

## INCREASED GROWTH, INCREASED PROFIT MARGIN AND STRONG CASH FLOW

### JANUARY – DECEMBER 2010

- Net sales of SEK 1,108.4 (1,057.7) million
- Operating profit (EBIT) of SEK 156.0 (145.6) million, operating margin of 14.1 percent
- Pre-tax profit of SEK 155.1 (145.2) million
- Profit after tax of SEK 110.6 (106.1) million
- Earnings per share of SEK 2.14 (2.06)
- Cash flow from operations of SEK 94.0 (139.5) million
- Liquid assets of SEK 163.5 million
- The Board proposes that SEK 1.80 per share, a total of around SEK 94 million, is distributed to the share holders through a split and compulsory redemption procedure.

### OCTOBER – DECEMBER

- Net sales of SEK 313.8 (278.7) million
- Operating profit (EBIT) of SEK 47.6 (46.0) million, operating margin of 15.2 percent
- Pre-tax profit of SEK 47.7 (46.3) million
- Profit after tax of SEK 33.7 (34.2) million
- Earnings per share of SEK 0.65 (0.66)

### SIGNIFICANT EVENTS DURING THE FOURTH QUARTER

- HiQ acquired the IT consultancy Frends Technology in Helsinki with 40 employees who are specialists in business process integration
- HiQ renewed its partnership with GTECH Corporation
- HiQ signed a three-year framework agreement with the Swedish Transport Administration (which combines the former National Rail Administration and National Roads Administration), under which the Swedish Transport Agency and Borlänge Municipality are also purchasing parties

### SIGNIFICANT EVENTS JANUARY – DECEMBER

- HiQ received a new SEK 14 million order from FMV, the Swedish Defence Materiel Administration, for the maintenance of simulators for training fighter pilots for the JAS 39A Gripen
- HiQ won a large contract to build a new insurance and debt collection system for Trafikförsäkringsföreningen (Swedish Motor Insurers)
- HiQ won a management contract for Orc Software
- HiQ won a new contract to supply a leading global vehicle manufacturer with a production test system for Brazil
- HiQ formed HiQ Finland by merging its two subsidiaries HiQ Softplan and HiQ Quality Services
- HiQ named IT Consultant of the Year 2010 in Veckans Affärer's survey

*HiQ is an IT and management consultancy company focusing on high-tech solutions in the fields of communications and software development. The company is a leading player in these fields and the Nordic region is its domestic market. HiQ employs close to 1,200 people at offices in the Nordic region and in Eastern Europe. HiQ is listed on the Nasdaq OMX Nordic Exchange Stockholm Mid Cap. For more information, please visit [www.hiq.se](http://www.hiq.se)*

## 2010 IN BRIEF

HiQ performed well over the year and achieved strong results. In 2010 HiQ returned to growth, we improved our profit margins and the year ended with strong cash flow. We have a very strong financial position.

### *HiQ makes life simpler*

Our clients are constantly facing new opportunities and challenges. Globalisation, social networks, cloud computing, smart phones, e-readers and viral videos/films are just some examples of the phenomena and behaviours that are driving development and creating new demand. It is clear that communication is increasing in scope and significance every day, and that the technology that makes such communication possible is already and will become an ever more important part of our lives – both at home and at work.

HiQ works to make life simpler for people. We help our clients to use technology, business and management expertise to simplify and improve their operations.

### *Good performance and increased demand*

In 2010 the market for IT consultancy in the Nordic region was good and HiQ performed well. Our initiatives in respect of new and existing clients have brought good results. Ten percent of sales in 2010 were to new clients. Intensive and successful efforts were made to recruit new employees. We are pleased to report that all the Group's offices still have significant recruitment needs in 2011 in order to be able to meet our customers increased demand for our services.

Demand for HiQ's services in **industry and retail** was very good in 2010. Within retail there is strong growth in e-commerce, which resulted in many new assignments.

In 2010 HiQ implemented a successful initiative in respect of the **financial sector**, which helped bring in a number of new clients and substantial projects both in the Nordic region and internationally. Our Russian office, which developed and grew well during the year, is working on a number of financial projects and carrying out near shore development in connection with this.

Our business in Mid Sweden with our offices in Stockholm, Arboga/Västerås and Linköping developed well.

Our business in Gothenburg exhibited the strongest growth in the Group thanks largely to a successful initiative in respect of the **automotive industry**, which developed well in 2010 and clearly managed to recover from its previous recession.

The **telecoms** sector is one of our largest and strongest segments from which we generally have had good demand. However leading telecoms suppliers in the Öresund region have undergone major restructuring during the year, which affected our business in this area. Despite a challenging regional market, however, performance was stable.

In 2010 we formed HiQ Finland through merging the former two subsidiaries. This has strengthened our position on the Finnish market and contributed successfully to broadening our client base and developing the business with both new and existing clients. During the fourth quarter HiQ also acquired Friends Technology in Helsinki with 40 employees. Friends who are specialists in business process integration, will strengthen HiQ Finland.

