



INTERIM REPORT
1 January–31 March 2008
Price-sensitive information reported to
the Swedish Financial Supervisory
Authority

Operating profit rose by 34 percent

First quarter 2008 compared with first quarter 2007

- Net sales amounted to SEK 409m (323), an increase of 27 percent.
- Operating profit was SEK 39m (29), a rise of 34 percent.
- Profit after tax rose to SEK 52m (32), an improvement of 62 percent.
- Earnings per share after dilution amounted to SEK 0.65 (0.37), an increase of 76 percent.
- Cash flow from operating activities was SEK 41m (21), a rise of 95 percent.
- The shares in AS WMG (Webmedia) were sold during the quarter with a capital gain of SEK 13m. (The capital gain is included in "Profit after tax" and in "Earnings per share" but not in the operating profit).
- Acando signed framework agreements during the quarter with Region Västra Götaland (VGR), Verva (the Swedish Administrative Development Agency) and TeliaSonera.

Significant event further to the end of the period

Acando's financial target: The Board of Directors has resolved that Acando's principal financial target shall be to increase earnings per share (EPS) by at least 15 percent per annum. Certain restrictions with regard to maximum debt-equity ratio and minimum available liquidity shall also apply.

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Sales and operating profit for the first quarter 2008

<i>(SEK million)</i>	Sweden	Germany	Norway	Other countries	Group elimination	Total
Net sales	269.3	74.4	35.5	34.6	-4.8	409.0
Operating profit 1)	29.4	1.2	3.3	5.0	0.1	39.0
Operating margin	10.9%	1.7%	9.3%	14.4%		9.5%

- 1) Including total joint Group costs of SEK 10.2m that burdened Sweden by SEK 6.8m, Germany by SEK 2.2m, Norway by SEK 0.6m, and Other Countries by SEK 0.6m. The capital gain upon the sale of shares in AS WMG (Webmedia) is not included in the operating profit.

Consolidated sales and profit

Consolidated net sales for the Group amounted to SEK 409m (323), representing an increase of 27 percent compared with the same period 2007.

The operating profit was SEK 39m compared with SEK 29m in the same period last year, resulting in an operating margin of 9.5 percent (7.9).

Further to the improvement in profits and the repurchase of shares, earnings per share have developed positively and amounted to SEK 0.65 – representing a rise of 76 percent compared with the same period last year.

Profit after tax for the quarter amounted to SEK 52m (32). The operating profit on a rolling 12-month basis has improved to SEK 112m.

Net sales and operating profit per quarter

<i>(SEK million)</i>	Q1 2008	Q4 2007	Q3 2007	Q2 2007	Q1 2007	Q4 2006	Q3 2006	Q2 2006
Net sales	409	404	295	322	323	312	231	286
Operating profit	39	34	20	19	29	37	2	15
Operating margin	9.5%	8.4%	6.8%	5.9%	9.0%	11.9%	0.9%	5.2%

Operations in the previously part-owned AS WMG (Webmedia) were sold on 31 January but are not included in the Group's consolidated sales and operating profit as of 1 January. The figures in the above table pertain to remaining operations, i.e. without Webmedia.

The capital gain of SEK 13m regarding the sale of shares is included in the consolidated income statement under the heading "Profit for the period from sold operations".

Comparative figures are affected by the consolidation of the acquired companies Deva Management as of 1 February 2007, former IQ Consultancy Ltd in the UK as of 1 March 2007, and former Abeo Gruppen A/S in Norway as of 1 October 2007.

OPERATIONAL TRENDS PER GEOGRAPHIC MARKET

Sweden

Demand for consultancy services was strong in the quarter, with subsequent good capacity utilisation. Sales in Sweden increased in the quarter by SEK 15m to SEK 269m compared to the same period last year. The operating profit improved in the same period by SEK 2m to SEK 29m compared to the same period last year, representing a rise of 7 percent. The operating margin was 10.9 percent (10.6).

The strong demand combined with a shortage of qualified consultants is resulting in high staff mobility within the sector.

