



## Interim report January 1 – September 30, 2009

- Net sales declined 18%\* to SEK 309 M (360). Order bookings declined about 20%\* to SEK 307 M (365). Order bookings improved during the third quarter compared with the second quarter.
- Operating profit totalled SEK 5.8 M (35.5). Capacity-adjustment costs were charged of SEK 3.3 M against earnings. To date in 2009, combined actions leading to cost reductions equivalent to annual savings of SEK 30 M have been implemented.
- Improved earnings trend in business area Precision Technology.
- Cash flow from operating activities amounted to SEK 17.9 M (38.3).
- A loss after financial items of SEK 1.2 M (26.0) was reported.
- Profit after tax amounted to SEK 0.3 M (18.6), corresponding to earnings of SEK 0.05 (3.08) per share.

### **President Göran Brorsson's comments:**

*“The inventory status of Elos’ customers and uncertainties regarding the market trend continued to adversely impact the Group’s volume trend. This resulted in smaller orders being placed and the deferral of deliveries, which led to a weaker-than-expected performance in the third quarter. At the same time, efforts to improve our market position in Medical Technology led to Elos phasing in a disproportionately large share of new products. This is creating a platform for growth in 2010.”*

	<b>July-Sept 2009</b>	July-Sept 2008	<b>Jan-Sept 2009</b>	Jan-Sept 2008	<b>Oct-Sept 2008/2009</b>	Jan-Dec 2008
Net sales, SEK M	<b>87.8</b>	122.1	<b>309.5</b>	360.1	<b>448.8</b>	499.4
Growth, % *	<b>-30.0</b>	22.7	<b>-18.0</b>	15.4	<b>-10.4</b>	11.3
Operating profit, SEK M	<b>2.8</b>	10.5	<b>5.8</b>	35.5	<b>20.6</b>	50.3
Operating margin, %	<b>3.1</b>	8.7	<b>1.9</b>	9.9	<b>4.6</b>	10.1
Profit/loss after financial items	<b>0.8</b>	7.1	<b>-1.2</b>	26.0	<b>9.8</b>	37.0
Profit after tax	<b>0.1</b>	5.0	<b>0.3</b>	18.6	<b>9.6</b>	27.9
Earnings per share before dilution, SEK	<b>0.02</b>	0.84	<b>0.05</b>	3.08	<b>1.59</b>	4.62

\* Adjusted for exchange-rate fluctuations

The Group is active in two business areas – Medical Technology and Precision Technology. The emphasis is on Medical Technology.

The Elos B share is classified among companies in the Health Care sector on Nasdaq OMX Stockholm AB. The company's name was changed during 2008 from AB Westergyllen to Elos AB following a resolution by the Annual General Meeting.

### Invoicing and earnings, third quarter 2009

The Group's net sales declined during the third quarter to SEK 88 M (122), which is below previous expectations. Adjusted for exchange-rate fluctuations, sales were SEK 38 M lower than in the year-earlier period. The market scenario was characterized by uncertainty, which led to customers delaying their orders and reducing the size of orders placed to adjust their inventory balances. Order bookings increased compared with the second quarter and amounted to SEK 113 M (115).

Operating profit totalled SEK 2.8 M (10.5). Additional cost adjustments were implemented. Comprehensive maintenance work was conducted during the quarter. Work on a number of new customer projects during the quarter had an adverse impact on efficiency. The Group's net financial items improved and amounted to an expense of SEK 2.0 M (expense: 3.7). Profit after financial items totalled SEK 0.8 M (7.1).

Profit after tax was SEK 0.1 M (5.0), corresponding to earnings of SEK 0.02 (0.84) per share before dilution.

### Invoicing and earnings, January – September 2009

The Group's net sales declined to SEK 309 M (360). Adjusted for exchange-rate fluctuations, sales were about SEK 68 M lower than in the year-earlier period. Order bookings declined and totalled SEK 307 M (365), down about 20% adjusted for exchange-rate effects.

Operating profit was SEK 5.8 M (35.5). The decline was primarily attributable to lower volumes. The implemented capacity adjustments had the desired impact during the second and third quarters. Implemented cost adjustments correspond to annual cost reductions of about SEK 30 M. The Group's net financial items amounted to an expense of SEK 7.0 M (expense: 9.5). The Group posted a loss of SEK 1.2 M (profit: 26.0) after net financial items.