### *HiQ tops the league*

HiQ was ranked in the top 10 in Universum's annual survey of the most popular employers in Sweden among IT graduates. For the fourth year in succession HiQ took top place in the magazine Veckans Affärer's annual survey of buyers of consulting services and was named 'IT Consultant of the Year 2010'.

### *HiQ in 2011*

We will continue to invest in recruiting new employees as we believe that customer demand will remain good. For 2011 our main strategy remains the same to be a leading specialised IT and management consultancy company with its heart in the Nordic region. HiQ is a value-driven company and our values – results, responsibility, simplicity and joy – permeate everything we do and we strongly believe this is a competitive advantage for us and for our clients.

*Lars Stugemo, President and CEO*

## MARKETS

The period January – December 2010 was characterised by a good market for IT consulting services and strong demand for HiQ's services. We have had great success in developing our business. HiQ intensified the recruitment of new employees throughout the Group and still needs to grow in all its locations.

HiQ has a strong position and a strong brand in the Nordic region as a specialist IT and management consultancy. HiQ offers very good geographical and market coverage and enjoys very strong customer relations with leading international enterprises as well as public sector agencies.

HiQ works to make life simpler for people. We help our clients to simplify and improve their operations using technology and business expertise.

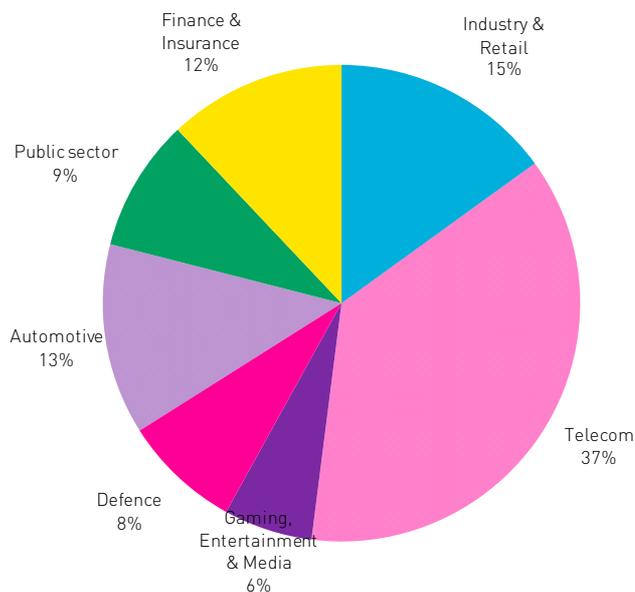
Today technology and IT systems are extremely business-critical to most enterprises. HiQ is increasingly being contracted to take complete responsibility for clients' adjacent IT areas, such as test and quality assurance processes or simulation activities or pure development projects.

In 2010 HiQ carried out initiatives within a number of areas with considerable market potential. One example is our highly successful initiative in respect of the financial sector – an initiative that resulted in new client projects and some new Nordic and international clients. HiQ is now a significant player and has clear potential to become a leading provider to enterprises in the Nordic financial industry, specialising in processes and IT for securities trading.

Another example is HiQ's retail sector initiative. Over a number of years HiQ has built up an in-depth knowledge of the sector and now supplies leading retail chains, working on everything from e-commerce and buying and logistics systems to sales and marketing tools.

Major driving forces that will affect the market going forward include the development of e-commerce, increased mobility, computers everywhere and the internet, as well as the convergence of products and services irrespective of platform\*. HiQ has many year's experience and solid expertise in technology, operations and business, making us well placed to help our clients in this development.

*\*Gartner's IT Trends for 2011*



*HiQ's net sales by sector for the last 12 months*

Agreements and deliveries announced during the fourth quarter:

- HiQ extended its cooperation agreement with GTECH Corporation. The new agreement is effective until the end of 2013.
- HiQ signed a three-year framework agreement with Trafikverket (the Swedish Transport Administration, which combines the former National Rail Administration and National Roads Administration), under which assignments can also be carried out for Transportstyrelsen (the Swedish Transport Agency) and Borlänge Municipality.
- HiQ won a new contract from a leading global vehicle manufacturer. The contract is for the supply of a new production system for Brazil.

## TELECOMS

As always, technology is developing at a very rapid pace and the need for communication between people and enterprises is increasing. The fast pace of development, with short product life cycles and new services constantly being added, means the telecoms market is being driven forward at high speed. This puts substantial pressure on players in the sector and as a result, technologies and platforms are constantly changing.

HiQ has very deep roots within telecoms. Ever since the company was formed it has worked with suppliers, operators, users and the regulatory authorities. Our experience and knowledge also add value for clients and projects in many other sectors, since many now depend on telecoms technology.

