INTERIM REPORT

Third quarter, July 1 - September 30, 2013

- Net sales SEK 296 m (321)
- Operating profit SEK 3 m (18)
- Operating margin 1.0% (5.5%)
- Profit after tax SEK 2 m (12)
- Earnings per share SEK 0.03 (0.17)

Accumulated, January 1 – September 30, 2013

- Net sales SEK 1,033m (1,137)
- Operating profit SEK 32 m (81)
- Operating margin 3.1% (7.1%)
- Profit after tax SEK 24 m (58)
- Earnings per share SEK 0.34 (0.80)
- Cash and cash equivalents SEK 81 m (75)

Statement by Carl-Magnus Månsson, CEO

The uncertain market situation meant continued sluggishness during the summer regarding new project starts and, in addition, a propensity to completely "shut down" activities during the holiday period. In combination, this led to a lower utilization rate over the summer months and a slower than expected improvement in September. The dialogs signaling a recovery in the third quarter materialized later than expected and the notified projects and assignments did not commence until the latter end of the quarter. Naturally, we are less than satisfied with the third-quarter financial performance but we are still convinced that the measures we have taken on an ongoing basis will deliver an impact over the remainder of the year. The quarter's margins and earnings are in line with the preceding quarter after adjustments for nonrecurring costs linked to the acquisition of e-vita and some restructuring measures.

During the quarter, we won a framework agreement with the Norwegian Tax Administration, which means that we now have framework agreements in all the major IT procuring government administrations. Our position as market leader in Strategic IT and Architecture has thus been further confirmed. As part of fully leveraging our framework agreement position with regard to more technical services, and to take a clearer position on packaged solutions for the Internet, portals and integration, we acquired Norway's leading Oracle consulting company, e-vita AS, in the third quarter. e-vita combined with Acando's own consultancy operations in the Java area provides favorable prerequisites for continued growth.

In Sweden, we are experiencing an upswing in the market with an improved order situation and more new projects and assignments, primarily in the Business Systems and Strategic IT areas. Several of these are starting in the fourth quarter and provide better preconditions for the coming period. These assignments mean a need for recruitment with inflows in the first quarter of next year.

The German market is characterized by continued uncertainty and increasing competition for assignments. This is clearest in Northern Germany while operations in the south of Germany continue to trend favorably, particularly in Frankfurt and Stuttgart. We are now seeing increasingly clear effects from the decline in volume at one of our largest customers and, during the quarter, took measures to restructure and downsize operations in Hamburg and Düsseldorf, particularly in the SAP area. Moving forward, our focus is on continued expansion at existing customers and, again, recruitment in skills areas with healthier demand such as Management Consulting, Java and Microsoft. In our assessment, the German market and our position there remains challenging.

The IT industry analyst Radar argues in *IT Strategic Direction 2020* that the future belongs to those consulting companies that best understand that operations and IT must cooperate proactively. Our business consultants understand the opportunities and limitations of IT and our IT consultants always start from the basis of business benefit. This understanding of the whole picture is part of our consultants' DNA and, accordingly, I am confident that we will continue to create value for our customers and thereby value for our owners. We anticipate improved conditions in several markets ahead of the fourth quarter. We expect these improvements to have an effect in the fourth quarter, although not quite in line with the fourth quarter of 2012. We have a strong balance sheet and are focused on maintaining a healthy cash flow.

Significant events

Third quarter, 2013

In the third quarter, Acando expanded operations in Norway through the acquisition of the Oslo-based consulting company e-vita AS, which has more than 60 employees. e-vita AS provides IT solutions for optimizing business processes and, in Norway, is market leader in portals and process solutions using Oracle technology. Acando has acquired all of the shares in e-vita AS with the transfer of ownership taking place on October 1, 2013 and this is expected to positively impact Acando's earnings per share as early as from the fourth quarter. The purchase consideration less net cash at the takeover date is estimated at about NOK 33 m and was primarily funded through acquisition financing, which will impact cash flow in the fourth quarter.

In the third quarter, Acando signed a framework agreement with Region Västra Götaland for services in the Strategy and Management area. The agreement applies from October 1, 2013 until September 30, 2015, with a possibility to extend by 24 months.

During the quarter, Acando launched a Mobile Client app for Microsoft Dynamics CRM in Germany. The solution widens the product portfolio of mobile CRM clients and is based on the latest version of Windows. CRM data is thus made accessible for mobile units where customer-specific add-ons can also be integrated.

In Norway, Acando signed a framework agreement with the Norwegian Tax Administration for architecture and solution definitions as well as integration and modeling in the third quarter,. This further strengthened Acando's position in the public sector with focus on advisory services.

Significant events after the end of the period

Since the end of the period, Acando has signed agreements with the Swedish Social Insurance Agency to support the agency's extensive investment in simplifying the sickness benefit process together with Transformator Design.

Acando also won the assignment to upgrade Moelven Töreboda's Microsoft Dynamics AX business system from version 4.0 to the 2012 version.

Business activities

Market development

The uncertainty that characterized the Group's markets in the first half of the year declined slightly in the third quarter. A recovery was noted, primarily in the Nordic markets, resulting in increased orders in the Swedish market and continued healthy public sector demand in Norway. Exactly how the market will perform in Europe remains uncertain and a degree of uncertainty exists about the balance between supply and demand in the Finnish market.