Acando strengthened its long-term cooperation agreements with several customers during the quarter. Region Västra Götaland (VGR), Verva (the Swedish Administrative Development Agency) and TeliaSonera have recently entered into framework agreements with Acando. Major customers include AB Volvo, AstraZeneca, Ericsson, TeliaSonera and Vattenfall.

Germany

Demand was good during the quarter, and both new customers and major projects with existing customers, particularly Airbus, were obtained.

Sales for the German operations increased by 17 percent compared with the same period last year, and the operating profit amounted to SEK 1m (2).

Results have been burdened by a provision for a doubtful trade receivable of close to SEK 2m. This provision concerns the same trade receivable that was partially provided for in the fourth quarter 2007, implying that the entire amount has now been covered.

In addition to Airbus, major customers include Comdirect Bank AG, HanseNet Telekommunikation GmbH and Vattenfall Europe.

Norway

On 28 September 2007, Acando acquired all shares in the Norwegian company Abeo Gruppen A/S, which has changed name as of 1 January 2008 to Acando Gruppen A/S. Sales for the Norwegian operations were SEK 35m for the quarter with an operating profit of SEK 3m, representing an operating margin of 9.3 percent.

Demand for consultancy services was good during the quarter, and operations are stable. Assignments are in progress for customers such as Politiets data og matrielltjeneste, Helse Midt-Norge IT and DnB NOR Bank ASA.

Other countries

"Other countries" embraces the companies in Finland, Denmark and the United Kingdom, where operations developed well during the quarter from both sales and profitability aspects, resulting in an overall operating profit of SEK 5m and a margin of 14.4 percent.

Finland: Operations in Finland, which are oriented towards SAP projects, continued to develop well during the quarter and profitability was good. The largest customers are Altia, Anglo Nordic and WSOY.

Denmark: The operations that were started up last year have turned profit trends, and are currently achieving positive results for ongoing consultancy activities. As of 1 February 2008, Acando owns 100 percent of this unit. Customers include TeliaSonera, Hi3G and E-on.

United Kingdom: The company in Manchester was acquired in the first quarter 2007, and expanded strongly last year with a breakeven result for the full year 2007. Expansion continued in the first quarter 2008 and good profitability levels have been achieved. Several new customers within the pharmaceutical and retail sectors have

been obtained. Major customers include AstraZeneca, Bristol Myers Squibb and Boehringer Ingelheim.

FINANCIAL POSITION AND CASH FLOW

The Group's cash and cash equivalents, including current investments, amounted to SEK 108m (139) as at 31 March 2008. In addition, the Group has an unutilised bank overdraft facility of SEK 65m. The equity/assets ratio was 61.2 percent (68.7).

Company tax reported as a cost in the income statement in the financial year 2008 is zero, and is composed of the net of reversed and capitalised tax recoverable. The Company has a loss carry-forward deduction totalling SEK 592m up to the fiscal year 2007 inclusive, of which at least SEK 275m is deemed to be utilisable during the forthcoming years. Deferred tax of SEK 77m calculated on this amount has been taken up as a financial asset in the balance sheet.

Repurchase of own shares: In view of the Board of Directors' decision in accordance with an authorisation granted by the AGM, the Company repurchased 2,418,036 class B shares in February and March 2008 at an average price of SEK 12.40, representing 3.1 percent of the number of outstanding shares, for a total amount of close to SEK 30 million.

Cash flow from current operations amounted for the quarter to SEK 41m (21). Financial revenues in the Group are primarily composed of interest from liquid funds. Financial costs pertain to interest on the convertible subordinated loan and the pension liability in the balance sheet.

EMPLOYEES

The average number of employees during the period was 1,109 (916), and the number of employees at the end of the period was 1,113 (963). Of these, 726 (746) are in Sweden, 233 (193) in Germany, 88 (0) in Norway, and 66 (24) in Other Countries. The principal challenge for Acando is to recruit additional qualified consultants in the countries where the Company is active, and to retain existing employees.

INVESTMENTS

The Groups net investments in property, plant and equipment amounted to SEK 3m (3) for the period.

