349	-936,784
Fair value of plan assets	1,197,402	1,041,762	1,032,200
Total fully or partly funded obligations	**63,273**	**-63,587**	**95,416**
Present value of unfunded defined benefit obligations	-130,296	-16,945	-18,809
Net obligations before adjustments	**-67,023**	**-80,532**	**76,607**
Accumulated unrecognised actuarial gains (-) and losses (+)	121,603	178,083	–
Payroll tax	7,205	23,667	18,585
Net amount in balance sheet	**61,785**	**121,218**	**95,192**
The net amount is recognised in the following items in the balance sheet:			
Pension assets	161,990	144,877	118,564
Other securities held as non-current assets	59,156	54,163	60,165
Provisions for pensions and similar obligations	-159,361	-77,811	-83,537
Net amount in balance sheet	**61,785**	**121,218**	**95,192**
The net amount is distributed among plans in the following countries:			
Sweden	126,747	121,218	95,192
Norway	-64,962	–	–
Net amount in balance sheet	**61,785**	**121,218**	**95,192**

Changes in the present value of the obligation for defined benefit plans

Group	2009-12-31	2008-12-31
Obligation for defined benefit plans at 1 Jan	1,122,294	1,015,757
Cost of vested benefits during period	22,763	15,521
Interest expense	54,020	44,621
Pension payments	-51,199	-47,679
Effects of acquisition of operations	131,511	154
Actuarial (gain) / loss	-14,964	93,920
Obligation for defined benefit plans at 31 Jan	**1,264,425**	**1,122,294**

Changes in fair value of plan assets

Group	2009-12-31	2008-12-31
Fair value of plan assets at 1 Jan	1,041,762	1,092,365
Expected return	57,710	47,073
Withdrawn	-50,344	-47,055
Effects of acquisition of operations	62,271	154
Insurance premium (-) paid from plan assets	-3,322	-1,241
Paid in	38,077	34,630
Actuarial gain / (loss)	51,248	-84,164
Foreign exchange differences	–	–
Fair value of plan assets at 31 Dec	**1,197,402**	**1,041,762**

Cost recognised in the income statement

Group	2009-12-31	2008-12-31
Costs relating to service during current period	25,450	15,521
Insurance premium (-) paid from plan assets	3,322	1,241
Interest expense on obligation	44,669	43,880
Expected return on plan assets	-47,208	-46,332
Amortisation of actuarial gains/losses	4,848	–
Net expense in profit/loss for the year	**31,081**	**14,310**

The cost for pensions is recognised as an administrative expense in the income statement.

Amounts in SEK thousands unless otherwise stated.

Note 14 Cont.

Group	2009-12-31	2009-12-31	2008-12-31	2008-12-31	2008-01-01	2008-01-01
	Pension assets	Pension obligations	Pension assets	Pension obligations	Pension assets	Pension obligations
Defined benefit pension plans	161,990	-77,305	144,877	–	118,564	–
PRI	–	-22,900	–	-23,659	–	-23,372
Endowment policies	59,156	-59,156	54,163	-54,163	60,165	-60,165
	221,146	**-159,361**	**199,040**	**-77,822**	**178,729**	**-83,537**

Actuarial assumptions

The following significant actuarial assumptions have been applied in calculating the obligations (weighted average values):

	Sweden		Norway	
	2009-12-31	2008-12-31	2009-12-31	2008-12-31
Discount rate	3.60 %	3.90 %	4.50 %	–
Expected return on plan assets	5.60 %	4.50 %	5.70 %	–
Assumed long-term salary increases	3.00 %	3.00 %	4.50 %	–
Long-term increase in income base amount	3.00 %	3.00 %	0.00 %	–
Assumed long-term inflation	2.00 %	2.00 %	0.00 %	–
Expected increase in base amount	–	–	4.25 %	–
Future increase in pensioners	–	0.00 %	1.75 %	–

The actuarial assumptions are based on commonly used assumptions relating to demographic factors and termination of employment. As of the actuarial calculations for 2007 new mortality assumptions (longer life expectancy) have been taken into account.

Historical information

Group	2009-12-31	2008-12-31	2007-12-31	2006-12-31
Present value of defined benefit obligation	-1,264,425	-1,122,294	-955,593	-1,252,381
Fair value of plan assets	1,197,402	1,041,762	1,032,200	1,256,881
Surplus/deficit in plan	**-67,023**	**-80,532**	**76,607**	**4,500**

Group	2009-12-31	2008-12-31	2008-01-01
Of which credit-insured via FPG/PRI	333	340	401

Group	2009-12-31	2008-12-31	2008-01-01
PLEDGED ASSETS FOR PENSION OBLIGATIONS			
Capitalised endowment policy	59,156	54,163	60,165
	59,156	**54,163**	**60,165**

Amounts in SEK thousands unless otherwise stated.

Note 15 Other securities held as non-current assets

Group	2009-12-31	2008-12-31	2008-01-01
ACCUMULATED COST			
At beginning of year	55,914	74,260	74,260
Sales and disposals	-50	-12,260	–
Change in endowment policies	5,464	-6,002	–
Changes in value	28	-330	–
Foreign exchange differences for the year	-47	246	–
Carrying amount at end of year	**61,309**	**55,914**	**74,260**
SPECIFICATION OF SECURITIES			
Funds, endowment policies	59,627	54,163	60,165
Paid-in capital, Bravida Pensjons-kasse, Norway	–	–	11,875
Other	1,682	1,751	2,220
	61,309	**55,914**	**74,260**

The above securities are not stated at market value with changes in earnings recognised through the income statement.

Note 16 Long-term receivables and other receivables

Group	2009-12-31	2008-12-31	2008-01-01
LONG-TERM RECEIVABLES THAT ARE NON-CURRENT ASSETS			
Deposit	15,575	15,994	12,827
Loans to employees	6,051	98	200
Other	5,772	5,766	2,603
	27,398	**21,858**	**15,630**
OTHER RECEIVABLES THAT ARE CURRENT ASSETS			
Receivable, pension funds	16,983	20,991	36,519
Loans to employees	3,979	4,494	3,228
Receivable due to dispute	–	–	18,601
Other	34,182	31,303	34,550
	55,144	**56,788**	**92,898**

Note 17 Trade receivables

Trade receivables are accounted for after taking account of bad debts, which were 5,744 (47,894) in the Group. Bad debts in the parent company were 0 (0). Bad debts consist of actual and expected bad debts.

See also Note 28 for information on credit risks and maturity structure.

Note 18 Accrued but not invoiced income

Group	2009-12-31	2008-12-31	2008-01-01
Accrued income from work not yet completed	3,429,801	3,453,360	2,631,977
Invoicing of work not yet completed	-2,886,844	-2,804,177	-2,285,991
	542,957	**649,183**	**345,986**

Accrued income from installation projects in progress are recognised in accordance with the percentage of completion method. The degree of completion is defined as project expenditure incurred at the end of the period divided by the total project cost corresponding to the project income.

In the balance sheet installation projects are recognised gross on a project by project basis, either as accrued but not invoiced income in current assets or as invoiced but not accrued income in current liabilities. Projects for which the accrued income exceeds the amount invoiced are recognised as an asset while projects for which the amount invoiced exceeds the accrued income are recognised as a liability.