IPTV is an example of this. This technology – which enables video-on-demand services and user interactivity, among other things – is advancing strongly. During the year HiQ began a partnership with Dreampark to develop software for a new IPTV platform.

Other examples of clients in this segment include Ascom Wireless Solutions, Ericsson, Nokia, Telenor, Com Hem, Glocalnet, TDC, Tele2, Telia Danmark, Teracom and 3.

## GAMING, ENTERTAINMENT & MEDIA

Today, nearly three million people in the Nordic region use interactive channels for sports gaming and games of chance every week. Mobile and interactive gaming are driving development; the market for gaming and gaming operators has developed fast and is continuing to grow.

HiQ is the leading IT consultancy in the Nordic region in the development of platforms for gaming via the Internet. In the fourth quarter HiQ extended its cooperation agreement with the leading gaming operator GTECH Corporation. The new agreement is effective until the end of 2013.

Our considerable experience within the telecoms sector enables us to meet the growing demand for converging services, i.e. services that combine the Internet and mobility alongside media and entertainment. For example, HiQ works with leading media companies and on projects relating to their enterprise systems for business process improvement and production of media content, which represent a challenge for the media sector in today's digital society.

Other examples of HiQ's clients include Bonnier, GTECH, Hippos, Kanal5, Unibet, Veikkaus, Voddler, Svenska Spel, Ace Interactive and De Lotto.

## AUTOMOTIVE

For Nordic players in the automotive industry the market improved substantially in 2010, resulting in increased demand for HiQ's services.

HiQ works on projects within active safety, telematics, mobility and infotainment in the automotive sector. We are well positioned in this sector and our work to strengthen HiQ's position in the automotive industry, spearheaded by our Gothenburg office, was highly successful in 2010. The expansion has led to a considerably greater market share in the segment and assignments from new clients.

During the year HiQ signed a contract with a global vehicle manufacturer to supply a vehicle system for Brazil. During the year HiQ also worked on enterprise systems for Saab in conjunction with the launch of new vehicle models.

HiQ also works with clients such as Danaher Motion, Bombardier, Haldex Traction, NIRA, Scania, Volvo Cars and Volvo Group.

## SECURITY & DEFENCE

Defence is now a global industry and international risk scenarios are constantly changing. Development capacity and financial resources are playing an ever greater role in this industry.

HiQ's expertise in simulation technology, combined with long-term customer relations, has resulted in strong demand for HiQ's services in security and defence. Assignments within this sector involve both product development and business support. Our work with the Swedish Armed Forces includes projects relating to the implementation of enterprise systems.

HiQ has worked in partnership with FMV, the Swedish Defence Materiel Administration, for many years. In 2010 FMV reconfirmed its confidence in HiQ by placing a new order for the maintenance and further development of training simulators for the JAS 39 AGripen. More than 150 fighter pilots all over the world have been trained in simulators that HiQ has helped to develop.

## INDUSTRY & RETAIL

Industry and retail are areas of strong development. Within retail there is substantial development in connection with the emergence and spread of e-commerce solutions in the market.

HiQ has a strong offering in the retail sector and has over a number of years built up an in-depth knowledge. Today HiQ works with leading retail chains and supplies everything from e-commerce and buying and logistics systems to sales and marketing tools.

ICA is one example of a client, with which HiQ has a framework agreement signed in January 2011, covering a number of services, and we see significant potential for development here.

Within industry increasingly complex support systems are being created that require not only development capacity, but also testing and quality assurance. HiQ works with this and also with projects to support operations.

HiQ's clients in this sector include ABB, Atlas Copco, Bombardier, DeLaval, ICA, IL Recycling and Svevia AB.

## PUBLIC SECTOR

It is becoming increasingly important for public agencies and organisations to develop an IT environment that streamlines and strengthens operations and improves levels of service.

HiQ has worked on developing business-critical IT solutions for public authorities and agencies for more than ten years. We expect demand in the segment to remain strong and we strengthened our market position in 2010.

In the fourth quarter HiQ signed a three-year framework agreement with the Swedish Transport Administration (which combines the former National Rail Administration and National Roads Administration), under which the Swedish Transport Agency and Borlänge Municipality are also purchasing parties.

Examples of other clients include European Chemicals Agency (ECHA), the Swedish Civil Contingencies Agency (MSB), the Enforcement Authority in Sweden, the Swedish Police, the Swedish Radiation Safety Authority and Tekes (the National Technology Agency of Finland).

## FINANCE & INSURANCE

Global competition in the financial sector means the sector is constantly changing and becoming more efficient. EU directives on increased transparency and competition require changes to bank IT systems. The existing systems need to be developed to comply with new regulatory requirements and to be able to control operational risks. To do this, the industry needs to find competitive solutions and this is creating opportunities for HiQ.

In 2010 HiQ intensified its efforts in respect of the financial sector and won a number of substantial new international and Nordic projects in this area.