PARENT COMPANY

External net sales in the Parent Company were SEK 0 (0) for the quarter. The operating loss for the same period was SEK -13m (-2).

The Parent Company's net investments for the period amounted to SEK 1m (3).
The Parent Company's cash and cash equivalents amounted to SEK 59m (119) at the end of the period.

Risks for the Parent Company are essentially comprised of the operating activities performed in the form of subsidiaries (see description below for the Group).

SIGNIFICANT EVENTS FURTHER TO THE END OF THE PERIOD

Acando's financial target: The Board of Directors has resolved that Acando's principal financial target shall be to increase earnings per share (EPS) by at least 15 percent per annum. Certain restrictions with regard to maximum debt-equity ratio and minimum available liquidity shall also apply.

OUTLOOK

The Board of Directors believes that the market for consultancy services within Management and IT will continue to be good in 2008. The Company continues to prioritise organic growth with focus on improved profitability.

Acando does not provide any profit or sales forecasts.

RISKS AND UNCERTAINTIES IN BUSINESS OPERATIONS

Acando's business risks include price levels and commitments vis-à-vis customers, changes in customer requirements, weaker demand for consultancy services, customer concentration, changes in the behaviour of competitors, as well as currency risks and interest risks. To continue to grow, Acando is dependent on being able to recruit and develop new qualified employees, retain existing employees, and maintain personnel costs at a reasonable level with regard to prices offered to the customer. Acando's general approach to business risks has not changed compared with the detailed statement contained in the "Risks and Opportunities" section on page 50 of the Annual Report for 2007.

Stockholm, 29 April 2008

Acando AB (publ)

The Board of Directors

AUDIT REPORT

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

FORTHCOMING FINANCIAL INFORMATION AND EVENTS

The Annual Report for 2007 is available at the Company's website at www.acando.com and the Company's office at Jakobsgatan 6, Stockholm, Sweden.

Annual General Meeting of Shareholders

The Annual General Meeting of Shareholders will be held at 3pm on Monday, 19 May 2008 at Salénhuset, Norrlandsgatan 15, Stockholm, Sweden.

Interim report January–June 2008	19 August 2008
Interim report January–September 2008	24 October 2008
Year-end report for 2008	February 2009

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Acando is a consultancy company that in partnership with its clients identifies and implements business improvements through information enabled by technology. Acando offers a balance between high customer satisfaction, short project times and low overall cost. The Acando Group has annual sales of around SEK 1.4 billion, and employs more than 1,100 professionals in six countries in Europe. The Company is listed on the OMX Nordic Exchange. Acando's corporate culture is based on our core values of Team Spirit, Passion and Results.

ACCOUNTING PRINCIPLES

The Group's interim report has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act. The application of IFRS is in accordance with the accounting principles set out in Acando's Annual Report for 2007. The accounts have not been affected by any new standards adopted during the year.

The interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2.1 – Reporting for Legal Entities.

Reporting per segment: In view of that the Company's primary segment is composed of consultancy activities, the sales and operating results of this segment are reported directly in the income statement.