Profit after tax was SEK 0.3 M (18.6), corresponding to earnings of SEK 0.05 (3.08) per share before dilution.

### Medical Technology

This business area consists of the units Elos Medical and Elos Pinol. Combined, these units constitute one of Europe's leading development and production partners in precision products used in medical technology and components, such as dental and orthopaedic implants and instruments.

SEK M	July-Sept 2009	July-Sept 2008	Jan-Sept 2009	Jan-Sept 2008	Oct-Sept 2008/2009	Jan-Dec 2008
Net sales	49.6	72.8	183.8	221.6	269.3	307.1
Growth, % *	-34.8	14.8	-23.1	12.8	-14.5	7.4
Operating profit/loss	-1.1	7.3	3.2	26.2	13.4	36.4
Operating margin, %	-2.2	10	1.7	11.8	5.0	11.9

Medical Technology, which is a prioritized growth area in the Group, has been negatively affected during the year to date by decreased demand from customers that adapted inventory levels to a weaker demand scenario. The underlying demand situation varied between the different prioritized market segments. Growth in market segments that are financed in full or in part by the consumer, such as dental implants and hearing aids, was affected by general trends, while areas in which public healthcare services carry the costs were affected to a lesser extent.

The orthopaedic segment, Trauma and Spine, showed stable demand. Elos Medical continued its work to develop business relations with several new customers that have significant growth potential in the area of orthopaedics, which resulted in a significant number of new product introductions during the third quarter.

This will also affect upcoming quarters. The diabetes segment also showed a stable and favourable trend. The dental segment continued to show sharp variations in demand, which had a negative impact on Elos Pinol's delivery and earnings trends. As a consequence, measures were implemented during the first quarter to adapt costs to a weaker volume trend. Additional cost adjustments were implemented during the second quarter.

Net sales amounted to SEK 183.8 M (221.6), down 17% adjusted for exchange-rate fluctuations. The decline in volume was primarily due to Dental and Sound & Vibration. Order bookings amounted to SEK 177.3 M (219.4), down about 25% adjusted for exchange-rate fluctuations. Order bookings in the third quarter improved compared with the second quarter. Lower capacity utilization, costs related to new product launches and costs for capacity adjustments had an adverse impact on operating profit, which totalled SEK 3.2 M (26.2). Adjusted for capacity-adjustment costs of SEK 2.1 M, the operating margin amounted to 4.4% (11.8).

#### *Precision Technology*

The business area comprises the Elos Precision and Elos Fixturlaser units. Elos Precision specializes in the manufacture of small complex components subject to stringent precision and quality requirements. Elos Fixturlaser manufactures and markets laser-based alignment and positioning systems.

SEK M	<b>Jul-Sept 2009</b>	Jul-Sept 2008	<b>Jan-Sept 2009</b>	Jan-Sept 2008	<b>Oct-Sept 2008/2009</b>	Jan-Dec 2008
Net sales	<b>38.7</b>	49.4	<b>126.9</b>	139.5	<b>181.6</b>	194.2
Growth, %	<b>-21.7</b>	34.6	<b>-9.0</b>	18.4	<b>-3.4</b>	16.6
Operating profit	<b>5.5</b>	5.0	<b>8.2</b>	14.6	<b>14.6</b>	21.0
Operating margin, %	<b>14.2</b>	10.1	<b>6.5</b>	10.5	<b>8.0</b>	10.8

The Precision Technology business area presents a fragmented picture. The portion of operations related to the energy sector (turbines, offshore and wind power) continued to experience satisfactory demand. Other market segments (process and engineering industries) were affected tangibly by the general market trend.

For Elos Precision, this meant that the turbine and offshore segments continued to perform favourably. Other market segments showed a very weak trend, thus requiring the implementation of additional measures in the form of staff reductions to adjust costs to prevailing volume trends. These measures have achieved their intended effect. Elos Fixturlaser's order bookings were also negatively affected by the general market trend. The demand scenario improved somewhat during the third quarter. Two new products will be launched during the fourth quarter.