HiQ has cutting edge expertise in processes and IT for securities trading. The goal is to be established as one of the leading suppliers in the Nordic region of specialist IT services for securities trading.

The company specialises in development, testing and administration of transaction-intensive systems for securities trading for clients such as Handelsbanken, NASDAQ OMX, Orc Software, Nordea, SEB and Swedbank.

## THE GROUP'S DEVELOPMENT

HiQ performed well in 2010 and its initiatives in respect of both new and existing clients were very successful. Intensive new recruitment took place and all the Group's offices still need to recruit more employees in 2011 in order to meet client demand for our services.

During the year HiQ formed HiQ Finland by merging the two former subsidiaries, which strengthened HiQ's position on the Finnish market and resulted in the client base being successfully broadened further. The business has been developed with both new and existing clients. During the fourth quarter HiQ acquired Friends Technology in Helsinki with 40 employees. Friends are specialists in business process integration and will strengthen HiQ Finland.

The Finnish business now employs close to 240 people in the Helsinki region.

In central Sweden – where the Group has offices in Stockholm, Arboga/Västerås and Linköping – HiQ performed well during the year, with many new clients such as Dreampark as well as

extended projects for clients such as SEB. In the fourth quarter a recruitment initiative was begun in Borlänge as a result of the new framework agreement with the Swedish Transport Administration.

HiQ's business in Gothenburg developed very well and reported the strongest growth in the Group. HiQ Göteborg has been particularly successful in the automotive sector and has gained market share and grown within IS/IT and systems to support operations.

The performance of HiQ's business in the Öresund region was stable in view of the market situation and the Lund office has broadened its client base. The Copenhagen office did not yet report satisfactory results, however.

## ACQUISITIONS

In November HiQ acquired the specialist IT consultancy Friends Technology in Helsinki with 40 employees. The acquisition price totals approximately EUR 3.5 million and included a net cash position of approx. EUR 0.5 million. Approximately EUR 2.4 million was paid in cash and the remainder, approximately EUR 1.1 million with 290 865 newly issued HiQ shares resulting in dilution of 0.6 percent.

The book value of the shares amounted to around SEK 38.7 million, including transaction expenses of around SEK 0.9 million. For the Group, goodwill amounts to SEK 27.8 million and acquired client relations to SEK 4.6 million. The acquisition analysis is preliminary.

Assuming that Friends Technology reaches certain set profitability goals, an additional purchase sum amounting to EUR 0.5 million will be paid in the first half of 2011.

The company was consolidated from mid November 2010 and contributed income of about SEK 7.2 million and net profit of about SEK 0.6 million in the period they were consolidated. If the acquisition had occurred on 1 January 2010, Group income would have been about SEK 1 140 million and profit after tax about SEK 114.1 million.

Goodwill arising from the acquisitions is mainly due to the companies' good earning capacity and strong market position.

## DELIVERY MODELS

HiQ offers a flexible delivery model and a customised offering. The company offers specialist expertise for projects on the client's site, in our own facilities and via our development centre in Russia.

Demand for projects combining specialist expertise provided on the client's site with nearshore development (i.e. in Russia) has increased.

## MARKETING AND MARKETING COMMUNICATIONS

HiQ works actively to strengthen its brand through marketing, partnerships and PR activities. During the year the majority of HiQ's marketing activities were carried out for recruitment purposes.

HiQ's own web TV – Channel Q – provides a clear example of HiQ's expertise in both technology and media. The TV channel was successfully launched during the European Athletics Championships in Barcelona in summer 2010. In 2011 Channel Q will report on the Alpine World Ski Championships and HiQ's new partnership with alpine skiers Anja Pärson and Tanja Poutiainen and also from race driver Richard Göransson.

In the fourth quarter HiQ began a partnership with the Non Violence Project Foundation and has developed a global non-violence community – [jobffp.org](http://jobffp.org) – on a *pro bono* basis.

In 2011 HiQ is continuing its collaboration with Flash Engineering and its drivers Jan 'Flash' Nilsson and Prince Carl Philip. The collaboration offers unique opportunities to arrange activities for clients and employees in Safety Driving and ECO Driving. In 2011 HiQ is also Flash Engineering's main partner for the Porsche Carrera Cup.

## EMPLOYEES

At the end of the period HiQ had 1,167 (1,014) employees, of whom 1,031 (932) are active staff.

## NET SALES AND PROFIT

HiQ's net sales were SEK 1,108.4 (1,057.7) million.

The operating profit (EBIT) was SEK 156.0 (145.6) million, corresponding to a margin of 14.1 (13.8) percent.

Consolidated net financial items for the period were SEK -0.9 (-0.4) million.

Pre-tax profit (PTP) was SEK 155.1 (145.2) million.

HiQ's net sales and profit were negatively affected during the period by a strengthening of the Swedish krona relative to the euro and the Danish krone. This affected net sales by approximately SEK 22 million and operating profit by approximately SEK 5 million for the period January – December 2010.