Customers and offering

Demand remained extremely favorable for Supply Chain Management, which is part of Management Consulting. To a certain extent, this was driven by Acando's successes in the SAP area and integrated working methods between these skills areas. In other areas of Management Consulting, increased levels of activity were noted but projects are short and structured in several independent steps.

Strong demand continues for Strategic IT in all of Acando's markets. Continued healthy demand in Norway and additional assignments and extended assignments with customers in Sweden mean a high utilization rate and a substantial need for recruitment.

Several minor supplementary assignments and a few larger project call-off orders indicate an improved market for SAP. Projects that stood still in the first half of the year are again active. A clear increase in demand has also been noted in the Microsoft-based business systems area.

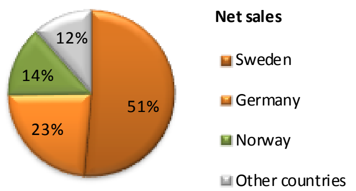
The market for IT-related services is still characterized by increased competition for expert services. Acando's focus is increasingly moving towards solutions based on commercial platforms, such as the iKnowbase portal framework developed by the acquired company, e-vita, the proprietary Acando Collaboration Platform based on Microsoft technology and an increased focus on packaging Microsoft's entire offering. This change is accelerating and Acando has excellent prerequisites for engendering trust among clients through clear responsibility for the entire delivery, from business analysis to rapid implementation.

Net sales and earnings

Third quarter July – September 2013

Net sales and operating profit for the third quarter 2013 are shown in the table below:

SEK m	2013 Net sales	2012 Net sales	2013 Operating profit	2012 Operating profit	2013 Operating margin	2012 Operating margin
Sweden	153.4	162.2	4.4	9.4	2.09 %	5.8 %
Germany	69.9	78.4	2.2	7.9	3.2 %	10.1 %
Norway	40.8	46.2	0.2	1.7	0.5 %	3.7 %
Other countries	34.5	35.7	0.7	1.7	2.1 %	4.5 %
Group adjustments	-2.5	-1.4	-4.5	-3.0	-	-
Total	**296.0**	**321.1**	**3.0**	**17.6**	**1.0 %**	**5.5 %**



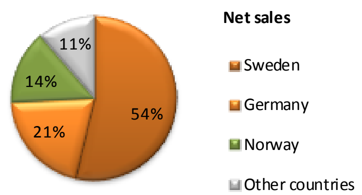
Consolidated net sales for the third quarter amounted to SEK 296 m (321). Local growth excluding currency effects declined 6.9 percent year-on-year.

Operating profit was SEK 3.0 m (17.6), corresponding to an operating margin of 1.0 percent (5.5). Earnings were impacted by the weak start to the quarter, primarily in Sweden and Germany, with low utilization rates as a consequence. During the quarter, integration and restructuring costs that arose in conjunction with the acquisition in Norway negatively impacted earnings by close to NOK 2 m. Consolidated profit after tax was SEK 2 m (12). Earnings per share after dilution amounted to SEK 0.03 (0.17).

Accumulated, January – September 2013

Net sales and operating profit for January 1 to September 30, 2013, are shown in the table below:

SEK m	2013 Net sales	2012 Net sales	2013 Operating profit	2012 Operating profit	2013 Operating margin	2012 Operating margin
Sweden	558.3	618.1	26.4	57.3	4.7 %	9.3 %
Germany	214.3	239.5	5.2	19.6	2.4 %	8.2 %
Norway	150.1	159.3	5.6	10.3	3.7 %	6.5 %
Other countries	117.8	126.1	7.0	9.2	6.0 %	7.3 %
Group adjustments	-7.6	-5.9	-12.0	-15.8	-	-
Total	**1032.9**	**1137.1**	**32.3**	**80.6**	**3.1 %**	**7.1 %**



Consolidated net sales for the first three quarters totaled SEK 1,033 m (1,137). Local growth excluding currency effects declined 7.5 percent year-on-year.

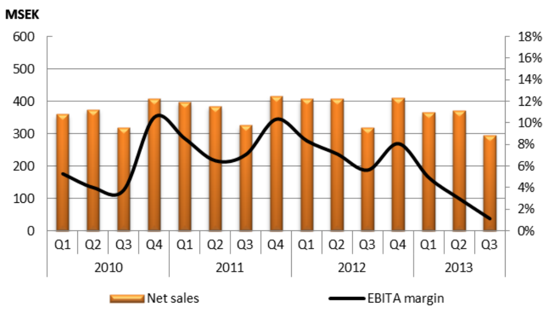
Operating profit was SEK 32.3 m (80.6), corresponding to an operating margin of 3.1 percent (7.1). Consolidated earnings were strongly impacted by weak earnings in Sweden and Germany. Consolidated profit after tax totaled SEK 24 m (58). Earnings per share after dilution amounted to SEK 0.34 (0.80).

Profit trend per quarter

The diagram on the right shows net sales and operating profit for the past three years and for the first to third quarters of 2013.

In terms of work, the fourth quarter is the most work intensive with the highest number of working days. The third quarter is always lower due to vacation.

The industry in which Acando operates is late-cyclical and a weak market impacts with a delay of about one quarter, the same applies when the market turns.