Net sales for the business area amounted to SEK 126.9 M (139.5). Order bookings improved during the third quarter and amounted to SEK 129.5 M (146.0). Operating profit fell to SEK 8.2 M (14.6). The decline was primarily due to lower volumes, uneven capacity utilization and costs for capacity adjustments. Adjusted for capacity-adjustment costs of SEK 1.1 M, the operating margin was 7.3% (10.5).

#### **Investments**

The Group's investments in buildings, land, machinery and equipment totalled SEK 34.4 M (32.0). Most of these investments, SEK 21.2 M (5.6), were attributable to Elos Precision and the turbine segment. In addition, SEK 3.7 M (2.2) was invested in capitalized development expenditures.

#### **Financial position and liquidity**

A decline in current assets led to a reduction of SEK 27 M in the Group's total assets, which totalled SEK 544 M (571).

Consolidated shareholders' equity amounted to SEK 189 M (199). Shareholders' equity per share amounted to SEK 30.74 (32.91). Risk-bearing shareholders' equity amounted to SEK 215 M (229) on September 30, 2009, or 39.5% (40.0) of total capital. The Group's equity/assets ratio was 34.2% (34.9).

The Group's cash flow from operating activities has increased gradually during the year and amounted to SEK 17.9 M (38.3). Cash flow after investments and sales of fixed assets amounted to SEK 6.0 M (25.1).

The Group's net borrowing increased and amounted to SEK 243 M (226). The Group's cash and cash equivalents, including unutilized overdraft facilities, totalled SEK 81.2 M (109.8) on September 30, 2009.

### **Human resources**

The number of employees has declined to date during the year, and on September 30, 2009, the Group had 333 (375) full-time employees.

### **Convertibles program**

The Annual General Meeting of Elos AB of April 28, 2008, approved the Board's motion to issue a maximum of 200,000 convertibles in a nominal maximum amount of SEK 16,000,000, with a lifetime extending from July 1, 2008, through June 30, 2011. Notwithstanding the preferential rights of shareholders, the right to subscribe for the convertibles accrued to persons who at the expiration of the subscription period were permanently employed in the Group. Employees in the Elos Group have subscribed for convertibles in a total amount of SEK 13,920,000, corresponding to 185,600 convertibles at a conversion price of SEK 75. If all convertibles are converted to shares, the dilution effect will be 3.1% of the share capital and 1.2% of the voting rights, based on the current number of registered shares. The interest rate on the convertibles is set at 4.45%. During the period from May 1 to June 15, 2011, each convertible may be converted to one Series B share in Elos. Transactions in conjunction with the convertibles were conducted in July 2008 and are included in the Group's subsequent reporting. The equity share was calculated according to IAS 32.

### **Parent Company**

In addition to central management issues, the Parent Company also provides Group-wide support activities, such as technical support, finance and financial control.

The Parent Company's net sales amounted to SEK 3.1 M (2.9). Earnings after financial items amounted to SEK 12.1 M (1.7), which includes an intra-Group dividend of SEK 23.3 (7.5) and a currency loss of SEK 5.0 M (gain: 0.1) from hedging of a net investment in foreign operations.

The share of risk-bearing equity was 74.9% (70.2). The equity/assets ratio amounted to 74.7% (70.0). Parent Company's cash and cash equivalents including unutilized overdraft facilities amounted to SEK 72.4 M (56.3).

### **Significant risks and uncertainties**

The Group's significant risks and uncertainties include business risks associated with customers and suppliers and other external factors, such as risks related to the prices of input goods. In addition, there are financial risks associated with changes in exchange and interest rates. A detailed description of the Group's risks and uncertainty factors, and of how they are managed, is presented in the Board of Directors' Report in the 2008 Annual Report.

### **Accounting principles**

The consolidated accounts for the first quarter of 2009, like the year-end accounts for 2008, were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the Swedish Annual Accounts Act. The Parent Company's accounts were prepared in accordance with the Annual Accounts Act and recommendation RFR 2.2 Reporting of Legal Entities issued by the Swedish Financial Reporting Board.