Note 19 Prepayments and accrued income

Group	2009-12-31	2008-12-31	2008-01-01
Prepaid rents	22,519	25,714	21,145
Prepaid insurance premiums	3,996	370	20,359
Accrued income	65,258	63,277	58,685
Other items	22,052	21,804	15,688
	113,825	**111,165**	**115,877**

Parent company	2009-12-31	2008-12-31
Accrued income	–	360
	–	**360**

Note 20 Short-term investments and restricted funds

Group	2009-12-31	2008-12-31	2008-01-01
Current investments	541	541	541
Restricted funds	9,741	10,380	8,953
Cash and cash equivalents in external consortiums	405	405	419
	10,687	**11,326**	**9,913**

Amounts in SEK thousands unless otherwise stated.

Note 21 Equity

Parent company	2009-12-31	2008-12-31
NUMBER OF SHARES		
Opening number of shares	51,313,833	51,313,833
Closing number of shares	**51,313,833**	**51,313,833**

The share relates to a class and each share entitles the holder to one vote.

Group	2009-12-31	2008-12-31	2008-01-01
SPECIFICATION OF EQUITY ITEM RESERVES:			
Translation reserve			
Opening translation difference	27,763	–	–
Translation differences for the year, foreign subsidiaries	21,213	27,763	–
Closing translation difference	**48,976**	**27,763**	**–**

Translation reserve
The translation reserve includes all foreign exchange differences arising from the translation of financial statements of foreign operations for which the financial statements have been prepared in a different currency than the currency in which the consolidated financial statements are presented. The parent company and Group present their financial statements in Swedish kronor. The translation reserve also includes foreign exchange differences arising from expanded investments in foreign operations as well as loans received from foreign operations.

Retained earnings including profit/loss for the year
Retained earnings including profit/loss for the year includes profits earned in the parent company and its subsidiaries and associates. Previous transfers to the statutory reserve, excluding transfers from share premium accounts, and previous equity method reserves are included in this equity item.

Dividend
After the balance sheet date the Board of Directors has proposed that a cash dividend of SEK 400 million be paid. The dividend payment is subject to approval at the Annual General Meeting on 7 May 2010. The total dividend payment will be calculated based on the number of outstanding shares at the dividend date.

Capital management
Bravida aims to maintain a good capital structure and financial stability. This creates a stable foundation for the company's continued business activities, which creates opportunities to retain existing owners and attract new owners. A good capital structure should also help to ensure that relationships with the Group's creditors evolve in a way that is beneficial for all parties. Capital is defined as equity and refers to equity attributable to holders of interests in the parent company.

One of Bravida's financial targets is an equity/assets ratio (equity divided by total assets) in excess of 25 per cent. The Board deems that this level is appropriate for Bravida's operations in the service and installation markets in Sweden, Norway and Denmark. The target is a part of the Group's strategic planning. If the equity/assets ratio is expected to permanently exceed this level capital should be transferred to the shareholders in an appropriate form. At year-end 2009 the equity/assets ratio was 28.2 per cent (23.3%). The Board's ambition is to maintain a balance between a high return on equity, which can be achieved through increased leverage, and the benefits and security afforded by a higher share of equity.

In addition to regular dividend payments additional cash dividends may be proposed if the Board deems that funds are available that are not required for the development of the Group.

Bravida's loan agreements specify key financial performance indicators (covenants) that the Group is required to meet, which is customary for this type of loan. At year-end Bravida was meeting these covenants by a wide margin.

Parent company

Restricted funds
Restricted funds may not be reduced through the payment of dividends.

Non-restricted equity
Retained earnings and the profit or loss for the year make up non-restricted equity, i.e. the amount that is available for dividend payments to the shareholders.

Retained earnings
Retained earnings consist of retained earnings from the year plus the profit or loss less dividends paid during the year.

Earnings per share

Group	2009-12-31 –2009-12-31	2008-12-31 –2008-12-31
Profit/loss for the year	545,467	426,419
Average number of shares before and after dilution	51,313,833	51,313,833
Earnings before and after dilution, SEK	10.63	8.31
Proposed dividend	400,000	–

Amounts in SEK thousands unless otherwise stated.

Note 22 Interest-bearing liabilities

The following is a presentation of the contractual terms applying to the company's interest-bearing liabilities. For more information about the company's exposure to interest risk and the risk of changes in exchange rates, see Note 28.

	Group			Parent company	
	2009-12-31	2008-12-31	2008-01-01	2009-12-31	2008-12-31
NON-CURRENT LIABILITIES					
Bank loans	750,000	800,000	850,000	–	–
Loans from Group companies	–	–	–	508,426	300,239
Other	–	83	123	–	–
	750,000	**800,083**	**850,123**	**508,426**	**300,239**
CURRENT LIABILITIES					
Overdraft facilities	–	33,959	26,486	–	–
Short-term bank loans	50,000	50,000	50,000	–	–
Other	–	32	34	–	–
	50,000	**83,991**	**76,520**	**–**	**–**
Amount out of liability item that is expected to be paid within 12 months of balance sheet date	50,000	50,032	50,034	–	–
Amount out of liability item that is expected to be paid later than 5 years from balance sheet date	–	–	700,000	–	–

The liabilities are subject to certain covenants relating to the company's earnings and financial position.

		2009		2008	
	Maturity	Nom.value	Carr.amount	Nom.value	Carr.amount
Bank loans, SEK-denominated	2013-12-30	800,000	800,000	850,000	850,000
Total interest-bearing liabilities		**800,000**	**800,000**	**850,000**	**850,000**

		Group			Parent company	
Overdraft facilities		2009-12-31	2008-12-31	2008-01-01	2009-12-31	2008-12-31
Credit limit granted		598,600	432,763	439,063	–	–
Undrawn portion		-598,600	-398,804	-412,577	–	–
Credit drawn		**–**	**33,959**	**26,486**	–	–
CREDIT LIMIT GRANTED, BY COUNTRY						
Sweden	SEK '000	350,000	350,000	350,000	–	–
Norway	NOK '000	200,000	75,000	75,000	–	–
Total credit limit granted	**SEK '000**	**598,600**	**432,763**	**439,063**	**–**	**–**

	Group			Parent company	
Assets pledged as collateral for liabilities to credit institutions	2009-12-31	2008-12-31	2008-01-01	2009-12-31	2008-12-31
Property mortgages	1,800	1,800	1,800	–	–
Floating charges	866,741	866,741	866,741	–	–
Shares in subsidiaries	3,518,565	3,518,565	3,468,565	–	–
	4,387,106	**4,387,106**	**4,337,106**	**–**	**–**

Amounts in SEK thousands unless otherwise stated.

Note 23 Provisions

Group	2009-12-31	2008-12-31	2008-01-01
PROVISIONS THAT ARE NON-CURRENT LIABILITIES			
Warranties	53,638	42,809	53,248
	53,638	**42,809**	**53,248**
PROVISIONS THAT ARE CURRENT LIABILITIES			
Warranties	53,638	43,630	53,248
Disputes	63,060	65,153	51,388
Provision for vacant premises	13,410	26,090	86,412
Costs of restructuring	21,994	23,184	46,751
Provision for project losses	66,357	2,405	16,070
Other	3,382	1,265	17,040
	221,841	**161,727**	**270,909**

	Warranties	Disputes	Empty premises	Restruc-turing measures	Provision for project losses and other	Total
CHANGES IN PROVISIONS 2009						
Carrying amount at beginning of period	86,439	65,153	26,090	23,184	3,670	204,536
Provisions made during the period	24,899	1,213	2,816	17,286	45,491	91,705
Amount used during the period	-24,333	-3,306	-15,496	-18,476	-15,811	-77,422
Provisions in acquired companies	20,271	–	–	–	36,389	56,660
Carrying amount at end of period	**107,276**	**63,060**	**13,410**	**21,994**	**69,739**	**275,479**
CHANGES IN PROVISIONS 2008						
Carrying amount at beginning of period	106,497	52,152	86,412	46,751	32,345	324,157
Provisions made during the period	30,870	14,808	1,270	8,836	7,329	63,113
Amount used during the period	-52,963	-1,807	-61,592	-32,403	-36,004	-184,770
Provisions in acquired companies	2,035	–	–	–	–	2,035
Carrying amount at end of period	**86,439**	**65,153**	**26,090**	**23,184**	**3,670**	**204,536**

Group	2009-12-31	2008-12-31	2008-01-01
Amount out of provision that is expected to be paid within 12 months.	221,841	161,727	270,909

Warranties
Refers to the expected cost of correcting errors and defects in respect of completed projects that occur during the warranty periods for the projects. The outflow of resources takes place during the warranty periods for the projects, which normally range from two to five years. As the effect of when payment is made is not material expected future outgoing payments are not discounted to present value.