Development of operations by geographic market

Introduction

Acando is a management and IT consulting company that, in partnership with its customers, enhances and streamlines processes, organizations and IT. Acando has approximately 1,100 employees allocated over 18 offices in five countries. The head office is located in Stockholm, Sweden. Operations in Sweden account for about 54 percent of operations followed by Germany with 21 percent and Norway with 14 percent. The remaining 11 percent is accounted for by operations in Finland and the UK, which are reported together under the heading Other countries.

Sweden

The market in Sweden posted an upswing in the end of the period, but from a low level. It was not until the end of the quarter that the effect was reflected in the utilization rate. As in the preceding period, the majority of the current period was characterized by low activity levels. All areas of expertise were affected, even if the situation for SAP and Strategic IT was slightly better. The IT Consulting area was also impacted by increased competition in expert-oriented services. In the areas in highest demand, Business Systems, Management Consulting and certain IT operations, there is a substantial need for recruitment to meet expected increases in demand in the fourth quarter.

At the end of the quarter, the Business Systems area noted a healthy order intake, where the SAP area continues to trend well with satisfactory utilization rates. Business comprises new assignments for existing customers and projects for new customers where our position as a supplier with substantial business understanding and a high degree of precision in our implementation towards set goals and schedules is having a positive effect. The clearest improvement was in MS Dynamics, where market activity has risen significantly and the order situation was substantially strengthened with deliveries from the fourth quarter.

In the Business Intelligence area, several projects linked to Microsoft-based solutions were initiated during the quarter. The requirement of handling substantial quantities of data in real time and of realizing the value of such a process from a business perspective drives many customers. In addition, demand for SAP HANA-based solutions is expected to increase and, accordingly, Acando and Advania commenced a business partnership based on the real-time SAP HANA platform during the quarter. SAP HANA is a database with real-time data that enables users to analyze operational information in real time. This means that the user can adjust and act on information in real time. Traditional database technology is slow and has trouble coping with the rapid pace of today's information flows. The partnership between Acando and Advania means that the companies can now offer a joint turnkey delivery that includes both the software and the hardware required for SAP HANA technology.

The Management Consulting area is becoming an increasingly integrated part of major projects, where business analysis and process enhancement are part of dialogs about new solutions and system implementations. Acando's position as a well-respected public-sector supplier is strengthened by the framework agreement signed with Region Västra Götaland for Management and Strategy services.

In IT Consulting, Strategic IT and integration have continued to trend favorably. Other areas have experienced lower utilization and a high degree of competition continues for resource and expert business. Acando focuses on delivering solutions based on Microsoft's entire offering, which are packaged for specific industrial markets to provide maximum possible benefit.

Germany

In terms of utilization, the third quarter trended in line with the second quarter. A continued decline in volumes at one of Acando's largest customers in Germany was the primary cause in combination with a generally weak market. During the quarter, additional restructuring measures were taken in Hamburg and Düsseldorf to adapt the organization and numbers to the prevailing situation, which will provide a certain effect as early as in the fourth quarter. The establishment of new customers in banking, the automotive industry and retail is ongoing but has not fully compensated the loss of volume. Operations in southern Germany remained strongest in geographic terms with a stable earnings trend and continued growth, accompanied by a need for recruitment.

Acando's offering continues to focus on Microsoft and Java-based consulting, Business Consulting and portal solutions, while a degree of demobilizing is being performed for SAP to meet existing demand.
The market is assessed as challenging for the remainder of the year.

Norway

Through the framework agreement with the Norwegian Tax Administration, Acando now has framework agreements for services in architecture and advisory services with the five largest government administration customers in Norway. Continued recruitment is a prioritized measure to meet existing and future needs.

The acquisition of the Oslo-based company, e-vita, creates favorable conditions for, on the one hand, driving an increase in deliveries under existing framework agreements linked to more technical roles and Oracle-based solutions as well as, on the other, capitalizing on the opportunity to use e-vita's customer base to expand Acando's existing service offering.

During the quarter, Acando implemented a number of structural measures to better match the strategic direction towards a complete Microsoft-packaged offering. This was done to create a clearer customer interaction with focus on the industries in which Acando is able to become a leading player, member organizations, the oil-services sector and service and project-oriented operations. During the quarter, Acando also signed agreements to deliver a new solution for course administration as well as a new accounting and customer administration system to AKAN (The Workplace Advisory Center for issues related to alcohol, drugs and addictive gambling in the workplace). The agreement includes the implementation of Microsoft Dynamics NAV and CRM.

Other countries

Finland: The situation at the end of the second quarter with the conclusion of several major projects, continued into the third quarter. However, in the third quarter, utilization rates gradually increased through a number of minor projects and resource assignments. The Finnish market remains uncertain with a certain degree of surplus resources. The investment in mobility solutions linked to service-based industries has trended favorably. During the quarter, additional mobility services were developed, including a new solution for home-help service suppliers. The service simplifies and streamlines the administration of home helper, who currently devote considerable time to administration and, through real-time updates in the system, reduces administration time and the risk of work duplication. The solution can be scaled to fit the desired number of users and is financed through a rental solution.

