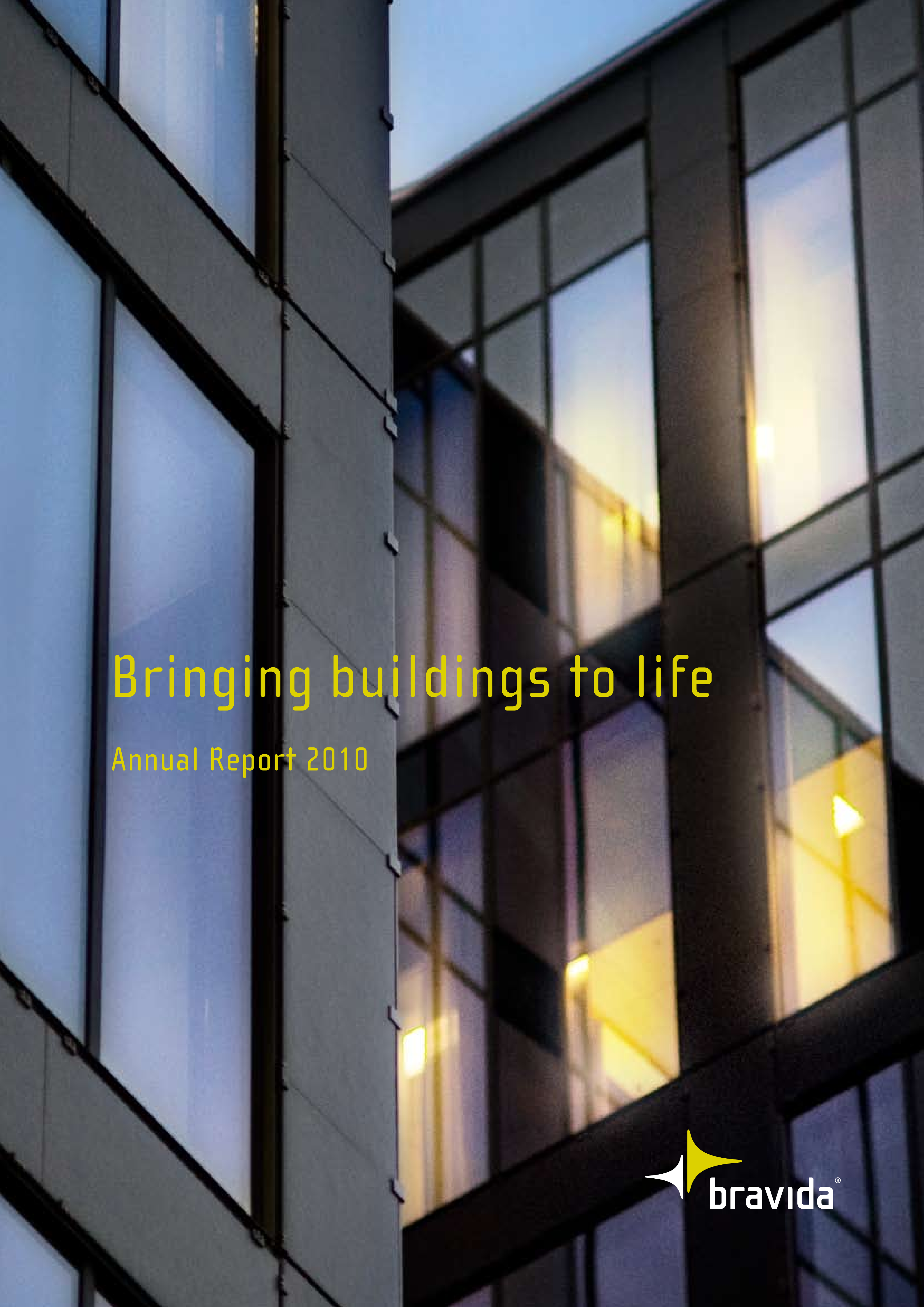
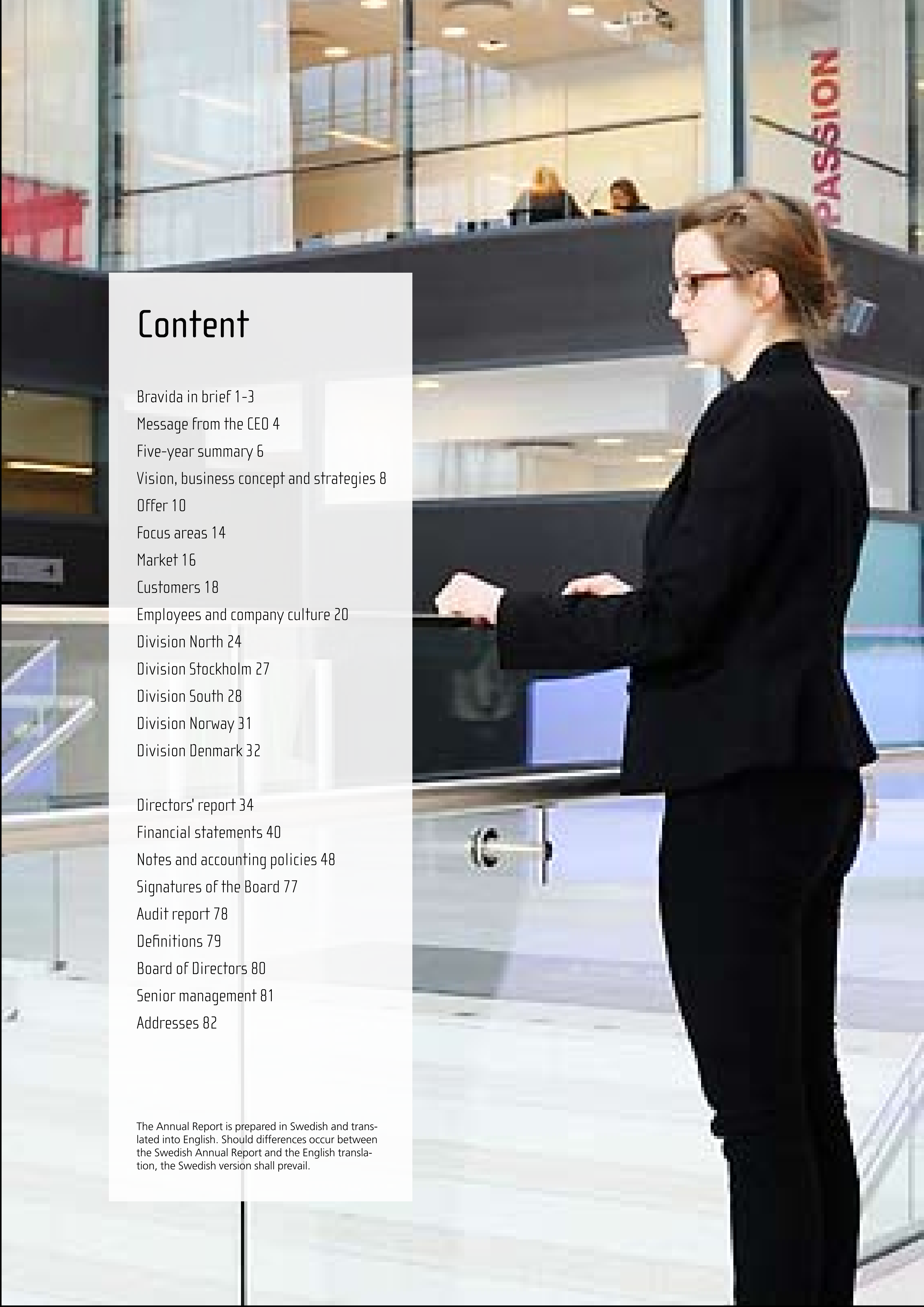


Bringing buildings to life

Annual Report 2010

bravida®



Content

Bravida in brief 1-3
Message from the CEO 4
Five-year summary 6
Vision, business concept and strategies 8
Offer 10
Focus areas 14
Market 16
Customers 18
Employees and company culture 20
Division North 24
Division Stockholm 27
Division South 28
Division Norway 31
Division Denmark 32

Directors' report 34
Financial statements 40
Notes and accounting policies 48
Signatures of the Board 77
Audit report 78
Definitions 79
Board of Directors 80
Senior management 81
Addresses 82

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.

Installation and service in three technology areas

Electrical installations

With expertise in heavy-current and light-current installations, Bravida offers integrated, energy-saving solutions for everything from industries and sports arenas to offices and housing.

Heating & plumbing

Bravida carries out energy-efficient installations for process manufacturers as well as regular repair and preventive maintenance for customers such as tenant-owner's associations.

HVAC

Bravida offers customised ventilation solutions as well as all the technology required for air handling, air conditioning and climate control, ensuring a good and energy-efficient indoor climate.

Highlights of 2010

KEY PERFORMANCE INDICATORS, SEKM

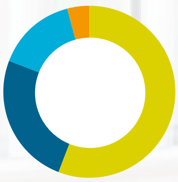
	2010	2009
Net sales	10,345	10,831
EBITA	621	545
Operating profit/loss	621	536
Earnings after financial items	573	511
Cash flow from operating activities	398	516
Operating margin, %	6.0	5.0
Return on capital employed, %	29.0	24.8
Interest coverage ratio, times	22.8	13.0
Equity/assets ratio, %	27.1	28.2
Order intake	10,601	10,215
Order backlog	3,840	3,648

SCANDINAVIAN COVERAGE

Bravida has presence in 150 locations in Sweden, Norway and Denmark. The Group has about 8,000 employees. The head office is in Stockholm.

FIELDS OF TECHNOLOGY

SHARE OF BRAVIDA'S SALES, %



- Electrical, 56 %
- Heating & plumbing, 25 %
- HVAC, 15 %
- Other*, 4 %

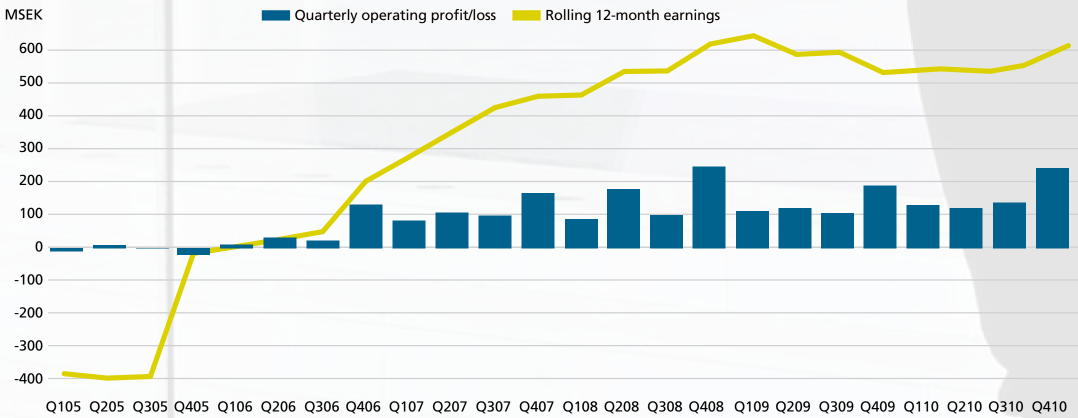
* The category includes technology consultant, security and building operations.

INSTALLATION / SERVICE

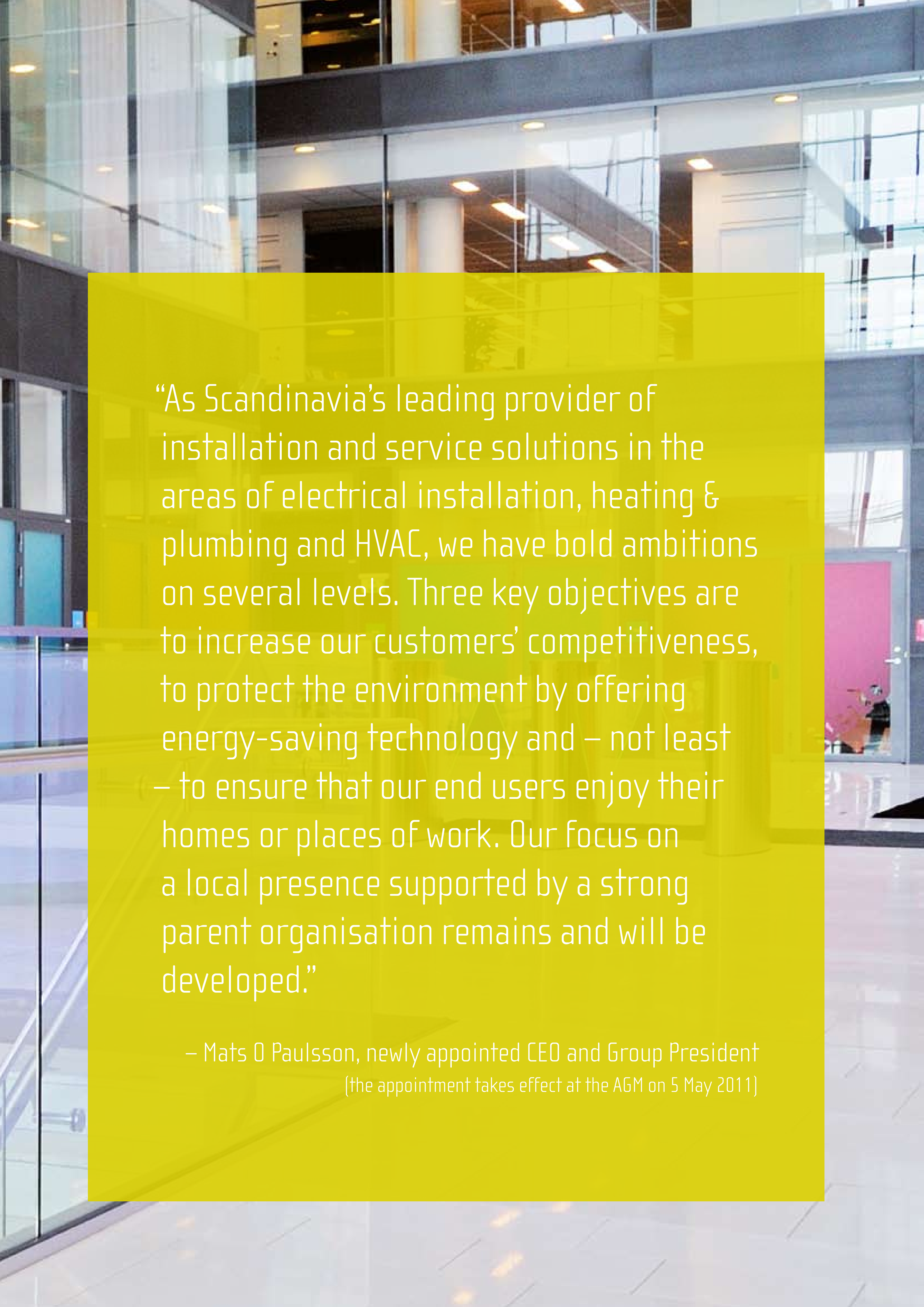
SHARE OF BRAVIDA'S SALES, %

52 / 48

EARNINGS GROWTH 2005-2010



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



"As Scandinavia's leading provider of installation and service solutions in the areas of electrical installation, heating & plumbing and HVAC, we have bold ambitions on several levels. Three key objectives are to increase our customers' competitiveness, to protect the environment by offering energy-saving technology and – not least – to ensure that our end users enjoy their homes or places of work. Our focus on a local presence supported by a strong parent organisation remains and will be developed."

– Mats O Paulsson, newly appointed CEO and Group President
(the appointment takes effect at the AGM on 5 May 2011)

A strong Bravida meets growing demand

For Bravida 2010 proved yet another good year. In the last three years Bravida has achieved its strongest results in the history of the Group despite the difficult market conditions.

It is satisfying to see how the changes and measures we have implemented over the years have helped to create a successful Bravida that is generating strong profits and is in a good position to continue to develop. Our operating profit for 2010 increased by 16 per cent to SEK 621 million (536), which represents an operating margin of 6.0 per cent (5.0). This was achieved despite the fact that net sales declined by 4 per cent over the same period to SEK 10,345 million (10,831).

TORBJÖRN TORELL
CEO and Group President

Focus and drive create profitability

The strong results are the fruit of a policy of focusing on the right things at the right time:

- Emphasising profitability over volume.
- Avoiding high-risk projects.
- Being quick to adapt our production capacity to the order intake.
- Shrinking the share of administrative expenses.
- Increasing the share of higher-margin service income.

As building services is a late cyclical industry, there are several early warnings signs which enable us to adapt to new conditions in good time. This time the "sub-prime" crisis was a clear indicator that it was time to prepare for tougher times ahead. A cost-cutting programme was initiated at an early stage with the aim of reducing our administrative expenses. At the same time we made a concerted effort to boost growth in our service business, which is more stable, and to conclude agreements on a number of major projects while prices were at their peak with a view to implementing them later when input prices were falling. At a later stage of the cycle we adopted a more selective approach to major installation projects with low prices and unfavourable terms.

Understanding and handling cyclical changes is a challenge but also offers considerable opportunities for a company in Bravida's position, which is able to reach out to and govern a decentralised organisation with 240 local offices. Adaptability and a strong resolve to take the necessary measures are the crucial factors.

A platform for growth

Although the economy is now recovering, the recession of the last few years has hit Bravida as well as the industry as a whole in the form of reduced demand and strong price pressures. In 2010 demand gradually stabilised in the Swedish market, albeit from a low level, but remained weak in both Norway and Denmark. Towards the end of the year, however, we saw clear signs of renewed demand, as the order intake exceeded sales in all of Bravida's divisions.

As we move into a period of stronger economic growth, the efficiencies that we have achieved put us in a good position to grow again. Organic growth is the basis, but strengthened by our successful acquisitions and the integration of Siemens' Norwegian building services business in 2009, we see opportunities for further acquisitions. Finland is a market where we see good development opportunities for Bravida.

As Scandinavia's leading provider of electrical installation, heating & plumbing and HVAC services, our level of ambition is high as we now refocus on increasing our growth rate. Delivering solutions which ensure that people enjoy their homes or places of work and help businesses to operate more efficiently is essential to improving our customers' competitiveness and to protecting the environment.

Cutting-edge solutions and traditional installation and service

To strengthen our market-leading position, we are now developing our business model to incorporate a higher degree of packaged and conceptualised services while increasing our focus on energy and environmental issues. Smaller players often lack the specialist expertise or the resources required for this, which is why our offers stand out from what most of our competitors are able to offer the customers.

As a building services company providing services in all fields of technology as well as specialist expertise under a single umbrella covering 240 local offices in 150 locations, we have a competitive edge over smaller local players. Yet this also requires a high degree of internal coordination and control. We seek to keep our costs down by maximising economies of scale and increase customer benefits by ensuring that our customers take advantage of the full range of Bravida's expertise.

Bravida grows with its employees

Bravida operates in an exciting, attractive and growing industry. We add intelligence to buildings and infrastructure, bringing them to life. We use modern methods to address climate, energy and environmental issues. We work on project planning, sales, technology and production. Bravida is a decentralised organisation with standardised processes. We employ modern systems and work methods. This attracts installers as well as civil engineers who value a modern approach coupled with a large degree of individual decision-making and responsibility as well as good opportunities for development and career paths in an environment with minimal bureaucracy.

The ability to lead and govern a decentralised organisation is crucial to the company's development. To continue our development, we need to continue to develop our management models as well as our managers. As part of this ambition, we have introduced a new Talent Manager position at Group level. We now have a person with a strong presence throughout our organisation, who knows the industry and works dedicatedly on executive staffing and with development, and on raising the share of civil engineers and engineers while also giving young employees the opportunity to assume managerial responsibility earlier than has previously been the case.

Focusing on the customer

In the last seven years I have witnessed extraordinary progress at Bravida – in terms of technical solutions and systems but most of all in the way we work.

Building services is in many ways a stable industry. Demand varies in response to economic fluctuations but it is always there. The way in which business is done is well established in the industry. A key characteristic is tendering, where price is the primary competitive advantage rather than unique proposals, customer adaptations and other more qualitative factors. We have much more to offer our customers, and that's why we are working on entering projects at an earlier stage in order to gain a better understanding of the customer's needs and assume a greater responsibility for the ultimate function. Where we have done this we have noticed that we are able to offer our customers more functional installations, smoother work processes and more economical solutions.

With operations in 150 locations across Scandinavia and 8,000 employees who meet a large number of customers each day, we have a fantastic distribution channel for our services. As specialists, it is our task to tell our customers what we have to offer; no one else is going to do it for us.

A local business with the expertise and resources of a major group

In 2004 Bravida had a Norwegian parent company and a corporate structure based on a large number of independent subsidiaries, each with its own culture and its own systems. This meant that to a large degree we were a local business with the expenses of a major group. By reducing the number of subsidiaries and introducing uniform systems, we have created a commercially oriented culture and cost-effective administration. Today we can present Bravida as a local business with the expertise and resources of a major group. We have an organisation that is well adapted to its purpose as well as a highly developed structural and cultural capital which will stand us in good stead for many years to come, especially now as we enter a period of stronger economic growth.

At the annual general meeting I will step down as Chief Executive Officer of Bravida to continue my work for the company as a Director. My successor is experienced and knows the company well after sitting on Bravida's Board for some time. I welcome Mats O Paulsson and look forward to a continued fruitful partnership.

Change and development are not always easy and often require bold measures to adapt and improve the business. But the right measures strengthen the company, make it more successful and help managers as well as employees to develop. At a managerial meeting a few years ago we set a tough target – to go strong through and emerge stronger from the recession. It is therefore particularly appropriate to conclude this message by thanking all our staff for their many skilled contributions.

Torbjörn Torell
CEO and Group President

Developments in 2006–2010

Bravida has delivered another strong result, despite slowing demand throughout Scandinavia, which has reduced sales volumes. The Group has demonstrated stability and strengthened its margins. Together, we have worked consistently to adapt the business to the prevailing market situation. By increasing our focus on common processes and systems, we have laid the foundation for a profitable Group that is in a strong position to continue to grow profitably as the economy starts to improve.