Disputes
The provision is based on an individual risk assessment for unresolved disputes at the balance sheet date.

Empty premises
Linked to the restructuring and coordination of the operations, a provision has been made for empty premises. Account has been taken of the possibility of sub-letting the premises or terminating the contracts in advance.

Restructuring measures
Restructuring measures include items such as costs for staff reductions. A provision is recognised when a detailed restructuring plan has been adopted and the restructuring has been initiated or publicly announced. No provision is made for future operating expenses.

Provision for project losses
Installation projects are accounted for in accordance with the percentage of completion method. Individual provisions are made for expected losses, i.e. when the project costs are expected to exceed the total project income.

Amounts in SEK thousands unless otherwise stated.

Note 24 Invoiced but not accrued income

Group	2009-12-31	2008-12-31	2008-01-01
Invoicing of work not yet completed	6,606,857	4,881,039	4,038,003
Accrued income from work not yet completed	-5,810,631	-3,977,346	-3,344,449
	796,226	**903,693**	**693,554**

Accrued income from installation projects in progress are recognised in accordance with the percentage of completion method. The degree of completion is defined as project expenditure incurred at the end of the period compared with the total project cost corresponding to the project income.

In the balance sheet installation projects are recognised gross on a project by project basis, either as accrued but not invoiced income in current assets or as invoiced but not accrued income in current liabilities. Projects for which the accrued income exceeds the amount invoiced are recognised as an asset while projects for which the amount invoiced exceeds the accrued income are recognised as a liability.

Note 25 Other liabilities

	Group			Parent company	
	2009-12-31	2008-12-31	2008-01-01	2009-12-31	2008-12-31
OTHER CURRENT LIABILITIES					
Liabilities to parent company	210,359	146,387	77,990	210,359	146,601
Value-added tax liability	127,622	130,078	146,544	–	–
Employee withholding taxes	100,046	72,486	89,504	10	–
Other	69,743	59,082	56,986	145	918
	507,770	**408,033**	**371,024**	**210,514**	**147,519**

Note 26 Accruals and deferred income

	Group			Parent company	
	2009-12-31	2008-12-31	2008-01-01	2009-12-31	2008-12-31
Accrued holiday pay and salaries	670,312	598,930	510,007	437	125
Accrued social-security contributions	200,941	215,496	180,857	10	39
Accrued interest expense	4,394	2,318	11,330	–	–
Other items	64,442	85,478	125,303	900	900
	940,089	**902,222**	**827,497**	**1,347**	**1,064**

Note 27 Valuation of financial assets and liabilities at fair value

The following table shows carrying amounts and fair values for financial instruments. For interest-bearing assets and liabilities fair value has been determined by discounting future payment flows at the market interest rate applying at the balance sheet date. The carrying amounts of trade receivables and trade payables are deemed to be the same as the fair values. The discount rate is the market interest rate for similar instruments at the balance sheet date.

Group 31 Dec 2009	Loans and trade receivables	Other financial assets and liabilities	Total carrying amount	Fair value
Trade receivables	1,743,726	–	1,743,726	1,743,726
Other receivables	16,983	–	16,983	16,983
Short-term investments and restricted funds	10,687	–	10,687	10,687
Total assets	**1,771,396**	**–**	**1,771,396**	**1,771,396**
Non-current liabilities to credit institutions	–	750,000	750,000	750,000
Current liabilities to credit institutions	–	50,000	50,000	50,000
Overdraft facilities	–	–	–	–
Trade payables	–	883,057	883,057	883,057
Other liabilities	–	210,359	210,359	210,359
Total liabilities	–	**1,893,416**	**1,893,416**	**1,893,416**

Amounts in SEK thousands unless otherwise stated.

Note 27 Cont.

Group 31 Dec 2008	Loans and trade receivables	Other financial assets and liabilities	Total carrying amount	Fair value
Trade receivables	1,678,683	–	1,678,683	1,678,683
Other receivables	20,991	–	20,991	20,991
Short-term investments and restricted funds	11,326	–	11,326	11,326
Total assets	**1,711,000**	**–**	**1,711,000**	**1,711,000**
Non-current liabilities to credit institutions	–	800,084	800,084	800,084
Current liabilities to credit institutions	–	50,032	50,032	50,032
Overdraft facilities	–	33,959	33,959	33,959
Trade payables	–	824,043	824,043	824,043
Other liabilities	–	146,387	146,387	146,387
Total liabilities	–	**1,854,505**	**1,854,505**	**1,854,505**

Parent company 31 Dec 2009	Loans and trade receivables	Other financial assets and liabilities	Total carrying amount	Fair value
Non-current liabilities to Group companies	–	508,426	508,426	508,426
Current liabilities to Group companies	–	210,359	210,359	210,359
Trade payables	–	457	457	457
Total liabilities	**–**	**719,242**	**719,242**	**719,242**

Parent company 31 Dec 2008	Loans and trade receivables	Other financial assets and liabilities	Total carrying amount	Fair value
Non-current liabilities to Group companies	–	300,239	300,239	300,239
Current liabilities to Group companies	–	146,387	146,387	146,387
Trade payables	–	549	549	549
Total liabilities	**–**	**447,175**	**447,175**	**447,175**

Note 28 Financial risks and financial policies

Financial risks and financial policies

Financial management

Through its operations the Group is exposed to various types of financial risk. Financial risks refers to fluctuations in the company's earnings and cash flow due to changes in exchange rates, interest rates, and refinancing and credit risks. The Group's financial management is governed by the applicable financial policy, which is adopted by Bravida's Board of Directors and constitutes a framework of guidelines and rules in the form of risk mandates and limits for the company's financial activities. The central Accounting & Finance support function is responsible for coordinating the Group's financial activities. The general goal for the Accounting & Finance function is to provide cost-effective financing and to minimise negative effects on the Group's earnings that derive from financial risks.

Liquidity risk

Liquidity risk is the risk that the Group will face problems meeting obligations associated with financial liabilities. The Group has a rolling one-month liquidity planning system that covers all units in the Group. The plans are updated continually. The Group's forecasts also comprise medium-term liquidity planning. Liquidity planning is used to manage liquidity risk and the costs of funding the Group. The goal is to ensure that the Group is able to meet its financial obligations regardless of economic climate without incurring significant unforeseen expenses. Liquidity risk throughout the Group is managed by the central Finance & Accounting department. At year-end the maturity of used credits was 48 months (60), while the maturity of unused credits was 33 months (44) and of total granted credits 42 months (46).