The UK: During the quarter, the organization was restructured with the aim of driving growth and profitability at existing large customers, such as AstraZeneca, as well as creating scope for expansion and establishing new customers. The quarter ended strongly with high utilization rates and limited need for recruitment. An additional customer was added during the quarter and several new assignments initiated at AstraZeneca.

Financial information

Financial position

Acando has a strong financial position with an equity/assets ratio of 71 percent (69). Consolidated cash and cash equivalents amounted to SEK 81 m (75) at September 30, 2013.

In addition, the Group has unutilized overdraft facilities of SEK 67 m, most of which are in SEK.

SEK m	30 Sep 2013	30 Sep 2012	Change	31 Dec 2012
Cash & cash equivalents	81	75	6	115
Interest-bearing debt 1)	-24	-18	-6	-17
Net cash	57	57	0	98
Unutilized overdraft facility	67	62	5	62
Equity/assets ratio	71%	69%	2%	70%

1) Interest-bearing debt applies primarily to pension commitments.

Cash flow

Total cash flow during the period was a negative SEK 30 m (neg: 37). Cash flow from operating activities of SEK 52 m (56) comprised a positive cash flow from operations of SEK 30 m (81) and a change in working capital of SEK 22 m (neg: 25).

The change in working capital was primarily attributable to lower levels of accounts receivable but also to a higher proportion of customers with shorter payment times.

Cash flow from investment activities amounted to a negative SEK 4 m (neg: 8) and pertained mainly to investments in customary IT and office equipment. In the corresponding period in 2012, Bitec Oy in Finland was acquired, which impacted cash flow by SEK 1.2 m.

Cash flow from financing activities amounted to a negative SEK 78 m (neg: 85), of which a negative SEK 71 m (neg: 72) pertained to dividends and a negative SEK 7 m (neg: 13) to liquidity for payments regarding the buyback of the company's shares.

SEK m	Jan-Sep 2013	Jan-Sep 2012	Change	Full year 2012
Cash flow from:				
Operating activities	52	56	-4	102
Investment activities	-4	-8	4	-9
Financing activities	-78	-85	7	-90
Total cash flow	**-30**	**-37**	**7**	**3**
Cash & cash equivalents at the begining of the period	115	113	2	113
Translation difference in cash & cash equivalents	-4	-1	-3	-1
Cash & cash equivalents at the the end of period	**81**	**75**	**6**	**115**

Tax

At the start of 2013, the Group had unutilized loss carry-forwards totaling approximately SEK 243 m. It is expected that it will be possible to utilize the loss carry-forwards attributable to operations in Sweden, SEK 221 m, in the next few years. For this reason, a deferred tax asset of SEK 49 m was recognized in the balance sheet at the start of the year.

Up to the end of the third quarter of 2013, the Group utilized loss carry-forwards of SEK 22 m in operations and unutilized loss carry-forwards amounted to SEK 199 m at the end of the period.

Investments

The Group's net investment in assets in the period through September 30, 2013 was SEK 4 m (10).

The share

Buyback of shares

The Board was authorized by the 2013 Annual General Meeting to buy back the company's shares to the extent that the company's total holding does not exceed 10 percent of all shares in the company with the aim of adjusting the capital structure to suit the company's capital requirements and to create the opportunity for the company to pay for any acquisitions of companies and businesses, wholly or partly, with these treasury shares. The authorization is valid until the 2014 Annual General Meeting.

The authorization granted to the Board by the 2012 Annual General Meeting to buy back shares to the extent that the company's total holding does not exceed 10 percent of all shares in the company was exercised for 4.8 percent of the shares and following a resolution by the 2013 Annual General Meeting, 2,230,000 treasury shares were cancelled.

Treasury shares	No. of Series B shares	Quotient value SEK m	Percentage of total shares outstanding
At January 1, 2013	3 299 000	4.5	4.5 %
Shares bought back in Q1 2013	258 000	0.3	0.3 %
At March 31, 2013	**3 557 000**	**4.8**	**4.8 %**
Redemption of shares	-2 230 000	-	-3.0 %
Shares bought back in Q2 2013	215 000	0.3	0.3 %
At June 30, 2013	**1 542 000**	**2.1**	**2.1 %**
Shares bought back in Q3 2013	0	0.0	0.0 %
At September 30, 2013	**1 542 000**	**2.1**	**2.1 %**

There was no buyback of the company's shares in the third quarter and, accordingly, the holding of treasury shares amounted to 2.1 percent of the total number of shares outstanding at September 30, 2013.

Share-savings program

The 2013 Annual General Meeting resolved to implement a new share-savings program encompassing a total of 1,000,000 shares for a maximum of 50 senior executives and other key personnel employed by the Acando Group. The 2013/2016 Share-savings program is structured similarly to the share-savings programs that were adopted by the 2011 and 2012 Annual General Meetings. Based on the fulfillment of specific performance requirements related to Acando's earnings per share after tax and after dilution for the 2013-2015 fiscal years, participants will have the option of receiving, without compensation, additional Acando shares, the number of which depends on the number of Acando shares in their own investment and on the fulfillment of certain performance requirements.

Share capital and shares

The number of Acando shares totaled 72,181,429 on September 30, 2013, of which 1,542,000 Series B shares were treasury shares. Of these treasury shares, no shares are assessed as available for future allotment in ongoing share-savings programs.