PER LEOPOLDSON
Chief Financial Officer

"Together, we have laid the foundation for a profitable company that can continue to grow."

The Group has focused on the following areas:

Common enterprise systems – the Group has developed a strong platform with common ERP systems, work processes and operating systems for financial and project management as well as environmental, quality and risk management. In 2010 the acquired Siemens business was fully integrated and now uses Bravida's central Group platform.

Organisation – Bravida operates through five divisions in Sweden, Norway and Denmark. To create a cost-effective support structure for our local businesses, central Group functions have been established for purchasing, business development, IT, communications, HR, legal affairs, and accounting and finance.

Profitability and cash flow – all levels of Bravida are focusing on the profitability and cash flow of each assignment. In order to reduce its operating capital and administrative expenses, the Group works continuously to make better use of working capital and to streamline its administrative processes.

Comments on performance in 2006–2010

Net sales

Net sales increased by nine per cent over the period 2006–2010. Bravida also made a number of minor acquisitions and disposals, and in 2009 the company finalised the major acquisition of Siemens' building services operation in Norway. In 2010 sales decreased, a trend that was amplified by currency effects. Sales per employee increased by 11 per cent during the period, from SEK 1,188,000 to SEK 1,321,000.

Order backlog

At year-end 2010 the order backlog stood at SEK 3,840 million. This was 12 per cent higher than at year-end 2006, despite a higher share of service revenue.

Cost adaptations

Bravida works actively to adapt its cost base. Despite the increase in sales, Bravida's administrative expenses were lower in 2010 than in 2006 in absolute terms. Administrative expenses have been reduced by 3.5 percentage points in relation to sales. The efficiency improvements have also had a positive impact on production costs. The low cost level creates a good basis for profitable growth as we enter the economic recovery.

Stronger earnings

EBITA increased by SEK 420 million to SEK 621 million and the EBITA margin widened from 2.0 per cent to 6.0 per cent. In 2010 the margin improved by 1 percentage point despite the difficult market conditions. By cutting its administrative expenses, the Group has managed to increase its margins despite a smaller contribution margin. It is particularly satisfying that Bravida's Norwegian business, which reported a loss in 2006, is now posting margins comparable to those of the other divisions.

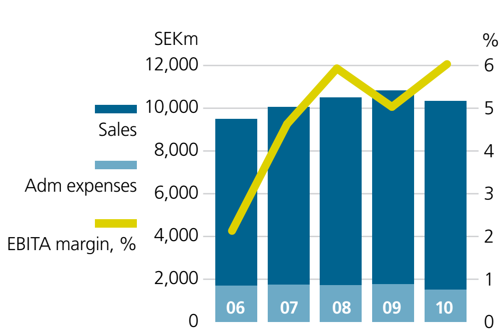
A stronger balance sheet

Bravida strengthened its balance sheet over the period, increasing equity from SEK 628 million to SEK 1,355 million and the equity/assets ratio from 15 per cent to 27 per cent. During the period the Group also distributed SEK 1,190 million in dividends and Group contributions. The increase in goodwill is due to the introduction of IFRS in 2009 and the Siemens acquisition. Increases in other balance sheet items are mainly related to the increase in sales.

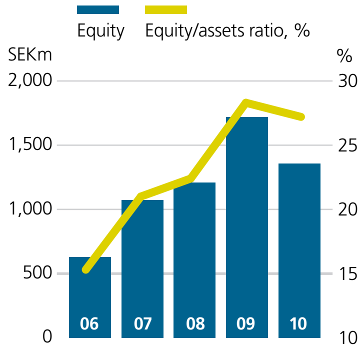
Improved cash flow

The general improvement in earnings and measures to improve capital efficiency led to a doubling of cash flow from operating activities over the period. However, cash flow in 2010 was markedly lower than in 2009, mainly due to integration-related expenditure in Norway.

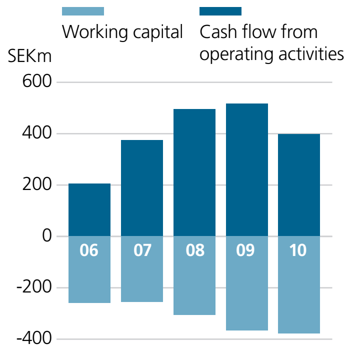
SALES, ADMINISTRATIVE EXPENSES & EBITA MARGIN



EQUITY AND EQUITY/ASSETS RATIO



WORKING CAPITAL AND CASH FLOW



INCOME AND EXPENSE ITEMS, SEKM	2010	2009	2008	2007[1]	Pro forma[2] 2006[1]
Net sales	10,345	10,831	10,511	10,062	9,502
Costs of production	-8,205	-8,507	-8,136	-7,833	-7,575
Administrative and selling expenses	-1,519	-1,779	-1,756	-1,769	-1,726
Operating profit/loss before goodwill amortisation (EBITA)	**621**	**545**	**619**	**460**	**201**
Amortisation and impairment of intangible assets	0	-9	-2	-102	-112
Operating profit/loss (EBIT)	**621**	**536**	**617**	**357**	**89**
Net financial income/expense	-48	-25	-43	-54	-44
Profit/loss after financial items (EBT)	**573**	**511**	**574**	**304**	**45**
Tax	-161	35	-148	-110	-70
Profit/loss for the year	**412**	**545**	**426**	**193**	**-25**

BALANCE SHEET ITEMS, SEKM					
Goodwill	2,134	2,149	1,866	1,857	1,117
Other non-current assets	367	477	313	443	551
Current assets	2,501	3,465	3,240	2,846	2,468
Total assets	**5,002**	**6,091**	**5,419**	**5,146**	**4,136**
Equity	1,355	1,720	1,209	1,073	628
Non-current liabilities	133	963	921	987	512
Current liabilities	3,515	3,408	3,289	3,086	2,996
Total equity and liabilities	**5,002**	**6,091**	**5,419**	**5,146**	**4,136**

CASH FLOW, SEKM					
Cash flow from operating activities	398	516	495	375	205
Cash flow from investing activities	19	-183	-24	-4	-32
Cash flow from financing activities	-1,244	-87	-290	-411	-103
Cash flow for the year	**-827**	**246**	**181**	**-40**	**70**

KEY PERFORMANCE INDICATORS					
EBITA margin, %	6.0	5.0	5.9	4.6	2.1
Profit margin, %	5.5	4.7	5.5	3.0	0.5
Return on capital employed, %	29.0	24.8	32.4	25.2	8.7
Interest coverage ratio, times	22.8	13.0	10.1	4.8	2.4
Equity/assets ratio, %	27.1	28.2	22.3	20.9	15.2
Order intake, SEKm	10,601	10,215	10,267	10,664	10,149
Order backlog, SEKm	3,840	3,648	3,647	3,953	3,423
Average number of employees	7,834	8,078	8,050	8,066	7,995
Sales per employee, SEKm	1,321	1,341	1,306	1,247	1,188
Administrative expenses as a % of sales	14.7	16.4	16.7	17.6	18.2
Working capital as a % of sales	-3.7	-3.4	-2.9	-2.5	-2.7

1) Figures for 2006–2007 have not been restated in accordance with IFRS.

2) The comparative figures for 2006 are pro forma figures based on data for the Bravida AS Group in which comparable operations were conducted.

The leading installation and service provider in the Nordics

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

Vision

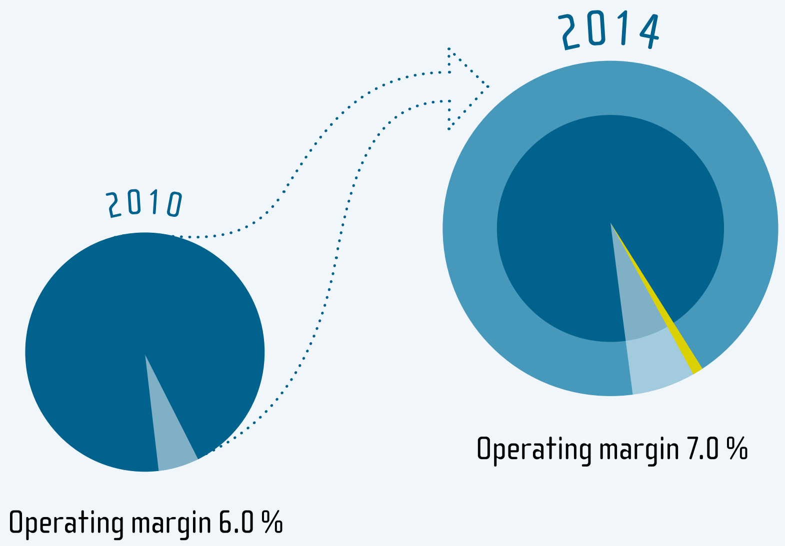
Bravida aims to become the leading Nordic business partner for the development of efficient technical systems in installation and service. With expertise covering all aspects of the field, Bravida works to improve its customers' competitiveness.

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 local presence coupled with the purchasing advantages, resources and structured processes available to a large company.

The evaluation of establishing a presence in Finland is a part of Bravida's strategy for growth outside Scandinavia.

GOALS	TARGET	COMMENT
FINANCIAL GOAL	**Operating margin > 7 per cent** Bravida's long-term goal is to ensure that all local offices, 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 2010 43 per cent of local offices and 31 per cent of regions achieved the target of an operating margin above 7 per cent. One of the five divisions achieved the target during the year.
CUSTOMER GOAL	**Bravida's goal is to be the customers' supplier of choice.** The target was a customer satisfaction index (CSI) score above 4 on scale of 1 to 5.	This year's CSI surveys show that four out of five customers are satisfied with Bravida as a whole. The CSI score was 4.0 for installation contracts and 3.8 for service assignments.
EMPLOYEE GOAL	**Bravida's goal is to be the employer of choice for its staff**. The target was an employee satisfaction index (ESI) score above 3.5 on scale of 1 to 5.	In 2010 an employee satisfaction survey covering office workers and installation staff in Bravida was conducted. The survey resulted in an ESI score of 3.6.
POSITION GOALS	**Bravida shall be the largest or second largest operator in at least one field of technology in those locations where the company operates.** Bravida aims to become the largest and best known operator in installation and service in our geographic markets: Sweden, Norway and Denmark.	In 2010, strengthened by the earlier acquisition of Siemens' building services operation in Norway, Bravida consolidated its position as the leading provider of building services in the Scandinavian market. Bravida also implemented a number of activities that have increased awareness of the company, a key activity being the sponsorship of SVT's (the Swedish national television) broadcasts from the Winter Olympic Games in Vancouver.
MARKET GOAL	**An even breakdown, 50/50, between the installation and service businesses** in order to stabilise the capacity utilisation over the course of the economic cycle.	In 2010 sales in Bravida's service business grew by 3 per cent, accounting for 48 per cent of total sales.



INCREASED PROFITABILITY AND GROWTH

Bravida's primary goal is to increase profitability. This is achieved chiefly by raising levels of operational efficiency. The company is also taking bold measures coupled with acquisitions to increase growth. Growing sales as well as initiatives aimed at increasing customer benefits are expected to have a positive impact on the operating margin.

Strategies

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 150 locations across Scandinavia, Bravida is always close to the customer.
- works systematically to improve customer satisfaction in its deliveries.
- works proactively to identify and fulfil its customers' needs.
- creates clear and attractive customer offers in each field of technology and as an integrated supplier of electrical installation, heating & plumbing and HVAC services.

Profitability strategy

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

- works continuously on improving operational efficiency. Systematic project management and uniform work methods improve efficiency and ensure a high and constant quality in the services provided.
- continuously adapts its production capacity and administrative expenses to the sales volume and demand.
- only takes on projects with calculable risks where the company is able to offer staff with the required skills.
- streamlines and coordinates its purchases by taking advantage of the company's total purchasing volume. This ensures access to a competitive range of high-quality products.
- 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's sales have grown at an annual rate of over 2 per cent, organically and through acquisitions. To achieve continued growth, Bravida will:

- strengthen its operations in selected locations organically and through acquisitions in order to create a strong and complete offering in electrical installations, heating & plumbing and HVAC.
- take part in the ongoing consolidation and restructuring in the building services market based on the company's position as the leading player in the industry.
- prioritise growth in its service business and develop customer offers as a means of proactively increasing sales.
- establish a presence outside Scandinavia.

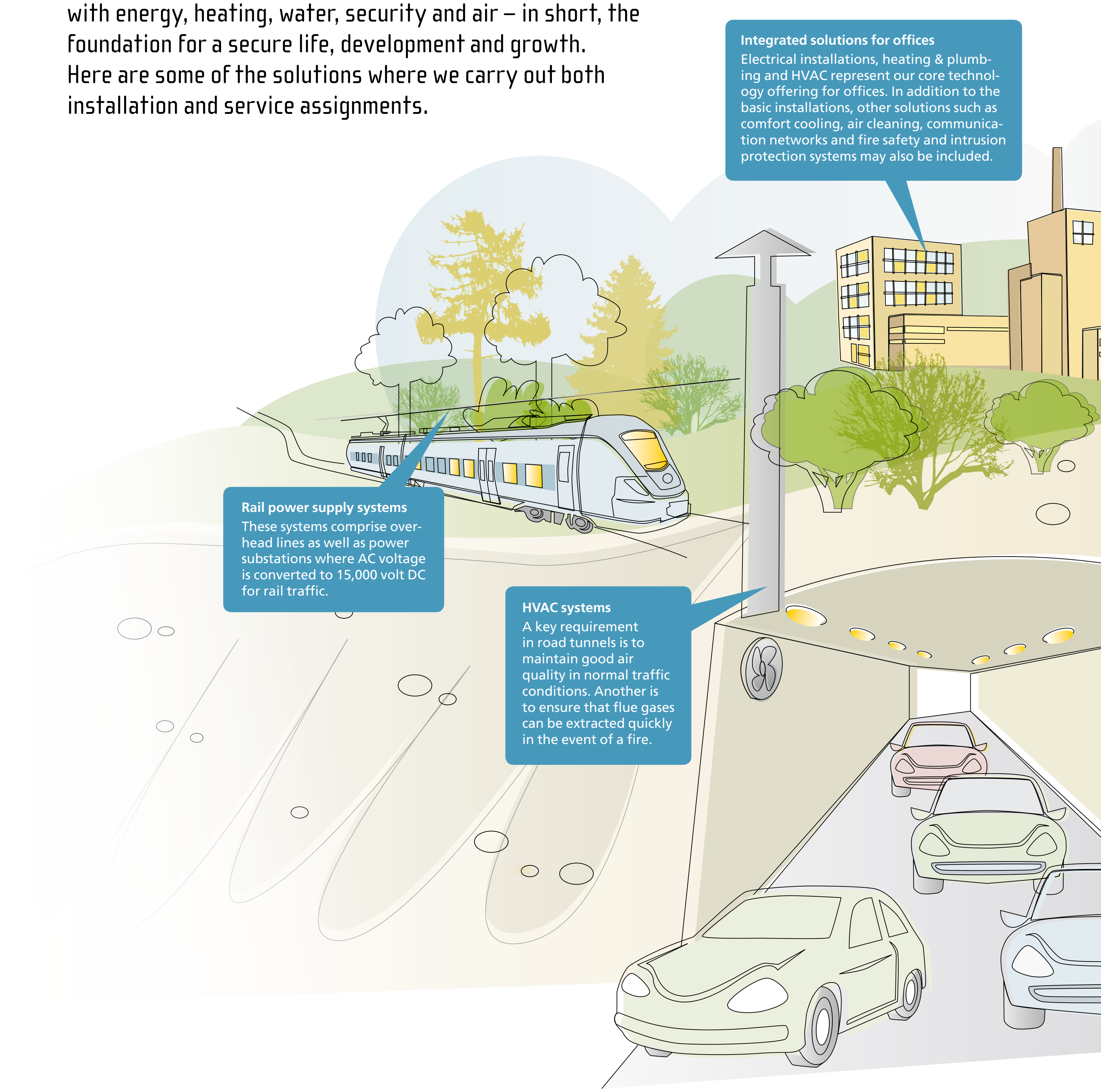
Competence strategy

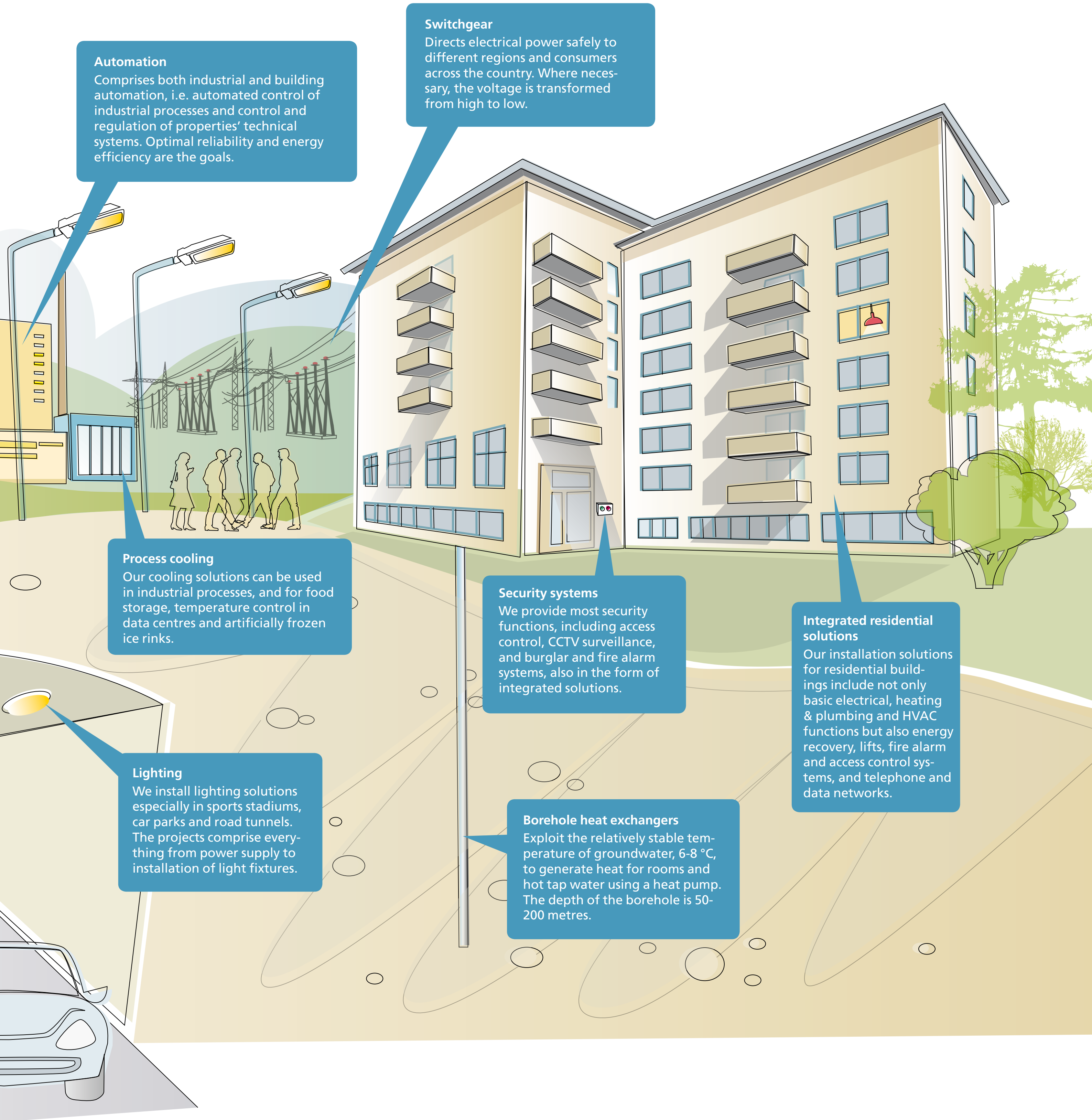
Bravida's day-to-day activities are mostly conducted in project form close to the company's local customers, which requires a decentralised decision-making structure. To ensure that it has the best customer offering in the market, Bravida needs to ensure that it is able to attract, retain and develop the company's employees by:

- offering opportunities for engineers and technicians to develop and pursue a career in varying areas and in different types of projects
- promoting professional executive development to further develop the company's decentralised management model.
- continuously training its staff to assure and increase knowledge about the Group's common work methods.
- prioritising recruitment and training of young engineers.

