

Årsstämma
5 april 2006

Olof Sand
CEO



PROACT

Company update



PROACT

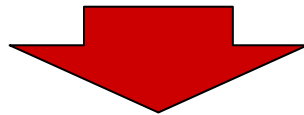
Position

PROACT is specialised in managing, securing and storing large volumes of mission critical information. As an independent integrator, we deliver systems, consulting services and support in the area of data storage, complemented by broad competence in the field of IT infrastructure.

- We secure mission critical information -

Status

- ✓ Turn around
- ✓ New cost structure
- ✓ Profitable



Next Step

- Growth with profit
- More value add
- Cost control

Storage market drivers

Political drivers

- SOX
- EU regulations

Economical drivers

- Efficiency
- Recovery

Business drivers

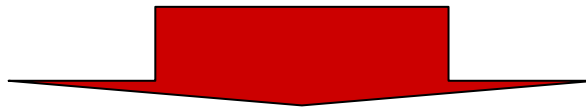
- Data management
- Information management
- Knowledge management

Technological drivers

- New solutions
- New standards

Trends

- Data volumes grows with 30-40% per year
- Hardware – increasing volumes with flat growth in money caused by “better and cheaper”
- Services – in total 5% annual growth
- Software – between 5 an 30% annual growth, in average 7-8%



Growth is created through:

- Do more of the same thing -
- Increased Value Add through more services and software -

Storage Management Technology Heat Index vs. Technology Adoption Index

(Source: The Info Pro, Nov. 2005)

Technology	Heat Score	Adoption Score	
PROACT Information Lifecycle Management	100	28	Verktyg för informationshantering
PROACT Policy-based Archiving	76	30	
PROACT Email Management and Archiving Tools	73	69	
PROACT Online Data Migration Software / Data Mobility Tools	71	40	
PROACT ILM - Tiers of Storage	66	73	
PROACT Data Classification / Categorization	63	27	
PROACT Storage Resource Management (SRM)	62	91	
PROACT Capacity Planning and Forecasting	62	70	
PROACT Hierarchical Storage Management (HSM)	60	34	
PROACT Block Virtualization (Structured Data)	53	8	Effektivare IT-drift
PROACT Automated Storage Provisioning	52	13	
PROACT SMIS Standard Compliant Management Software	49	29	
PROACT Disk-to-Disk (for backup to disk targets)	41	95	Övrigt
PROACT Data Encryption Software	39	5	
PROACT File Virtualization (Unstructured Data)	36	0	
PROACT SAN Discovery and Topology Mapping	35	100	
PROACT Global / Cluster / Distributed File Systems	23	19	
PROACT Continuous Data Protection	14	7	
PROACT Storage Security Software	2	2	
Integration with System and Network Management	0	2	

Comment:

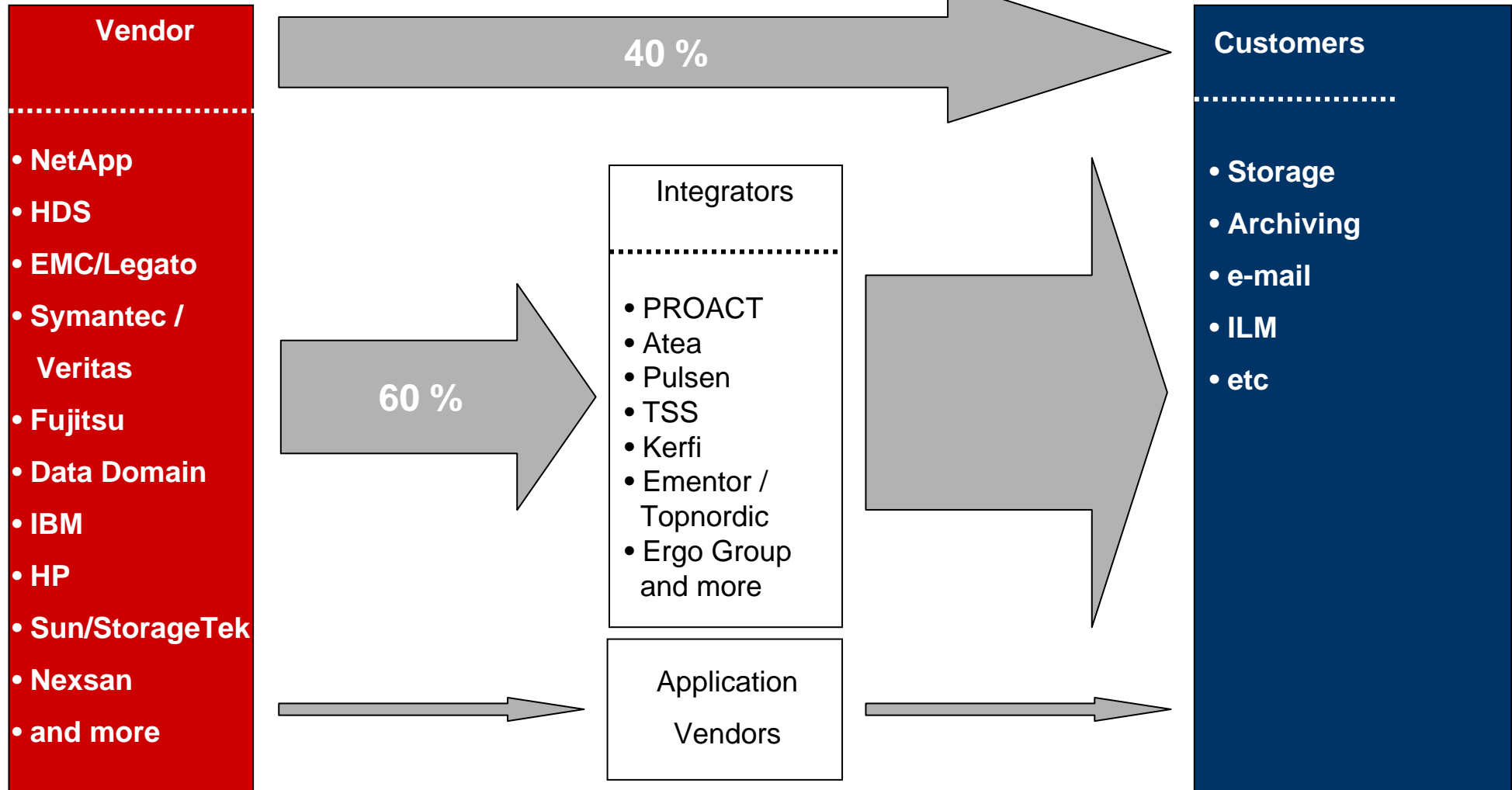
ILM is lower on adoption but high on heat.

This can be explained when you think of ILM as a portfolio of services



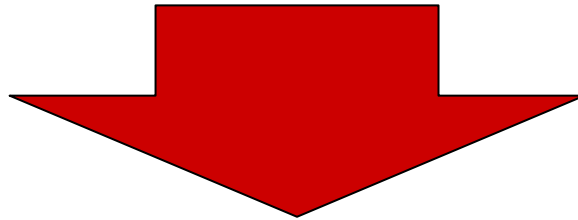
The Nordic Enterprise Storage Market (770 M€)

(Source: IDC)



Everyone wants to deal with a specialist

We combine our specialist knowledge with deep knowledge of surrounding systems and solutions



The combination is the key

Examples of combination

- E-mail and Archiving at TietoTapiola: Technology competence to combine enterprise vault and NetApp
- Archiving solution at Studentlitteratur: Own software Ptwo, prepress market knowledge & archiving expertise
- Archiving solution for Landscape Egypt: Practice and industry knowledge, expertise in database design and software development
- Archiving of medical images at Hemit: Expertise in tiered storage

Industry Focus

- Focus program within Telecom and Media
 - Helps us to understand the customer needs
 - Helps us to design the right solution
 - Helps us to expand our customer base

Partners / Vendors

- **PROACT** will continuously develop its portfolio of strategic vendors
 - Big and market leaders in their respective areas
 - Niche vendors coming with improved technologies
- **NetApp:** Market leader within NAS
- **EMC:** Broad vendor within Storage
- **Sun / StorageTek:** Strong vendor within Servers and Storage
- **Hitachi:** Focused vendor within Storage
- **Symantec:** Broad software vendor within Storage and Security
- **DataDomain:** Niche vendor within Storage. New technologies
- **Nexsan:** Focused vendor within Storage