Bravida's basic funding arrangement was renegotiated in 2008. The Group's loan agreements mature in December 2013, with annual instalments of SEK 50 million due in 2010 and 2011. The loan agreements specify key performance indicators (covenants) that the Group is required to meet, which is customary for this type of loan. At year-end Bravida was meeting these covenants by a wide margin. Total granted committed lines of credit, including undrawn overdraft facilities at 31 December 2009 were SEK 1,390 million (1,283). Out of the total available committed lines of credit, SEK 800 million (884) had been drawn.

Amounts in SEK thousands unless otherwise stated.

Maturity structure of financial liabilities

Group 31 Dec 2009	2010	2011	2012
Loans	50,000	50,000	–
Trade payables	883,057	–	–
Other liabilities	210,359	–	–
Total	**1,143,416**	**50,000**	**–**

Group 31 Dec 2008	2009	2010	2011
Loans	50,032	50,000	50,000
Trade payables	824,043	–	–
Other liabilities	146,387	–	–
Total	**1,020,462**	**50,000**	**50,000**

Parent company 31 Dec 2009	2010	2011	2012
Trade payables	457	–	–
Other liabilities	210,359	–	–
Total	**210,816**	**–**	**–**

Parent company 31 Dec 2008	2009	2010	2011
Trade payables	549	–	–
Other liabilities	146,387	–	–
Total	**146,936**	**–**	**–**

Credit facilities

Group 31 Dec 2009	Nominal	Drawn	Available
Bank loans	800,000	800,000	–
Overdraft facilities	598,600	–	598,600
Cash and cash equivalents	904,517	–	904,517
Liquidity reserve	**2,303,117**	**800,000**	**1,503,117**

Group 31 Dec 2008	Nominal	Drawn	Available
Bank loans	850,116	850,116	–
Overdraft facilities	432,763	33,959	398,804
Cash and cash equivalents	649,521	–	649,521
Liquidity reserve	**1,932,400**	**884,075**	**1,048,325**

Interest risk
Interest risk is the risk that Bravida's cash flow or the value of financial instruments will vary due to changes in market interest rates. Interest risk can lead to changes in fair values and cash flows. A significant factor affecting interest risk is the fixed-rate period. Net interest-bearing assets at 31 December 2009 were SEK 105 million (net debt 234). Total interest-bearing liabilities were SEK 800 million (884), of which SEK 50 million (50) refers to current liabilities. Interest payments on interest-bearing liabilities are made on the basis of liquidity planning, views on interest rates and applicable financing agreements. Bravida's current outstanding credits have a short fixed-rate period.

As shown in the following table, the average fixed-rate period for the Group's interest-bearing liabilities is less than 1 year. Interest-bearing assets consist of cash and cash equivalents bearing variable interest, which means that the Group's net assets of SEK 105 million are quickly affected by changes in market interest rates. As most of the Group's financial liabilities have short fixed-rate periods, most of the interest risk can be regarded as cash flow risk. See also Sensitivity analysis below for information on Bravida's sensitivity to interest risk.

Fixed-rate period for used credits 31 Dec 2009

	Amount	Average effect interest rate, %	Share, %
2010	800 000	2.76	100
Total	**800 000**	**2.76**	**100**

Currency risk
Currency risk is the risk that changes in exchange rates will have a negative impact on the consolidated income statement, balance sheet or cash flow. There are two main types of currency risk: transaction exposure and translation exposure. Transaction exposure arises when purchases and sales are made in different currencies. Bravida's transaction exposure is low, as both sales and purchases are largely made in local currency. Translation exposure arises when assets and liabilities are denominated in different currencies and when foreign subsidiaries' earnings and net assets are translated into Swedish kronor. The Group is exposed to translation risk in its subsidiaries in Norway and Denmark. In view of Bravida's low currency risk exposure, the Group does not normally use currency hedges.

Financial exposure
Assets and liabilities in foreign currencies are translated at closing rates. Bravida Danmark A/S has a claim of SEK 167 million on Bravida Installation and Service AB and an external bank loan in the same amount in SEK. The currency risk has thus been eliminated for this internal receivable. Net financial income/expense for 2009 includes foreign exchange differences from financial exposures of SEK 0.7 million (-2.9).

Exposure of net assets in foreign currency
The translation exposure that arises through investments in foreign net assets is not hedged.

Foreign net assets

	Group	
Local currency	2009-12-31	2008-12-31
NOK	572,908	176,555
DKK	172,689	220,443

A 10 per cent strengthening of the Norwegian krona at 31 December 2009 would have a positive translation effect on equity of SEK 71 million. The same increase in the value of the Danish krona would have a positive translation effect on equity of SEK 24 million. The effects of the corresponding exchange rate changes on profit for the year are limited. The foreign exchange difference for the year in total earnings was SEK 21 million (28).

Commercial exposure
International purchases and sales of goods and services in foreign currencies is limited in scope but can be expected to increase as the Group expands and in response to mounting competition in respect of purchasing and sales of goods and services.

Amounts in SEK thousands unless otherwise stated.

Note 28 Cont.

Credit risk
Credit risk refers to the risk of losing money due to the inability of a counterparty to meet its obligations.

Credit risks in financing activities
The credit risk in the Group's financing activities is very small, as Bravida only concludes agreements with counterparties with the highest creditworthiness. Credit risks refer mainly to counterparty risks in connection with receivables from banks and other counterparties. The Group's financial policy contains a set of counterparty regulations specifying maximum credit exposures for different counterparties. The estimated gross exposure to counterparty risk in respect of cash and cash equivalents and short-term investments was SEK 916 million (661).

Credit risks in trade receivables
The risk that the company's customers will fail to fulfil their obligations, i.e. that the company will not receive payment from its customers, constitutes a customer credit risk. Credit losses are normally small thanks to the very large number of projects and customers, which are invoiced regularly during the period of production. Before a project is initiated the credit risk of the customer is assessed, whereby information about the customer's financial position is obtained from credit information companies. The Group has adopted a credit policy for the management of customer credits. The policy states where decisions should be made on credit limits of various sizes and how doubtful receivables should be handled. A bank guarantee or other security is required for customers with low creditworthiness or an insufficient credit history. The maximum credit exposure is stated in the consolidated balance sheet. Total credit losses were SEK 6 million (48). There was no significant concentration of credit risks at the balance sheet date.

Trade receivables past due but not impaired

Carrying amount, not impaired receivables	Group	
	2009-12-31	2008-12-31
Trade receivables not yet due	1,531,640	1,452,446
Trade receivables past due 0 - 15 days	148,922	136,728
Trade receivables past due 16 - 30 days	11,465	27,814
Trade receivables past due 31 - 60 days	25,515	41,722
Receivables past due > 60 days	26,183	20,049
Total	**1,743,725**	**1,678,759**

Impaired trade receivables	Group	
	2009-12-31	2008-12-31
Opening balance	81,758	51,223
Change for the year	-8,492	30,535
Closing balance	**73,266**	**81,758**

In other financial receivables there are no past due receivables. Impairment losses on trade receivables are recognised on the basis of individual assessments.

Sensitivity analysis	Change +– %	Effect on earnings before tax +– SEKm
Sales	1%	5
Operating margin	1 % point	108
Payroll costs	1%	48
Materials and subcontractors	1%	43
Share productive installer time	1 % point	60
Interest rate on loans	1 % point	1
Exchange rate	1 % point	1

Amounts in SEK thousands unless otherwise stated.

