

INVISIO HEADSETS

Interim Report

January – March 2010



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- Total income amounted to SEK 9.7 m (35.7) or, excluding the sale of the VoIP patent in 2009, SEK 9.7 m (4.3).
- Sales amounted to SEK 9.7 m (4.3).
- Other income amounted to SEK 0.0 m (31.4).
- Gross profit totaled SEK 4.8 m (32.5) or, excluding the sale of the VoIP patent in 2009, SEK 4.8 m (1.1).
- Gross margin was 49.4 percent (91.1) or, excluding the sale of the VoIP patent in 2009, 49.4 percent (25.9).
- Operating loss was SEK -15.1 m (18.0) or, excluding the sale of the VoIP patent in 2009, SEK -15.1 m (-13.3).
- Loss after tax was SEK -15.4 m (17.3) or, excluding the sale of the VoIP patent in 2009, SEK -15.4 m (-14.0).
- Loss per share was SEK -0.70 (-0.83) or, excluding the sale of the VoIP patent in 2009, SEK -0.70 (-0.67)
- At the end of the quarter, the order book totaled SEK 3.3 m (4.8).

Important Events January – March 2010

- INVISIO has received several orders from military customers, including the US Navy. The orders include INVISIO's new communication system with certified hearing protection comprised of the INVISIO X50 control unit and the INVISIO X5 two-channel headset.
- INVISIO has appointed Erik Penser Bankaktiebolag its financial advisor for the planned listing on NASDAQ OMX Small Cap.
- A directed share issue corresponding to approximately 1.7 percent of the total number of shares in the company after the issue was implemented in March, providing the Company with approximately SEK 7 m. The issue was directed to a smaller group of external investors.
- A new line of credit totalling SEK 14 m was raised in March.

Important Events after the Period

- INVISIO has, through partners, made a tender for communication equipment that includes a large number of units to a military customer, for a so called Future Soldier Program. A decision on the program is expected by the end of 2010 at the earliest.
- A court ruling was issued by the Supreme Court of Denmark on April 20, concerning a dispute stemming from 2005 between former employees and INVISIO, indicating that INVISIO lost the dispute. Assets were reserved in 2008 for costs associated with the dispute, which cover a majority of the amount INVISIO has been ordered to pay.

INVISIO Headsets AB is a public company listed on First North Premier Segment (ticker code: IVSO), an alternative marketplace on Nasdaq OMX Stockholm. INVISIO Headsets holds the patents for Bone Conduction Technology, which supports the best possible sound quality in extreme sound environments, and for Soft Spring™, an ergonomically designed attachment device for headsets that provides optimal wearing comfort. Both patents are featured in the Company's unique INVISIO® headsets for professional users and consumer applications. The products are used by military personnel, special forces, police, fire fighters and security companies around the world, as well as exclusively by Motorola Inc. in Bluetooth headsets for the global consumer market. Additional information is available on the Company's website: www.invisioheadsets.com. Mangold Fondkommission AB (tel. +46-8-503 015 50) is the Certified Advisor for INVISIO Headsets AB on First North.



CEO's Comments

The year's first quarter has continued in the same positive direction as the previous year's last quarter. We doubled the sales of professional products compared to the corresponding period last year. The income from the cooperation with Motorola increased as well.

Business Area Professional Products

Sales of Professional products continued to be good and were almost in line with the fourth quarter of 2009, which was the best quarter ever. The increase for the quarter was 97 percent compared to the corresponding period of 2009.

During the quarter, we delivered the majority of the break-through order on the so called TETRA market, which we received during the fourth quarter. To have delivered large volumes with high quality and on time proves that we have control over our supply chain.

Several new trial projects with potential customers are continuously underway after the introduction of the new series of products for professional users – the INVISIO X50 control unit and the INVISIO X5 headset. This solution is the first digital communication system in the world to feature certified hearing protection and our patented technology INVISIO Bone Conduction, which enables disruption-free communication under extreme conditions. Important orders of the communication system came during the quarter from military customers, among them US Navy, and we now see queries of considerably larger order values than before.