Working close to the customer creates knowledge and flexibility



Financial update



PROACT

Income statement Q4-2005

(Mkr)	Q4 2005	Q4 2004
System Sales	133	147
Services	83	103
Other revenue	1	1
Revenue	217	251
Gross Profit	87.0	103.8
Costs	-79.2	-102.6
Non-recurr costs	-3.0	-23.2
Result before tax	4.8	-22.0
<i>Net margin</i>	<i>2.2%</i>	

Comments versus last year

Revenue

- Switzerland sold, 33 Mkr revenue Q4-04

Costs

- Adjusted cost level

Non-recurrent costs

- Personnel costs 3.0 (9.1) Mkr
- 2004: Write-down goodwill 14,1 Mkr

Income statement Jan-Dec 2005

(Mkr)	2005	2004
System Sales	364	425
Services	321	403
Other revenue	4	5
Revenue	689	833
Gross Profit	301.3	367.2
Costs	-300.0	-381.5
Non-recurr costs	-11.4	-63.0
Result before tax	-10.1	-77.3

Comments versus last year

Revenue

- Lower revenue in Sweden due to re-organisation
- Switzerland sold, 66 Mkr revenue 2004

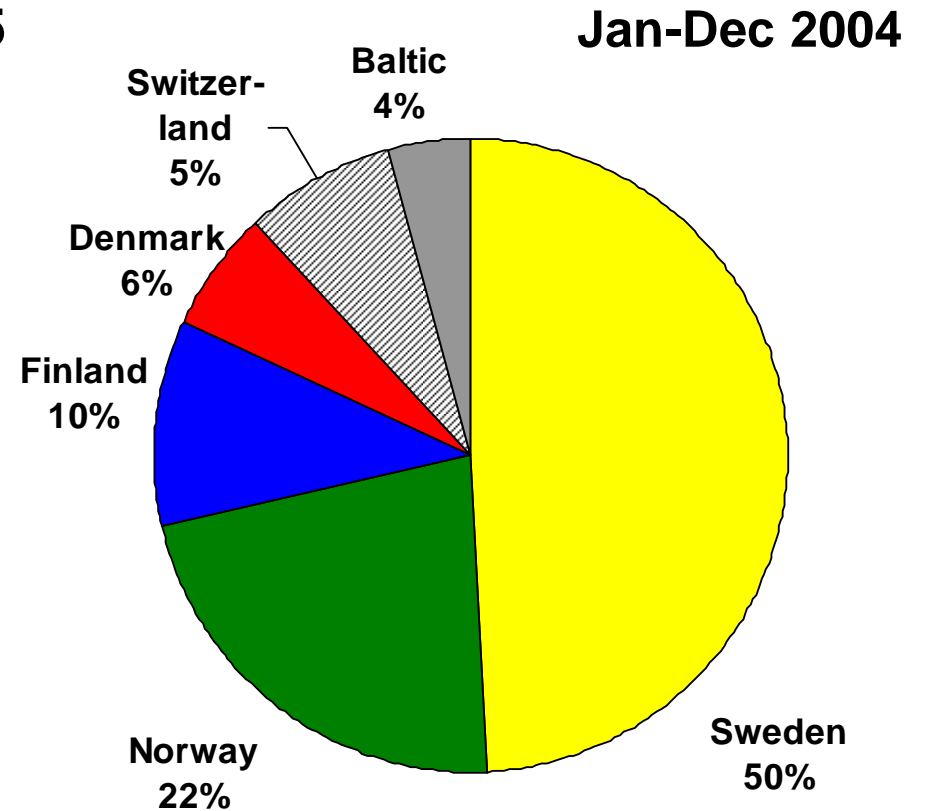
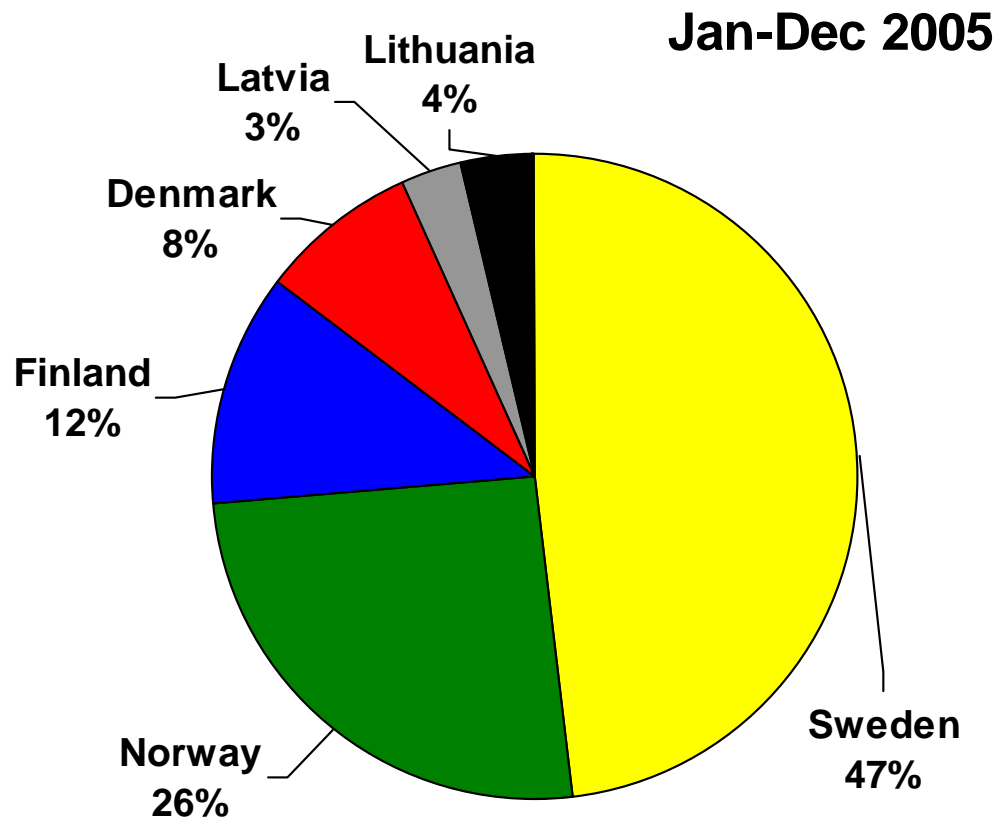
Costs