## INVESTMENTS

The Group's net investments in fixed assets during the period amounted to SEK 41.5 (3.7) million. Included in this are SEK 32.4 million in intangible assets from the acquisition of Friends Technology. The intangible assets are divided on goodwill of SEK 27.8 million and acquired client relations of SEK 4.6 million.

Investments in new premises totalled SEK 0.1 (0.4) million, in equipment SEK 1.5 (0.3) million and in financial leasing SEK 7.5 (3.0) million.

## FINANCIAL POSITION

Cash flow from operations is positive at SEK 94.0 (139.5) million.

As of 31 December the Group had liquid assets of SEK 163.5 (131.9) million. Liquid assets increased by SEK 73.9 million compared with the third quarter 2010. The cash flow during the fourth quarter was primarily due to HiQ's good profitability and lower level of capital employed.

Interest-bearing net funds at the end of the period amounted to SEK 139.1 (115.6) million.

Shareholders' equity amounted to SEK 633.8 (596.0) million at the end of the period and the equity/assets ratio was 71.1 (74.5) percent.

## EVENTS AFTER THE END OF THE PERIOD

HiQ has signed a framework agreement with ICA Group IT for IT consulting services. The agreement covers services within systems development, testing, project management, IT management, data warehousing, business intelligence and infrastructure.

## OUTLOOK

Communications are increasing in volume and importance every day. The technology that makes such communication possible is becoming an ever more important part of our lives – both at home and at work. HiQ works on projects and with clients where communications are of crucial importance.

HiQ makes life simpler for people and we help our clients to simplify and improve their operations using communications and technology.

HiQ's main strategy is to be a leading specialised service company with its heart in the Nordic region. HiQ offers services within the areas of communications, software development and IS/IT to clients in the Nordic region and internationally.

HiQ's growth strategy is based on organic growth complemented by strategic acquisitions. HiQ's acquisition strategy is to strengthen the company geographically by expanding its Nordic presence and acquiring companies that add new expertise within HiQ's core business.

HiQ has faith that the sectors in which it operates will experience long-term growth and believes that the number of sectors in which technology is a vital factor in success will increase in the future. In 2011 HiQ will continue to concentrate specifically on the areas of finance, media & entertainment and retail, as well as focusing on services within product development and integration of IT in businesses.

Our objectives are: to be profitable, to generate good growth and strong cash flows and to be the leading company in the Nordic region within selected niches – and also to be the best IT and management consultancy for clients, employees and shareholders.

HiQ prioritises quality, profitability and growth in that order.

HiQ does not make forecasts.

## SHARES

As of 30 December 2010 there were 52,302,723 outstanding shares in HiQ International AB, representing an increase of 697,465 shares during the year. These shares were issued as a result of the exercise of warrants issued in 2008 (for redemption in 2010) within the context of a share ownership scheme aimed at employees of HiQ and in connection with the acquisition of Friends Technology..

## PROPOSED DIVIDEND

The Board of Directors is proposing to the Annual General Meeting that SEK 1.80 per share, totalling around SEK 94 million. The proposal is higher than HiQ's long-term dividend policy, which specifies a long-term dividend level of around 50 percent of net profits after tax, and based of HiQs strong financial position.

## REDEMPTION OF SHARES

On 25 March 2010 the Annual General Meeting decided on a share split and compulsory redemption procedure in which each share was split into an ordinary share and a redemption share, with the redemption share then being subject to compulsory redemption.

As a result of the redemption procedure around SEK 57 million, equivalent to SEK 1.10 per share, was transferred to the company's shareholders. The redemption sum was paid out in May 2010.

## WARRANTS

On 25 March 2010 the Annual General Meeting approved a warrant programme aimed at HiQ employees. All warrants will be acquired by the employees at market price.

The warrant programme consists of two series, the first of which was issued in May and was aimed at all employees. The second series was issued in November 2010 directed primarily to new employees.

In the first series a total of 235,400 warrants were subscribed for, with a strike price of SEK 36.20. In the second series 251,450

warrants were subscribed for with a strike price of SEK 39.50. The warrants issued in 2010 have a term of 3 years and shares may be subscribed for in May and November 2013 respectively.

During 2010 a total of 406,600 options were exercised and the same number of shares were issued. In addition, a total of 276,050 options lapsed without subscription. If all outstanding warrant programmes are fully exercised, the dilution effect will be around 2.2 percent.

## PARENT COMPANY

The profit after tax for HiQ International AB was SEK 83.4 (91.8) million.

The profit has been affected positively by anticipated dividends from subsidiaries with an amount of approximately SEK 50 million and a write-down of book value of shares in subsidiaries of approximately SEK 60 million, due to a group internal restructuring. None of these actions have affected the consolidated income statement.

As of 31 December the parent company's interest-bearing net funds amounted to SEK 75.7 (26.2) million. Adjusted shareholders' equity was SEK 539.2 (493.2) million and the equity/assets ratio was 95.4 (92.7) percent.