Technological solutions for a living society

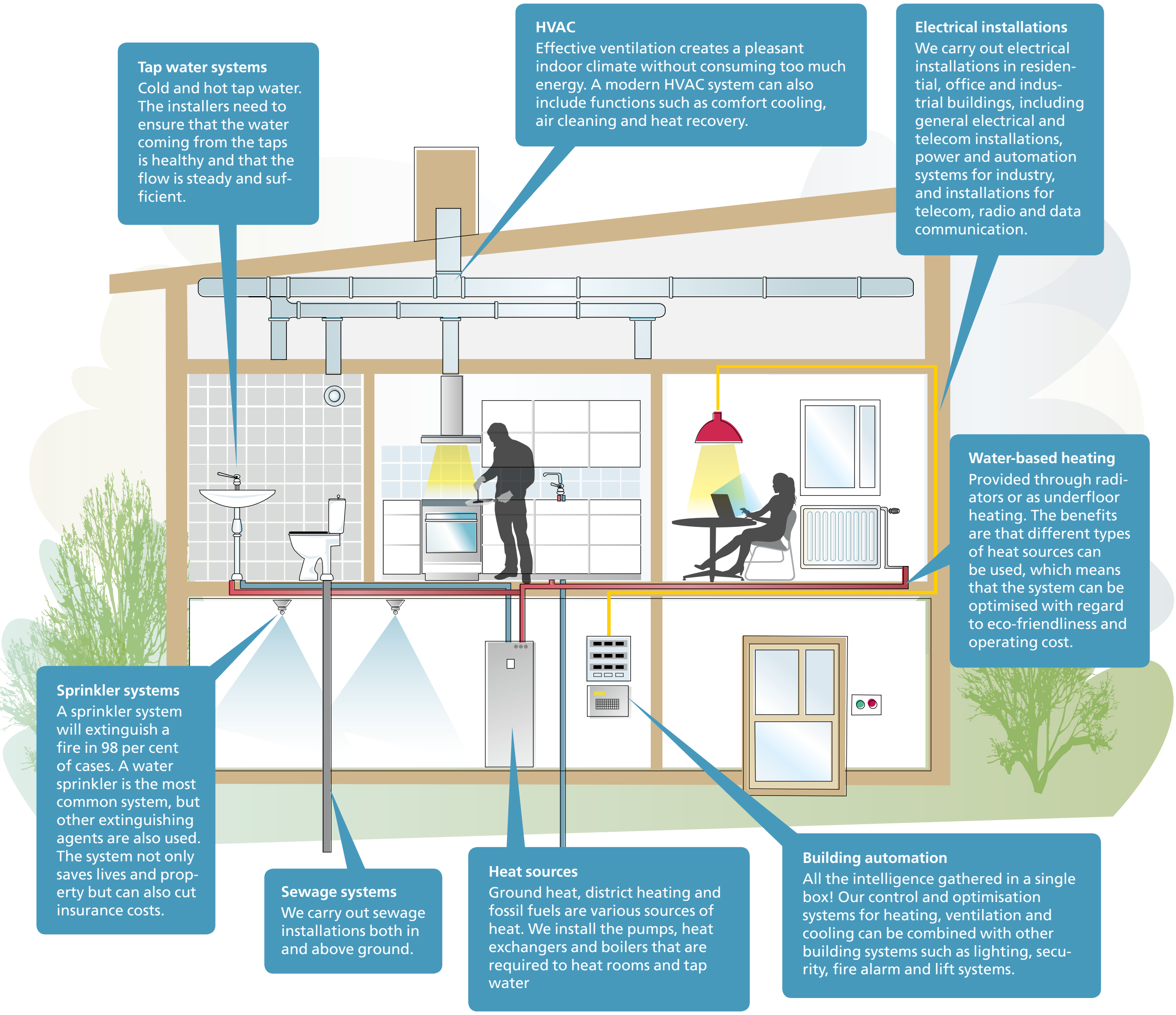
Bravida's electrical, heating & plumbing and HVAC installations provide buildings, infrastructure and society as a whole with energy, heating, water, security and air – in short, the foundation for a secure life, development and growth. Here are some of the solutions where we carry out both installation and service assignments.




Automation
Comprises both industrial and building automation, i.e. automated control of industrial processes and control and regulation of properties' technical systems. Optimal reliability and energy efficiency are the goals.
Switchgear
Directs electrical power safely to different regions and consumers across the country. Where necessary, the voltage is transformed from high to low.
Process cooling
Our cooling solutions can be used in industrial processes, and for food storage, temperature control in data centres and artificially frozen ice rinks.
Security systems
We provide most security functions, including access control, CCTV surveillance, and burglar and fire alarm systems, also in the form of integrated solutions.
Integrated residential solutions
Our installation solutions for residential buildings include not only basic electrical, heating & plumbing and HVAC functions but also energy recovery, lifts, fire alarm and access control systems, and telephone and data networks.
Lighting
We install lighting solutions especially in sports stadiums, car parks and road tunnels. The projects comprise everything from power supply to installation of light fixtures.
Borehole heat exchangers
Exploit the relatively stable temperature of groundwater, 6-8 °C, to generate heat for rooms and hot tap water using a heat pump. The depth of the borehole is 50-200 metres.

Bravida brings buildings to life

Bravida works with the functions that give life to a property – energy, heat, water and air. Effective installations and maintenance service create environments that are pleasant to work or live in and enable activity and development. In brief – Bravida brings buildings to life.



Modern technical installations turn a building into an "intelligent" unit that is capable of balancing demands for comfort, security and optimal energy use. The illustration shows solutions based on Bravida's core areas of expertise in electrical installation, heating & plumbing and HVAC, where we provide both installation and service.

"Bravida's size and local presence are crucial to the flexibility offered and reassuring for customers."

Bravida's expertise and experience ensure a long-term solution for the customer, in terms of the initial investment as well as future operation and maintenance through regular service. Bravida operates at all stages of the installation process – from advice and project planning to installation and service.

Installation – the installation of or adaptations to technical systems in buildings, plant 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.

Service – operations and maintenance as well as minor adjustments to installations in buildings and infrastructure. Regular service and a proactive approach ensure that the various components maintain the right functionality and that the operation of the system is optimised.

An integrated approach

In Bravida our customers find a partner that is able to take an integrated approach and assume responsibility for all aspects of the installation and service process. Thanks to its breadth and depth, Bravida is able to deliver all types of installation and service solutions in electrical installation, heating & plumbing and HVAC, and takes responsibility for ensuring that all elements of the solution interact effectively. With supplementary specialist services in security, cooling and sprinkler systems, Bravida offers a full gamut of services ranging from complex integrated solutions to minor renovation jobs.

Electrical installation – With expertise in heavy-current and light-current installations, Bravida offers integrated, energy-saving solutions for everything from industries and sports arenas to offices and housing.

Heating & plumbing – Bravida carries out energy-efficient installations for process manufacturers as well as regular repair and preventive maintenance for customers such as tenant-owner's associations.

HVAC – Bravida offers customised ventilation solutions as well as all the technology required for air handling, air conditioning and climate control, ensuring a good and energy-efficient indoor climate.

"Thanks to its breadth and depth, Bravida is able to deliver all types of installation and service solutions."

Specialist areas – In order to provide its customers with a complete service offering, Bravida also offers products and services in a number of specialist areas, such as technology consulting services, building operations and security systems for alarms and access control. Bravida's specialist areas draw on professionals and resources from different fields of technology.

Size and a local presence

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. A strong purchasing organisation ensures that our customers have access to a competitive range of high-quality products. Bravida's size and local presence are crucial to the flexibility offered and reassuring for customers.

A high and uniform quality

Regardless of size, all of Bravida's projects are implemented using methods which assure a uniformly high level of quality. Through regular service, preventive maintenance and early action, Bravida creates successful and sustainable long-term solutions which benefit the customer as well as the environment.

Sustainable solutions for efficient energy use

Buildings account for one third of all energy consumed in Scandinavia. There is wide scope to improve the energy efficiency of our buildings. The Group's work is directed towards both new builds and existing properties.

The use of common systems makes it easier to develop energy-efficient buildings.

"Getting it right from the outset increases the likelihood of achieving significant energy savings while also enhancing the benefits and experience of the building."

New builds – the right installations from the outset

New, energy-efficient buildings with a modern and pleasant environment require expertise in how to create a high level of comfort in an energy-efficient way by carrying out the installations correctly.

Bravida's experience and expertise in the area make an important contribution in the building services and construction industries' joint efforts to develop the methods used to create the most energy-efficient houses already on the drawing board.

Builders and installers planning together

Creating a climate-smart building requires a planning process which combines information from the architects and from suppliers of solutions for the indoor environment, i.e. electricity, heating & plumbing and HVAC systems.

Together with Skanska, NCC and Peab, Bravida is running a development project aimed at creating a common system for collating information from the various systems used by builders and installation firms. The system will be used by energy specialists and architects to design climate-smart buildings. Getting it right from the outset increases the likelihood of achieving significant energy savings while also enhancing the benefits and experience of the building.

The project, which will conclude in spring 2011, is supported by the Development Fund of the Swedish Construction Industry with the goal of creating benefits for the industry as well as its customers.

Greater effect and sustainability in older buildings

Older buildings account for a very large share of properties in Scandinavia. This is where the greatest potential for improved sustainability and energy optimisation exists. Each of Bravida's fields of technology, electrical installation, heating & plumbing and HVAC, offers solutions which have a positive impact on energy use. By taking an integrated approach comprising all fields of technology, Bravida creates new opportunities to further improve a building's overall energy efficiency.

The property owner – a self-sufficient energy producer

In 2011 Bravida will launch its Rock Energy concept. Property owners will be offered to become self-sufficient in energy while acquiring a climate-smart indoor environment which reduces power consumption.

The idea behind the offer is to give customers their own sustainable energy source, known as a geo-energy system, located directly under the building. The energy source consists of stored and continually renewed solar energy. From being an energy consumer, the property owner becomes a self-sufficient producer of energy. A survey of energy consumption is produced and used as a basis for efficiencies. The Rock Energy solution cuts energy costs by 50–90 per cent while also improving the security of the energy supply and making it greener.

The initiative is a joint effort by Bravida and Züblin, a European building and infrastructure contractor.

Service for increased growth and profitability

Bravida is committed to strengthening its service business. Service comprises operations and maintenance work as well as minor adaptations.

Growing our service business is important for several reasons. Our customers have a continuous need for service, which Bravida seeks to meet. Demand for service is also more stable and offers higher margins than installation projects. The goal is to achieve a 50/50 balance between service and installation. Over the last few years Bravida's service business has expanded, both in relation to sales and in absolute terms, and now accounts for 48 per cent of the company's total sales.

Bravida's increased focus on service stands on several pillars. Work processes and methods for our service and maintenance business were adapted and established at an early stage to ensure a high and uniform level of quality. As of 2010 our efforts have focused on strengthening Bravida's sales organisation.

Focusing on the customer

With more than 7,000 installers and project managers in 150 locations across Scandinavia meeting customers on a daily basis, Bravida has established excellent relationships with its customers. One way of growing is to let the employees actively develop their customer relationships in order to generate add-on sales which benefit the customers. Based on common concepts and marketing support, Bravida's local businesses have been encouraged to proactively contact existing and new customers. This has strengthened the dialogue and led to positive add-on sales. Better follow-up creates further opportunities to develop our sales efforts and customer contacts.

Bravida has also developed a number of different service concepts, including nationwide service agreements which enable organisations whose operations are spread over a wide geographic area to purchase service centrally but have the work performed locally by employees from one of Bravida's many offices. Examples of nationwide agreements include Biltema, which has 23 outlets across Sweden, and Varner-Gruppen with some one thousand retail outlets across the Nordic region, including Cubus and Dressman stores.

SERVICE CAMPAIGN GENERATES NEW BUSINESS

In 2010 Bravida launched a major campaign based on 30 ideas on how to save energy. The ideas were presented in a magazine which was sent to Bravida's local customers. Bravida's employees then followed up the dispatch and initiated a dialogue aimed at identifying improvements that create added benefits for the customer as well as new business for Bravida.

The initiative has generated significant add-on sales and strengthened our long-term customer relationships. Particular success has been achieved in Zealand in Denmark, where the investment paid off several times over. "The campaign shows that we don't need to go far to find new business, that new business can often be found among our most loyal customers who appreciate that we take the time to come and visit them and listen to their needs," Björn Rolighed Michaelsen, Sales Manager for Bravida Denmark, says.

The customer magazine "30 ideas on how to save money and energy" was sent to about 3,000 existing and potential customers in Sweden, Norway and Denmark in 2010.

Focusing on the energy issue in a growing market

Higher standards of comfort and demands for energy-efficient solutions are driving the development of the installation and service market at the same time as operating services and preventive maintenance are growing in importance. With strong expertise and a wide service offering, Bravida is in a good position in a growing market.

Installation services and related service account for a growing share of investments in new construction and redevelopment of buildings and infrastructure. Bravida has established itself as the leading provider of building services in the Scandinavian market and continues to strengthen its position.

Comfort and energy savings drive the market.

Investments in building services are growing as a share of the total building cost. This is due to two main factors: higher standards of comfort and demands for energy-saving solutions.

Function and feel

Today's standards of comfort and demands for increased functionality in our homes, at the workplace and in public environments, have had an impact on the whole building services market. From a situation where development was slow and sales were product-focused, demand for attractive and efficient functional solutions is now growing. Today's customers are not simply buying a product or service but are more interested in the actual results. Function, feel and environment have, in other words, become more important than the product as such.

Energy, aesthetics and efficiency

Energy is the most significant expense item in a building's running costs, accounting for 70 per cent of the total running cost. Strong demand for energy-efficient buildings coupled with a growing demand for comfort, light and space require a higher standard of installations. The ability to create efficient installation solutions which make buildings and infrastructure more energy-efficient while retaining their appeal and aesthetic qualities has had a positive impact on demand for installation services.

> "From a situation where development was slow and sales were product-focused demand for attractive and efficient functional solutions is now growing."

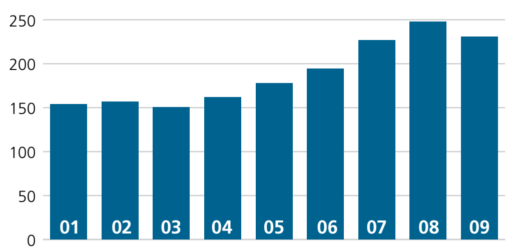
Industry-driving integrated solutions

Modern indoor environments often combine installation solutions in several fields of technology. Ensuring that installations are performed correctly can have a considerable impact on the running costs of a building while also contributing to sustainable development. The opposite can result in excessive energy use and high costs over time. Sustainable and energy-saving solutions require an integrated approach covering electrical installations, heating & plumbing and HVAC. To achieve the best possible results, the installation solutions should also form an integral part of the construction process, demanding a higher degree of collaboration between the client, contractor and building services provider.

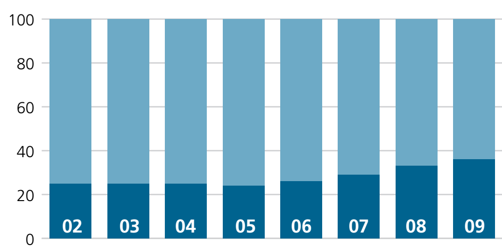
Service – an investment for the future

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 be-

GROWTH IN THE BUILDING SERVICES MARKET[1]
SCANDINAVIA, SEK BILLIONS



SHARE OF INSTALLATION WORK[2]
OF TOTAL CONSTRUCTION COST, SCANDINAVIA, %



come increasingly proactive. More and more customers are also realising that a bigger initial investment coupled with a clear plan for maintenance and service lead to lower costs over time.

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.

A continued weak market

Demand for new technical installations largely reflects 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 renovation and redevelopment projects. Moreover, the need for service is relatively constant. In Sweden, activity in the market picked up in 2010 while market activity in Norway and Denmark remained weak.

Increasing consolidation in a fragmented market

In 2009 the Scandinavian building services market was worth about SEK 230 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. In response to market demands for complex integrated solutions and a broader service offering, there is, however, a clear trend towards consolidation as small local businesses are taken over by larger groups and international companies expand. Bravida's acquisition of Siemens Installation in 2009 and the Dutch building services provider Imtech's acquisition of NVS (in 2008) and NEA (in 2010) of Sweden are two examples of this.

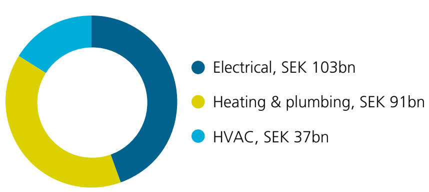
A market leader

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.

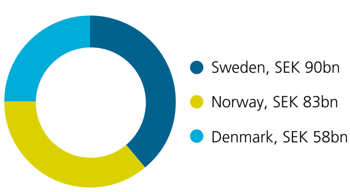
Bravida is one of the two largest suppliers in all of the Scandinavian markets:

- 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.

SCANDINAVIAN INSTALLATION MARKET[1]
BY FIELD OF TECHNOLOGY, 2009



SCANDINAVIAN INSTALLATION MARKET[2]
BY COUNTRY, 2009



ENVIRONMENTAL CLASSIFICATION DRIVES THE MARKET

The operation of buildings accounts for one third of all energy use in Scandinavia. The growing emphasis on environmental issues has stimulated strong interest in the environmental impact of the construction and property industries, which is something that Bravida has noticed in the course of its activities. Yet the trend towards energy-efficient buildings is based not only on concern for the environment. In addition to improving the environmental profile of their buildings, property owners can also cut their costs, as the buildings become cheaper to run. This makes them more attractive to investors as well as tenants. The growing demand for energy-efficient and environmentally friendly buildings is also spurring interest in environmental labelling of buildings. In the Nordic market there are four labels which are deemed to be the most relevant:

LEED (Leadership in Energy and Environmental Design) is one of Europe's most widely used environmental certification schemes and also has the broadest global coverage. LEED is most frequently used for certification of commercial property in respect of local environment, water use, energy use, materials and indoor climate.

BREEAM (BRE Environmental Assessment Method) is the world's first and largest environmental classification system for buildings. It evaluates attributes such as energy use, project management, transports, indoor climate, water management, building materials and waste. BREEAM is well known in Europe and suits most building types.

Green Building is an EU programme launched by the European Commission that focuses exclusively on energy use. Green Building certification requires a level of energy use 25 per cent below that specified in the building regulations of the Swedish National Board of Housing, Building and Planning.

Miljöklassad byggnad is a Swedish labelling system adapted to the Swedish market that is simpler and less expensive than BREEAM and LEED. The classification, which rates 16 indicators in the areas of energy, indoor climate and chemical substances, has been produced primarily for existing buildings but can also be used in project planning for new builds.

1) Sources: Prognoscentret and Industrifakta, Sweden and the Swedish Trade Council in Norway and Denmark.

2) Sources: Industrifakta, Sweden and the Swedish Trade Council in Norway and Denmark.

Focusing on customer needs

Bravida strives to be an active partner to its customers. Through an open dialogue and by taking an active interest in its customers' needs, Bravida aims to be the provider of choice.

In the old post office building in Gothenburg, which is being converted into a state-of-the-art modern hotel, Bravida has overall responsibility for electrical installations, heating & plumbing, HVAC and sprinkler systems.

"Through a strong offering, proactive sales and closer contacts with customers, Bravida will seek to further strengthen its profile as the customers' supplier of choice."

Bravida's customers can be divided into two main groups: end customers and building contractors. The customer base comprises thousands of small and large customers in different industries across Scandinavia. Through a strong offering, proactive sales and closer contacts with customers, Bravida will seek to further strengthen its profile as the customers' supplier of choice.

A broad and diversified customer portfolio

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 6 per cent of Bravida's sales. Revenue from customers in the public sector has become increasingly important during the recession.

Bravida is commissioned for installation and service projects in all types of infrastructure and buildings, ranging from industrial buildings, infrastructure projects, arenas and hospitals to shopping centres, schools and residential buildings.

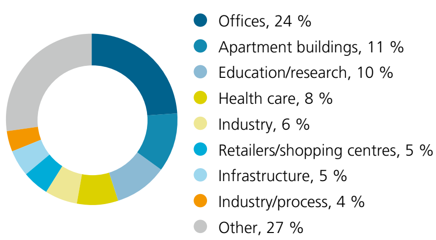
Small or large – every project is important

A large portion of Bravida's sales comes from a large number of small and medium-sized projects, such as minor adaptations to office premises, redevelopment and extension projects and related service. In 2010 Bravida also carried out installations in a large number of projects and new builds, including Malmö's new Emporia shopping centre and the new undersea tunnel under Bjørvika in Oslo.

Although customers and projects vary widely in character, there are certain types of recurring business. A typical installation project has an implementation time to final delivery of six months but projects can also stretch over several years. Service assignments comprise everything from 1–2-hour emergency call-outs to long maintenance agreements. In 2010 Bravida had over 27,000 active projects in installation and service. The average project was worth about SEK 380,000. Customer relationships are generally long-term and most customers come back to buy new services.

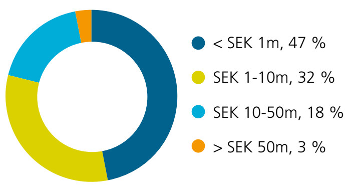
BREAKDOWN BY TYPE OF INSTALLATION

SHARE OF TOTAL SALES IN 2010



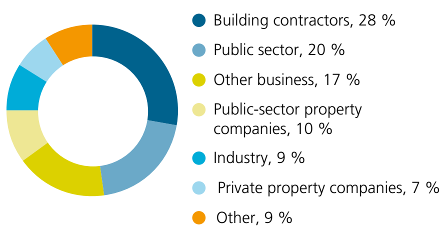
BREAKDOWN OF SALES

BY PROJECT SIZE 2010



BREAKDOWN OF SALES

BY CUSTOMER GROUP 2010



Property owners are changing their behaviour

Building services 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 engaged at a later stage after a construction project has already begun and the lead contractor has been appointed.

However, as investments in installations become an increasingly important part of the work to create efficient and attractive buildings, a growing number of property developers are choosing to procure installation services directly from the building services provider rather than via a construction firm. By handing overall responsibility for the integration of all electrical, heating & plumbing and HVAC installations to an experienced building services provider with expertise in all the relevant fields of technology, the developer can achieve significant synergies, performance-wise and financially. Examples of projects where Bravida implemented integrated solutions covering several fields of technology in 2010 include the Clarion Hotel Post in Gothenburg and the Umeå Experimental Research Center.

Increased customer contacts and closer relationships

Bravida's local presence and good customer relationships are key factors determining whether a company is invited to participate in tenders initiated by customers.

Bravida also seeks to take a more active approach to customer relationships with the aim of getting closer to the customers in order to proactively identify needs and offer its services. Through more frequent dialogue, Bravida aims to improve its understanding of customers' needs and raise their awareness of what Bravida has to offer. A more proactive approach to all customer contacts and active add-on sales are key elements of the company's goal of increasing growth.

In 2010 Bravida consolidated its profile as a company offering a high level of service and quality in its deliveries, as shown in the company's customer satisfaction index for 2010. The survey showed that four out of five customers are satisfied with Bravida as a whole and that the share of dissatisfied customers is very low.