Consolidated Income Statement - Acando Group

(SEK million)	3 mths Jan-Mar 2008	3 mths Jan-Mar 2007	12 mths April 2007- Mar 2008	12 mths Jan-Dec 2007
Net sales	409	323	1 430	1 344
Other operating income	1	2	6	7
Total income	410	325	1 436	1 351
Operating expenses				
Personnel costs	-254	-201	-879	-826
Other external costs	-115	-93	-438	-416
Depreciation of PPE + amortisation of intangible assets	-2	-2	-7	-7
Operating profit, EBIT	39	29	112	102
Financial items				
Financial income	2	1	8	7
Financial expenses	-2	-1	-4	-3
Profit after financial items	39	29	116	106
Taxes*	0	0	0	0
Profit for the period from remaining operations	39	29	116	106
Profit for the period from discontinued operations	13	3	13	3
Net profit for the period	52	32	129	109
Pertaining to:				
Parent Company's shareholders	52	30	128	106
Minority interests	0	2	1	3
Earnings per share, computed on the profit for the period pertaining to the Parent Company's shareholders				
- before dilution, SEK	0,67	0,38	1,65	1,37
- after dilution, SEK	0,65	0,37	1,61	1,33
Earnings per share, computed on the profit for the period from remaining operations pertaining to the Parent Company's shareholders				
- before dilution, SEK	0,51	0,38	1,49	1,37
- after dilution, SEK	0,49	0,37	1,45	1,33
Earnings per share, computed on profit for the period from discontinued operations pertaining to the Parent Company's shareholders during the period				
- before dilution, SEK	0,16	0,01	0,16	0,00
- after dilution, SEK	0,16	0,01	0,16	0,00
Average number of shares before dilution	77 106 716	77 472 658	77 180 337	77 542 056
Average number of shares after dilution	79 825 622	79 708 071	79 314 235	79 796 805
Number of outstanding shares at end of period before dilution	75 146 732	77 564 768	75 146 732	77 564 768
Number of outstanding shares at end of period after dilution	76 979 099	79 835 849	76 979 099	80 293 524

The dilution consists of 1,526,000 (1,526,000) conversion options and 306,367 (745,081) warrants. Comparative figures are affected by the acquired companies Deva Management being consolidated as of 1 February 2007, Acando Denmark and Acando UK (previously IQ Consultancy Ltd) as of 1 March 2007, and Abeo as of 1 October 2007.

* The Group's taxes for the period are computed as the period's portion of estimated tax costs for the full-year.

Consolidated Balance Sheet - Acando Group

(SEK million)	31 Mar 2008	31 Mar 2007	31 Dec 2007
Assets			
Non-current assets			
Goodwill	467	396	467
Other intangible assets	7	13	7
Property, plant and equipment	18	16	17
Shares in associated companies	-	3	-
Deferred tax recoverable	77	56	66
Other financial assets	8	7	9
Total non-current assets	577	491	566
Current assets			
Trade accounts receivable	259	210	300
Other receivables	7	18	0
Current tax recoverable	0	12	0
Prepaid expenses and accrued income	118	123	90
Cash and cash equivalents, including current investments	108	139	62
Total current assets	492	502	452
Assets held for sale	-	-	78
Total assets	1 069	993	1 096
Equity and liabilities			
Share capital	98	97	98
Other contributed capital	363	363	363
Reserves	-9	-1	-4
Retained earnings	202	203	179
Minority interests	0	20	22
Non-current interest-bearing liabilities	36	36	35
Other non-current liabilities	36	20	36
Current liabilities	343	255	337
Liabilities directly linked to assets held for sale	-	-	30
Total equity and liabilities	1 069	993	1 096

Consolidated Cash Flow Statement - Acando Group

(SEK million)	3 mths Jan-Mar 2008	3 mths Jan-Mar 2007	12 mths Jan-Dec 2007
Operating activities			
Net profit for the period	52	32	109
Paid tax	-2	0	-5
Adjustment for non-cash items	-13	1	1
Depreciation and amortisation	2	2	8
Cash flow from operating activities before changes in working capital	39	35	113
Net change in working capital	2	-14	-16
Cash flow from operating activities	41	21	97
Cash flow from investment activities, Note 1	35	-26	-70
Cash flow from financing activities	-30	8	-93
Cash flow for the period	46	3	-66
Liquid assets at beginning of the period	62	136	136
Liquid assets from discontinued operations	-	-	-8
Liquid assets at end of the period	108	139	62

Shareholders' equity

(SEK million)	31 Mar 2008	31 Mar 2007	31 Dec 2007
At beginning of the period	658	641	641
New share issues	-	8	9
Cost of raising capital	-	-	-1
Redemption of shares	-	-	-101
Disposal of minority interest	-22	-	-
Acquisition of own shares	-30	0	-1
Incentive programs	1	0	3
Exchange rate differences	-5	0	-1
Profit for the period	52	32	109
At end of the period	654	681	658
Minority interests	-	20	22
Closing equity balance pertaining to the Parent Company's shareholders	654	661	636