The company's net investments during the period amounted to SEK 38.8 (0.2) million.

## ACCOUNTING PRINCIPLES

This interim report was prepared in accordance with IAS 34, "Interim Financial Reporting", and the Swedish Annual Accounts Act.

The accounting principles are the same as those used for the last annual report, with the exception that the amendments to IFRS 3 "Business Combinations" and IAS 27 "Consolidated and Separate Financial Statements" have been applied as of 1 January 2010.

The parent company complies with the Swedish Annual Accounts Act and applies the Swedish Financial Reporting Board's recommendation RFR 2.3.

## SIGNIFICANT RISKS AND UNCERTAINTIES

HiQ's business is affected by a number of different factors, some of which are within the company's control while others are outside it. A consulting firm such as HiQ is affected by business-related risks such as recruitment, project risks, competition and price pressure, the progress of our key clients, bad debts and the capacity to enter into framework agreements. Market-related risks include those related to economic cycles. Financial risks include exchange rate risk and interest risk.

For a detailed description of significant risks and uncertainties, please refer to HiQ's 2009 Annual Report, pages 36-37.

## REPORTING DATES IN 2011:

Interim report January – March 2011, 28 April 2011  
Interim report January – June 2011, 16 August 2011  
Interim report January – September 2011, 20 October 2011  
Year-end report 2011, 31 January 2012

## ANNUAL GENERAL MEETING

The 2010 Annual General Meeting will be held on the company's own premises on 28 April 2011 at 4 p.m., as decided by the Board of Directors of HiQ International AB. Notice of the Annual General Meeting will be published at least four weeks prior to this date on the company's website and in Post- och Inrikes Tidningar, and will be advertised in Svenska Dagbladet. Shareholders wishing to submit proposals to the Nomination Committee can do so by e-mail to [valberedning@hiq.se](mailto:valberedning@hiq.se) or by post to HiQ International's head office in Stockholm. Valberedningen (Nomination Committee)  
HiQ International AB  
Box 7421  
SE-103 91 Stockholm

Proposals must be submitted to the Nomination Committee by 15 February 2011 at latest

The annual report for 2010 will be available at HiQs offices from mid April. A printed version of the Annual Report can be ordered by telephoning

+46 (0) 8 588 90 000 or by e-mailing [info@hiq.se](mailto:info@hiq.se). The Annual Report will also be available for downloading at [www.hiq.se](http://www.hiq.se).

## FOR FURTHER INFORMATION, PLEASE CONTACT:

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Stockholm 1 February 2011

The Board of HiQ International AB

This report has not been reviewed by the company's auditors

HiQ discloses the information provided herein pursuant to the Securities Market Act and/or the Financial Instruments Trading Act.

This report was released for publication at 07:30 CET on 1 February 2011.

**HiQ International Group**  
**Company registration number 556529-3205**

**Income Statement**

SEK 000s	2010	2009	Oct-Dec 2010	Oct-Dec 2009
Net sales	1 108 434	1 057 662	313 806	278 714
Assignment-specific external expenses	-143 052	-124 668	-43 719	-32 783
Staff costs	-731 060	-714 317	-199 138	-182 797
Other external expenses	-67 088	-60 173	-20 494	-14 201
Depreciation	-11 227	-12 870	-2 815	-2 939
<b>Operating profit</b>	<b>156 007</b>	<b>145 634</b>	<b>47 640</b>	<b>45 994</b>
Finance income	996	1 114	441	317
Finance costs	-1 943	-1 508	-393	-37
<b>Pre-tax profit</b>	<b>155 060</b>	<b>145 240</b>	<b>47 688</b>	<b>46 274</b>
Income tax	-44 436	-39 100	-14 010	-12 078
<b>Profit for the period attributable to shareholders</b>	<b>110 624</b>	<b>106 140</b>	<b>33 678</b>	<b>34 196</b>

**Other comprehensive income**

Exchange differences on translating foreign operations	-38 569	-15 115	-4 999	4 057
<b>Other comprehensive income for the period</b>	<b>-38 569</b>	<b>-15 115</b>	<b>-4 999</b>	<b>4 057</b>
<b>Profit for the period attributable to shareholders</b>	<b>72 055</b>	<b>91 025</b>	<b>28 679</b>	<b>38 253</b>

**Earnings per share attributable to shareholders (based upon profit for the period)**

Earnings per share before dilution, SEK	2,14	2,06	0,65	0,66
Earnings per share after dilution, SEK	2,13	2,06	0,65	0,66
Average number of shares, thousands	51 680	51 605	51 910	51 605
Average number of shares, after dilution, thousands	51 876	51 605	52 175	51 637