Note 29 Operating lease payments

	Group		Parent company	
	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31	2009-01-01 –2009-12-31	2008-01-01 –2008-12-31
ASSETS HELD UNDER OPERATING LEASES				
Minimum lease payments	159,184	140,779	–	–
Variable payments	–	–	–	–
Total lease costs	**159,184**	**140,779**	**–**	**–**
BREAKDOWN OF LEASE PAYMENTS BY AGREEMENTS				
Lease payments, vehicles	148,311	130,421	–	–
Lease payments, IT	7,743	6,760	–	–
Lease payments, other	3,130	3,598	–	–
Total lease costs	**159,184**	**140,779**	**–**	**–**
FUTURE LEASE COMMITMENTS				
Nominal value of future minimum lease payments relating to non-cancellable contracts fall due for payment:				
- Within 1 year	109,662	109,311	–	–
- Between 1 and 5 years	129,816	149,784	–	–
- After 5 years	4	–	–	–
	239,482	**259,095**	**–**	**–**
FUTURE COMMITMENTS, RENT FOR PREMISES				
Nominal value of future commitments in respect of rent for premises fall due for payment:				
- Within 1 year	136,396	101,182	–	–
- Between 1 and 5 years	234,672	245,596	–	–
- After 5 years	63,650	63,591	–	–
	434,718	**410,369**	**–**	**–**

Cars, office equipment and IT equipment are classified as operating leases. In Sweden, Norway and Denmark Bravida has framework agreements covering operating leases for cars and related administrative services. The terms of leases normally range from three to five years. The purchase of leased objects and the extension of leases require a separate agreement.

Note 30 Pledged assets and contingent liabilities

	Group			Parent company	
	2009-12-31	2008-12-31	2008-01-01	2009-12-31	2008-12-31
PLEDGED ASSETS					
For own liabilities and provisions					
Property mortgages	1,800	1,800	1,800	–	–
Floating charges	866,741	866,741	866,741	–	–
Shares in subsidiaries	3,518,565	3,518,565	3,468,565	–	–
Funds, endowment policies	59,627	54,163	60,165	–	–
	4,446,733	**4,441,269**	**4,397,271**	**–**	**–**

Trade receivables in Bravida Norge AS, Bravida Norge 2 AS and Bravida Oil & Energy AS have also been pledged.

	Group		Parent company	
	2009-12-31	2008-12-31	2009-12-31	2008-12-31
CONTINGENT LIABILITIES				
For own liabilities and provisions				
Guarantee commitments, FPG/PRI	333	340	–	–
Surety guarantees, other	–	13,500	16,660	16,990
	333	**13,840**	**16,660**	**16,990**

Amounts in SEK thousands unless otherwise stated.

Note 31 Related parties

Bravida AB is owned by Scandinavian Installation Acquisition AB (reg.no. 556713-6519), which is ultimately owned by a number of investment funds represented by Trition Managers II Limited (reg.no. 891 28). Collectively, their total indirect shareholding represents 87.4 per cent of the votes in the Bravida AB Group. In view of their influence, transactions with the following companies are regarded as related-party transactions.

	Group		Parent company	
	2009-12-31	2008-12-31	2009-12-31	2008-12-31
TRANSACTIONS WITH SCANDINAVIAN INSTALLATION ACQUISITION AB				
Dividend paid to Scandinavian Installation Acquisition AB	–	250,000	–	250,000
Group contribution made to Scandinavian Installation Acquisition AB	63,971	68,397	63,971	68,397
Liability to Scandinavian Installation Acquisition AB	210,359	146,388	210,359	146,388
	274,330	**464,785**	**274,330**	**464,785**
TRANSACTIONS WITH INVESTERINGSSÄLLSKAPET 1999 AB				
Received dividend to Investeringssällskapet 1999 AB	–	–	–	250,000
	–	**–**	**–**	**250,000**
TRANSACTIONS WITH BRAVIDA AS				
Shareholder contribution made to Bravida AS	–	–	273,465	–
	–	**–**	**273,465**	**–**
TRANSACTIONS WITH BRAVIDA INSTALLATION OCH SERVICE AB				
Sales to Bravida Installation och Service AB	–	–	3,139	1,978
Interest paid to Bravida Installation och Service AB	–	–	12,778	26,557
Group contributions received from Bravida Installation och Service AB	–	–	82,612	95,854
Liability to Bravida Installation och Service AB	–	–	228,453	300,025
	–	**–**	**323,843**	**422,436**
TRANSACTIONS WITH BRAVIDA SVERIGE AB				
Interest paid to Bravida Sverige AB	–	–	6,508	–
Liability to Bravida Sverige AB	–	–	279,973	–
	–	**–**	**286,481**	**–**
TRANSACTIONS WITH TRITON MANAGERS II LIMITED				
Purchases from Triton Managers Ltd.	259	396	259	396
	259	**396**	**259**	**396**

In addition to the related-party relationships indicated for the Group, the parent company has related-party relationships involving a controlling influence with its subsidiaries. See Note 32.

Senior executives

For information on salaries and other compensation, expenses and obligations in respect of pensions and similar benefits, and agreements on severance pay for the Board of Directors, Chief Executive Officer and other senior executives, see Note 6.

Amounts in SEK thousands unless otherwise stated.

Note 32 Interests in Group companies

	Parent company	
	2009-12-31	2008-12-31
ACCUMULATED COST		
At beginning of year	4,221,076	4,220,555
Purchases	273,465	521
Sales	-1,439,802	–
Accumulated cost	**3,054,739**	**4,221,076**

Note 32 Cont.

	2009-12-31	2008-12-31
Accumulated cost	**3,054,739**	**4,221,076**
ACCUMULATED IMPAIRMENT		
At beginning of year	-2,536,069	-2,536,069
Sales	1,439,602	–
	-1,096,467	**-2,536,069**
Carrying amount at end of period	**1,958,272**	**1,685,007**

Bravida AB owns shares directly in Investeringssällskapet 1999 AB and Bravida AS. The other subsidiaries listed below are indirectly owned.

Specification of interests in Group companies

				2009-12-31
Subsidiary, reg.no., regd office		**No. of shares**	**Share, %[1]**	**Carrying amount**
Investeringssällskapet 1999 AB, 556566-7879, Stockholm		698,800	100.0	1,379,950
Bravida Installation och Service AB, 556056-7298, Stockholm		65,440,929	100.0	2,380,313
Bravida Sverige AB, 556197-4188, Stockholm		20,000	100.0	804,349
Bravida Prenad AB, 556454-1315, Malmö		50,000	100.0	73,044
Bravida Säkerhet AB, 556193-1832, Stockholm		5,100	100.0	14,961
Erfator Projektledning AB, 556401-7795, Kista		1,000	100.0	9,072
Bravida Service Mellersta AB, 556181-4020, Norrköping		1,000	100.0	160
E/S Intressenter AB, 556564-6741, Skellefteå		1,000	100.0	14,828
E/S Elconsult AB, 556311-0633, Skellefteå		1,000	100.0	432
E/S Installation AB, 556306-0838, Skellefteå		1,000	100.0	415
E/S Styromatic AB, 556111-9248, Skellefteå		1,000	100.0	1,028
Juhl Air Control AB, 556308-0356, Kävlinge		2,000	100.0	15,289
Appelgrens Elektriska Mölndal AB, 556296-9435, Mölndal		30,000	100.0	7,267
Byggnads AB Konstruktör, 556012-3670, Örebro		6,000	100.0	360
Styltsnäppan AB, 556181-0812, Stockholm		9,500	100.0	5,403
Bravida Väst AB, 556200-3706, Gothenburg		20,000	100.0	2,182
BPA Byggproduktion AB, 556296-2141, Stockholm		1,000	100.0	670
Bravida InterimCo AB, 556714-5627, Stockholm		2,000	100.0	199
Bravida Totalinstallatören AB, 556218-8481, Malmö		10,000	100.0	6,126
AB Elektriska Jibex, 556451-3371, Sundsvall		1,000	100.0	1,746
Hudsonspoven AB, 556262-3123, Stockholm		20,000	100.0	2,155
Timesec Systems AB, 556546-5597, Stockholm		45,000	100.0	65,726
Veltrade Technical Consulting Agency AB, 556247-9989, Linköping		1,000	100.0	992
Bravida El Stockholm AB, 556439-4681, Stockholm		30,000	100.0	75,727
BPA Försäkrings AB, 516401-8375, Stockholm		10,000	100.0	21,000
Bravida Danmark A/S, 14769005, Brøndby, Denmark		4	100.0	260,859
Selskabet av 7 oktober 2003 ApS, 10035422, Brøndby, Denmark		2,211	100.0	–
Bravida AS, 982 281 024, Oslo, Norway		500,001	100.0	578,322
Bravida Norge AS, 987 582 561, Oslo, Norway	NOK '000	10,796,137	100.0	246,688
Bravida Norge 2 AS, 991 925 147, Oslo, Norway	NOK '000	200,000	100.0	403,405
Bravida Oil & Energy AS, 977 488 494, Tönsberg, Norway	NOK '000	2,001	100.0	43,881
OK Klima Vest AS, 984 193 629, Bergen, Norway	NOK '000	114	100.0	–