Employees

The number of employees at the end of the quarter was 1,035 (1,105). Of these, 564 (631) were in Sweden, 286 (285) in Germany, 102 (109) in Norway and 83 (80) in Other countries. The average number of employees during the third quarter was 1,046 (1,081).

Parent Company

The Parent Company provides certain Group-wide functions to other companies in the Group. The risks faced by the Parent Company consist of operations conducted in the subsidiaries (see the description below for the Group).
The Parent Company's financial position is stated on page 19.

Acando's financial targets

Acando's principal financial target is to increase earnings per share (EPS) by at least 15 percent per year. In addition, certain restrictions apply with respect to the maximum debt/equity ratio and minimum available cash and cash equivalents.

Outlook

Acando will continue to develop as a company in pace with its customers and their demands. With Acando's strong financial position and differentiated offering, the company can continue to deliver services to a broad spectrum of customers. It is

Acando's assessment that demand in the markets in which Acando operates is favorable, but that the current business climate means continued uncertainty.

Acando does not provide earnings or sales forecasts.

Risks and uncertainties

Acando's business risks include price levels, customer undertakings, changed customer requirements, weaker demand for consulting services, customer concentration and changes in the behavior of competitors, as well as currency, credit and interest-rate risks. Continued growth will depend on Acando's ability to develop, retain and recruit qualified employees and maintain personnel costs at a reasonable level in relation to prices offered to customers. A strong economy entails intensified competition for qualified employees. Acando's general view of business risks has not changed, compared with the detailed statement contained in the "Risks and Opportunities" section in the Directors' Report under the 2012 Annual Report.

Estimates and assessments

In preparing the financial reports, the Board of Directors and company management make assessments and assumptions that affect the company's earnings and financial position, as well as published information in other respects.

Estimates and assessments are continuously evaluated and are based on historical experience and other factors, including expectations regarding future events deemed reasonable under prevailing conditions. Actual outcomes may differ from the assessments made.

The areas in which estimates and assumptions could involve significant risk of adjustments of recognized amounts for earnings and financial position in future reporting periods are primarily assessments of market conditions, assessment of the useful lives of the Group's intangible and tangible fixed assets, impairment testing of goodwill, measurement of deferred tax assets, measurement of accounts receivable and revenue recognition for fixed-price projects.

For a complete account of the important estimates and assessments affecting the Group, refer to the 2012 Annual Report.

Accounting policies

Group

The Group's interim report was prepared in accordance with IAS 34 Interim Reporting and the Swedish Annual Accounts Act. Application of IFRS complies with the accounting policies set out in Acando's 2012 Annual Report.

Parent Company

This interim report for the Parent Company was prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities issued by the Swedish Financial Reporting Board. The application of RFR 2 means that the Parent Company, in the interim report for a legal entity, applies all IFRS standards and statements approved by the EU as far as possible within the framework of the Swedish Annual Accounts Act and the Pension Obligations Vesting Act, with consideration taken to the relationship between accounting and taxation. The same accounting and calculation policies were applied as in the 2012 Annual Report.

Changes in accounting policies

From January 1, 2013, Acando has applied IAS 19 Employee Benefits. This new amended standard which entered force on January 1, 2013, impacted the balance sheet and other comprehensive income. Figures and key ratios for 2012 were restated, see pages 17-19 for more information. IFRS 13 Fair Value Measurement, which also entered force, is not expected to have any significant impact on Acando's income statement or balance sheet and, accordingly, has not led to any change. The accounting policies in this interim report are essentially the same as those applied in the 2012 Annual Report.

Auditor's review report on the interim financial statements (Interim Report) prepared in accordance with IAS 34 Interim Reporting and Chapter 9 of the Swedish Annual Accounts Act.

Introduction

We have performed a review of this interim report for the period January 1, 2012 to September 30, 2013 for Acando AB (publ). The Board of Directors and the President and CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of the review

We conducted our review in accordance with the Swedish Standard on Review Engagements (SÖG) 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Stockholm, October 25, 2013

Öhrlings PricewaterCoopers AB

Magnus Brändström
Authorized Public Accountant

Assurance by the Board of Directors

The Board of Directors and the President provide their assurance that the interim report for January – September 2013 provides a fair and accurate view of the Parent Company's and the Group's operations, financial position and earnings, and describes the material risks and uncertainties faced by the Parent Company and other companies in the Group.

Stockholm, October 25, 2013

Acando AB (publ.)

Ulf J Johansson
Chairman

Carl-Magnus Månsson
President and CEO

Magnus Groth
Board member

Birgitta Klasén
Board member

Susanne Lithander
Board member

Mats O Paulsson
Board member

Anders Skarin
Board member

Alf Svedulf
Board member

Mija Jelonek
Employee representative

Lennart Karlsson
Employee representative

Additional information

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Upcoming reporting dates

Reporting dates

Year-end report 2013	February 4, 2014
Annual General Meeting 2014	May 5, 2014
Interim report January – March 2014	May 5, 2014
Interim report January – June 2014	July 22, 2014
Interim report January – September 2014	October 24, 2014

Note

This is information that Acando AB (publ) is obligated to disclose according to the Securities Market Act and/or the Financial Instruments Trading Act. This information was submitted for publication on October 25, 2013.

www.acando.com Ticker: ACAN

Acando is a consulting company that in partnership with its customers identifies and implements sustainable business enhancements through information technology. Acando provides a balance between high customer value, short project times and low total cost. Acando has annual sales of about SEK 1.5 billion and approximately 1,100 employees in five countries in Europe. The company is listed on the NASDAQ OMX Nordic exchange. Its company culture is based on the core values of Team Spirit, Results and Passion.