**The HiQ International Group**  
**Company registration number 556529-3205**

**Balance Sheet**

SEK 000s	31 Dec 2010	31 Dec 2009
<b>ASSETS</b>		
<b>FIXED ASSEST</b>		
Tangible fixed assets	26 927	24 166
Intangible fixed assets		
Goodwill	330 656	333 417
Other intangible fixed assets	14 190	15 450
Financial fixed assets	14 843	15 857
<b>Total fixed assets</b>	<b>386 616</b>	<b>388 890</b>
<b>CURRENT ASSETS</b>		
Accounts receivable, trade	228 031	182 064
Current income tax assets	18 615	17 524
Other receivables	6 323	10 348
Prepaid expenses and accrued income	88 157	69 627
Liquid assets	163 512	131 862
<b>Total current assets</b>	<b>504 638</b>	<b>411 425</b>
<b>Total assets</b>	<b>891 254</b>	<b>800 315</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
<b>Shareholders' equity</b>		
Shareholders' equity attributable to shareholders	633 842	596 035
<b>Total shareholders' equity</b>	<b>633 842</b>	<b>596 035</b>
<b>Non-current liabilities</b>		
Long-term interest-bearing debt	20 727	12 715
Deferred tax liabilities	4 057	4 455
<b>Total non-current liabilities</b>	<b>24 784</b>	<b>17 170</b>
<b>Current liabilities</b>		
Short-term interest-bearing debt	3 716	3 569
Accounts payable, trade	51 459	35 857
Provisions, performance related payment for acquisitions	5 420	0
Other liabilities	66 259	55 458
Accrued expenses and prepaid income	105 774	92 226
<b>Total current liabilities</b>	<b>232 628</b>	<b>187 110</b>
<b>Total shareholders' equity and liabilities</b>	<b>891 254</b>	<b>800 315</b>

**The HiQ International Group**  
**Company registration number 556529-3205**

SEK 000s	2010	2009	Oct-Dec 2010	Oct-Dec 2009
<b>Cash flow analysis</b>				
Cash flow before change in operating capital & investments	118 413	95 388	55 664	36 159
Change in operating capital	-24 463	44 079	20 083	21 131
Cash flow before investments	93 950	139 467	75 747	57 290
Cash flow from investments	-12 647	-63 157	-11 565	868
Cash flow after investments	81 303	76 310	64 182	58 158
Cash flow from investments activities	-49 653	-73 464	9 707	645
Change in liquid assets	31 650	2 846	73 889	58 803
Liquid assets at the start of the period	131 862	129 016	89 623	73 059
Liquid assets at the end of the period	163 512	131 862	163 512	131 862
<b>Change in shareholders' equity</b>				
Amount at the start of the period	596 035	575 946	583 251	557 309
Dividends / redemption	-56 766	-72 247	0	0
Warrant premiums	1 492	1 311	886	473
New share issue in connection with redemption of warrants	10 409	0	10 409	0
New share issue in connection with acquisition	10 617	0	10 617	0
Total comprehensive income for the period	72 055	91 025	28 679	38 253
Amount at the end of the period	633 842	596 035	633 842	596 035
<b>Key figures</b>				
Operating profit (EBIT)	156 007	145 634	47 640	45 994
Operating margin	14,1%	13,8%	15,2%	16,5%
Profit margin	14,0%	13,7%	15,2%	16,6%
Capital employed	658 285	612 319	658 285	612 319
Operating capital	494 773	480 457	494 773	480 457
Return on operating capital	32,0%	30,8%	9,5%	9,4%
Return on shareholders' equity	18,0%	18,1%	5,5%	5,9%
<b>Financial position</b>				
Expensed investments in computers	1 560	564	535	181
Liquid assets	163 512	131 862	163 512	131 862
Interest-bearing net cash	139 069	115 578	139 069	115 578
Shareholders' equity	633 842	596 035	633 842	596 035
Equity/assets ratio	71,1%	74,5%	71,1%	74,5%
<b>Employees</b>				
Number of employees at end of period	1 167	1 014	1 167	1 014
Number of employees in duty at end of period	1 031	932	1 031	932
Average number of employees	945	951	990	924
Value added per employee	901	888	235	242
Turnover per employee	1 173	1 113	317	302
Operating profit per employee	165	153	48	50
<b>Share data</b>				
No. of shares at end of period, thousands	52 303	51 605	52 303	51 605
Average no. of shares before dilution, thousand	51 680	51 605	51 910	51 605
Average no. of shares after dilution, thousand	51 876	51 605	52 175	51 637
Profit per share before dilution, SEK	2,14	2,06	0,65	0,66
Profit per share after dilution, SEK	2,13	2,06	0,65	0,66
Shareholders' Equity per share, SEK	12,12	11,55	12,12	11,55