This interim report was prepared in accordance with IAS 34. The term IFRS in this document includes application of both IAS and IFRS, as well as interpretations of these standards as published by the IASB's Standards Interpretation Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

The Group applies the same accounting principles as those described in the 2008 annual report with the following exceptions due to new or revised standards, interpretations and improvements adopted by the EU that must be applied as of January 1, 2009. Only those changes that affected the Group are included in this description. Further details relating to new standards are provided in the 2008 annual report.

#### **New or revised standards**

##### *IFRS 8 Operating Segments*

Implementation of IFRS 8 did not result in any segments other than those reported as primary in accordance with IAS 14.

##### *Revised IAS 1 Presentation of Financial Reports*

This standard introduces the concept "Statement of comprehensive income", which presents all income and expense items that were previously recognized in the statement of equity, either as a separate statement or in two connected statements. The Group has elected to present the statement of comprehensive income in two connected statements.

#### **Forecast 2009**

Given the prevailing demand scenario, customers are prioritizing the adjustment of inventory levels. This has and will continue to impact the Group's volume trend. The underlying demand in Medical Technology is deemed stable. The implemented cost reductions will continue to generate positive effects.

#### **Financial information 2009**

The 2009 Year-end report will be published on February 25, 2010.

Lidköping, October 23, 2009

Göran Brorsson  
President

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The information in this interim report is of the kind that Elos has to disclose pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act.  
The information was made public on October 23, 2009 at 08.00 a.m. (CET).

## CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

SEK M	<b>Jul/Sep 2009</b>	Jul-Sep 2008	<b>Jan-Sep 2009</b>	Jan-Sep 2008	<b>Oct-Sep 2008/2009</b>	Jan-Dec 2008
Net sales	<b>87,8</b>	122,1	<b>309,5</b>	360,1	<b>448,8</b>	499,4
Cost of goods sold	<b>-66,7</b>	-91,1	<b>-238,7</b>	-259,6	<b>-339,3</b>	-360,2
<b>Gross profit</b>	<b>21,1</b>	31,0	<b>70,8</b>	100,5	<b>109,5</b>	139,2
Selling expenses	<b>-5,5</b>	-6,0	<b>-19,2</b>	-19,8	<b>-26,3</b>	-26,9
Administration expenses	<b>-9,0</b>	-10,0	<b>-32,6</b>	-32,8	<b>-45,7</b>	-45,9
Development expenses	<b>-3,9</b>	-4,6	<b>-14,2</b>	-13,7	<b>-19,4</b>	-18,9
Other operating income/expenses	<b>0,1</b>	0,1	<b>1,0</b>	1,3	<b>2,5</b>	2,8
<b>Operating profit</b>	<b>2,8</b>	10,5	<b>5,8</b>	35,5	<b>20,6</b>	50,3
Financial income	<b>0,0</b>	0,3	<b>0,3</b>	1,0	<b>0,7</b>	1,4
Financial expenses	<b>-2,0</b>	-3,7	<b>-7,3</b>	-10,5	<b>-11,5</b>	-14,7
<b>Result after financial items</b>	<b>0,8</b>	7,1	<b>-1,2</b>	26,0	<b>9,8</b>	37,0
Taxes	<b>-0,7</b>	-2,1	<b>1,5</b>	-7,4	<b>-0,2</b>	-9,1
<b>Result for the period</b>	<b>0,1</b>	5,0	<b>0,3</b>	18,6	<b>9,6</b>	27,9
<b>Result attributable to:</b>						
Equity holders of the parent	<b>0,1</b>	5,0	<b>0,3</b>	18,6	<b>9,6</b>	27,9
<b>Statements of comprehensive income</b>						
<b>Result for the period</b>	<b>0,1</b>	5,0	<b>0,3</b>	18,6	<b>9,6</b>	27,9
<b>Other comprehensive income</b>						
Translation difference	<b>-6,4</b>	2,7	<b>-7,1</b>	2,7	<b>4,1</b>	13,9
Hedging of net investment	<b>3,0</b>	-1,8	<b>2,8</b>	-2,4	<b>-2,8</b>	-8,0
<b>Total comprehensive income</b>	<b>-3,3</b>	5,9	<b>-4,0</b>	18,9	<b>10,9</b>	33,8
<b>Result attributable to:</b>						
Equity holders of the parent	<b>-3,3</b>	5,9	<b>-4,0</b>	18,9	<b>10,9</b>	33,8
EBITDA	<b>12,1%</b>	15,3%	<b>10,5%</b>	16,7%	<b>12,8%</b>	17,0%
EBIT	<b>3,2%</b>	8,7%	<b>1,9%</b>	9,9%	<b>4,6%</b>	10,1%
Depreciation charged against earnings	<b>7,8</b>	8,1	<b>26,8</b>	24,5	<b>36,7</b>	34,4
Earnings per share (SEK) before dilution	<b>0:02</b>	0:84	<b>0:05</b>	3:08	<b>1:59</b>	4:62
Earnings per share (SEK) after dilution**	<b>0:02</b>	0:83	<b>0:05</b>	3:07	<b>1,54</b>	4:58
Number of shares (thousands) before dilution	<b>6 051</b>	6 051	<b>6 051</b>	6 051	<b>6 051</b>	6 051
Number of shares (thousands) after dilution**	<b>6 237</b>	-	<b>6 237</b>	-	<b>6 237</b>	6 144
Number of shares end of period (thousands)	<b>6 051</b>	6 051	<b>6 051</b>	6 051	<b>6 051</b>	6 051