HOSPITALS ARE A PRIORITY AREA

Modern hospitals have a high density of installations and require a high degree of functionality, safety and coordination. Over the last three years Bravida has been working on about ten major hospitals in Scandinavia. Two of them are in Norway.

ELECTRICAL INSTALLATIONS IN NORWEGIAN HOSPITALS

Ahus is a new hospital in Akershus. Here Bravida received its largest electrical installation contract yet in the Norwegian market, with responsibility for project management, electrical installations and IT cabling. The hospital was completed in 2011.

At **St. Olavs Hospital** in Trondheim Bravida carried out all heavy current and light current electrical installations as well as installations for the hospital's computer network. The hospital was completed in 2009 and Bravida has since had an ongoing service contract.

COORDINATED INSTALLATIONS BENEFIT THE CUSTOMER

The Bravida+ concept is aimed at property owners with complex and installation-intensive projects, such as sports facilities, hospitals and hotels. With its strong delivery capacity and broad expertise, Bravida can offer integrated solutions and assume overall responsibility for all electrical, heating & plumbing and HVAC installations. The customer receives a single supplier with a single responsibility, a single contract and a single timetable for all installations.

TYRESÖ PUBLIC BATHS

In Tyresö outside Stockholm a new public bath house, Aquaarena, is being built by NCC Construction. The humidity in the building requires a high standard of work in electrical installations, heating & plumbing and HVAC. "We create a functional and seamless integrated solution for the property owners that offers strong financial, functional and operational benefits," Anders Ahlquist, Marketing Manager at Bravida, says. In the last few years Bravida has carried out installations at about 20 public baths in different locations in Scandinavia.

CUSTOMER SATISFACTION INDEX (CSI)	CSI score Installation	CSI score Service
2010	4.0	3.8
2009	4.0	3.9
2008	3.8	3.9
2007	3.9	4.0

CSI 2010 = 4.0 AND 3.8 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 2010 surveys show that Bravida consolidated its customer relationships in installations. On the service side the Group's score is somewhat below target.

Common values ensure local success

Bravida's projects and deliveries are based on a high degree of collaboration with customers and suppliers. The company's common culture, values and work methods should be reflected in our employees' way of working and the company's customers should see Bravida as a reliable and successful partner regardless of where a project is carried out.

Bravida's employees work in projects

Bravida's business is about meeting our customers' needs for an adapted installation and service solution. The deliveries are often made locally, close to the customer, in various forms of installation and service projects, which are planned, driven and implemented by the company's installers and project managers. Bravida currently has about 7,000 employees working every day on everything from short service assignments to large, complex installation projects lasting several years.

Decentralised decision-making

Working in project form close to the customer demands that local managers and project managers are able to make their own decisions. For Bravida this means that the company operates on the basis of a decentralised leadership model in which heads of local offices have individual responsibility for their office's results, sales and capacity utilisation. The various local offices are supported by sophisticated administrative processes and common support functions.

Leadership and new talent take Bravida forward

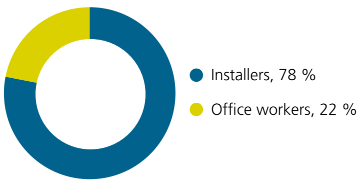
As Bravida grows and strengthens its position as the leading provider of installation and service solutions, leadership development and recruitment are two key issues in the area of human resources.

Leadership training and succession planning

Bravida's ambition is to recruit staff internally to a large extent. The Group uses central leadership development programmes in order to identify and train current and future managers. This is carried out in collaboration with the local offices, which are encouraged to draw up succession plans and identify and coach new managers. 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.

Bravida's organisation offers a variety of career paths and opportunities for personal development. The 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 enables leaders to gradually take on increasingly demanding and senior roles in Bravida.

BRAVIDA EMPLOYEES
BY PROFESSIONAL ROLE 2010, %



Recruitment

Bravida faces a challenge recruiting younger staff, both office staff and installers. Longer-term, the building services industry is set to grow, and technological advances will require yet more skilled employees. In particular, project managers will need stronger technical and commercial expertise. Bravida has therefore expanded its activities at universities with the aim of attracting more engineers to the company. The age structure of the staff points to a need to attract younger, well educated employees.

Bravida strives to offer good development opportunities for its staff. The company emphasises personal development and internal recruitment over external recruitment. Due to the recession and declining demand the company has also been forced to lay off staff in some parts of the company, and a limited number of new staff were recruited in 2010.

BRAVIDA DEVELOPS ITS LEADERSHIP

In 2010 Anders Meldalen joined Bravida's senior management team in the role of Talent Manager. This is a new and important role and the aim is to expand Bravida's focus on leadership issues.

"Bravida's growth is entirely dependent on the leaders we have today and tomorrow. My job is to ensure that we give our current leaders the support they need to build a strong local leadership. But we also put considerable of emphasis on identifying and developing tomorrow's leaders," Anders Meldalen explains.

Bravida is looking to find many of tomorrow's leaders in a programme called "Good Engineers", in which some 300 young engineers will be offered employment with Bravida over the coming years.

NUMBER OF EMPLOYEES*	2010	2009
Total in Group	7,834	8,078
Of which, women	453	477
Sweden	4,664	5,024
Norway	1,878	1,527
Denmark	1,292	1,527

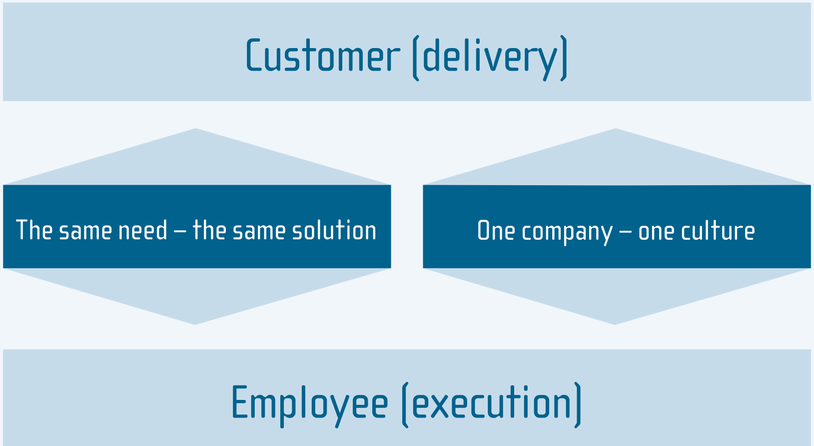
* Average number of employees during the year.

AGE STRUCTURE, %	2010	2009
Over 60 years	7.6	8.4
51-60 years	19.2	18.7
41-50 years	25.6	25.1
31-40 years	22.4	23.0
21-30 years	20.9	21.2
Under 20 years	4.3	3.6

One company – one culture

In a decentralised organisation with many projects the company culture and a well established and structured work method are crucial success factors.

In an installation and service company like Bravida where projects are based on collaboration with other projects and deliveries the employees' attitude to their professional role is an important factor. The company's customers and partners should see Bravida as a reliable and successful company regardless of where a project is implemented. Bravida's goal of "one company – one culture" is based on four core values: professionalism, simplicity, competence and good conduct. The values are fundamental to our ability to build a successful building services group over the long term, locally as well as centrally.



A culture that unites the company and a common way of doing things should inspire Bravida's activities, locally as well as centrally. This will enable us to realise our customers' expectations regardless of how large and complex a project is or where it is carried out.

The same need – the same solution

Bravida strives to guarantee a uniformly high level of quality in all its deliveries – "the same need – the same solution" – regardless of where and who the customer is. The Group uses a variety of enterprise systems, including project management, quality and purchasing systems, to achieve this. This is a key competitive advantage in individual projects, but the aim is also to secure the company's long-term efficiency and profitability.

In an individual project the enterprise systems give employees access to guidance and tools for effective project management and follow-up. They describe clear procedures covering everything from tendering to final delivery. All projects are quality-assured to meet our customers' requirements and expectations, but also to proactively identify, prevent and price risks.

Continuous monitoring and assessments of how the organisation operates ensure that we use a common approach and maintain a consistently high quality in our deliveries. Bravida also strives to strengthen the company culture and increase its employees' willingness and ability to consistently use the Group's central enterprise systems in all projects.

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 has a personal commitment to promote the company's economic interests, through all stages 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 correct behaviour
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.

A good work environment

Working in our customers' buildings and facilities involves a high degree of responsibility – to Bravida's employees and to our customers. Bravida's ambition is to be seen as a safe and reliable partner. A good work environment in those locations where the company's employees carry out projects is important from a competition perspective. It helps to attract new contracts and retain satisfied employees.

Bravida's occupational health and safety (OHS) activities form part of the Group's central enterprise systems. In practice, this means that Bravida invests significant resources in training and raising awareness among staff of how to prevent the risks that affect the business. Occupational health and safety activities include:

- **Safety** – safety is a key priority for Bravida. Our quality assurance activities address important issues concerning the use of hazardous materials, working at heights, 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 to guarantee 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.
- **Reducing sick leave, including long-term sick leave** – much emphasis is placed on preventing occupational injuries, for instance through load ergonomics training. 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 to ensure that as many as possible are able to return to work.
- **Follow up** – To ensure adequate follow-up and continue to emphasise the importance of occupational health and safety, a number of health and safety issues are included in internal audits.

Skills development

Ongoing skills development in our day-to-day activities is fundamental to make sure that our staff are able to develop in their professional roles and have the skills required to handle Bravida's work methods and policies. Under the aegis of its Bravida School training programme the company offers specialist training courses that are designed to pass on knowledge in specific areas such as project management, enterprise systems and OHS courses (A Better Work Environment). The training programme is an important tool for ensuring that our employees' skills remain modern and up-to-date. In 2010 the Bravida School offered 190 training days of various kinds for the company's employees.

SUSTAINABILITY

By developing sustainable installation solutions that save energy and money for its customers, Bravida's employees create opportunities for sustainable development. Bravida also works actively to minimise the environmental impact from its own operations.

INTERNAL COMMITMENT

To ensure 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 largest impact on the environment comes from the use of fossil fuels for the company's 3,500 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 2010.

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.

ILLNESS AND ACCIDENTS	Sick leave		Occupational injury frequency*	
	2010	2009	2010	2009
Sweden	4.1	4.4	8.6	9.5
Norway	6.9	7.0	14.5	8.5
Denmark	3.7	4.2	36.1	34.4

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

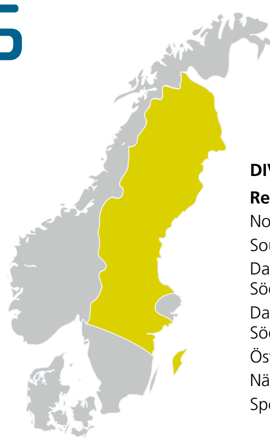
ESI 2010 = 3.6 TARGET 3.5

Bravida seeks to be an attractive employer. To measure this, a survey was conducted among all employees of the Group in 2010. The target was an employee satisfaction index (ESI) score above 3.5 on a scale of 1 to 5. The 2010 survey resulted in an ESI score of 3.6.

Due to improvements in reporting in Norway, the reported occupational injury frequency increased in 2010.

Improved profit levels in Division North

Division North continues to grow on the service side and has succeeded in improving its profitability despite slower sales. A stronger industrial segment and public-sector investments create hope for increased growth.



DIVISION NORTH
Regions:
North Norrland
South Norrland
Dalarna, Västmanland, Södermanland – Plumbing & HVAC
Dalarna, Västmanland, Södermanland – Electrical
Östergötland, Gotland
Närke, Värmland
Special companies

"The drive to expand the division's service business has proved successful and will continue."

BREAKDOWN BY INSTALLATION / SERVICE
Share of division's sales, %

43 Installation / 57 Service

Financial performance

Earnings in the division grew strongly compared with the year before. Despite lower sales, the operating profit increased to SEK 133 million (120), which is equivalent to an operating margin of a healthy 7.3 per cent (6.5). to SEK 1,830 million (1,848).

The order intake grew by 6 per cent to SEK 1,809 million (1,712). The order backlog at the end of the period was SEK 557 million (579), a decrease of 4 per cent compared with the year before. The reason behind the decrease in the order backlog was the increasing share of service assignments in the division.

Market conditions

In Division North overall demand in the industrial segment showed signs of improvement in 2010, albeit from a low level. Demand for renovation and modernisation of schools and healthcare facilities in the public sector remained strong. The service and maintenance market was stable, with solid demand in the energy area.

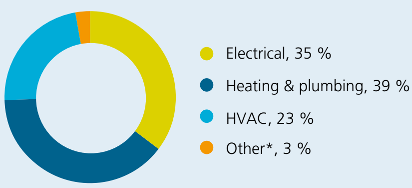
It is expected that demand is about to increase. This is based on a pick-up in demand from the industrial segment and expectations that public-sector initiatives will have a positive impact on the market for service assignments as well as new installations. Despite stabilising in recent months, prices are expected to remain relatively low also in 2011.

Projects and focus areas

In 2010 Division North won the contracts to carry out all installations for the new public baths in Sollefteå and the new 10,000 m2 Umeå Experimental Research Center. The division has also won several major energy optimisation and service contracts in Skellefteå, Luleå and Umeå.

The division's drive to increase the share of service assignments has proved successful and will continue alongside continued efforts to develop and increase sales of energy-efficient solutions.

BREAKDOWN BY TECHNOLOGY AREA



DIVISION OVERVIEW

Sales	Operating margin
1,830	7.3 %
Order intake	**Order backlog**
1,809	557

SHARE OF GROUP

18 %	**SEK 1,830 million** sales
23 %	**SEK 133 million** operating profit
18 %	**1,402** average number of employees

* The category includes technology consultant, security and building operations.


Perfect ice and hundreds of spectators.
3-0 already in the second period.
Want to find out what Bravida can do in cooling?
Visit www.bravida.com


Nice and cool at the office.
And a cool head for the meeting.
Want to find out what Bravida can do for your workplace?
Visit www.bravida.com

A proactive approach in Division Stockholm

DIVISION STOCKHOLM
Regions:
Electrical installations
Heating & plumbing
HVAC
TSM
Special

In 2010 Division Stockholm expanded its service offering and raised its level of ambition in several areas. Increased housing production coupled with continued strength in the service business are expected to strengthen the division.

"The division has launched a prioritised initiative in heating & plumbing and HVAC service, where there is potential for good growth."

Financial performance

Sales for the year in Division Stockholm were SEK 1,840 million (1,974), a decrease by 7 per cent. The operating profit grew by 14 per cent to SEK 115 million (101), which means that the operating margin expanded to 6.3 per cent (5.1). The earnings trend is positive in most regions and levels of capacity utilisation have generally been good.

The order intake for the period was SEK 1,953 million (1,946). At year-end the order backlog was SEK 855 million (742), which is 15 per cent higher than at the same date the year before.

Market conditions

In Stockholm the housing shortage has prompted a resurgence in housing construction from very low levels, and public-sector investment in residential construction has increased sharply. The increase is partly due to major new investments in sports and leisure facilities. These factors have led to an increase in the construction starts index for Stockholm compared with the year before. The construction starts index ex-housing has declined, however.

There are a number of very large projects in the Stockholm region that have been postponed and are scheduled to be put out to tender in early 2011. Competition from companies which do not normally operate in the market may keep a lid on prices, however. The market for service agreements remains stable and the trend is positive.

Projects and focus areas

In 2010 Division Stockholm won the contracts to carry out all heating and plumbing installations for the construction of the new Clarion Hotel Arlanda and to plan and deliver switchgear for the power supply system at Danderyds Sjukhus, a large hospital in Stockholm. The division's contract for the handling of technical operations at Sunderby Sjukhus, a hospital outside Luleå, was renewed.

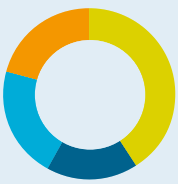
During the year the division launched an extensive new initiative focusing on *employees*, *customers*, *processes* and *finance*. The aim is to improve collaboration internally and strengthen customer relationships. The division has also launched a prioritised initiative in heating & plumbing and HVAC service, where there is potential for good growth.

BREAKDOWN BY INSTALLATION / SERVICE

Share of division's sales, %

62 Installation / 38 Service

BREAKDOWN BY TECHNOLOGY AREA



- Electrical, 41 %
- Heating & plumbing, 17 %
- HVAC, 21 %
- Other*, 21 %

DIVISION OVERVIEW

Sales	Operating margin
1,840	6.3 %
Order intake	**Order backlog**
1,953	855

SHARE OF GROUP

18 %	**SEK 1,840 million** sales
20 %	**SEK 115 million** operating profit
15 %	**1,145** average number of employees

* The category includes technology consultant, security and building operations.

Continued success in Division South

Division South continues to grow and has increased its sales and margin, despite a weak market. As demand picks up, the division has great potential to continue to grow profitably.

DIVISION SOUTH
Regions:
Gothenburg
Skövde, Trollhättan
Jönköping
Helsingborg
Prenad North
Malmö

"In 2010 the division worked actively to increase the share of service assignments to offset a lower volume of installation contracts."

BREAKDOWN BY INSTALLATION / SERVICE
Share of division's sales, %

58 Installation / 42 Service

Financial performance

Division South had a stable performance with a high level of capacity utilisation and strong order intake. Sales increased to SEK 2,931 million (2,909). The operating profit increased by 11 per cent year on year, to SEK 184 million (166). The margin improved, to 6.3 per cent (5.7).

The order intake for the year was SEK 3,057 million (3,048). The order backlog increased by 10 per cent to SEK 1,415 million (1,289) at the end of the period.

Market conditions

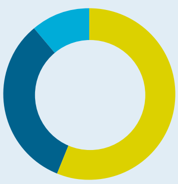
Demand in the metropolitan regions, which has been weak recently, is expected to pick up on the back of a sharp increase in construction starts during the year. The order intake has also started to increase. The market is driven mainly by infrastructure and housing, but activity in the office and retail premises segments has also picked up from last year. Västra Götaland, led by Gothenburg, have started to recover following a period of declining volumes while other parts of the division saw good demand, although prices remained under pressure. The economic recovery and rising demand are expected to have a positive impact on prices in the coming year.

Projects and focus areas

In 2010 Division South initiated a project to carry out all installations in the new remand centre in Helsingborg. The division was also awarded the contracts to carry out all installations for the conversion of the old post office building in Gothenburg into the new 36,000 m2 Clarion Hotel Post, heating & plumbing and HVAC installations in the new Emporia shopping centre in Malmö, and electrical installations and project management at the largest nuclear power plant in the Nordic region, Ringhals.

During the year the division worked actively to increase the share of service assignments to offset a lower volume of installation contracts. The division is also seeking to broaden its expertise in heating & plumbing and HVAC in Gothenburg. A reorganisation implemented in the Malmö region is expected to create synergies and strengthen the division's position in the expansive Öresund region.

BREAKDOWN BY TECHNOLOGY AREA



- Electrical, 56 %
- Heating & plumbing, 33 %
- HVAC, 11 %

DIVISION OVERVIEW

Sales	Operating margin
2,931	6.3 %
Order intake	**Order backlog**
3,057	1,415

SHARE OF GROUP

- 28 % **SEK 2,931 million** sales
- 31 % **SEK 184 million** operating profit
- 26 % **2,053** average number of employees


Minus 18 °C outside. Plus 21 °C inside.
Winter fun in the cold, warm and snug inside.
Want to find out what Bravida can do for your home?
Visit www.bravida.com

A road to safety and sustainability.
Above and below ground.

Want to find out what Bravida can do in plant and infrastructure?
Visit www.bravida.com

A stronger position in Division Norway

Following the successful integration of Siemens Installation AS, Division Norway has doubled in size and strengthened its position in the Norwegian market.

DIVISION NORWAY
Regions:
North
East
South & West
Central

"The division doubled in size last year following the acquisition of Siemens Installation AS."

BREAKDOWN BY INSTALLATION / SERVICE

Share of division's sales, %

39 Installation / 61 Service

Financial performance

Net sales for the year in Division Norway increased to SEK 2,291 million (2,073), an increase of 11 percent in local currency terms. For comparable units net sales were down by close to 25 per cent, however, which is largely in line with the overall market trend. It is believed that the trough has now been passed, and orders are increasing again. The operating profit increased by 71 per cent year on year, to SEK 135 million (79), which represented a margin of 5.9 per cent (3.8). The margin improvement was attributable to the acquired business.

The order intake was 2,246 million (1,722), which is an increase of 33 per cent in local currency terms. The order backlog declined by 6 per cent in local currency terms to SEK 460 million (516).

Market conditions

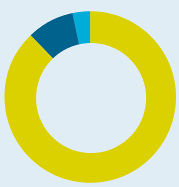
Demand for offices and other commercial premises in Norway remained weak in 2010 while the market for energy-saving and infrastructure projects was better. Demand for service and work realated to repair, redevelopment and extension was relatively stable in 2010, and a pick-up in activity and growing optimism are evident in the market, although prices remain low. Infrastructure and public-sector investments may create opportunities to raise growth levels in the time ahead.

Projects and focus areas

In 2010 Division Norway won contracts for electrical installations in the project to expand and modernise the factory of paint maker Jotun in Sandefjord, project planning and installation of heating, plumbing and sprinkler systems in a school, Hadeland Videregående Skole, and all installations in the building of a new care centre, Hatlane Omsorgscenter.

The division doubled in size last year through the acquisition of Siemens Installation AS. The two businesses have now been fully integrated. In 2010 the whole division migrated to the Group's shared ERP system. The switch initially required significant resources, taking capacity from other activities, but over the longer term the transition will improve governance and create synergies, such as economies of scale and transfer of knowledge. The operating companies were merged into a single company during the year.