- Adjusted cost level

Non-recurrent costs

- Personnel costs 11.4 (48.9) Mkr
- 2004: write-down goodwill 14,1 Mkr

Revenue per country



Key ratios

Balance Sheet

(MSEK)	2005 Dec 31	2005 Sept 30	2004 Dec 31
Total Assets	439	374	456
whereof Goodwill	72	72	68
whereof Intangible fixed assets	17	18	19
Equity	161	157	166
Solidity %	37%	42%	36%
Cash and bank	58	52	65

Cash flow

Oct - Dec 2005

Liquid Funds Sept 30, 2005		52
Cash-flow from current operations		+17
Current operations	+12	
Change in working capital	+5	
Cash-flow from investment activities		-2
Fixed assets		
Cash-flow from financial activities		-9
Lower bank overdraft facilities		
Change in liquid funds		+6
Liquid Funds December 31		58

PACT share – Top 10 owners

	2006 Feb 28	2005 Dec 31
IGC Industrial Growth	14.2%	14.2%
Skandia Liv	7.3%	7.2%
Nordea Fonder	5.5%	5.0%
Royal Trust Corporation of Canada	5.2%	5.1%
Andra AP-Fonden	5.0%	5.1%
SIF	3.1%	3.1%
Marit Fagervold	1.8%	1.8%
SIS Segaintersettle AG	1.2%	1.2%
DFA International Small Company Fund	1.1%	1.1%
Gustavus Capital Asset Mgmt	1.1%	2.5%
Others	54.5%	53.2%
Total	100%	100%