\*\* Considerations to convertibles issued 2008-07-01

## CONDENSED CONSOLIDATED BALANCE SHEET

SEK M	2009-09-30	2008-09-30	2008-12-31
<b>Assets</b>			
Intangible fixed assets	54,7	50,6	57,3
Tangible fixed assets	250,0	240,3	251,9
Financial fixed assets	0,0	0,0	0,0
Other current assets	212,8	223,6	219,5
Cash and bank balances	24,8	33,1	41,2
Asset for sale	1,5	1,5	1,5
<b>Total assets</b>	<b>543,8</b>	<b>549,1</b>	<b>571,4</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	186,0	184,2	199,1
Long-term liabilities	231,1	232,7	238,9
Current liabilities	126,7	132,2	133,4
<b>Total shareholders' equity and liabilities</b>	<b>543,8</b>	<b>549,1</b>	<b>571,4</b>

## KEY FIGURES

SEK M		Jan-Sep 2009	Jan-Sep 2008	Jan-Dec 2008
Return on capital employed	%	1,8	11,1	11,6
Return on shareholders' equity	%	0,2	13,9	15,0
Share of risk-bearing capital	%	39,5	37,7	40,0
Equity/assets ratio	%	34,2	33,6	34,9
Net debt	SEK M	243,3	235,3	225,8
Investments excluding shares	SEK M	34,4	34,2	44,7
Number of employees		354	374	368
Shareholders' equity per share	SEK	30,74	30,45	32:91
Dividends	SEK	1:50	1:50	1:50

## CHANGES IN SHAREHOLDERS' EQUITY

SEK M	30 Sep 2009	31 Dec 2008
Opening balance	199,1	174,4
Dividends	-9,1	-9,1
Total earnings	-4,0	33,8
<b>Closing balance, shareholders' equity</b>	<b>186,0</b>	<b>199,1</b>

## CONSOLIDATED CASH FLOW STATEMENT

SEK M	<b>Jul-Sep 2009</b>	Jul-Sep 2008	<b>Jan-Sep 2009</b>	Jan-Sep 2008	<b>Oct-Sep 2008/2009</b>	Jan-Dec 2008
Profit after net financial items	0,8	7,1	-1,2	26,0	9,8	37,0
Adjustment items	8,0	8,0	27,9	24,1	37,6	33,8
Income tax paid	-2,0	-1,5	-3,8	-4,5	-0,1	-0,8
Change in working capital	3,1	2,0	-5,0	-7,3	11,4	-0,3
<b>Cash flow from remaining operations</b>	<b>9,9</b>	15,6	<b>17,9</b>	38,3	<b>58,7</b>	69,7
Investments in other fixed assets	-2,2	-1,2	-12,0	-14,8	-16,1	-18,9
Sales of other fixed assets	0,0	1,2	0,1	1,6	1,6	3,1
<b>Balance after investments in fixed asse</b>	<b>7,7</b>	15,6	<b>6,0</b>	25,1	<b>44,2</b>	53,9
Change in interest-bearing loans	-6,8	-7,2	-13,3	-3,7	-43,4	-24,4
Dividends	0,0	0,0	-9,1	-9,1	-9,1	-9,1
<b>Cash flow for the period</b>	<b>0,9</b>	8,4	<b>-16,4</b>	12,3	<b>-8,3</b>	20,4
Liquid funds at beginning of the year	23,9	24,7	41,2	20,8	33,1	20,8
Exchanges-rate differences in liquid funds	0,0	0,0	0,0	0,0	0,0	0,0
<b>Liquid funds at end of the period</b>	<b>24,8</b>	33,1	<b>24,8</b>	33,1	<b>24,8</b>	41,2