BREAKDOWN BY TECHNOLOGY AREA



- Electrical, 88 %
- Heating & plumbing, 9 %
- HVAC, 3 %

DIVISION OVERVIEW

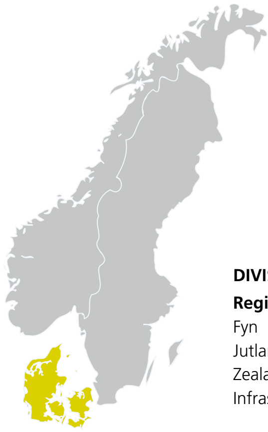
Sales	Operating margin
2,291	5.9 %
Order intake	**Order backlog**
2,246	460

SHARE OF GROUP

22 %	**SEK 2,291 million** sales
23 %	**SEK 135 million** operating profit
24 %	**1,871** average number of employees

Tough market for Division Denmark

Division Denmark has been hit hard by the economic downturn, which has led to a sharp fall in sales. The focus is therefore on continued adaptations to the business to improve profitability.



DIVISION DENMARK
Regions:
Fyn
Jutland
Zealand
Infrastructure

"The division has adapted to existing demand and taken measures to improve profitability in 2011."

BREAKDOWN BY INSTALLATION / SERVICE
Share of division's sales, %

62 Installation / 38 Service

Financial performance

Sales in Division Denmark fell sharply compared with 2009, to SEK 1,519 million (2,102). After adjusting for currency effects, this was a decrease of 20 per cent, which is in line with the market as a whole. The operating profit was SEK 17 million (35), which represents a margin of 1.1 per cent (1.7). The weak result is due chiefly to the sharp fall in sales.

The order intake was SEK 1,604 million (1,861). The order backlog grew, to SEK 553 million (521) at the end of the period, which was an increase of 25 per cent in local currency.

Market conditions

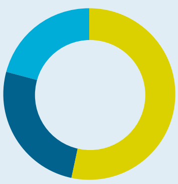
Demand in the Danish installation market remained weak in 2010, resulting in strong price pressures. These factors led to a greater degree of selection, especially in major installation contracts. The service market was also weak during the year. The impact of the government's support package for the public sector in the form of stimulus measures and tax relief has not fully offset the fall in demand from other sectors, but a pick-up in activity became noticeable towards the end of the year in the public sector as well as in industry.

Projects and focus areas

In 2010 Division Denmark won an electrical installation contract for the Great Belt bridges and tunnels. The division was also contracted to replace all clocks at all train stations throughout Denmark, to carry out new installations in the world's largest bio-energy processing facility and to carry out all electrical installations for the construction of a 48,000 m2 distribution and logistics centre outside Haderslev.

The division has adapted to existing demand and taken measures to improve profitability in 2011. Through intensified sales activities in service and energy optimisation the division is seeking to compensate for the weak market activity pending a resurgence of investment in new construction.

BREAKDOWN BY TECHNOLOGY AREA



- Electrical, 53 %
- Heating & plumbing, 26 %
- HVAC, 21 %

DIVISION OVERVIEW

Sales	Operating margin
1,519	1.1 %
Order intake	**Order backlog**
1,604	553

SHARE OF GROUP

15 %	**SEK 1,519 million** sales
3 %	**SEK 17 million** operating profit
16 %	**1,285** average number of employees


A stable climate and full control over the process.
Want to find out what Bravida can do for industry?
Visit www.bravida.com

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 2010.

The business

Bravida is Scandinavia's leading provider of installation and service solutions with nearly 8,000 employees in some 150 locations in Sweden, Norway and Denmark. Bravida provides specialist services and integrated solutions in three main fields of technology: electrical installations, heating & plumbing and HVAC.

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.

Activities in 2010

For 2010 Bravida posts its strongest operating profit in the history of the Group. Although sales fell by 4 per cent, the operating profit improved by 16 per cent, despite continued price pressures in the market. Demand increased during the period but was varied in Norway and remained weak in Denmark.

Bravida has continued to focus on service assignments and has cut its administrative expenses to offset the impact of a weaker market. Bravida prioritises margins over volumes by avoiding installation contracts with a high risk and poor profitability. The implemented resource adaptations have enabled us to strengthen our operating margin.

Net sales

Consolidated net sales for the year were SEK 10,345 million (10,831). Adjusted for currency effects, this was a decrease of 2 per cent. The service business accounted for 48 per cent of sales and the installation business for the remaining portion. Net sales in the service business increased by 3 per cent on the year before. In Sweden net sales decreased by 2 percent to 6,532 million (6,656). In Denmark sales were SEK 1,519 million (2,102), which is a decrease of 20 per cent in local currency terms. Sales in Norway increased to SEK 2,291 million (2,073), which, after adjusting for currency conversions, was an increase of 13 per cent on the year before. The increase in Norway was attributable to the acquisition of Siemens Installation AS in July 2009.

Acquisition of Siemens Installation AS

On 1 July 2009, in a strategically motivated deal, Bravida Norway acquired the electrical installation firm Siemens Installation AS, which had about 1,300 employees and generated sales of NOK 785 million (SEK 995 million) in the second half of 2009. Due to the size of the acquisition previous years are not comparable.

Operating profit/loss

The operating profit improved by 16 per cent to SEK 621 million (536), which represents an operating margin of 6.0 per cent (5.0). In Sweden the margin was 7.0 per cent (6.1). In Denmark the margin was 1.1 per cent (1.7) and in Norway 5.9 per cent (3.8). EBITA (i.e. earnings after impairment of goodwill) was SEK 621 million (545), resulting in an EBITA margin of 6.0 per cent (5.0).

Earnings after financial items

The net financial expense was SEK -48 million (-25). The increase is attributable to refinancing expenses of SEK 22 million. Earnings after financial items were SEK 573 million (511).

Earnings after tax

The tax expense for the year was SEK -161 million (+35). The positive tax expenses reported the year before was due to the recognition of a deferred tax asset of SEK 153 million in Norway. Of the total tax expense, SEK -69 million (+60) referred to deferred tax expenses while the remaining portion was payable. Earnings after tax for the period were thus SEK 412 million (545).

Comprehensive income for the period

Translation differences for the period from the translation of foreign operations were SEK -54 million (21) due to the strengthening of the Swedish krona. Comprehensive income for the period was SEK 358 million (567).

Amounts in SEK millions unless otherwise stated

Order intake and order backlog

The general trend was for rising demand from a low level, though with considerable local variations. In some locations the market was weak, resulting in intense price pressures, while other locations saw clear signs of a pick-up in demand. Generally speaking, demand was strongest in Sweden. Demand from the industrial sector and new commercial construction rose modestly. Demand was held up by public-sector investment and especially by a rise in housing construction from low levels. The service market remained relatively stable.

The order intake was SEK 10,601 million (10,215), which, after adjusting for currency effects, represents an increase of 6 per cent on the year before. In Sweden order intake grew by 2 per cent. Order intake grew by 33 per cent in Norway but declined by 4 per cent in Denmark in local currency terms.

The order backlog was SEK 3,840 million (3,648). After currency conversions, this was an increase of 8 per cent compared with the same date the year before. In Sweden the order backlog grew by 8 per cent. The order backlog declined by 6 per cent in Norway but increased by 25 per cent in Denmark in the local currency. The order backlog figures do not include Bravida's service business.

Acquisitions and disposals

During the period Bravida acquired the assets and liabilities of the following businesses:

Division	Unit	No. of employees	Acquisition month
Denmark	electrical installations, Fyn	10	September
Norway	electrical installations, Narvik	20	October
South	electrical installation and data communication, Malmö	25	December

If the acquisitions had taken place at 1 January consolidated sales and the consolidated operating profit would have increased by less than 1 per cent. For more information about the acquisitions, see Note 4.

During the period a small operation with 24 employees in Helgeland in Norway was sold, resulting in a capital gain of SEK 0.4 million. The business posted a small operating loss on annualised sales of SEK 30 million.

Regional markets

Operations in Sweden

In Sweden Bravida operates through three divisions: North, Stockholm and South. Sales were SEK 6,532 million (6,656), which was a decrease of 2 per cent on the year before. The operating profit was SEK 458 million (403), which represents an operating margin of 7.0 per cent (6.1). The number of employees was 4,640 (4,999), a decrease of 7 per cent. Capacity utilisation increased compared with the year before in all Swedish divisions.

Division North saw a strong improvement in earnings compared with the year before. Despite lower sales, the division increased its operating profit to SEK 133 million (120), which is equivalent to an operating margin of 7.3 per cent (6.5). Sales were SEK 1,830 million (1,848), a decrease of 1 per cent. The earnings trend was positive in most regions. There were signs of a pick-up in demand in the industrial segment from a low level. Demand for renovation and modernisation of schools and healthcare facilities in the public sector remained strong. The service and maintenance market was stable, with solid demand in the energy area. The order intake grew by 6 per cent to SEK 1,809 million (1,712). The order backlog at the end of the period was SEK 557 million (579), a decrease of 4 per cent compared with the year before. The reason behind the decrease in the order backlog was the increasing share of service assignments in the division.

The average number of employees during the period decreased by 5 per cent to 1,402 (1,480).

Sales for the twelve-month period in **Division Stockholm** were SEK 1,840 million (1,974), a decrease by 7 per cent. The operating profit grew by 14 per cent to SEK 115 million (101), which means that the operating margin expanded to 6.3 per cent (5.1). The earnings trend was positive in most regions and levels of capacity utilisation have generally been good. The shortage of housing has encouraged renewed residential construction from very low levels. Investments in the construction of new housing in the public sector have increased sharply. The increase is partly due to major investments in sports and leisure facilities. These factors led to an increase in the construction starts index for Stockholm compared with the year before. The construction starts index ex-housing showed a decline, however. There are a number of very large projects in the Stockholm region that have been postponed and are scheduled to be put out to tender in early 2011. The division faced competition from businesses from other parts of Sweden and abroad that are looking to establish a presence in the capital. The market for contract service in Stockholm remained stable. The order intake for the period was SEK 1,953 million (1,946). At year-end the order backlog was SEK 855 million (742), which is 15 per cent higher than at the same date the year before.

The average number of employees was 1,145 (1,243), a decrease of 8 per cent.

Division South had a stable performance with a high level of capacity utilisation and strong order intake. Sales increased to SEK 2,931 million (2,909). Volumes in Västra Götaland shrank while other parts of the division saw good demand. During the year the division worked actively to increase the share of service assignments to offset a lower volume of installation contracts. The operating profit increased by 11 per cent year on year, to SEK 184 million (166). The margin improved, to 6.3 per cent (5.7). Demand in the metropolitan regions, which has been weak recently, is expected to pick up on the back of a

Amounts in SEK millions unless otherwise stated

sharp increase in construction starts. The order intake has also started to increase. The market is driven mainly by infrastructure and housing, but office and retail premises are also picking up compared with last year. The order intake for the year was SEK 3,057 million (3,048).

The order backlog increased by 10 per cent to SEK 1,415 million (1,289) at the end of the period. The average number of employees fell by 8 per cent to 2,053 (2,229).

Operations in Norway

Division Norway doubled in size last year with the acquisition of Siemens Installation AS. The two companies have now been fully integrated following a successful integration process. During the period the whole division has migrated to the Group's shared ERP system. The switch initially required significant resources, taking capacity from other activities. Over the longer term, the transition will create synergies and improve governance. The operating companies were merged into a single company during the period. Net sales for the year increased to SEK 2,291 million (2,073), an increase of 11 percent in local currency terms. For comparable units the decrease is close to 25 per cent, which is largely in line with the overall market trend. It is believed that the trough has now been passed, and orders are increasing again. The operating profit increased by 71 per cent year on year, to SEK 135 million (79), which represented a margin of 5.9 per cent (3.8). The margin improvement was attributable to the acquired business. Demand for offices and other commercial premises remained weak while the market for energy-saving and infrastructure projects was better. The market for service projects, repair, redevelopment and extension work was relatively stable. There are signs of growing optimism in the market, but prices remain low. The order intake was 2,246 million (1,722), which is an increase of 33 per cent in local currency terms. The order backlog declined by 6 per cent in local currency terms to SEK 460 million (516).

The average number of employees increased by 23 per cent to 1,871 (1,523). The number of employees at the end of the period was down by 16 per cent on the year before, however.

Operations in Denmark

Sales in **Division Denmark** fell sharply compared with the year before, to SEK 1,519 million (2,102). After adjusting for currency effects, this was a decrease of 20 per cent, which was in line with the market as a whole. The operating profit was SEK 17 million (35), which represents a margin of 1.1 per cent (1.7). The weak result is due chiefly to the sharp fall in sales. The installation market saw continued weak demand, resulting in significant price pressures. These factors led to a greater degree of selection, especially in major installation contracts. The service market was also weak during the period. The impact from the government's support package for the public sector in the form of stimulus measures and tax relief has not offset the fall in demand in other areas. The order intake was SEK 1,604 million (1,861). In local currency terms this was a decline of 4 per cent. The order backlog grew, to SEK 553 million (521) at the end of the period, which was an increase of 25 per cent in local currency.

The average number of employees during the period was 1,285 (1,527), a decrease of 16 per cent.

Cash flow and investments

Cash flow from operating activities was SEK 398 million (516) Cash flow from investing activities was SEK 19 million (-183). Cash flow before financing activities increased to SEK 417 million (333). During the period Group contributions, previously recognised as liability, of SEK 213 million (0) were paid. A dividend of SEK 700 million (0) was also paid. As part of a refinancing deal, Bravida made net repayments on loans of SEK 600 million and increased its undrawn credit facilities by SEK 282 million. Cash flow from financing activities was SEK -1,244 million (-87) and the cash flow for the period was thus SEK -827 million (246).

Financial position

Consolidated cash and cash equivalents at 31 December were SEK 35 million (905). Bravida also had access to SEK 881 million (599) in undrawn credit facilities. At 31 December the company had interest-bearing liabilities of SEK 469 million (800). Equity at the end of the period was SEK 1,355 million (1,720), representing an equity/assets ratio of 27.1 per cent (28.2).

Employees

The average number of employees during the period decreased by 3 per cent to 7,834 (8,078). The number of employees increased by 7 per cent in Sweden and by 16 per cent in Denmark. In Norway the increase was 23 per cent as a result of the acquisition the year before. Bravida monitors market developments very closely through its local offices and has a high level of preparedness to adapt its resources to changes in demand. In several sub-markets in Sweden and Norway Bravida is now recruiting to meet an increase in demand. There are signs of a shortage of resources in certain areas.

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 2010, 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

Amounts in SEK millions unless otherwise stated

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 2010.

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 works actively on issues such as harassment and equal opportunities, and is in regular contact with employers' organisations and apprenticeship councils with the aim of increasing the share of skilled women in the sector. Bravida also works actively to prevent every form of discrimination in compliance with the new anti-discrimination law.

Quality targets for 2010

The general goal is to achieve an employee satisfaction index (ESI) score of at least 3.5 among the Group's employees. In 2010 an employee satisfaction survey was conducted among all employees, resulting in an ESI score of 3.6.

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 installations and waste.

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 targets for 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 received CSI scores of 4.0 for installation contracts and 3.8 for service assignments in Sweden.

Environmental goals for 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 relating to economic activity, 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

In Bravida's installation business the risk is asymmetric. In any given project the chances of exceeding the expected outcome during the term of the project are limited while there is a risk of incurring significant losses in relation to the size of the project. Good management of operational risks in each individual project is therefore a key factor. The management of operational risks is a continuous process covering a large number of ongoing projects and service assignments. It is therefore particularly important that Bravida's employees consistently comply with standardised methods and work methods to ensure that operational risks remain under control.
Risk management is clearly defined in Bravida's management system, which is designed to prevent risks and reduce the company's risk exposure. The company's systematic work on quality and environmental issues as well as occupational health and safety issues are key building blocks which make up the backbone of the management system. The Group's financial risks are managed centrally for the purpose of minimising and controlling the risk exposure while credit risks in the business operations are managed locally.

Amounts in SEK millions unless otherwise stated

Operational risks

Economic activity

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 48 per cent of Bravida's sales, with installation contracts accounting for the rest.

Tendering

A building services company is exposed to commercial and production-related risks, which need to be identified and managed during the tendering process. To ensure that this is done, 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.

Price risks

Unforeseen variations in input prices and prices charged by subcontractors constitute a risk. Bravida seeks to offset the risk of rising prices through the use of contract forms that are appropriate for the project, indexation for fixed-price agreements and efficient purchasing procedures.

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.

Sensitivity analysis

	Change, %	Effect on earnings before tax +– SEKm
Sales	1 %	6
Operating margin	1 % point	103
Payroll costs	1 %	46
Materials and subcontractors	1 %	44
Share productive installer time	1 % point	55
Interest rate on loans	1 % point	4
Exchange rate	1 % point	1

Material disputes

There are a small number of disputes in progress in the Group. The scope and nature of the disputes are not out of proportion to the scope and nature of the company's operations. The disputes are thus related to the company's operational activities, and mostly relate to claims for work carried out. 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 2011.

Outlook

Bravida is established in about 150 locations across Scandinavia with local market conditions. The Scandinavian installation market as a whole weakened over the last few years, putting downward pressure on market prices. The fall in demand was related to the weak economic activity.

The economy has now started to recover. Bravida, which is a late-cyclical company, is expected to achieve growth in 2011. The order intake exceeded sales in 2010 for the first time since 2007, which is a clear sign of a turnaround. It is expected that the Group's Danish business will face improved but tougher market conditions than the Swedish and Norwegian businesses in the near future. Another positive sign is the clear increase in the number of construction starts in Sweden during the year, driven by housing construction, which will feed through to the installation industry in two to four quarters' time.

New commercial construction is expected to remain weak due to high levels of vacancies in existing properties. Residential construction will continue to pick up from low levels in all three countries. Public-sector investment in hospitals, schools, care facilities and infrastructure is expected to remain relatively high in 2011. Energy efficiencies and reduced running costs are expected to become increasingly important drivers for installation investments in existing buildings. With supplementary specialist services in security, cooling and sprinkler systems, Bravida offers a full gamut of services providing a foundation for solid growth. The growth in sales in the service business in 2010 is expected to continue into 2011.

In recent years Bravida has restructured and streamlined its activities in sales, purchasing, production and administration. Extensive measures have been taken to adapt production capacity to demand in the market and to streamline opera-

Amounts in SEK millions unless otherwise stated

tions in order to reduce administrative expenses. This has continued in 2010 along with an ongoing effort to expand the service business and place a renewed focus on growth. A number of minor acquisitions have recently been made in Sweden, Norway and Denmark. The 2009 acquisition of Siemens' building services business in Norway represents a strategic move that has made Bravida the leading player also in the Norwegian market for electrical installations. The merger has significantly strengthened Bravida's Norwegian business. Thanks to the measures described above, Bravida is in a strong position as we go into 2011.

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 2010 the Board convened on seven occasions, holding five regular and two extraordinary meetings. One of the extraordinary meetings took the form of a conference call. The extraordinary meeting addressed issues relating to refinancing and a change to the membership of the Board. Regular Board meetings are normally held at Bravida's head office in Stockholm but in 2010 one meeting was held in Oslo and one in Copenhagen. Members of senior management and the central Group functions presented reports at the Board meetings. The Oslo and Copenhagen meetings were also attended by representatives of the Norwegian and Danish businesses.

Bravida's chief auditor was 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 2010. The Board addressed strategic issues, business plans, financial statements, acquisitions and disposals, and other significant events. 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.

As many of the measures taken to adapt the business to the slower pace of economic activity have now been implemented and the economy is expected to improve, the focus has shifted to increasing sales volumes. The Board has proposed measures to boost growth and has continuously followed up management's efforts to implement these measures and achieve the defined targets.

Parent company

During the year the Group completed a refinancing initiative as a result of which the parent company has become the counterparty to the bank in the Group's account system and all credit facilities have been transferred to the Group's main bank. Bravida AB's net sales during the period were SEK 1 million (3). The result after financial items was SEK 843 million (-19). The parent company has received dividend payments of SEK 862 million from subsidiaries. The result includes refinancing costs of SEK 22 million (0). Cash and cash equivalents were SEK 2 million (7). Equity was SEK 1,505 million (1,250), resulting in an equity/assets ratio of 43 per cent (63), after a dividend payment of SEK 700 million. The parent company had no employees.

Events after the balance sheet date

After the end of the reporting period Division Stockholm has acquired Ferax Projektstyrning AB while Division Norway has acquired A Halvorsen & Sönn AS, a heating & plumbing firm in Oslo. The acquisitions are in line with Bravida's strategy to grow in a number of priority markets. The acquisitions are expected to increase Bravida's sales by about one per cent.

It has also been decided that Torbjörn Torell will step down as CEO after several successful years. He will be replaced by Mats O Paulsson, who is currently Managing Director of Strabag Scandinavia AB and was Deputy CEO of PEAB from 2000–2007 and Managing Director of PEAB Industri from 2007–2009. During his time at PEAB Industri Mats was in charge of the company's successful stock market listing. Mats has been a Director of Bravida since 2009. The change of CEO will take place in connection with the Annual General Meeting on 5 May. Torbjörn Torell is proposed to remain on Bravida's Board of Directors.