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CONSOLIDATED INCOME STATEMENT

(SEK m)	Note	Jul - Sep 2013	Jul - Sep 2012	Jan - Sep 2013	Jan - Sep 2012	Oct 2012 - Sep 2013	Jan - Dec 2012
Net sales		296	321	1 033	1 137	1 443	1 547
Other operating income		0	0	2	0	5	3
Total income		**296**	**321**	**1 035**	**1 137**	**1 448**	**1 550**
Operating expenses							
Other external expenses		-100	-105	-325	-368	-453	-496
Personnel expenses		-190	-195	-669	-678	-915	-924
Amortization and impairment of intangible assets and depreciation of tangible assets		-3	-3	-9	-10	-15	-16
Operating profit		**3**	**18**	**32**	**81**	**65**	**114**
Profit from financial items							
Financial income		0	0	2	1	2	2
Financial expenses		0	-1	-2	-2	-1	-2
Profit after financial items		**3**	**17**	**32**	**80**	**66**	**114**
Taxes on profit for the year		-1	-5	-8	-22	-22	-36
Net profit for the period		**2**	**12**	**24**	**58**	**44**	**78**
Of which, attributable to shareholders of Acando AB (publ.)		2	12	24	58	44	78
Earnings per share							
Before dilution, SEK		0,03	0,17	0,34	0,80	0,63	1,09
After dilution, SEK		0,03	0,17	0,34	0,80	0,63	1,09
Average number of shares before dilution		70 639 429	71 747 790	70 788 275	71 879 063	71 076 877	71 709 598
Average number of shares after dilution		70 639 429	71 747 790	70 788 275	71 959 745	71 076 877	71 769 999
Number of shares outstanding at end of period before dilution		70 639 429	71 476 043	70 639 429	71 476 043	70 944 352	71 112 429
Number of shares outstanding at end of period after dilution		70 639 429	71 476 043	70 639 429	71 644 504	70 944 352	71 280 890

Treasury shares are not included in the number of shares above. At September 30, 2013, 1,542,000 shares are owned by Acando.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(SEK m)	Note	Jul - Sep 2013	Jul - Sep 2012	Jan - Sep 2013	Jan - Sep 2012	Oct 2012 - Sep 2013	Jan - Dec 2012
Net profit for the period		2	12	24	58	44	**78**
Other comprehensive income							
Change in accumulated translation differences		-4	-4	-10	-4	-7	-1
Pension liabilities, actuarial gains on liabilities [1)]		-	-	-	-	2	2
Income tax pertaining to items in other comprehensive income [1)]		-	-	-	-	0	0
Other comprehensive income for the period, net after tax		**-4**	**-4**	**-10**	**-4**	**-5**	**1**
Total comprehensive income for the period		**-2**	**8**	**14**	**54**	**39**	**79**
Total comprehensive income attributable to:							
Parent Company's shareholders		-2	8	14	54	39	79

1) These items arose from the amendments to IAS 19 Employee Benefits, which entered force on January 1, 2013.

CONSOLIDATED BALANCE SHEET

(SEK m)	Note	30 Sep 2013	30 Sep 2012	31 Dec 2012
Non-current assets				
Intangible assets				
Goodwill	1	454	460	461
Other intangible assets		2	7	5
Tangible assets				
Tangible assets		14	18	17
Financial assets				
Deferred tax assets 1)		47	61	52
Other non-current financial assets		4	4	4
Total non-current assets		**521**	**550**	**539**
Current assets				
Accounts receivable		282	334	369
Other receivables		4	3	3
Current tax assets		6	8	2
Prepaid expenses and accrued income		52	60	30
Cash and cash equivalents		81	75	115
Total current assets		**425**	**480**	**519**
Total assets		**946**	**1 030**	**1 058**
Equity				
Share capital	2	99	99	99
Other capital contributions		368	368	368
Reserves		-33	-26	-23
Retained earnings including profit for the period 2)		233	274	290
Total equity		**667**	**715**	**734**
Liabilities				
Non-current liabilities 3)	3	32	40	32
Current liabilities		247	275	292
Total liabilites		**279**	**315**	**324**
Total equity and liabilities		**946**	**1 030**	**1 058**

1) Following amendments to IAS 19 Employee Benefits which entered force on January 1, 2013, deferred tax assets increased by SEK 2 m for the corresponding period in 2012 and for the full-year 2012.

2) Following amendments to IAS 19 Employee Benefits which entered force on January 1, 2013, retained earnings decreased by SEK 7 m for the corresponding period in 2012 and by SEK 5 m for the full-year 2012.