HiQ International, Group  
Org. Nr 556529-3205

Segment reporting

Jan - Dec 2010

Group and

	Sweden	Finland	Oresund	elim	Group
Net sales from external clients	803 679	181 617	123 138	0	1 108 434
Net sales from other segments	447	0	0	-447	0
<b>Net sales</b>	<b>804 126</b>	<b>181 617</b>	<b>123 138</b>	<b>-447</b>	<b>1 108 434</b>
Operating profit	123 380	43 214	8 942	-19 529	156 007
Operating margin %	15,3%	23,8%	7,3%		14,1%
Financial net					-947
Profit before tax					155 060
Assets*	458 642	323 390	81 925	27 541	891 498

Jan - Dec 2009

Group and

	Sweden	Finland	Oresund	elim	Group
Net sales from external clients	713 387	177 141	167 134	0	1 057 662
Net sales from other segments	2 209	0	0	-2 209	0
<b>Net sales</b>	<b>715 596</b>	<b>177 141</b>	<b>167 134</b>	<b>-2 209</b>	<b>1 057 662</b>
Operating profit	108 347	38 688	14 839	-16 240	145 634
Operating margin %	15,1%	21,8%	8,9%		13,8%
Financial net					-394
Profit before tax					145 240
Assets*	370 918	299 134	94 988	35 275	800 315

Oct - Dec 2010

Group and

	Sweden	Finland	Oresund	elim	Group
Net sales from external clients	230 917	53 331	29 558		313 806
Net sales from other segments	143	0	0	-143	0
<b>Net sales</b>	<b>231 060</b>	<b>53 331</b>	<b>29 558</b>	<b>-143</b>	<b>313 806</b>
Operating profit	42 756	10 656	2 845	-8 617	47 640
Operating margin %	18,5%	20,0%	9,6%		15,2%
Financial net					48
Profit before tax					47 688
Assets*	458 642	323 390	81 925	27 541	891 498

Oct - Dec 2009

Group and

	Sweden	Finland	Oresund	elim	Group
Net sales from external clients	195 673	43 841	39 200	0	278 714
Net sales from other segments	364	0	0	-364	0
<b>Net sales</b>	<b>196 037</b>	<b>43 841</b>	<b>39 200</b>	<b>-364</b>	<b>278 714</b>
Operating profit	38 331	12 900	4 835	-10 072	45 994
Operating margin %	19,6%	29,4%	12,3%		16,5%
Financial net					280
Profit before tax					46 274
Assets*	370 918	299 134	94 988	35 275	800 315

\* Assets per segment consists of assets used in the daily operations and that could be allocated to a specific segment. This means that tangible fixed assets and current assets are included. Financial assets have not been allocated to specific segments.

**HiQ International AB, Parent Company**  
**Company registration number 556529-3205**

**Income Statement**

SEK 000s

	<b>2010</b>	<b>2009</b>
Net sales	38 051	23 361
Assignment-specific external expenses	-1 053	-768
Other external expenses	-13 559	-13 065
Staff costs	-26 519	-24 126
Depreciation and write-downs	-54	-36
<b>Operating profit</b>	<b>-3 134</b>	<b>-14 634</b>
Profit from shares in Group companies	108 575	138 514
Finance income	3 709	330
Finance costs	-722	-1 172
<b>Pre-tax profit</b>	<b>108 428</b>	<b>123 038</b>
Income tax	-25 061	-31 197
<b>Profit for the period</b>	<b>83 367</b>	<b>91 841</b>
<b>Profit for the period attributable to shareholders</b>	<b>83 367</b>	<b>91 841</b>

**Balance Sheet**

SEK 000s

	<b>31 Dec 2010</b>	<b>31 Dec 2009</b>
<b>ASSETS</b>		
<b>FIXED ASSEST</b>		
Tangible fixed assets	333	331
Financial fixed assets	401 980	422 670
<b>Total fixed assets</b>	<b>402 313</b>	<b>423 001</b>
<b>CURRENT ASSETS</b>		
Accounts receivable, trade	10 481	20 239
Receivables-Group companies	64 615	51 945
Current income tax assets	7 704	4 594
Other receivables	17	0
Prepaid expenses and accrued income	4 235	6 241
Liquid assets	75 704	26 179
<b>Total current assets</b>	<b>162 756</b>	<b>109 198</b>
<b>Total assets</b>	<b>565 069</b>	<b>532 199</b>

**SHAREHOLDERS' EQUITY AND LIABILITIES**

**Shareholders' equity**

Total restricted equity	46 650	46 579
Total non-restricted equity	492 527	446 611
<b>Total shareholders' equity</b>	<b>539 177</b>	<b>493 190</b>

**Current liabilities**

Accounts payable, trade	1 738	567
Liabilities - Group companies	5 376	22 269
Provisions, performance related payment for acquisitions	5 420	0
Other liabilities	2 464	1 924
Accrued expenses and prepaid income	10 894	14 249
<b>Total current liabilities</b>	<b>25 892</b>	<b>39 009</b>

<b>Total shareholders' equity and liabilities</b>	<b>565 069</b>	<b>532 199</b>
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