Proposed allocation of profit

The Board proposes that the parent company's non-restricted equity of SEK 1,495,060,773 be allocated as follows:

Dividend	SEK 150,000,000
Carried forward	SEK 1,345,060,773
Total	SEK 1,495,060,773

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 and statement of comprehensive income

SEK MILLIONS	NOTE	2010-01-01 -2010-12-31	2009-01-01 -2009-12-31
Net sales	2	10,345	10,831
Costs of production		-8,205	-8,522
Gross profit/loss		**2,139**	**2,309**
Other operating income	5	0	6
Administrative and selling expenses		-1,519	-1,779
Operating profit/loss	3, 6, 7, 8, 31	**621**	**536**
PROFIT/LOSS FROM FINANCIAL ITEMS			
Financial income		12	23
Financial expenses		-60	-48
Net financial income/expense	9	**-48**	**-25**
Profit/loss before tax		**573**	**511**
Tax on profit for the year	10	-161	35
Profit/loss for the year		**412**	**545**
OTHER COMPREHENSIVE INCOME			
Translation differences for the year from the translation of foreign operations		-54	21
Comprehensive income for the year		**358**	**567**

Consolidated balance sheet

SEK MILLIONS	NOTE	2010-12-31	2009-12-31
ASSETS			
Intangible assets	11	2,134	2,151
Property, plant and equipment	12	34	48
Interests in associates	13	0	0
Pension assets	14	168	162
Other securities held as non-current assets	15	47	62
Long-term receivables	16	23	27
Deferred tax asset	10	94	177
Total non-current assets		**2,501**	**2,627**
Inventories		65	65
Tax assets		3	28
Trade receivables	17	1,652	1,744
Accrued but not invoiced income	18	544	543
Prepayments and accrued income	19	154	114
Other receivables	16	41	55
Short-term investments and restricted funds	20	8	11
Cash and cash equivalents		35	905
Total current assets		**2,501**	**3,465**
TOTAL ASSETS	27	**5,002**	**6,091**
EQUITY	21		
Share capital		10	10
Reserves		-5	49
Retained earnings including profit/loss for the year		1,350	1,661
Equity attributable to equity holders of the parent		**1,355**	**1,720**
LIABILITIES			
Long-term interest-bearing liabilities	22	–	750
Pension provisions	14	97	159
Other provisions	23	36	54
Total non-current liabilities		**133**	**963**
Current interest-bearing liabilities	22	200	50
Overdraft facilities	22	269	–
Trade payables		852	883
Tax liabilities		51	9
Invoiced but not accrued income	24	797	796
Liabilities to parent company		29	210
Other liabilities	25	276	297
Accrued expenses and deferred income	26	870	940
Provisions	23	171	222
Total current liabilities		**3,515**	**3,408**
Total liabilities		**3,647**	**4,371**
TOTAL EQUITY AND LIABILITIES	27	**5,002**	**6,091**

Pledged assets and contingent liabilities for the Group

SEK MILLIONS	NOTE	2010-12-31	2009-12-31
Pledged assets	22, 30	6,170	4,447
Contingent liabilities	22, 30	20	17

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 at 1 January 2009	10	28	1,171	1,209
Adjustment for retroactive application/restatement	–	–	-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 December 2009	**10**	**49**	**1,661**	**1,720**
Equity 1 January 2010	**10**	**49**	**1,661**	**1,720**
Comprehensive income for the year	–	-54	412	358
Dividend	–	–	-700	-700
Group contributions	–	–	-32	-32
Tax effect of Group contributions	–	–	8	8
Equity 31 December 2010	**10**	**-5**	**1,350**	**1,355**

More information on equity is provided in Note 21 on page 64.

Consolidated cash flow statement

SEK MILLIONS	NOTE	2010-01-01 –2010-12-31	2009-01-01 –2009-12-31
OPERATING ACTIVITIES			
Profit/loss before tax		573	511
Adjustments for non-cash items	33	-106	21
Income taxes paid		-8	-2
Cash flow from operating activities before changes in working capital		**459**	**529**
CASH FLOW FROM CHANGES IN WORKING CAPITAL			
Increase (-) / Decrease (+) in inventories		-3	-1
Increase (-) / Decrease (+) in operating receivables		-17	448
Increase (+) / Decrease (-) in operating liabilities		-42	-461
Cash flow from operating activities		**398**	**516**
INVESTING ACTIVITIES			
Acquisition of subsidiaries	32	-2	-167
Sale of subsidiaries		10	–
Acquisition of assets and liabilities		-3	-3
Sale of assets and liabilities		6	–
Acquisition of intangible assets	11	–	-2
Acquisition of property, plant & equipment	12	-4	-11
Sale/reduction of financial assets		12	–
Cash flow from investing activities		**19**	**-183**
FINANCING ACTIVITIES			
Repayment of loans		-600	-50
Change in utilisation of overdraft and credit facilities		269	-37
Dividend paid		-700	–
Group contributions paid		-213	–
Cash flow from financing activities		**-1,244**	**-87**
Cash flow for the year		-827	246
Cash and cash equivalents at beginning of year		905	650
Foreign exchange difference in cash and cash equivalents		-42	9
Cash and cash equivalents at end of year		**35**	**905**

Parent company income statement

SEK MILLIONS	NOTE	2010-01-01 –2010-12-31	2009-01-01 –2009-12-31
Other operating income	5	1	3
Administrative and selling expenses	6, 7, 8	-1	-2
Operating profit/loss		**0**	**1**
PROFIT/LOSS FROM FINANCIAL ITEMS			
Profit/loss from interests in Group companies		862	0
Interest and similar income		38	0
Interest and similar expenses		-56	-19
Net financial income/expense	9	**843**	**-19**
APPROPRIATIONS			
Transferred to tax allocation reserve		-36	–
Profit/loss before tax		**807**	**-19**
Tax on profit for the year	10	14	5
Profit/loss for the year[1)]		**822**	**-14**

1) Profit/loss for the years agrees with comprehensive income for the years.

Parent company balance sheet

SEK MILLIONS	NOTE	2010-12-31	2009-12-31
ASSETS			
Non-current assets			
Financial assets			
Interests in Group companies	32	1,958	1,958
Deferred tax asset	10	–	5
Total non-current assets		**1,958**	**1,963**
Current assets			
Current receivables			
Receivables from Group companies		1,552	–
Other receivables		–	0
Prepayments and accrued income	19	0	–
Cash and bank balances		2	7
Total current assets		**1,555**	**7**
TOTAL ASSETS	27	**3,513**	**1,971**
EQUITY AND LIABILITIES			
Equity	21		
Restricted equity			
Share capital (51,313,833 shares)		10	10
Total restricted equity		**10**	**10**
Non-restricted equity			
Retained earnings		673	1,254
Profit/loss for the year		822	-14
Total non-restricted equity		**1,495**	**1,240**
Total equity		**1,505**	**1,250**
Untaxed reserves			
Tax allocation reserves		36	–
Total untaxed reserves		**36**	**–**
Non-current liabilities			
Liabilities to Group companies	22	–	508
Total non-current liabilities		**–**	**508**
Current liabilities			
Liabilities to credit institutions	22, 25	200	–
Overdraft facilities	22, 25	269	–
Trade payables		1	0
Liabilities to Group companies	25	1,427	–
Liabilities to parent company	25	29	210
Tax liabilities		28	–
Other liabilities	25	16	0
Accrued expenses and deferred income	26	2	1
Total current liabilities		**1,972**	**212**
TOTAL EQUITY AND LIABILITIES	27	**3,513**	**1,971**

Pledged assets and contingent liabilities for the parent company

SEK MILLIONS	NOTE	2010-12-31	2009-12-31
Pledged assets	30	1,958	None
Contingent liabilities	30	16	17

Parent company statement of changes in equity

SEK MILLIONS	SHARE CAPITAL	NON-RESTRICTED EQUITY RETAINED EARNINGS	PROFIT/LOSS FOR THE YEAR	TOTAL
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 December 2009	**10**	**1,254**	**-14**	**1,250**
Equity 1 January 2010	10	1,254	-14	1,250
Profit/loss for the year	–		822	822
Appropriation of retained earnings	–	-14	14	–
Group contributions	–	181	–	181
Tax effect of Group contributions	–	-48	–	-48
Dividend	–	-700	–	-700
Equity 31 December 2010	**10**	**673**	**822**	**1,505**

More information on equity is provided in Note 21.

Parent company cash flow statement

SEK MILLIONS	NOTE	2010-01-01 –2010-12-31	2009-01-01 –2009-12-31
OPERATING ACTIVITIES			
Profit/loss before tax[1)]		-19	-19
Adjustments for non-cash items	33	–	18
Income taxes paid		–	–
Cash flow from operating activities before changes in working capital		-19	**–**
CASH FLOW FROM CHANGES IN WORKING CAPITAL			
Increase (-) / Decrease (+) in operating receivables		-65	0
Increase (+) / Decrease (-) in operating liabilities		177	-1
Cash flow from operating activities		**93**	**-1**
INVESTING ACTIVITIES			
Shareholder contributions made	32	–	-273
Cash flow from investing activities		**–**	**-273**
FINANCING ACTIVITIES			
Loans received	22	200	273
Repayment of loans		-599	-1
Change in utilisation of overdraft and credit facilities		269	–
Dividend received		862	–
Dividend paid		-700	–
Group contributions paid		-213	–
Group contributions received		83	–
Cash flow from financing activities		**-99**	**273**
Cash flow for the year		-5	-2
Cash and cash equivalents at beginning of year		7	9
Cash and cash equivalents at end of year		**2**	**7**

1) Excluding dividends accounted for under financing activities.

Amounts in SEK thousands unless otherwise stated.

Notes Content

Note 1 Accounting policies
Note 2 Distribution of revenues
Note 3 Segment reporting
Note 4 Acquisition of operations
Note 5 Other operating income
Note 6 Employees, staff costs and compensation to senior executives
Note 7 Auditors' fees and expenses
Note 8 Operating expenses by function of expense
Note 9 Net financial income/expense
Note 10 Tax
Note 11 Intangible assets
Note 12 Property, plant and equipment
Note 13 Interests in associates
Note 14 Pension assets and provisions for pensions and similar obligations
Note 15 Other securities held as non-current assets
Note 16 Long-term receivables and other receivables
Note 17 Trade receivables
Note 18 Accrued but not invoiced income
Note 19 Prepayments and accrued income
Note 20 Short-term investments and restricted funds
Note 21 Equity
Note 22 Interest-bearing liabilities
Note 23 Provisions
Note 24 Invoiced but not accrued income
Note 25 Other liabilities
Note 26 Accrued expenses and deferred income
Note 27 Valuation of financial assets and liabilities at fair value
Note 28 Financial risks and financial policies
Note 29 Lease payments under operating leases
Note 30 Pledged assets and contingent liabilities
Note 31 Related parties
Note 32 Interests in Group companies
Note 33 Statement of cash flows
Note 34 Events after the balance sheet date
Note 35 Significant assessments and estimates
Note 36 Information about the parent company

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. Recommendation RFR 1, Supplementary Accounting Rules for Corporate Groups, of the Swedish Financial Reporting Board has also been applied, in accordance with Swedish law.

The parent company applies the Swedish Annual Accounts Act and Recommendation RFR 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 etc

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

Bases of valuation applied in preparing the financial statements

Assets and liabilities have been recognised at historical cost, with the exception of financial assets and liabilities, which are carried at fair value. Financial assets and liabilities carried at fair value comprise financial assets carried at fair value through the income statement or financial assets available for sale.

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.

Changed accounting principles

Changed accounting policies applied by the Group from 1 January 2010 are described in the following. Other IFRS changes applied as of 2010 have not had a material impact on the consolidated financial statements.

IFRS 3 (Revised) Business Combinations (applies from 1 July 2009). The application of the amendment 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 applies 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 affect the accounting of future transactions.

IAS 27 (Amended) Consolidated and Separate Financial Statements (applies from 1 July 2009). This amendment states that earnings attributable to non-controlling interests must always be accounted for even if this would result in a negative minority interest, that transactions with shareholders without a controlling influence 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.

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

The Group has chosen not to apply any new standards or interpretations in advance in preparing these financial statements and is currently not planning to apply standards or interpretations in advance in coming years.

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. Transaction costs are charged to expense immediately. 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 non-controlling interests. In an acquisition where the transferred compensation, any non-controlling interests and the fair value of the previously owned interest (in incremental acquisitions) exceed the fair value of the acquired assets and assumed liabilities which are accounted for separately the difference is recognised as goodwill. When the difference is negative, in a so-called bargain purchase, the difference is recognised in profit/loss for the year.

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.

Installation contracts

Bravida applies the percentage of completion method. Under this method, earnings are recognised 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).

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.

Interest expenses are recognised in accordance with IAS 23, in cases where the asset takes a significant amount of time to complete.

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 is added to the asset's carrying amount only if it is probable that the future economic benefits and the expenditure can be reliably measured. All other expenditure is recognised as incurred.

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. Useful lives are reassessed annually or more frequently.

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.

Interest expenses are recognised in accordance with IAS 23, in cases where the asset takes a significant amount of time to complete.

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:

Amounts in SEK thousands unless otherwise stated.

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 intangible 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 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. Examples of objective evidence include significant financial difficulties for a debtor, a breach of contract such as non-payment or delayed payment of interest or principal, or that it is probable that the borrower will become bankrupt or enter into another form of financial reorganisation.

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. 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.

Financial assets available for sale
This class of financial assets in the Group comprises assets which are not derivatives but can be sold. Assets in this category are classified as non-current assets if management does not intend to sell the asset within 12 month of the balance sheet date.

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.

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. Borrowing costs are charged to earnings in the period to which they

refer. 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.

Financial income and expenses

Financial income and expenses comprise interest income on bank deposits, receivables and interest-bearing securities, interest expenses on loans, dividend income, unrealised and realised gains and losses on financial assets and liabilities. Interest expenses are charged to earnings in the period to which they refer insofar as they have not been included in the cost of an asset. An asset for which interest can be included in the cost is an asset which necessarily takes a substantial time to get ready for its intended use. Interest expenses are recognised in accordance with IAS 23 Borrowing Costs. Until today no interest expenses have been recognised in the balance sheet.

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 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. Income taxes are recognised in profit/loss for the year except where the underlying transaction is recognised in other comprehensive income or in equity, in which case the associated tax effect is recognised directly in other comprehensive income or 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 contribution plan. In Norway virtually all employees are covered by a defined benefit 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 for ensuring that the plan provides the promised compensation.

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

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.

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.

Amounts in SEK thousands unless otherwise stated.

Note 1 Cont.

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.

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 revenues

Group	2010-01-01 -2010-12-31	2009-01-01 -2009-12-31
Invoicing	10,352,649	10,699,488
Change in work in progress on behalf of third parties	-7,794	131,558
Net sales	**10,344,855**	**10,831,046**

Revenue by significant revenue type

Group	2010-01-01 -2010-12-31	2009-01-01 -2009-12-31
Installation contracts	5,393,111	6,011,620
Service	4,951,744	4,819,426
Net sales	**10,344,855**	**10,831,046**

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 6 per cent of total consolidated income. For information on non-current assets by segment, see Note 11 concerning goodwill.

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.

2010	North	Sweden Stockholm	South	Norway	Denmark	Central	Elimination and other	Total
REVENUE								
External net sales	1,819,990	1,787,516	2,923,797	2,289,008	1,519,248	5,296	–	10,344,855
Internal net sales	10,234	52,338	7,403	2,403	73	175,804	-248,255	–
Net sales¹⁾	**1,830,224**	**1,839,854**	**2,931,200**	**2,291,411**	**1,519,321**	**181,100**	**-248,255**	**10,344,855**
Operating expenses	-1,696,947	-1,724,189	-2,747,360	-2,156,325	-1,502,238	-138,928	242,042	-9,723,945
Amortisation of intangible assets	–	-400	–	–	–	–	–	-400
Operating profit/loss	**133,277**	**115,265**	**183,840**	**135,086**	**17,083**	**42,172**	**-6,213**	**620,510**

1) External net sales in Sweden were SEK 6,536,600,000.

2009	North	Sweden 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 sales¹⁾	**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 assets²⁾	–	-400	–	-4,557	-4,258	–	–	-9,215
Operating profit/loss	**119,836**	**101,242**	**165,734**	**78,968**	**35,074**	**17,264**	**17,543**	**535,661**

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

Amounts in SEK thousands unless otherwise stated.

Fields of technology

The Group consists of the fields of technology electrical installations, heating & plumbing, HVAC and other.

2010	Electrical installations	Heating & plumbing	HVAC	Other	Total
External sales	5,872,169	2,586,962	1,517,447	368,277	10,344,855

2009	Electrical installations	Heating & plumbing	HVAC	Other	Total
External sales	5,870,349	2,859,140	1,726,838	374,719	10,831,046

Note 4 Acquisition of operations

In 2010 Bravida acquired the assets and liabilities of the following businesses:

Acquired unit	Division	Acquisition date	No. of employees	Estimated annual sales
Electrical installation business, Fyn	Denmark	1 Sep	10	11
Electrical installation business, Narvik	Norway	1 Oct	20	25
Electrical installation and data communication, Malmö	South	1 Dec	25	30

If the acquisitions had taken place at 1 January consolidated sales and the consolidated operating profit would have increased by less than 1 per cent.

During the year a small operation with 24 employees in Helgeland in Norway was sold, resulting in a capital gain of SEK 0.4 million. The business posted a small operating loss on annualised sales of SEK 30 million.

Effects of acquisitions in 2010

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

	Carrying amount in acquired companies before acquisitions	Fair value adjustment	Fair value recognised in Group
Intangible assets	–	–	–
Other non-current assets	1,079	–	1,079
Other current assets	592	–	592
Cash and cash equivalents	–	–	–
Non-current liabilities	–	–	–
Current liabilities	–	–	–
Net identifiable assets and liabilities	1,671	–	1,671
Consolidated goodwill			**1,533**
Cost			3,204
Consideration recognised as a liability	–	–	200
Cash and cash equivalents (acquired)	–	–	0
Net effect on cash and cash equivalents	–	–	**-3,004**
Calculation of cost			
Cash consideration paid	–	–	3,004
Consideration recognised as a liability	–	–	200
Cost	–	–	**3,204**

2009

On 1 July 2009 the Group acquired 100 per cent of the shares of Siemens Installation AS. 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 acquisitions 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.

On 1 May Appelgrens El i Mölndal AB was acquired. The company has 30 employees and annualised sales of about SEK 30 million.

On 1 January Bravida acquired Juhl Air Control AB in Löddeköpinge. The company has 13 employees and annualised sales of about SEK 45 million.

Amounts in SEK thousands unless otherwise stated.

Note 4 Cont.

Effects of other acquisitions in 2009

The acquisitions have the following effects on consolidated assets and liabilities.

	Carrying amount in acquired companies before acquisitions	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	–	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**

Note 5 Other operating income

	Group		Parent company	
	2010-01-01 -2010-12-31	2009-01-01 -2009-12-31	2010-01-01 -2010-12-31	2009-01-01 -2009-12-31
Gain from sale of shares in subsidiaries	325	5,760	–	–
Other	–	–	1,204	3,139
	325	**5,760**	**1,204**	**3,139**

Note 6 Employees, staff costs and compensation to senior executives

Average number of employees	2010-01-01 -2010-12-31	of which, women	2009-01-01 -2009-12-31	of which, women
PARENT COMPANY				
Sweden	–	0.0 %	–	0.0 %
Total in parent company	**–**	**0.0 %**	**–**	**0.0 %**
SUBSIDIARIES				
Sweden	4,658	5.6 %	5,024	5.1 %
Denmark	1,292	7.0 %	1,527	7.0 %
Norway	1,878	5.7 %	1,527	6.2 %
Slovakia	6	0.0 %	–	0.0 %
Total in subsidiaries	**7,834**	**5.9 %**	**8,078**	**5.6 %**
Total, Group	**7,834**	**5.9 %**	**8,078**	**5.6 %**

Breakdown between men and women in management	2010-12-31	2009-12-31
	Female representation	
PARENT COMPANY		
The Board of Directors	0.0 %	0.0 %
Other senior executives	0.0 %	0.0 %
TOTAL, GROUP		
The Board of Directors	0.0 %	0.0 %
Other senior executives	0.0 %	0.0 %

Salaries, other compensation and social-security contributions	2010-01-01 –2010-12-31		2009-01-01 –2009-12-31	
	Salaries and compensation	Social-security contributions	Salaries and compensation	Social-security contributions
PARENT COMPANY	300	31	233	73
(of which pension costs)	(–)	(–)	(–)	(–)
SUBSIDIARIES	3,842,247	744,532	4,059,004	747,610
(of which pension costs)	(239,241)	(35,898)	(234,663)	(32,404)
Total, Group	**3,842,547**	**744,563**	**4,059,237**	**747,683**
(of which pension costs)	(239,241)	(35,898)	(234,663)	(32,404)

Amounts in SEK thousands unless otherwise stated.

Salaries and other compensation by country and broken down between Directors etc. and other employees	2010-01-01 –2010-12-31		2009-01-01 –2009-12-31	
	Board and CEO	Other employees	Board and CEO	Other employees
PARENT COMPANY				
Sweden	300	–	233	–
(of which bonuses etc.)	(–)	(–)	(–)	(–)
SUBSIDIARIES				
Sweden	12,149	1,878,644	9,267	2,191,623
(of which bonuses etc.)	(3,440)	(49,417)	(2,429)	(57,105)
Denmark	2,846	661,740	3,499	998,005
(of which bonuses etc.)	(–)	(2,173)	(–)	(2,448)
Norway	3,097	958,153	6,650	849,960
(of which bonuses etc.)	(1,041)	(15,955)	(2,603)	(5,608)
Slovakia	–	2,381	–	–
(of which bonuses etc.)	(–)	(–)	(–)	(–)
Subsidiaries, total	**18,092**	**3,500,918**	**19,416**	**4,039,588**
(of which bonuses etc.)	(4,481)	(67,545)	(5,032)	(65,161)
Total, Group	**18,392**	**3,500,918**	**19,649**	**4,039,588**
(of which bonuses etc.)	(4,481)	(67,545)	(5,032)	(65,161)

Senior executives' benefits

The total fee paid to the Board of Directors of the parent company, as adopted at the 2010 Annual General Meeting, was SEK 300,000, of which SEK 0 was paid to the Chairman and SEK 100,000 to each of the other external Directors elected by the general shareholders' meeting.

The compensation paid to senior executives refers mostly to fixed salaries and variable compensation. The CEO's contract is subject to six months' notice by either party. In case of termination the CEO has a right to severance pay in the amount 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.