1) Refers to the ownership share of the capital, which is also consistent with the share of voting rights for the total number of shares.

Amounts in SEK thousands unless otherwise stated.

Note 32 Cont.

				2008-12-31
Subsidiary, reg.no., regd office		**No. of shares**	**Share, %1)**	**Carrying amount**
Investeringssällskapet 1999 AB, 556566-7879, Stockholm		698,800	100.0	1,379,950
Bravida InterimCo AB, 556714-5627, Stockholm		2,000	100.0	200
Bravida Installation och Service AB, 556056-7298, Stockholm		65,440,929	100.0	2,380,313
Bravida Sverige AB, 556197-4188, Stockholm		20,000	100.0	804,349
Bravida Prenad AB, 556454-1315, Malmö		50,000	100.0	73,044
Bravida Säkerhet AB, 556193-1832, Stockholm		5,100	100.0	14,961
Erfator Projektledning AB, 556401-7795, Kista		1,000	100.0	9,072
Veltrade Technical Consulting Agency AB, 556247-9989, Linköping		1,000	100.0	1,064
Bravida Service Mellersta AB, 556181-4020, Norrköping		1,000	100.0	160
E/S Intressenter AB, 556564-6741, Skellefteå		1,000	100.0	14,828
E/S Styromatic AB, 556111-9248, Skellefteå		1,000	100.0	1,028
E/S Elconsult AB, 556311-0633, Skellefteå		1,000	100.0	432
E/S Installation AB, 556306-0838, Skellefteå		1,000	100.0	415
Bravida Enacab AB, 556471-1496, Gothenburg		1,000	100.0	9,624
Bravida Totalinstallatören AB, 556218-8481, Malmö		10,000	100.0	6,436
AB Elektriska Jibex, 556451-3371, Sundsvall		1,000	100.0	1,746
Bravida Väst AB, 556200-3706, Gothenburg		20,000	100.0	2,182
Bravida El Stockholm AB, 556439-4681, Stockholm		30,000	100.0	75,727
Timesec Systems AB, 556546-5597, Stockholm		45,000	100.0	6,854
Hudsonspoven AB, 556262-3123, Stockholm		20,000	100.0	–
Styltsnäppan AB, 556181-0812, Stockholm		9,500	100.0	–
BPA Försäkrings AB, 516401-8375, Stockholm		10,000	100.0	21,000
BPA Byggproduktion AB, 556296-2141, Stockholm		1,000	100.0	100
Byggnads AB Konstruktör, 556012-3670, Örebro		6,000	100.0	300
Bravida Danmark A/S, 14769005, Brøndby, Denmark		4	100.0	260,859
Selskabet av 7 oktober 2003 ApS, 10035422, Brøndby, Denmark		2,211	100.0	–
Bravida AS, 982 281 024, Oslo, Norway		500,001	100.0	304,857
Bravida Norge AS, 987 582 561, Oslo, Norway	NOK '000	10,796,137	100.0	280,042
Bravida Oil & Energy AS, 977 488 494, Tönsberg, Norway	NOK '000	2,001	100.0	43,881
Bravida Samferdsel AS, 990 231 885, Bergen, Norway	NOK '000	100	100.0	65
OK Klima Vest AS, 984 193 629, Bergen, Norway	NOK '000	114	100.0	2,980

1) Refers to the ownership share of the capital, which is also consistent with the share of voting rights for the total number of shares.

Amounts in SEK thousands unless otherwise stated.

Note 33 Statement of cash flows

SEK millions	Note	Group 2009-01-01 –2009-12-31	Group 2008-01-01 –2008-12-31	Parent company 2009-01-01 –2009-12-31	Parent company 2008-01-01 –2008-12-31
INTEREST PAID AND DIVIDEND RECEIVED					
Dividend received		–	–	–	250
Interest received		22	30	0	0
Interest paid		-45	-66	-19	-27
ADJUSTMENTS FOR NON-CASH ITEMS ETC.					
Depreciation/amortisation and impairment of assets	11, 12	26	34	–	–
Capital gain on sale of operations/subsidiaries		–	-6	–	–
Change in provisions		12	-129	–	–
Non-cash interest expenses		–	–	18	47
Other		-18	-36	–	–
		21	**-137**	**18**	**47**
UNUSED CREDITS					
Unused credit facilities were:	22	599	399	–	–

Note 34 Events after the balance sheet date

No significant events have occurred after the end of the financial year.

Note 35 Significant estimates and assessments

The following is a description of certain significant accounting estimates that have been made in applying the Group's accounting policies.

Percentage of completion accounting
Reported earnings for installation projects in progress is accounted for in accordance with the percentage of completion method based on the degree of completion of the project. Use of this method requires that project income and project expenses can be reliably measured, which in turn requires a well functioning system for cost estimates, forecasting procedures and project review. Forecasts relating to the final outcome for the project is a critical assessment that is material to the reporting of earnings during the course of the project. There is a risk that the final earnings for the project may differ from earnings as reported in accordance with the percentage of completion method.

Impairment tests of goodwill
In estimating recoverable amounts for cash-generating units for the purpose of testing for impairment of goodwill, several assumptions about future circumstances and estimates of parameters have been made. These are described in Note 11. As implied by the description in Note 11, changes in 2009 in the bases for these assumptions and estimates could have a significant impact on the value of goodwill.

Pension assumptions
Management has assumed that the return on plan assets will exceed the discount rate by one percentage point, as this is the average return achieved over the last three years. To the extent that the actual return in 2010 deviates significantly from the expected long-term return, actuarial gains or losses could have a significant impact on the reported liability for defined benefit pensions. Similarly, deviations and changes to assumptions in respect of the calculation of the pension liability could have significant effects on the reported value of the net liability.

Leasing
The Bravida Group leases a significant number of vehicles, mainly commercial vehicles. These have been accounted for in accordance with the rules for operating leases. Amendments to the accounting policies could affect the presentation of Bravida's income statement and balance sheet.

Disputes
Actual outcomes for disputed amounts can differ from the recognised amounts, which are based on management's best assessment.

Tax
Changes in tax laws and changes to practice in the interpretation of tax laws can have a significant impact on the size of reported deferred tax.