3) Following amendments to IAS 19 Employee Benefits which entered force on January 1, 2013, pension liabilities increased by SEK 9 m for the corresponding period in 2012 and by SEK 7 m for the full-year 2012.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Attributable to Parent company shareholders				
(SEK m)	**Note**	Share capital	Other capital contr.	Reserves	Retained earnings	Total
Opening balance at January 1, 2012		**99**	**368**	**-22**	**308**	**753**
Effect of the change of accounting policies [1)]					-7	-7
Adjusted opening balance at January 1, 2012		**99**	**368**	**-22**	**301**	**746**
Profit for the period				-4	58	54
Dividend paid to Parent Company shareholders					-72	-72
Incentive programs					0	0
Buyback of treasury shares					-13	-13
Closing balance at September 30, 2012		**99**	**368**	**-26**	**274**	**715**
Profit for the period [2)]				3	22	25
Incentive programs					-1	-1
Buyback of treasury shares					-5	-5
Closing balance at December 31, 2012		**99**	**368**	**-23**	**290**	**734**
Profit for the period				-10	24	14
Dividend paid to Parent Company shareholders					-71	-71
Incentive programs					-3	-3
Buyback of treasury shares	2				-7	-7
Closing balance at September 30, 2013		**99**	**368**	**-33**	**233**	**667**

1) Following amendments to IAS 19 Employee Benefits which entered force on January 1, 2013, retained earnings decreased by SEK 7 m.

2) Following amendments to IAS 19 Employee Benefits which entered force on January 1, 2013, net profit for the period increased by SEK 2 m.

CONSOLIDATED CASH FLOW STATEMENT

(SEK m)	**Note**	**Jan - Sep 2013**	**Jan - Sep 2012**	**Jan - Sep 2012**
Operating activities				
Profit after financial items		32	80	114
Adjustment for items not included in the cash flow		7	11	15
Income tax paid		-9	-10	-15
Cash flow from operating activities				
before changes in working capital		**30**	**81**	**114**
Net change in working capital		22	-25	-12
Cash flow from operating activities		**52**	**56**	**102**
Cash flow from investment activities		**-4**	**-8**	**-9**
Cash flow from financing activities		**-78**	**-85**	**-90**
Cash flow for the period		**-30**	**-37**	**3**
Cash and cash equivalents at the beginning of the period		115	113	113
Exchange-rate differences in cash and cash equivalents		-4	-1	-1
Cash and cash equivalents at the end of the period		**81**	**75**	**115**

OPERATING SEGMENTS

(SEK m)	Note	Sweden	Germany	Norway	Other countries	Total	Group adjustment	Group total
Jul - Sep 2013								
Revenues from external customers		151	70	41	34	296	0	296
Income from other segments		2	0	0	0	2	-2	-
Total net sales		**153**	**70**	**41**	**34**	**298**	**-2**	**296**
Operating profit		**5**	**2**	**0**	**1**	**8**	**-5**	**3**
Financial income								0
Financial expenses								0
Profit after financial items								**3**
Taxes								-1
Net profit for the period								**2**
Jul - Sep 2012								
Revenues from external customers		161	78	46	36	321	0	321
Income from other segments		1	0	0	0	1	-1	-
Total net sales		**162**	**78**	**46**	**36**	**322**	**-1**	**321**
Operating profit		**9**	**8**	**2**	**2**	**21**	**-3**	**18**
Financial income								0
Financial expenses								-1
Profit after financial items								**17**
Taxes								-5
Net profit for the period								**12**
Jan - Sep 2013								
Revenues from external customers		551	214	150	118	1 033	0	1 033
Income from other segments		7	0	1	0	8	-8	-
Total net sales		**558**	**214**	**151**	**118**	**1 041**	**-8**	**1 033**
Operating profit		**26**	**5**	**6**	**7**	**44**	**-12**	**32**
Financial income								2
Financial expenses								-2
Profit after financial items								**32**
Taxes								-8
Net profit for the period								**24**
Jan - Sep 2012								
Revenues from external customers		616	238	159	124	1 137	0	1 137
Income from other segments		2	2	0	2	6	-6	-
Total net sales		**618**	**240**	**159**	**126**	**1 143**	**-6**	**1 137**
Operating profit		**58**	**20**	**10**	**9**	**97**	**-16**	**81**
Financial income								1
Financial expenses								-2
Profit after financial items								**80**
Taxes								-22
Net profit for the period								**58**
Oct - Sep 2013								
Revenues from external customers		776	300	212	155	1 443	0	1 443
Income from other segments		8	0	1	0	9	-9	-
Total net sales		**784**	**300**	**213**	**155**	**1 452**	**-9**	**1 443**
Operating profit		**42**	**15**	**14**	**9**	**80**	**-15**	**65**
Financial income								2
Financial expenses								-1
Profit after financial items								**66**
Taxes								-22
Net profit for the period								**44**