Other senior executives have a contractual right to an occupational pension.

Compensation and other benefits in 2010	Basic salary/ Directors' fees	Variable compensation	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	100	–	–	–	100
Kjell Åkesson, Director	–	–	–	–	–
Torbjörn Torell, CEO	3,287	1,642	184	1,294	6,407
Other senior executives[1)]	13,488	5,256	332	3,265	22,341
	17,075	**6,898**	**516**	**4,559**	**29,048**

1) During the year the group other senior executives consisted of 7 persons.

Compensation and other benefits in 2009	Basic salary/ Directors' fees	Variable compensation	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.

Amounts in SEK thousands unless otherwise stated.

Note 7 Auditors' fees and expenses

	Group		Parent company	
	2010-01-01 -2010-12-31	2009-01-01 -2009-12-31	2010-01-01 -2010-12-31	2009-01-01 -2009-12-31
KPMG				
Audit assignments	3,352	5,121	290	905
Audit assignments in addition to main audit assignment	31	55	–	–
Tax advice	294	342	–	2
Other assignments	367	946	40	245
OTHER				
Other assignments	–	13	–	–
	4,044	**6,477**	**330**	**1,152**

Note 8 Operating expenses by function of expense

	Group		Parent company	
	2010-01-01 -2010-12-31	2009-01-01 -2009-12-31	2010-01-01 -2010-12-31	2009-01-01 -2009-12-31
Costs for materials	3,101,406	3,309,856	–	–
Subcontractors and purchased services in production	949,206	970,072	–	–
Personnel expenses	4,579,727	4,806,920	–	571
Amortisation	14,715	26,436	–	–
Vehicle expenses	290,694	307,642	–	–
Premises expenses	159,782	184,728	–	–
Consulting fees	74,971	82,968	331	1,587
IT expenses and telephony	114,414	121,357	–	–
Travel expenses	46,491	50,689	–	–
Other operating expenses	393,265	440,478	635	337
	9,724,671	**10,301,146**	**966**	**2,495**

Note 9 Net financial income/expense

	Group		Parent company	
	2010-01-01 -2010-12-31	2009-01-01 -2009-12-31	2010-01-01 -2010-12-31	2009-01-01 -2009-12-31
PROFIT/LOSS FROM INTERESTS IN GROUP COMPANIES				
Dividend	–	–	861,789	–
Capital gain/loss on sale of subsidiaries	–	–	–	-1
	–	–	**861,789**	**-1**
FINANCIAL INCOME				
Interest income, Group companies	–	–	36,853	–
Interest income, other	8,600	19,180	723	46
Foreign exchange gains	–	686	35	6
Interest on arrears	2,525	3,039	–	–
Other	1,145	151	–	–
	12,270	**23,056**	**37,611**	**52**
FINANCIAL EXPENSES				
Interest expense, Group companies	–	–	-12,856	-19,286
Interest expense, other	-26,273	-42,664	-14,141	–
Foreign exchange losses	-464	–	–	–
Interest on arrears	-1,573	-1,874	–	-1
Other	-31,497	-3,432	-29,481	–
	-59,807	**-47,970**	**-56,478**	**-19,287**
Net financial income/expense	**-47,537**	**-24,914**	**842,922**	**-19,236**

Amounts in SEK thousands unless otherwise stated.

Note 10 Tax

	Group		Parent company	
	2010-01-01 –2010-12-31	2009-01-01 –2009-12-31	2010-01-01 –2010-12-31	2009-01-01 –2009-12-31
CURRENT TAX EXPENSE (-)/TAX INCOME (+)				
Tax expense for the period	-91,371	-26,480	19,347	4,903
Adjustment of tax in respect of prior years	-145	928	–	–
	-91,516	**-25,552**	**19,347**	**4,903**
DEFERRED TAX EXPENSE (-) / TAX INCOME (+)				
Deferred tax arising from temporary differences	23,926	-14,795	–	–
Deferred tax relating to changes in tax rates	–	-326	–	–
Deferred tax income in tax loss carry-forwards recognised during the year	–	152,787	–	–
Deferred tax liability resulting from utilisation of previously recognised taxable value in tax loss carry-forwards	-67,034	-77,461	-5,009	–
Deferred tax relating to untaxed reserves	-26,251	68	–	–
	-69,359	**60,273**	**-5,009**	**–**
Total recognised tax expense/tax income	**-160,875**	**34,721**	**14,338**	**4,903**
RECONCILIATION OF EFFECTIVE TAX				
Profit/loss before tax	572,972	510,746	807,262	-18,642
Tax at tax rate applying to parent company	-150,692	-134,326	-212,310	4,903
Effect of different tax rates for foreign subsidiaries	-1,688	567	–	–
Impairment of consolidated goodwill	–	601	–	–
Group adjustment of foreign exchange differences internal loans	-1,986	–	–	–
Other non-deductible expenses	-9,686	785	-3	–
Deductible items not affecting earnings	1,413	1,486	–	–
Non-taxable income	1,943	–	–	–
Increase in tax loss carry-forwards without corresponding recognition of deferred tax	–	-343	–	–
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	–	–
Use of tax loss carry-forwards	-34	–	–	–
Tax in respect of prior years	-145	-1,197	–	–
Non-taxable income, dividend	–	–	226,651	–
Deferred tax asset in respect of prior years	–	-326	–	–
Recognised effective tax	**-160,875**	**34,721**	**14,338**	**4,903**

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

	Group		Parent company	
Tax items recognised directly in equity	2010-01-01 –2010-12-31	2009-01-01 –2009-12-31	2010-01-01 –2010-12-31	2009-01-01 –2009-12-31
Deferred tax 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	2010-12-31		2009-12-31	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Intangible assets	–	–	233	–
Property, plant and equipment	8,421	–	20,169	–
Financial assets	8	–	9	–
Inventories	546	–	806	–
Trade receivables	1,622	–	10,964	–
Pension provisions	–	-38,496	–	-27,467
Provisions for projects	–	-57,829	–	-118,776
Warranty provisions	13,939	–	11,835	–
Other provisions	21,006		34,966	–
Tax allocation reserves	–	-26,251	–	-369
Other	54,955	–	50,174	–
Tax loss carry-for-wards	115,946	–	194,381	–
	216,443	**-122,576**	**323,537**	**-146,612**
Net asset	**93,867**	**–**	**176,925**	**–**

The corporate tax rate is 26.3 per cent in Sweden, 28 per cent in Norway and 25 per cent in Denmark.

Parent company	2010-12-31		2009-12-31	
	Deferred tax asset	Deferred tax liability	Deferred tax asset	Deferred tax liability
Tax loss carry-for-wards	–	–	5,009	–
	–	**–**	**5,009**	**–**

	Group		Parent company	
	2010-12-31	2009-12-31	2010-12-31	2009-12-31
SPECIFICATION OF DEFERRED TAX BY COUNTRY				
Sweden	-48,640	-15,847	–	5,009
Norway	171,145	223,802	–	–
Denmark	-28,638	-31,030	–	–
	93,867	**176,925**	**–**	**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	
	2010-12-31	2009-12-31	2010-12-31	2009-12-31
SPECIFICATION BY COUNTRY				
Norway	–	343	–	–
	–	**343**	**–**	**–**

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

Group 2010	Amount at 1 Jan 2010	Recognised through income statement	Recognised in equity	Acquisition/sale of company	Amount at 31 Dec 2010
Tax loss carry-forwards	194,381	-78,435	–	–	115,946
Untaxed reserves	-555	-25,696	–	–	-26,251
Property, plant and equipment	20,169	-11,748	–	–	8,421
Trade receivables	10,964	-9,342	–	–	1,622
Provisions for projects	-118,776	60,947	–	–	-57,829
Warranty provisions	11,835	2,104	–	–	13,939
Pensions	-27,467	-11,029	–	–	-38,496
Other	86,374	-9,859	–	–	76,515
Total	**176,925**	**-83,058**[1]	**–**	**–**	**93,867**

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]	**2,872**	**71,518**	**176,925**

1) Of which -69,359 has been recognised in tax expense for the year and -13,699 in comprehensive income for the year. 2) Of which -60,273 has been recognised in tax expense for the year and -300 in comprehensive income for the year.

Amounts in SEK thousands unless otherwise stated.

Parent company 2010	Amount at 1 Jan 2010	Recognised through income statement	Recognised in equity	Acquisition/sale of company	Amount at 31 Dec 2010
Tax loss carry-forwards	5,009	-5,009	–	–	0
Total	**5,009**	**-5,009**	**0**	**0**	**0**

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**

Note 11 Intangible assets

Group 31 Dec 2010	Goodwill	Other intangible	Total
ACCUMULATED COST			
At beginning of year	2,156,783	6,947	2,163,730
Purchases	1,838	–	1,838
Reclassifications	4,947	-4,947	–
Foreign exchange differences for the year	-18,434	–	-18,434
At end of year	**2,145,134**	**2,000**	**2,147,134**
ACCUMULATED SCHEDULED DEPRECIATION			
At beginning of year	–	-4,982	-4,982
Reclassifications	-3,782	3,782	–
Scheduled amortisation for the year	–	-400	-400
At end of year	**-3,782**	**-1,600**	**-5,382**
ACCUMULATED IMPAIRMENT			
At beginning of year	-7,644	–	-7,644
At end of year	**-7,644**	**–**	**-7,644**
Carrying amount at beginning of period	**2,149,139**	**1,965**	**2,151,104**
Carrying amount at end of period	**2,133,708**	**400**	**2,134,108**

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 DEPRECIATION			
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 Technology in Denmark and OK Klima Vest AS in Norway.

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

Amounts in SEK thousands unless otherwise stated.

Note 11 Cont.

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:

Group	2010-12-31	2009-12-31
Bravida Sweden	1,559,167	1,558,564
Division Denmark	313,884	313,966
Division Norway	260,657	276,609
	2,133,708	**2,149,139**
Units with no significant goodwill values	0	0
	2,133,708	**2,149,139**

Impairment of goodwill
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 2–5 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.

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 8 per cent.

Note 12 Property, plant & equipment

Group 31 Dec 2010	Buildings and land	Machinery and equipment	Total
ACCUMULATED COST			
At beginning of year	2,052	246,039	248,091
Purchases	–	7,259	7,259
Sales and disposals	–	-91,695	-91,695
Foreign exchange differences for the year	–	-18,087	-18,087
	2,052	**143,516**	**145,568**
ACCUMULATED SCHEDULED DEPRECIATION			
At beginning of year	-584	-193,865	-194,449
Sales and disposals	–	83,919	83,919
Scheduled depreciation of cost for the year	-54	-13,791	-13,845
Foreign exchange differences for the year	–	13,382	13,382
	-638	**-110,355**	**-110,993**
ACCUMULATED IMPAIRMENT			
At beginning of year	–	-5,779	-5,779
Sales and disposals	–	5,040	5,040
Foreign exchange differences for the year	–	423	423
	–	**-316**	**-316**
Carrying amount at end of period	**1,414**	**32,845**	**34,259**

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	-172,642
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**

SEKm		2010-12-31	2009-12-31
Taxable values, buildings	(in Sweden)	2,449	2,449
Taxable values, land	(in Sweden)	1,130	1,130

Amounts in SEK thousands unless otherwise stated.

Note 13 Interests in associates

Group	2010-12-31	2009-12-31
ACCUMULATED COST		
At beginning of year	-147	48
Sales	–	-193
Share in profit of associates	70	-2
Carrying amount at end of period	**-77**	**-147**

Specification of interests in associates

Associate, reg.no., regd office	2010-12-31			
	Profit/loss for the year	Owned share, %	Consolidated value of capital share	Carrying amount
Mätarspecialisterna i Göteborg AB, 556733-7786, Gothenburg	4	50	52	50
Kraftkompaniet Sverige HB 969740-4755, Stockholm	66	50 %	66	66
Tunnelentreprenad Bravida-EIAB HB 969669-7862, Stockholm	–	50	-195	-195
Svensk Berg Energi HB 969753-2852, Stockholm		50 %	–	–
			-77	**-79**

Associate, reg.no., regd office	2009-12-31			
	Profit/loss for the year	Owned share, %	Consolidated value of capital share	Carrying amount
Mätarspecialisterna i Göteborg AB 556733-7786, Gothenburg	-2	50 %	48	50
Tunnelentreprenad Bravida-EIAB HB 969669-7862, Stockholm		50 %	-195	-195
			-147	**-145**

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.

In Norway the pension plans are changed. Earlier Siemens Installation AS, the company acquired during 2009, had a defined benefit pension plan for its employees. Now it is changed to the same kind of pension plan as the rest of Bravida in Norway, that is a defined contribution plan. However a few employees are still covered by the old plan.

In Denmark the pensions plans are defined contribution plans.

2010-12-31	Parent company	Other Sweden	Norway	Denmark	Total
Active	–	863	77	–	940
Former employees, not retired	–	2,987	–	–	2,987
Retired	–	2,382	43	–	2,425
Total	**–**	**6,232**	**120**	**–**	**6,352**

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**

Amounts in SEK thousands unless otherwise stated.

Note 14 Cont.

Defined benefit obligations and the value of plan assets

Group	2010-12-31	2009-12-31
Present value of fully or partly funded obligations	-1,280,500	-1,134,129
Fair value of plan assets	1,214,180	1,197,402
Total fully or partly funded obligations	**-68,320**	**63,273**
Present value of unfunded defined benefit obligations	-19,643	-130,296
Net obligations before adjustments	**-87,963**	**-67,023**
Adjustments:		
Accumulated unrecognised actuarial gains (-) and losses (+)	189,744	121,603
Payroll tax	15,298	7,205
Net amount in balance sheet	**117,079**	**61,785**
The net amount is recognised in the following items in the balance sheet:		
Pension assets	168,331	161,990
Other securities held as non-current assets	45,568	59,156
Provisions for pensions and similar obligations	-96,820	-159,361
Net amount in balance sheet	**117,079**	**61,785**
The net amount is distributed among plans in the following countries:		
Sweden	134,409	126,747
Norway	-17,330	-64,962
Net amount in balance sheet	**117,079**	**61,785**

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

Group	2010-12-31	2009-12-31
Obligation for defined benefit plans at 1 Jan	1,264,425	1,122,294
Cost of vested benefits during period	26,982	22,763
Interest expense	42,315	54,020
Pension payments	-53,754	-51,199
Effects of acquisition of operations	–	131,511
Actuarial (gain) / loss	83,262	-14,964
Reduction / adjustment (-)	-45,103	–
Corrections from prior years	-9,985	–
Foreign exchange differences	2,839	–
Obligation for defined benefit plans at 31 Jan	**1,310,981**	**1,264,425**

Changes in fair value of plan assets

Group	2010-12-31	2009-12-31
Fair value of plan assets at 1 Jan	1,197,402	1,041,762
Expected return	53,299	57,710
Withdrawn	-62,911	-50,344
Effects of acquisition of operations	–	62,271
Insurance premium (-) paid from plan assets	1,087	-3,322
Paid in	20,063	38,077
Actuarial gain / (loss)	9,790	51,248
Foreign exchange differences	-4,372	–
Fair value of plan assets at 31 Dec	**1,214,358**	**1,197,402**

Cost recognised in the income statement

Group	2010-12-31	2009-12-31
Costs relating to service during current period	26,621	25,450
Insurance premium (-) paid from plan assets	3,495	3,322
Interest expense on obligation	42,752	44,669
Expected return on plan assets	-62,800	-47,208
Amortisation of actuarial gains/losses	827	4,848
Net expense in profit/loss for the year	**10,895**	**31,081**

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

Amounts in SEK thousands unless otherwise stated.

Group	2010-12-31 Pension assets	2010-12-31 Pension obligations	2009-12-31 Pension assets	2009-12-31 Pension obligations
Defined benefit pension plans	168,331	-17,330	161,990	-77,305
PRI	–	-22,382	–	-22,900
Endowment policies	45,568	-56,622	59,156	-59,156
Other	–	-486	–	–
	213,899	**-96,820**	**221,146**	**-159,361**

Actuarial assumptions

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

	Sweden		Norway	
	2010-12-31	2009-12-31	2010-12-31	2009-12-31
Discount rate	3.40 %	3.60 %	4.00 %	4.50 %
Expected return on plan assets	3.20 %	5.60 %	5.40 %	5.70 %
Assumed long-term salary increases	3.00 %	3.00 %	4.00 %	4.50 %
Long-term increase in income base amount	3.00 %	3.00 %	0.00 %	0.00 %
Assumed long-term inflation	2.00 %	2.00 %	0.00 %	0.00 %
Expected increase in base amount	–	–	3.75 %	4.25 %
Future increase in pensions	–	–	1.75 %	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	2010-12-31	2009-12-31	2008-12-31	2007-12-31
Present value of defined benefit obligation	-1,299,927	-1,264,425	-1,122,294	-955,593
Fair value of plan assets	1,214,358	1,197,402	1,041,762	1,032,200
Surplus/deficit in plan	**-85,569**	**-67,023**	**-80,532**	**76,607**

Group	2010-12-31	2009-12-31
Of which credit-insured via FPG/PRI	–	333

Group	2010-12-31	2009-12-31
PLEDGED ASSETS FOR PENSION OBLIGATIONS		
Capitalised endowment policy	45,568	59,156
	45,568	**59,156**

Note 15 Other securities held as non-current assets

Group	2010-12-31	2009-12-31
ACCUMULATED COST		
At beginning of year	61,504	56,109
Sales and disposals	-252	-50
Change in endowment policies	-13,818	5,464
Changes in value	-136	28
Foreign exchange differences for the year	-111	-47
Carrying amount at end of period	**47,187**	**61,504**
SPECIFICATION OF SECURITIES		
Funds, endowment policies	45,809	59,156
Other	1,378	2,348
	47,187	**61,504**

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

Amounts in SEK thousands unless otherwise stated.

Note 16 Long-term receivables and other receivables

Group	2010-12-31	2009-12-31
LONG-TERM RECEIVABLES THAT ARE NON-CURRENT ASSETS		
Deposit rent for premises	13,763	15,575
Loans to employees	4,845	6,051
Other	4,348	5,772
	22,956	**27,398**
OTHER RECEIVABLES THAT ARE CURRENT ASSETS		
Receivable, pension funds	10,327	16,983
Loans to employees	7,791	3,979
Value-added tax receivable	1,181	347
Other	21,462	33,835
	40,761	**55,144**

Note 17 Trade receivables

Trade receivables are accounted for after taking account of bad debts, which were SEK 3,157,000 (5,744,000) 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	2010-12-31	2009-12-31
Accrued income from work not yet completed	3,517,482	3,429,801
Invoicing of work not yet completed	-2,973,774	-2,886,844
	543,708	**542,957**

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 expenses 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 19 Prepayments and accrued income

	Group		Parent company	
	2010-12-31	2009-12-31	2010-12-31	2009-12-31
Prepaid rents	27,236	22,519	–	–
Prepaid insurance premiums	12,671	3,996	362	–
Accrued income	88,718	65,258	–	–
Other items	25,139	22,052	–	–
	153,764	**113,825**	**362**	**–**

Note 20 Short-term investments and restricted funds

Group	2010-12-31	2009-12-31
Current investments	541	541
Restricted funds	7,129	9,741
Cash and cash equivalents in external consortiums	405	405
	8,075	**10,687**

Note 21 Equity

Parent company	2010-12-31	2009-12-31
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	2010-12-31	2009-12-31
SPECIFICATION OF EQUITY ITEM RESERVES:		
Translation reserve		
Opening translation difference	48,976	27,763
Translation differences for the year, foreign subsidiaries	-54,144	21,213
Closing translation difference	**-5,168**	**48,976**

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 and Chief Executive Officer have proposed the following dividend payment. The dividend is subject to approval at the Annual General Meeting on 5 May 2011. A cash dividend of SEK 2.93 per share (7.80) for a total payment of SEK 150,000,000 (400,000,000) based on the number of registered shares. 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 2010 the equity/assets ratio was 27.1 per cent (28.2). The Board's ambition is to maintain a balance between a high return on equity, which can be achieved through

Amounts in SEK thousands unless otherwise stated.

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	2010-01-01 -2010-12-31	2009-01-01 -2009-12-31
Profit/loss for the year	412,097	545,467
Average number of shares before and after dilution, thousands*	51,314	51,314
Earnings before and after dilution, SEK	8.03	10.63
Proposed dividend	150,000	400,000

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	
	2010-12-31	2009-12-31	2010-12-31	2009-12-31
NON-CURRENT LIABILITIES				
Bank loans	–	750,000	–	–
Loans from Group companies	–	–	–	508,426
	–	**750,000**	**–**	**508,426**
CURRENT LIABILITIES				
Overdraft facilities	269,108	–	269,108	–
Current portion of bank loans	200,000	50,000	200,000	–
	469,108	**50,000**	**469,108**	**–**
Amount out of liability item that is expected to be paid within 12 months of balance sheet date	469,108	50,000	469,108	–
Amount out of liability item that is expected to be paid later than 5 years from balance sheet date	–	–	–	–

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

				2010		2009
	Maturity	Nom. interest	Nom. value	Carrying amount	Nom. value	Carrying amount
Bank loans, SEK-denominated	2011-01-17	3.7 %	200,000	200,000	800,000	800,000
Total interest-bearing liabilities			**200,000**	**200,000**	**800,000**	**800,000**

Amounts in SEK thousands unless otherwise stated.

Note 22 Cont.