Deferred tax assets
In 2009 tax loss carry-forwards of SEK 153 million were recognised as a deferred tax asset in Norway. The recognition of the tax asset is due partly to the acquisition of Siemens Installation AS during the year and partly to the strong earnings generated in Bravida's existing operations in Norway. Together, the existing and new operations are expected to generate significant surpluses in coming years.

Note 36 Information about the parent company

Bravida AB is a Swedish-registered limited liability company with registered office in Stockholm. The address of the head office is Mikrofonvägen 28, 126 81 Stockholm.

The consolidated financial statements for 2009 comprise the parent company and its subsidiaries, which are jointly referred to as "the Group". The Group also includes the owned portion of interests in associated companies.

Amounts in SEK thousands unless otherwise stated.

Note 37 Effects of transition to IFRS

Effect on balance sheet at 1 January 2008 (opening balance)

	According to previous accounting policies	Effect of transition to IFRS	According to IFRS
Balance sheet, SEKm	**2008-01-01**		**2008-01-01**
ASSETS			
Non-current assets	–	–	–
Intangible assets	–	–	–
Goodwill[1]	1,857	-3	1,854
Other intangible assets[1]	2	3	5
	1,859	**–**	**1,859**
Property, plant and equipment	39	–	39
Non-current financial assets	–	–	
Pension assets[2]	138	-19	119
Deferred tax asset[2]	174	5	179
Other non-current financial assets	90		90
	402	**-14**	**388**
Total non-current assets	**2,300**	**-14**	**2,286**
Current assets	2,337	–	2,337
Short-term investments and restricted funds	10	–	10
Cash and bank balances	441	–	441
Total current assets	**2,846**		**2,846**
TOTAL ASSETS	**5,146**	**-14**	**5,132**
EQUITY AND LIABILITIES			
Equity	–	–	–
Restricted equity	–	–	–
Share capital (51,313,833 shares)	10	–	10
Retained earnings[2]	870	-14	856
Profit/loss for the year	193	–	193
	1,063	**-14**	**1,049**
	1,073	**-14**	**1,059**
Provisions			
Provisions for pensions and similar obligations[2,3]	84	-84	–
Other provisions[3]	324	-324	–
	408	**-408**	**–**
Long-term liabilities[3]	850	137	987
Current liabilities[3]	2,815	271	3,086
TOTAL EQUITY AND LIABILITIES	**5,146**	**-14**	**5,132**

1) Reclassification between goodwill and other intangible assets.
2) Corridor set to zero in actuarial calculation with the associated deferred tax.
3) Reallocation of provisions between non-current and current liabilities.

Amounts in SEK thousands unless otherwise stated.

Effect on income statement and balance sheet for the calendar year 2008

Income statement, SEKm	According to previous accounting policies 2008-01-01 –2008-12-31	Effect of transition to IFRS	According to IFRS 2008-01-01 –2008-12-31
Net sales	10,511		10,511
	10,511		**10,511**
OPERATING EXPENSES			
Costs for materials and subcontractors	-4,187	–	-4,187
Staff costs	-4,548	–	-4,548
Depreciation of property, plant and equipment	-33	–	-33
Amortisation of intangible assets[1]	-104	102	-2
Other operating expenses	-1,124	–	-1,124
Operating profit/loss	**515**	**102**	**617**
PROFIT/LOSS FROM FINANCIAL ITEMS			
Interest and similar income	30	–	30
Interest and similar expenses	-72	–	-72
Profit/loss before tax	**472**	**102**	**574**
Tax on profit for the year	-148	–	-148
Profit/loss for the year	**324**	**102**	**426**
OTHER COMPREHENSIVE INCOME			
Translation differences for the period from the translation of foreign operations[2]		28	28
Comprehensive income for the period	**324**	**130**	**454**

1) Reversal of goodwill amortisation.
2) Translation differences, foreign operations, recognised in other comprehensive income in the income statement, in accordance with IFRS.

Amounts in SEK thousands unless otherwise stated.

Note 37 Cont.

Effect on income statement and balance sheet for the calendar year 2008

Balance sheet, SEKm	According to previous accounting policies 2008-12-31	Effect of transition to IFRS	According to IFRS 2008-12-31
ASSETS			
Non-current assets			
Intangible assets			
Goodwill[1,2]	1,764	101	1,864
Other intangible assets[2]	1	2	3
	1,765	**102**	**1,867**
Property, plant and equipment	47		47
Non-current financial assets			
Interests in associates	2		2
Pension assets[3]	164	-19	145
Deferred tax asset[3]	37	5	42
Other non-current financial assets	76		76
	279	**-14**	**265**
Total non-current assets	**2,090**	**89**	**2,179**
Current assets	2,524		2,524
Short-term investments and restricted funds	11		11
Cash and bank balances	650		650
Total current assets	**3,240**		**3,240**
TOTAL ASSETS	**5,330**	**89**	**5,419**
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital (51,313,833 shares)	10		10
Reserves[4]		28	28
Retained earnings[3,4]	787	-42	745
Profit/loss for the year[1]	324	102	426
	1,121	**89**	**1,209**
Provisions			
Provisions for pensions and similar obligations[3,5]	78	-78	–
Other provisions[5]	205	-205	–
	282	**-282**	**–**
Long-term liabilities[5]	800	121	921
Current liabilities[5]	3,127	162	3,289
TOTAL EQUITY AND LIABILITIES	**5,330**	**89**	**5,419**

1) Reversal of goodwill amortisation.
2) Reclassification between goodwill and other intangible assets.
3) Corridor set to zero in actuarial calculation with the associated deferred tax.
4) Translation differences, foreign operations, recognised in other comprehensive income in the income statement, in accordance with IFRS.
5) Reallocation of provisions between non-current and current liabilities.

The Board of Directors and Chief Executive Officer warrant that the annual accounts have been prepared in accordance with generally accepted accounting principles in Sweden and that the consolidated financial statements have been prepared in accordance with the international financial reporting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The annual accounts and consolidated financial statements give a true and fair view of the parent company's and Group's financial positions and results. The audit report for the parent company and Group gives a true and fair overview of the development of the parent company's and Group's activities, their financial positions and results, and describes significant risks and uncertainties faced by the parent company and the companies included in the Group.

Stockholm, 26 March 2010

Jan Åkesson
Chairman

Thomas Erséus
Director

Lars-Ove Håkansson
Director

Magnus Lindquist
Director

Mats O Paulsson
Director

Thomas Tarnowski
Director

Torbjörn Torell
Chief Executive Officer

Jan-Erik Arvidsson
Employee representative

Øivind Fredriksen
Employee representative

Anders Mårtensson
Employee representative

Peter Sjöquist
Employee representative

Our audit report was submitted on 26 March 2010
KPMG AB

Per Gustafsson
Authorised Public Accountant

As stated above, the annual accounts and consolidated financial statements were approved for release by the Board of Directors on 26 March 2010. The consolidated statement of comprehensive income and the consolidated statement of financial position and the parent company income statement and parent company balance sheet will be submitted for adoption at the Annual General Meeting on 7 May 2010.

Audit report

To the shareholders of Bravida AB
Reg.no. 556713-6535

We have examined the annual accounts, consolidated financial statements and accounting records as well as the Board of Directors' and Chief Executive Officer's administration of Bravida AB (publ) for 2009. The annual accounts and consolidated financial statements are included in the printed version of this document on pages 30-77. Responsibility for the accounts and administration of the company and for ensuring that the Swedish Annual Accounts Act is applied in preparing the annual accounts and that the International Financial Reporting Standards (IFRS), as adopted by the EU and implemented in the Swedish Annual Accounts Act, are applied in preparing the consolidated financial statements rests with the Board of Directors and Chief Executive Officer. Our responsibility is to express an opinion on the annual accounts, consolidated financial statements and administration based on our audit.