## NET SALES AND OPERATING PROFIT/LOSS PER BUSINESS AREA

SEK M	<b>Jul-Sep 2009</b>	Jul-Sep 2008	<b>Jan-Sep 2009</b>	Jan-Sep 2008	<b>Oct-Sep 2008/2009</b>	Jan-Dec 2008
<b>Net sales</b>						
Medical Technology	49,6	72,8	183,8	221,6	269,3	307,1
Precision Technology	38,7	49,4	126,9	139,5	181,6	194,2
Other	-0,5	-0,1	-1,2	-1,0	-2,1	-1,9
<b>Total</b>	<b>87,8</b>	122,1	<b>309,5</b>	360,1	<b>448,8</b>	499,4

SEK M	<b>Jul-Sep 2009</b>	Jul-Sep 2008	<b>Jan-Sep 2009</b>	Jan-Sep 2008	<b>Oct-Sep 2008/2009</b>	Jan-Dec 2008
<b>Operatin profit/loss</b>						
Medical Technology	-1,1	7,3	3,2	26,2	13,4	36,4
Precision Technology	5,5	5,0	8,2	14,6	14,6	21,0
Other	-1,6	-1,8	-5,6	-5,3	-7,4	-7,1
<b>Total</b>	<b>2,8</b>	10,5	<b>5,8</b>	35,5	<b>20,6</b>	50,3



## QUARTERLY FIGURES - GROUP

	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
SEK M	2009	2009	2009	2008	2008	2008	2008	2007	2007	2007	2007
Net sales	87,8	110,0	111,7	139,3	122,1	122,7	115,3	120,8	99,5	110,9	101,6
Cost of goods sold	-66,7	-83,0	-89,0	-100,6	-91,1	-87,7	-80,8	-82,5	-68,1	-79,9	-71,2
<b>Gross profit</b>	<b>21,1</b>	27,0	22,7	38,7	31,0	35,0	34,5	38,3	31,4	31,0	30,4
Selling adm. and developm.expens.	-18,4	-24,0	-23,6	-25,4	-20,6	-23,7	-22,0	-23,5	-18,6	-20,9	-21,5
Other operating items	0,1	0,8	0,1	1,5	0,1	0,9	0,3	0,5	1,5	1,3	0,2
<b>Operating profit/loss</b>	<b>2,8</b>	3,8	-0,8	14,8	10,5	12,2	12,8	15,3	14,3	11,4	9,1
Net financial items	-2,0	-2,3	-2,7	-3,8	-3,4	-3,1	-3,0	-3,6	-3,5	-3,2	-2,5
<b>Profit/loss after financial items</b>	<b>0,8</b>	1,5	-3,5	11,0	7,1	9,1	9,8	11,7	10,8	8,2	6,6
Taxes	-0,7	-0,5	2,7	-1,7	-2,1	-2,5	-2,8	-2,1	-3,1	-2,3	-1,9
<b>Profit/loss after taxes for remaining operations</b>	<b>0,1</b>	1,0	-0,8	9,3	5,0	6,6	7,0	9,6	7,7	5,9	4,7