KEY RATIOS

(SEK m)	Note	Jul - Sep 2013	Jul - Sep 2012	Jan - Sep 2013	Jan - Sep 2012	Oct 2012 - Sep 2013	Jan - Dec 2012
Result							
Net sales		296	321	1 033	1 137	1 443	1 547
Operating profit (EBIT)		3	18	32	81	65	114
Net profit for the period		2	12	24	58	44	78
Margins							
Operating margin (EBIT), %		1,0	5,5	3,1	7,1	4,5	7,4
Profit margin, %		1,0	5,4	3,1	7,0	4,6	7,4
Profitability							
Return on capital employed, %		1	2	5	11	9	15
Return on equity, %		0	2	3	8	6	11
Financial position							
Equity/assets ratio, %		71	69	71	69	71	70
Interest coverage ratio, multiple		8	43	25	55	58	84
Per share							
Equity per share, SEK		9,45	10,01	9,45	9,99	9,41	10,30
Cash flow per share, SEK		0,43	-0,14	-0,42	-0,51	0,14	0,03
Earnings per share after dilution, SEK		0,03	0,17	0,34	0,80	0,63	1,09
Employees							
Number of employees at end of the period		1 035	1 105	1 035	1 105	1 035	1 109
Average number of employees		1 046	1 081	1 072	1 051	1 081	1 065
Net sales per employee, SEK thousands		283	297	963	1 082	1 335	1 452
Net investments		**1**	**2**	**4**	**10**	**5**	**11**

PARENT COMPANY INCOME STATEMENT

(SEK m)	Note	Jul - Sep 2013	Jul - Sep 2012	Jan - Sep 2013	Jan - Sep 2012	Oct 2012 - Sep 2013	Jan - Dec 2012
Net sales		11	11	34	41	44	51
Total income		**11**	**11**	**34**	**41**	**44**	**51**
Operating expenses							
Other external expenses		-6	-5	-16	-19	-22	-24
Personnel expenses		-2	-2	-6	-9	-8	-11
Amortization and impairment of intangible assets and depreciation of tangible assets		-2	-2	-6	-6	-8	-8
Operating profit		**1**	**2**	**6**	**7**	**6**	**8**
Profit from financial items							
Other interest income and similar items	4	0	0	132	150	132	150
Interest expenses and similar items	4	0	-1	-2	-3	-3	-5
Profit after financial items		**1**	**1**	**136**	**154**	**135**	**153**
Taxes on profit for the year		0	0	-1	-1	-3	-3
Net profit for the period		**1**	**0**	**135**	**153**	**132**	**150**

Net profit for the period corresponds to comprehensive income for the period.

PARENT COMPANY BALANCE SHEET

(SEK m)	Note	30 Sep 2013	30 Sep 2012	31 Dec 2012
Non-current assets				
Intangible assets				
Other intangible assets		3	4	4
Tangible assets				
Tangible assets		7	11	10
Financial assets				
Financial assets		924	930	928
Total non-current assets		**934**	**945**	**942**
Current assets				
Receivables from Group companies		12	11	11
Other receivables		0	0	0
Prepaid expenses and accrued income		3	3	1
Cash and cash equivalents		18	9	17
Total current assets		**33**	**23**	**29**
Total assets		**967**	**968**	**971**
Equity				
Share capital	2	99	99	99
Statutory reserve		110	110	110
Share premium reserve		261	261	261
Retained earnings including profit for the period		382	340	328
Total equity		**852**	**810**	**798**
Libilities				
Liabilities to Group companies		106	147	163
Current liabilities		9	11	10
Total liabilities		**115**	**158**	**173**
Total equity and liabilities		**967**	**968**	**971**

Notes

Note 1 Goodwill

In comparison to September 30, 2012, goodwill decreased SEK 6 m in total, which pertained to negative currency effects primarily attributable to the SEK strengthening against the NOK.

Note 2 Shareholders' equity

At September 30, 2013, the total number of shares in the company amounted to 72,181,429, of which 68,541,439 were Series B shares and 3,639,990 were Series A shares.

In 2013, Acando bought back 473,000 Series B shares for a total of SEK 7 m. The total number of treasury shares thus amounted to 1,542,000 Series B shares as of September 30, 2013.

Note 3 Long-term liabilities

Long-term liabilities primarily comprise deferred tax and pension liabilities in Sweden and Norway.
They also include the remaining liability in respect of the estimated purchase consideration of SEK 2 m relating to the acquisition of Bitec Oy in 2012.

Note 4 Financial income and financial expenses

Financial income in the Parent Company primarily pertains to dividends from subsidiaries.

Financial expenses in the Parent Company primarily pertain to currency fluctuations.

Definitions

Return on shareholders' equity

Profit after tax divided by average shareholders' equity. Average shareholders' equity is calculated as the sum of shareholders' equity on the opening and closing dates, divided by two.

Return on capital employed

Profit after financial items with reversal of interest expenses, divided by average capital employed.

Shareholders' equity per share

Shareholders' equity on the balance-sheet date divided by the number of shares at year-end after dilution with outstanding warrants, share-savings programs and convertible rights. Treasury shares are excluded.

Cash flow per share

Cash flow for the year divided by the weighted average number of shares during the period after dilution with outstanding warrants, share-savings programs and convertible rights. Treasury shares are excluded.

Earnings per share

Net profit for the period for continuing operations divided by the weighted average number of shares during the period after dilution with outstanding warrants, share-savings programs and convertible rights. Treasury shares are excluded.

Interest-coverage ratio

Profit after financial items plus interest costs divided by interest expenses.

Operating margin

Operating profit divided by net sales.

Equity/assets ratio

Shareholders' equity on the closing date divided by total assets.

Capital employed

Equity plus interest-bearing liabilities. Average capital employed has been calculated as opening plus closing capital employed divided by two.

Profit margin

Profit after financial items divided by net sales.