Specification of shareholders' equity for the period

(MSEK)	Share capital	Pertaining to Parent Company's sharehold Other contr. capital	Reserves	Retained earnings	Minority interests	Total
Opening balance 1 January 2008	98	363	-4	179	22	658
Exchange rate differences			-5			
Total transactions reported directly in shareholders' equity			-5		0	-5
Profit for the period				52		52
Total reported income and costs			-5	52	0	47
Disposal of minority interest					-22	-22
Acquisition of own shares				-30		-30
Incentive programs				1		1
Closing balance 31 March 2008	98	363	-9	202	0	654

The Parent Company repurchased 2,418,036 own shares during the period.

Key ratios	3 mths	3 mths	12 mths	12 mths
(SEK million)	Jan-Mar 2008	Jan-Mar 2007	April 2007- Mar 2008	Jan-Dec 2007
Results				
Net sales	409	323	1 430	1 344
Operating profit, EBIT	39	29	112	102
Profit before tax	39	29	116	106
Margins				
Operating margin, %, EBIT	9.5	9.0	7.9	7.6
Profitability				
Return on capital employed, %	N/A	N/A	17.0	16.1
Return on equity, %	N/A	N/A	19.1	16.3
Financial position				
Equity/assets ratio, %	61.2	68.7	61.2	60.0
Interest coverage ratio, multiple	28	59	29	34
Per share				
Equity per share, SEK	8.50	8.54	8.50	8.09
Cash flow per share, SEK	0.50	0.04	-0.40	-0.80
Earnings per share, SEK	0.65	0.37	1.61	1.33
Employees				
Number of employees at end of period	1 113	963	1 113	1 105
Average number of employees	1 109	916	1 038	1 012
Net sales per employee, SEK thousand	369	353	1 378	1 328
Net investments, SEK million	3	3	7	7

Note 1

On 31 January, Acando AB sold all shares in AS WMG (Webmedia) for SEK 38 million, creating a capital gain of SEK 13 million.
On 31 January 2008, Acando AB acquired the remaining shares in Acando Denmark AS, representing 49 percent of capital and votes.
Further to this acquisition of shares, Acando AB holds 100 percent of the capital and votes of Acando Denmark AS.
The purchase consideration for the shares amounted to SEK 0.3 million and goodwill to SEK 3 million.

Income Statement - Parent Company

(SEK million)	3 mths Jan-Mar 2008	3 mths Jan-Mar 2007	12 mths April 2007- Mar 2008	12 mths Jan-Dec 2007
Net sales	1	15	35	49
Other operating income	0	0	0	0
Total revenue	1	15	35	49
Operating expenses				
Personnel costs	-3	-2	-12	-11
Other external costs	-10	-14	-35	-39
Depreciation of PPE + amortisation of intangible assets	-1	-1	-4	-4
Operating loss, EBIT	-13	-2	-16	-5
Financial items				
Profit from sundry securities			1	1
Capital gain	14		14	
Financial income	1	1	4	4
Financial expenses	-1		-5	-4
Profit/loss after financial items	1	-1	-2	-4
Taxes	14	8	38	32
Profit for the period	15	7	36	28

Balance Sheet - Parent Company

(SEK million)	31 Mar 2008	31 Mar 2007	31 Dec 2007
Assets			
Non-current assets			
Intangible assets	1	1	1
Property, plant and equipment	9	9	9
Financial non-current assets	952	715	925
Total non-current assets	962	725	935
Current assets			
Receivables from Group companies	183	127	126
Other receivables	1	4	2
Prepaid expenses and accrued income	2	1	3
Cash and cash equivalents, including current investments	59	119	9
Total current assets	245	251	140
Total assets	1 207	976	1 075
Equity and liabilities			
Share capital	98	97	98
Statutory reserve	110	110	110
Share premium reserve	257	257	257
Retained earnings	270	266	247
Non-current interest-bearing liabilities	24	23	24
Other non-current liabilities	32	19	32
Current liabilities	416	204	307
Total equity and liabilities	1 207	976	1 075