## QUARTELY FIGURES - BUSINESS AREAS

Net sales	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
SEK M	2009	2009	2009	2008	2008	2008	2008	2007	2007	2007	2007
Medical Technology	49,6	66,6	67,6	85,5	72,8	78,8	70,0	73,2	63,4	71,2	61,8
Precision Technology	38,7	43,7	44,5	54,7	49,4	44,6	45,5	48,8	36,7	40,3	40,8
Other	-0,5	-0,3	-0,4	-0,9	-0,1	-0,7	-0,2	-1,2	-0,6	-0,6	-1,0
<b>Total remaining operations</b>	<b>87,8</b>	110,0	111,7	139,3	122,1	122,7	115,3	120,8	99,5	110,9	101,6
<b>Operating profit/loss</b>	<b>Q3</b>	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
SEK M	2009	2009	2009	2008	2008	2008	2008	2007	2007	2007	2007
Medical Technology	-1,1	4,1	0,2	10,2	7,3	9,6	9,3	10,2	9,9	11,7	8,1
Precision Technology	5,5	1,7	1,0	6,4	5,0	4,6	5,0	6,4	5,9	1,1	2,2
Other	-1,6	-2,0	-2,0	-1,8	-1,8	-2,0	-1,5	-1,3	-1,5	-1,4	-1,2
<b>Total remaining operations</b>	<b>2,8</b>	3,8	-0,8	14,8	10,5	12,2	12,8	15,3	14,3	11,4	9,1

**PARENT COMPANY INCOME STATEMENT**

SEK	Jul-sep 2009	Jul-Sep 2008	Jan-Sep 2009	Jan-Sep 2008	Oct-Sep 2008/2009	Jan-Dec 2008
Net sales	0,8	0,7	3,1	2,9	4,2	4,0
Cost of goods sold	0,0	0,0	0,0	0,0	0,0	0,0
<b>Gross profit</b>	<b>0,8</b>	0,7	<b>3,1</b>	2,9	<b>4,2</b>	4,0
Administration expenses	-2,3	-2,4	-8,6	-8,0	-11,3	-10,7
Other operating income/expenses	0,0	0,0	0,0	0,0	0,0	0,0
<b>Operating profit</b>	<b>-1,5</b>	-1,7	<b>-5,5</b>	-5,1	<b>-7,1</b>	-6,7
Result fr. participations in group comp.	0,0	0,0	23,3	7,5	23,3	7,5
Financial income	1,8	0,5	2,2	1,6	2,8	2,2
Financial expenses	-0,4	-0,9	-7,9	-2,3	-8,7	-3,1
<b>Result after financial items</b>	<b>-0,1</b>	-2,1	<b>12,1</b>	1,7	<b>10,3</b>	-0,1
Taxes	0,0	0,6	2,9	1,6	3,4	2,1
<b>Result of the year</b>	<b>-0,1</b>	-1,5	<b>15,0</b>	3,3	<b>13,7</b>	2,0

**PARENT COMPANY BALANCE SHEET**

SEK	2009-09-30	2008-09-30	2008-12-31
<b>Assets</b>			
Tangible fixed assets	0,4	0,4	0,4
Financial fixed assets	139,8	139,9	139,8
Other current assets	32,4	29,9	20,2
Cash and bank balances	22,4	27,5	39,1
<b>Total assets</b>	<b>195,0</b>	197,7	199,5
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	144,7	134,5	138,7
Untaxed reserves	1,4	1,4	1,4
Provision	5,5	5,7	5,4
Long-term liabilities	27,5	34,9	33,1
Current liabilities	15,9	21,2	20,9
<b>Total shareholders' equity and liabilities</b>	<b>195,0</b>	197,7	199,5

## Review Report

### Introduction

We have reviewed the interim report for Elos AB for the period from January 1, 2009 to September 30, 2009. It is the Board of Directors and the Managing Director who are responsible for the presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### The Scope of the Review

We conducted our review in accordance with the Standard on review Engagements, SÖG 2410, *Review of the Interim Financial Information performed by the Independent Auditor of the Entity*, issued by the Federation of Authorized Public Accountants. A review of the interim report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope compared to an audit conducted according to Standards on Auditing in Sweden (RS) and other generally accepted auditing practices.

The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Accordingly, the conclusion expressed based on a review does not constitute the same level of assurance as a conclusion based on an audit.

### Conclusion

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

Göteborg, October 23, 2009

Ernst & Young AB  
Björn Grundvall  
Certified Public Accountant