Overdraft facilities		Group 2010-12-31	Group 2009-12-31	Parent company 2010-12-31	Parent company 2009-12-31
Credit limit granted		600,000	598,600	–	–
Undrawn portion		-330,892	-598,600	–	–
Credit drawn		**269,108**	**–**	**–**	**–**
CREDIT LIMIT GRANTED, BY COUNTRY					
Sweden	SEK '000	600,000	350,000	600,000	–
Norway	NOK '000	–	200,000	–	–
Total credit limit granted	SEK '000	**600,000**	**598,600**	**600,000**	**–**

Assets pledged as collateral for liabilities to credit institutions	Group 2010-12-31	Group 2009-12-31	Parent company 2010-12-31	Parent company 2009-12-31
Property mortgages	1,800	1,800	–	–
Floating charges	1,165,800	866,741	1,958,272	–
Shares in subsidiaries	4,956,930	3,518,565	–	–
	6,124,530	**4,387,106**	**1,958,272**	**–**

The trade receivables of Bravida Norge AS have also been pledged.

Note 23 Provisions

Group	2010-12-31	2009-12-31
PROVISIONS THAT ARE NON-CURRENT LIABILITIES		
Warranties	35,849	53,638
	35,849	**53,638**
PROVISIONS THAT ARE CURRENT LIABILITIES		
Warranties	35,848	53,638
Disputes	62,735	63,060
Provision for vacant premises	23,627	13,410
Costs of restructuring	7,998	21,994
Provision for project losses	7,120	66,357
Other	33,320	3,382
	170,648	**221,841**

Group	Warranties	Disputes	Empty premises	Restructuring measures	Provision for project losses and other	Total
CHANGE IN PROVISIONS 2010						
Carrying amount at beginning of year	107,276	63,060	13,410	21,994	69,739	275,479
Provisions made during the period	34,609	50,976	23,228	7,809	92,326	208,948
Amount used during the period	-70,188	-51,301	-13,011	-21,805	-121,625	-277,930
Carrying amount at end of year	**71,697**	**62,735**	**23,627**	**7,998**	**40,440**	**206,497**

Amounts in SEK thousands unless otherwise stated.

Group	Warranties	Disputes	Empty premises	Restructuring measures	Provision for project losses and other	Total
CHANGE IN PROVISIONS 2009						
Carrying amount at beginning of year	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 year	**107,276**	**63,060**	**13,410**	**21,994**	**69,739**	**275,479**

Group	2010-12-31	2009-12-31
Amount out of provision that is expected to be paid within 12 months.	170,648	221,841

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.

Loss provision, contracts
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.

Note 24 Invoiced but not accrued income

Group	2010-12-31	2009-12-31
Invoicing of work not yet completed	5,851,773	6,606,857
Accrued income from work not yet completed	-5,054,723	-5,810,631
	797,050	**796,226**

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	
	2010-12-31	2009-12-31	2010-12-31	2009-12-31
OTHER CURRENT LIABILITIES				
Liabilities to parent company	29,138	210,359	29,138	210,359
Value-added tax liability	134,094	127,622	6,684	–
Employee withholding taxes	90,918	100,046	–	10
Other	51,016	69,743	8,876	145
	305,166	**507,770**	**44,698**	**210,514**

Note 26 Accrued expenses and deferred income

	Group		Parent company	
	2010-12-31	2009-12-31	2010-12-31	2009-12-31
Accrued holiday pay and salaries	609,761	670,312	325	437
Accrued social-security contributions	211,458	200,941	71	10
Accrued interest expense	285	4,394	285	–
Other items	48,111	64,442	902	900
	869,615	**940,089**	**1,583**	**1,347**

Amounts in SEK thousands unless otherwise stated.

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 2010	**Loans and trade receivables**	**Other financial assets and liabilities**	**Total carrying amount**	**Fair value**
Trade receivables	1,651,658	–	1,651,658	1,651,658
Other receivables	10,327	–	10,327	10,327
Short-term investments and restricted funds	8,075	–	8,075	8,075
Total assets	**1,670,060**	**–**	**1,670,060**	**1,670,060**
Current liabilities to credit institutions	–	200,000	200,000	200,000
Overdraft facilities	–	269,108	269,108	269,108
Trade payables	–	852,436	852,436	852,436
Other liabilities	–	29,138	29,138	29,138
Total liabilities	**–**	**1,350,682**	**1,350,682**	**1,350,682**

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
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**

Parent company 31 Dec 2010	**Loans and trade receivables**	**Other financial assets and liabilities**	**Total carrying amount**	**Fair value**
Current receivables from Group companies		1,552,446	1,552,446	1,552,446
Total assets	**–**	**1,552,446**	**1,552,446**	**1,552,446**
Non-current liabilities to Group companies	–	–	–	–
Current liabilities to credit institutions	–	200,000	200,000	200,000
Overdraft facilities	–	269,108	269,108	269,108
Current liabilities to Group companies	–	1,427,458	1,427,458	1,427,458
Current liabilities to parent company	–	29,138	29,138	29,138
Trade payables	–	726	726	726
Total liabilities	**–**	**1,926,430**	**1,926,430**	**1,926,430**

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	**–**	**719,242**	**719,242**	**719,242**

Amounts in SEK thousands unless otherwise stated.

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 refer 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 1 month (48), while the maturity of unused credits was 36 months (33) and of total granted credits 36 months (42).

Bravida's basic funding arrangement was renegotiated in 2010. 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 2010 were SEK 1,081 million (1,390). Out of the total available committed lines of credit, SEK 469 million (800) had been drawn. Total granted committed lines of credit are SEK 1,350 million (1,390).

Maturity structure of financial liabilities

Group 31 Dec 2010	2011	2012	2013	2014
Loans	200,000	–	–	–
Overdraft facilities	269,108	–	–	–
Trade payables	852,436	–	–	–
Other liabilities	29,138	–	–	–
Total	**1,350,682**	**–**	**–**	**–**

Group 31 Dec 2009	2010	2011	2012	2013
Loans	50,000	50,000	–	700,000
Trade payables	883,057	–	–	–
Other liabilities	210,359	–	–	–
Total	**1,143,416**	**50,000**	**–**	**700,000**

Parent company 31 Dec 2010	2011	2012	2013	2014
Loans	200,000	–	–	–
Overdraft facilities	269,108	–	–	–
Trade payables	726	–	–	–
Other liabilities	1,456,596	–	–	–
Total	**1,926,430**	**–**	**–**	**–**

Parent company 31 Dec 2009	2010	2011	2012	2013
Liabilities to Group companies	508,426	–	–	–
Trade payables	457	–	–	–
Other liabilities	210,359	–	–	–
Total	**719,242**	**–**	**–**	**–**

Credit facilities

Group 31 Dec 2010	Nominal	Drawn	Available
Bank loans	750,000	200,000	550,000
Overdraft facilities	600,000	269,108	330,892
Cash and cash equivalents	34,937		34,937
Liquidity reserve	**1,384,937**	**469,108**	**915,829**

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**

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 liabilities at 31 December 2010 were SEK 434 million (net asset 105). Total interest-bearing liabilities were SEK 469 million (800), of which SEK 200 million (50) refers to short-term loans and SEK 269 million (0) to utilisation of overdraft facilities. Decisions to fix interest rates 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 liability of SEK 434 million is 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.

Amounts in SEK thousands unless otherwise stated.

Note 28 Cont.

Fixed-rate period for used credits 31 Dec 2010

	Amount	Average effect interest rate, %	Share, %
2011	200,000	3.70	100
Total	**200,000**	**3.70**	**100**

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. Net financial income/expense for the year includes foreign exchange differences from financial exposures of SEK 0.5 million (0.7).

Financial exposure

Assets and liabilities in foreign currencies are translated at closing rates.

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	**2010-12-31**	**2009-12-31**
NOK	389,534	572,908
DKK	81,799	172,689

A 10 per cent strengthening of the Norwegian krona at 31 December 2010 would have a positive translation effect on equity of SEK 45 million. The same increase in the value of the Danish krona would have a positive translation effect on equity of SEK 10 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 -54 million (21).

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.

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 42 million (916).

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 3 million (6). There was no significant concentration of credit risks at the balance sheet date. Based on historical data, the Group makes the assessment that no impairment of trade receivables that are not yet due had occurred at the balance sheet date.

Trade receivables past due but not impaired

Carrying amount, not impaired receivables		
Group	**2010-12-31**	**2009-12-31**
Trade receivables not yet due	1,438,734	1,531,640
Trade receivables past due 1–15 days	165,408	148,922
Trade receivables past due 16-30 days	14,074	11,465
Trade receivables past due 31-60 days	24,915	25,515
Receivables past due > 60 days	8,528	26,183
Total	**1,651,659**	**1,743,725**

Impaired trade receivables		
Group	**2010-12-31**	**2009-12-31**
Opening balance	73,266	81,758
Change for the year	-7,749	-8,492
Closing balance	**65,517**	**73,266**

In other financial receivables there are no past due receivables.

Sensitivity analysis		
Group	**Change +– %**	**Effect on earnings before tax +– SEKm**
Sales	1 %	6
Operating margin	1 % point	103
Payroll costs	1 %	46
Materials and subcontractors	1 %	44
Share productive installer time	1 % point	55
Interest rate on loans	1 % point	4
Exchange rate DKK	10 % point	2
Exchange rate NOK	10 % point	9

Amounts in SEK thousands unless otherwise stated.

Note 29 Operating lease payments

	Group		Parent company	
	2010-01-01 –2010-12-31	2009-01-01 –2009-12-31	2010-01-01 –2010-12-31	2009-01-01 –2009-12-31
ASSETS HELD UNDER OPERATING LEASES				
Minimum lease payments	175,167	159,184	–	–
Variable payments	–	–	–	–
Total lease costs	**175,167**	**159,184**	**–**	**–**
BREAKDOWN OF LEASE PAYMENTS BY AGREEMENTS				
Lease payments, vehicles	167,586	148,311	–	–
Lease payments, IT	4,669	7,743	–	–
Lease payments, other	2,912	3,130	–	–
Total lease costs	**175,167**	**159,184**	**–**	**–**
FUTURE LEASE COMMITMENTS				
Nominal value of future minimum lease payments relating to non-cancellable contracts fall due for payment:				
- Within 1 year	120,813	109,662	–	–
- Between 1 and 5 years	160,616	129,816	–	–
- After 5 years	493	4	–	–
	281,922	**239,482**	**–**	**–**
FUTURE COMMITMENTS, RENT FOR PREMISES				
Nominal value of future commitments in respect of rent for premises fall due for payment:				
- Within 1 year	142,048	136,396	–	–
- Between 1 and 5 years	171,796	234,672	–	–
- After 5 years	42,423	63,650	–	–
	356,267	**434,718**	**–**	**–**

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	
	2010-12-31	2009-12-31	2010-12-31	2009-12-31
PLEDGED ASSETS				None
For own liabilities and provisions				
Property mortgages	1,800	1,800	–	–
Floating charges	1,165,800	866,741	–	–
Shares in subsidiaries	4,956,930	3,518,565	1,958,272	–
Funds, endowment policies	45,568	59,627	–	–
	6,170,098	**4,446,733**	**1,958,272**	**–**

The trade receivables of Bravida Norge AS have also been pledged.

Amounts in SEK thousands unless otherwise stated.

Note 30 Cont.

	Group		Parent company	
	2010-12-31	2009-12-31	2010-12-31	2009-12-31
CONTINGENT LIABILITIES				
For own liabilities and provisions				
Guarantee commitments, FPG/PRI	19,696	17,298	16,181	16,391
Guarantee commitments, SPP	–	–	186	269
	19,696	**17,298**	**16,367**	**16,660**

Note 31 Related parties

The Group is under a controlling influence from Scandinavian Installation Acquisition AB, the parent company of Bravida AB.

The Group is under a controlling influence from Triton Fund II. This fund is managed by Triton Managers and Triton Advisers. Collectively, their total indirect shareholding represents 87.8 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.

Bravida AB is the holder of the main account in the Group's account structure. This means that all companies which form part of the Group account structure have balances with Bravida AB. These balances have not been included below, nor has interest which is attributable to the fact that Bravida AB is the holder of the main account in the Group account structure.

	Group		Parent company	
	2010-12-31	2009-12-31	2010-12-31	2009-12-31
TRANSACTIONS WITH SCANDINAVIAN INSTALLATION ACQUISITION AB				
Purchases from Scandinavian Installation Acquisition AB	2,000	–	2,000	–
Dividend paid to Scandinavian Installation Acquisition AB	700,000	–	700,000	–
Group contribution made to Scandinavian Installation Acquisition AB	31,938	63,971	31,938	63,971
Liability to Scandinavian Installation Acquisition AB	29,138	210,359	29,138	210,359
	763,076	**274,330**	**763,076**	**274,330**
TRANSACTIONS WITH INVESTERINGSSÄLLSKAPET 1999 AB				
Sales to Investeringssällskapet 1999 AB	–	–	1,204	–
Dividend received from Investeringssällskapet 1999 AB	–	–	567,388	–
Group contribution received from Investeringssällskapet 1999 AB	–	–	213,195	–
	–	**–**	**781,787**	**–**
TRANSACTIONS WITH BRAVIDA AS				
Shareholder contribution made to Bravida AS	–	–	–	273,465
Dividend received from Bravida AS	–	–	294,401	–
	–	**–**	**294,401**	**273,465**
TRANSACTIONS WITH BRAVIDA INSTALLATION OCH SERVICE AB				
Sales to Bravida Installation och Service AB	–	–	–	3,139
Interest paid to Bravida Installation och Service AB	–	–	3,254	12,778
Group contribution received from Bravida Installation och Service AB	–	–	–	82,612
Liability to Bravida Installation och Service AB	–	–	–	228,453
	–	**–**	**3,254**	**323,843**
TRANSACTIONS WITH BRAVIDA SVERIGE AB				
Interest paid to Bravida Sverige AB	–	–	2,315	6,508
Liability to Bravida Sverige AB	–	–	–	279,973
	–	**–**	**2,315**	**286,481**

Amounts in SEK thousands unless otherwise stated.

	Group		Parent company	
	2010-12-31	2009-12-31	2010-12-31	2009-12-31
TRANSACTIONS WITH TRITON ADVISERS LTD.				
Purchases from Triton Advisers Ltd.	4,500	–	4,500	–
	4,500	**–**	**4,500**	**–**
TRANSACTIONS WITH TRITON MANAGERS II LTD.				
Purchases from Triton Managers II Ltd.	4,500	–	4,500	–
	4,500	**–**	**4,500**	**–**
TRANSACTIONS WITH TRITON MANAGERS LTD.				
Purchases from Triton Managers Ltd.	2	259	2	259
	2	**259**	**2**	**259**
TRANSACTIONS WITH TRITON ADVISERS (NORDIC) AB				
Purchases from Triton Advisers (Nordic) AB	14	–	14	–
	14	**–**	**14**	**–**

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.

Note 32 Interests in Group companies

Parent company	2010-12-31	2009-12-31
ACCUMULATED COST		
At beginning of year	3,054,739	4,221,076
Purchases	–	273,465
Sales	–	-1,439,802
	3,054,739	**3,054,739**
ACCUMULATED IMPAIRMENT		
At beginning of year	-1,096,467	-2,536,069
Sales	–	1,439,602
	-1,096,467	**-1,096,467**
Carrying amount at end of period	**1,958,272**	**1,958,272**

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

Amounts in SEK thousands unless otherwise stated.

Note 32 Cont.

Specification of interests in Group companies

				2010-12-31
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 Sverige AB, 556197-4188, Stockholm		20,000	100.0	2,321,843
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	7,570
Byggnads AB Konstruktör, 556012-3670, Örebro		6,000	100.0	360
Styltsnäppan AB, 556181-0812, Stockholm		9,500	100.0	1,140
Bravida Väst AB, 556200-3706, Gothenburg		20,000	100.0	2,182
AB Elektriska Jibex, 556451-3371, Sundsvall		1,000	100.0	213
Bravida El Stockholm AB, 556439-4681, Stockholm		30,000	100.0	58,727
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

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.

				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 33 Statement of cash flows

SEK millions	Note	Group 2010-01-01 -2010-12-31	Group 2009-01-01 -2009-12-31	Parent company 2010-01-01 -2010-12-31	Parent company 2009-01-01 -2009-12-31
INTEREST PAID AND DIVIDEND RECEIVED					
Dividend received		–	–	862	–
Interest received		22	22	38	0
Interest paid		-45	-45	-27	-19
ADJUSTMENTS FOR NON-CASH ITEMS ETC					
Depreciation/amortisation and impairment of assets	7, 10	15	26	–	–
Capital gain/loss on sale of operations/subsidiaries		0	–	–	–
Pension provisions		-60	-18	–	–
Change in provisions		-61	12	–	–
Non-cash interest expenses		–	–	–	18
		-106	**21**	**–**	**18**
UNUSED CREDITS					
Unused credit facilities were:	22	331	599	331	–

Note 34 Events after the balance sheet date

After the end of the reporting period Division Stockholm has acquired Ferax Projektstyrning AB while Division Norway has acquired A Halvorsen & Sönn AS, a heating & plumbing firm in Oslo. The acquisitions are in line with Bravida's strategy to grow in priority markets.

It has also been decided that Torbjörn Torell will step down as CEO after several successful years. He will be replaced by Mats O Paulsson, who is currently Managing Director of Strabag Scandinavia AB and was Deputy CEO of PEAB from 2000–2007 and Managing Director of PEAB Industri from 2007–2009. During his time at PEAB Industri Mats was in charge of the company's successful stock market listing. Mats has been a Director of Bravida since 2009. The change of CEO will take place in connection with the Annual General Meeting on 5 May.

Torbjörn Torell is proposed to remain on Bravida's Board of Directors.

Note 35 Significant assessments and estimates

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 2010 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 2011 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.

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, SE-126 81 Stockholm.

The consolidated financial statements for 2010 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.

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, 25 March 2011

Jan Åkesson Chairman	**Thomas Erséus** Director	**Lars-Ove Håkansson** Director
Magnus Lindquist Director	**Mats O Paulsson** Director	**Thomas Tarnowski** Director

Kjell Åkesson Director	**Torbjörn Torell** CEO

Jan-Erik Arvidsson Employee representative	**Øivind Fredriksen** Employee representative	**Anders Mårtensson** Employee representative	**Peter Sjöquist** Employee representative

Our audit report was submitted on 25 March 2011
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 25 March 2011. 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 5 May 2011.

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 2010. The company's annual accounts and consolidated financial statements are included in the printed version of this document on pages 34-77. 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, 25 March 2011
KPMG AB

Per Gustafsson
Authorised Public Accountant

Definitions

Financial definitions

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

Profit margin – Earnings after financial items, as a percentage of net sales.

Capital employed – Balance sheet total (total assets) less 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.

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

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. In other operations net sales is the same as billing for the year.

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.

Operational definitions

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

Service – Operations and maintenance
as well as minor adaptations to installations in buildings, plant and infrastructure.

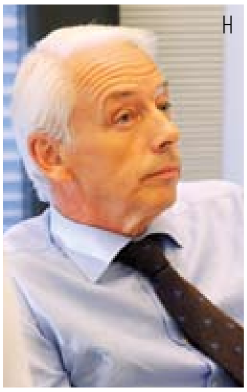
Number of employees – The average number of employees during the year, taking account of full-time and part-time jobs.

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

Heating & plumbing field of technology – Water, waste water, heating, sanitation, 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 2010



Jan Åkesson [A]
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 [B]
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 Polygon AB.

Lars-Ove Håkansson [C]
Role on the Board: Director
Elected to the Board: 2007
Year of birth: 1937
Other significant directorships: Director of Malmöhus Invest AB, Elite Hotels AB, Zeonda AB (Chairman), NeoDynamics AB (Chairman), Vasaholmen AB and Corps Consulaire en Suède (Deputy Chairman).

Thomas Tarnowski [D]
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 and Ambea AB.

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

Magnus Lindquist [F]
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 Polygon AB. Director of Ambea AB, Ovako AB and Micronic Mydata AB.

Mats O Paulsson [G]
Managing Director of Strabag Scandinavia AB
Role on the Board: Director
Elected to the Board: 2009
Year of birth: 1958
Other significant directorships: Director of Paroc OY and Bösarps Grus och Torrbruk AB.

Kjell Åkesson [H]
Role on the Board: Director
Elected to the Board: 2010
Year of birth: 1949
Other significant directorships: Chairman of Gullbergs AB and Director of Ballingslöv AB, Inwido AB and Ferronordic Machines AB.

Employee representatives

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

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

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

Øivind Fredriksen [not in photo]
Title/profession: Installer – The Norwegian Confederation of Trade Unions (LO)
Elected to the Board: 2007
Year of birth: 1959

Senior management 2010

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

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

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

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

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

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

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

Petter Håkanson [H]
Head of Business Development,
IT and Communications
Year of birth: 1967
Year of employment: 2005

Anders Meldalen [I]
Talent Manager
Year of birth: 1970
Year of employment: 2009

Addresses

Head office
Bravida AB
126 81 Stockholm
Visiting address:
Mikrofonvägen 28
Sweden
Telephone: +46 8 695 20 00
www.bravida.se

Division North
Bravida Sverige AB
Box 786
SE-851 22 SUNDSVALL
Visiting address:
Ortviksvägen 2
Sweden
Telephone: +46 60 66 39 00

Division Stockholm
Bravida Sverige AB
SE-126 81 STOCKHOLM
Visiting address:
Mikrofonvägen 28
Sweden
Telephone: +46 8 695 20 00

Division South
Bravida Sverige AB
Box 286
SE-421 23 VÄSTRA FRÖLUNDA
Visiting address:
J A Wettergrens gata 5
Sweden
Telephone: +46 31 709 51 30

Division Norway
Bravida Norge AS
Postboks 103 Økern
0509 Oslo
Norway
Visiting address:
Økernveien 94
Telephone: +47 2404 80 00
www.bravida.no

Division Denmark
Bravida Danmark A/S
Park Allé 373
2605 Brøndby
Denmark
Telephone: +45 4322 1100
www.bravida.dk

Idea, graphic form and printed by: Intellecta Infolog
Production: Bravida in partnership with Oxenstierna & Partners AB

MILJÖMÄRKT Trycksak 341077