The audit has been performed in accordance with generally accepted auditing standards in Sweden. This means that we have planned and conducted the audit so as to obtain a high but not absolute assurance that the annual accounts and consolidated financial statements are free of material misstatement. An audit entails an examination of a selection of vouchers and other accounting information. It also comprises a review of the accounting policies and the Board of Directors' and Chief Executive Officer's adherence to these policies and an assessment of significant estimates employed by the Board of Directors and Chief Executive Officer in preparing the annual accounts and consolidated financial statements as well as an evaluation of the overall information contained in the annual accounts and consolidated financial statements. As a basis for our statement on release from liability, we have examined significant decisions, actions and circumstances of the company in order to be able to determine the liability, if any, to the company of any Director or the Chief Executive Officer. We have also examined whether any Director or the Chief Executive Officer has in any other way acted in violation of the Swedish Companies Act, the Annual Accounts Act or the company's articles of association. We believe our audit gives us a reasonable basis for making the following statements.

The annual accounts have been prepared in accordance with the Annual Accounts Act and give a true and fair view of the company's results and financial position in accordance with generally accepted auditing standards in Sweden. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU and implemented in the Annual Accounts Act, and give a true and fair view of the Group's results and financial position. The Directors' Report accords with the other parts of the annual accounts and consolidated financial statements.

We recommend that the Annual General Meeting adopt the parent company and consolidated income statements and balance sheets, and allocate the profit of the parent company in accordance with the proposal in the Directors' Report, and that the members of the Board of Directors and the Chief Executive Officer be released from liability for the financial year.

Stockholm, 26 March 2010
KPMG AB

Per Gustafsson
Authorised Public Accountant

Definitions

Financial definitions

Operating margin – Operating profit as a percentage of net sales.

EBITA margin – Earnings before amortisation of goodwill (EBITA), as a percentage of net sales.

Profit margin – Earnings after financial items before tax (EBT), as a percentage of net sales.

Return on equity – Profit/loss for the period attributable to equity holders of the parent company, divided by average equity.

Capital employed – Total assets at year-end less non interest-bearing liabilities.

Return on capital employed – Profit/loss after financial items plus financial expense, as a percentage of average capital employed.

Equity/assets ratio – Equity as a percentage of total assets at year-end.

Net debt – Interest-bearing liabilities including provisions for pensions less cash and cash equivalents and interest-bearing assets.

Debt/equity ratio – Interest-bearing liabilities divided by equity.

Net sales – In the installation contracts business net sales is accounted for in accordance with the percentage of completion method. These revenues are recognised in proportion to the degree of completion of the installation projects. Income and expenses for service work are recognised as the work is performed.

Percentage of completion accounting – For installation projects in progress Bravida applies the percentage of completion method. Revenue is recognised based on the degree of completion of the projects in relation to the final forecast. Degree of completion refers to costs incurred divided by total estimated project costs.

Interest coverage ratio – Profit/loss after financial items plus interest expense, divided by interest expense.

Order intake – The value of received projects and changes to existing projects during the period concerned.

Order backlog – The value of remaining, not yet accrued project revenues from orders on hand at the end of the period.

Working capital – Operating assets less operating liabilities.

Operational definitions

Installation contract– The building or redevelopment of technical systems in buildings and infrastructure.

Service – Operations and maintenance and minor redevelopment of installations in buildings and infrastructure.

Number of employees – The average number of employees during the year, taking account of full-time and part-time jobs.

Electrical field of technology – Power supply, lighting, heating, automatic control and surveillance systems. Telecom and other light-current installations. Fire and and burglar alarm products and systems, access control systems, CCTV surveillance and integrated security systems.

Heating & plumbing field of technology – Water, waste water, heating, cooling and sprinkler systems. District heating and district cooling. Industrial piping with expertise for all types of pipe welding. Energy-saving measures in the form of integrated energy systems.

HVAC field of technology – Comfort ventilation and comfort cooling in the form of air handling, air conditioning and climate control. Commercial cooling in freezer rooms and cold rooms. Process ventilation, automatic control systems. Energy assessments and energy-saving measures in the form of heat recovery ventilation, heat pumps, etc.

Board of Directors 2009

Jan Åkesson
Partner at Triton
Role on the Board: Chairman
Elected to the Board: 2006
Year of birth: 1964
Other significant directorships: Director of Papyrus AB.

Torbjörn Torell
CEO and Group President Bravida
Role on the Board: Director
Elected to the Board: 2006
Year of birth: 1956
Other significant directorships: Director of JM AB and Stiftelsen Livslust.

Thomas Tarnowski
Partner at Triton
Role on the Board: Director
Elected to the Board: 2007
Year of birth: 1976
Other significant directorships: Director of DSV Miljø A/S.

Thomas Erséus
CEO of Kungsleden AB
Role on the Board: Director
Elected to the Board: 2008
Year of birth: 1963
Other significant directorships: Director of HQ AB and DSV Miljø A/S.

Lars-Ove Håkansson
Role on the Board: Director
Elected to the Board: 2007
Year of birth: 1937
Other significant directorships: Board member of Malmöhus Invest AB, Elite Hotels AB, Zeonda AB (Chairman), NeoDynamics AB (Chairman), Torda AB and Vasaholmen AB.

Magnus Lindquist
Partner at Triton
Role on the Board: Director
Elected to the Board: 2009
Year of birth: 1963
Other significant directorships: Chairman of Alimak Hek Group and Director of Micronic Mydata AB.

Mats O Paulsson
CEO Oden Anläggningsentreprenad AB
Role on the Board: Director
Elected to the Board: 2009
Year of birth: 1958
Other significant directorships: Director of Bösarps Grus and Torrbruk AB.

Employee representatives

Jan-Erik Arvidsson
Title/profession: Electrician – The Swedish Electricians' Union
Elected to the Board: 2007
Year of birth: 1950

Øivind Fredriksen
Title/profession: Installer – The Norwegian Confederation of Trade Unions (LO)
Elected to the Board: 2007
Year of birth: 1959

Anders Mårtensson
Title/profession: Plumber – The Swedish Building Workers' Union (Byggnads)
Elected to the Board: 2007
Year of birth: 1965

Peter Sjöquist
Title/profession: Project Manager/Technician – Ledarna in Sweden
Elected to the Board: 2007
Year of birth: 1957

From the left: Anders Mårtensson, Magnus Lindquist, Jan Åkesson, Øivind Fredriksen, Thomas Tarnowski, Mats O Paulsson, Torbjörn Torell, Jan-Erik Arvidsson, Lars-Ove Håkansson, Peter Sjöquist, Thomas Erséus

Senior management 2009

Torbjörn Torell
Chief Executive Officer and Group President
Year of birth: 1956
Year of employment: 2004

Per Leopoldson
Chief Financial Officer
Year of birth: 1960
Year of employment: 2005

Göran Lindfors
Head of Division North
Year of birth: 1957
Year of employment: 2008

Filip Bjurström
Head of Division Stockholm
Year of birth: 1969
Year of employment: 2009

Staffan Påhlsson
Head of Division South
Year of birth: 1952
Year of employment: 1980

Eirik Frantzen
Head of Division Norway
Year of birth: 1968
Year of employment: 2002

Bent Andersen
Head of Division Denmark
Year of birth: 1961
Year of employment: 2003

From the left: Per Leopoldson, Eirik Frantzen, Torbjörn Torell, Bent Andersen, Staffan Påhlsson, Filip Bjurström, Göran Lindfors

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