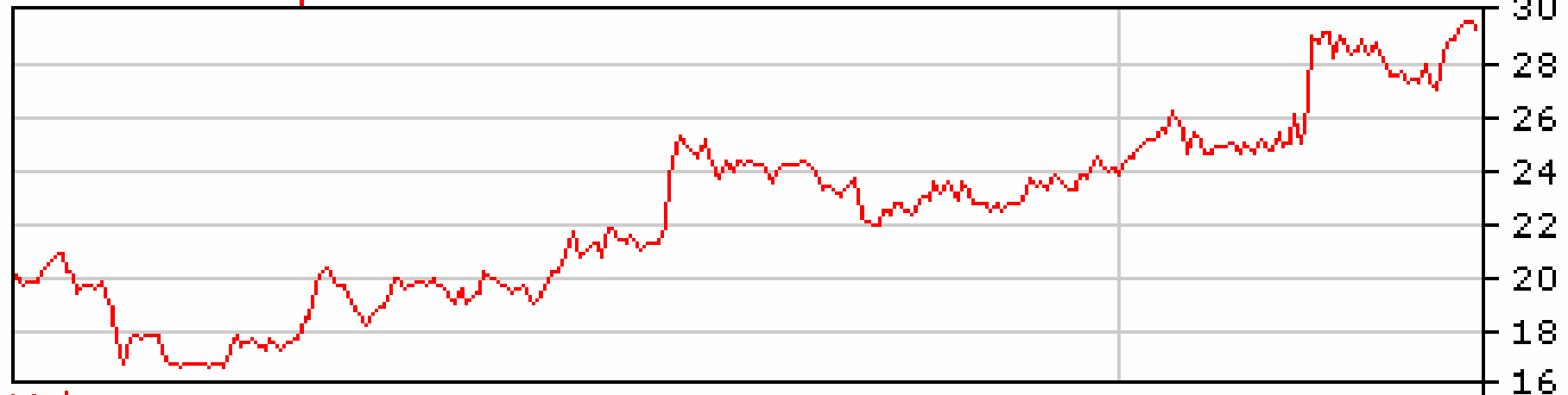
Revenue and result excl non-recurrent costs

(Mkr)	Q4			2005		
	Revenue	P.b.t	Net margin	Revenue	P.b.t	Net margin
Sweden	96	3.8	3.9%	334	4.2	1.3%
Norway	65	2.6	4.0%	179	-2.6	-1.4%
Finland	25	0.6	2.4%	82	0.1	0.2%
Denmark	18	1.2	6.5%	55	-0.2	-0.4%
Latvia	6	0.3	5.1%	20	1.0	4.9%
Lithuania	9	0.8	8.4%	26	1.6	6.0%
Parent company	0	-1.2		0	-1.7	
Adj/Am. Intang.ass	-2	-0.3		-7	-1.1	
Excl non-recurr.	217	7.8	3.6%	689	1.3	0.2%
2004 non-recurrent items excluded:						
2004	251	1.2	0.5%	833	-14.3	-1.7%
Deviation	-34	+6.6		-144	+15.6	
Non-rec. costs		-3.0			-11.4	
GROUP 2005	217	4.8	2.2%	689	-10.1	-1.4%

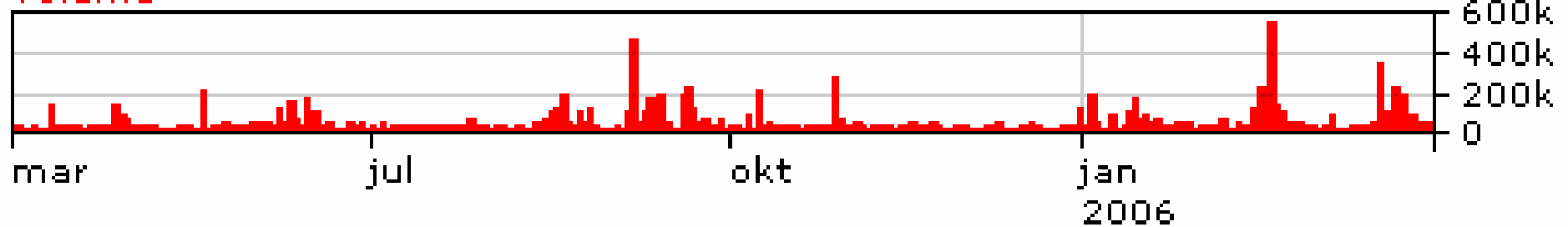
PROACT-aktiens utveckling

31 mars 2005 – 31 mars 2006

Proact IT Group



Volume



PROACT