After the end of the quarter, INVISIO has, through partners, made a tender for communication equipment that includes a large number of units to a military customer, for a so called Future Soldier Program. These types of programs on modernizing military equipment are ongoing in a number of countries, and include communication equipment for military units. The size of the programs varies, but can amount to thousands of units and thus substantial amounts. A decision on the program is expected by the end of 2010 at the earliest.

Business Area Consumer Products and Cooperation with Motorola

The income from the cooperation with Motorola increased compared with the fourth quarter of 2009, which is positive as the last quarter usually is the strongest one for consumer electronics and the first quarter the weakest. The fact that the first product under the cooperation, Motorola Endeavor HX-1 with INVISIO Bone Conduction, was introduced on additional markets during the quarter, such as Russia and the UK, as well as through Apple Stores, is positive. However, the income is still not on a level that matches our internal target. It is not possible for INVISIO Headsets to predict the speed of Motorola's rollout in terms of the number of distribution channels or markets.

The income for the business area as a whole were however lower than in the fourth quarter of 2009, because the income for that quarter included both income from Motorola as well as from end-sales of remaining stocks of our own consumer products INVISIO G5.

Governance and control

Our costs are under control and stable. Under the period we have however had non-recurring costs, mostly related to the planned listing on the NASDAQ OMX Small Cap list, costs in



connection with an organizational change that was carried out during the quarter as well as assets reserved for a dispute with former employees stemming from 2005.

Summary of the First Quarter 2010

The year has started well for INVISIO, even though we have not reached our objective of becoming profitable, and we are taking decisive steps forward according with our strategy to focus on professional products and the cooperation with Motorola. Even though the income from Motorola is not on our targeted level, we continue to view the cooperation in a very positive light. In the business area Professional products, where sales have increased, we have with the new professional products confirmed our conscious evolution from a headset company to a communications company. Our current product portfolio includes advanced headsets as well as control units and accessories for use with two-way radio, and we now have expertise in radio and user interfaces that is hard to match. We have won several important strategic orders lately and we see a very strong interest in the new series of products, but the challenge is that the lead times to orders are sometimes long and quarterly sales figures can fluctuate considerably. We will continue to focus on sales and marketing, deliveries, logistics and technological innovations.

Lars Højgård Hansen
CEO

Total income and Result January – March 2010

Total income for the first quarter of 2010 amounted to SEK 9.7 m (35.7), where the total income for 2009 include SEK 31.4 m from the sale of the VoIP patent in March 2009. Excluding the sale of the VoIP patent, total income – i.e. sales – increased to SEK 9.7 m (4.3). Other income amounted to SEK 0.0 m (31.4). Gross profit totaled SEK 4.8 m (32.5) or, excluding the sale of the VoIP patent in 2009, SEK 4.8 m (1.1). The gross margin was 49.4 percent (91.1) and, excluding the sale of the VoIP patent in 2009, 49.4 percent (25.9).

At the end of the quarter, the order book totaled SEK 3.3 m (4.8). The decrease is mainly attributable to the changed business model for the business area Consumer products, meaning that the Company discontinued its own sales in the business area in 2009. The order book currently consists of only professional products.

Operating expenses for the first quarter of 2010 increased to SEK -19.9 m (-14.4). The increase of SEK 5.5 m was mainly due to non-recurring costs of SEK 5.1 m, where SEK 3.0 m relates to the planned listing on the NASDAQ OMX Small Cap list, SEK 0.7 m relates to an organizational change carried out during the first quarter and further assets reserved for a dispute with former employees stemming from 2005 where the court ruling was issued on April 20 to the Company's disadvantage with SEK 1.4 m in compensation. In addition, it includes provisions for the Company's performance-based option program for 2009 of SEK -1.2 m (0 for 2008). Provisions for the Company's performance-based option program for 2010 amounted to SEK 0 m (-0.5) for the first quarter of 2010, as the possibility of receiving employment-related options was discontinued at the end of 2009.

Net financial items for the first quarter of 2010 amounted to SEK -0.3 m (-0.7).

Profit after tax for the first quarter of 2010 amounted to SEK -15.4 m (17.3), and, excluding the sale of the VoIP patent in 2009, to SEK -15.4 m (-14.0), corresponding to SEK



-0.70 per share (0.83) and, excluding the sale of the VoIP patent in 2009, to SEK -0.70 per share (-0.67).

Professional Products

Sales of professional products for the first quarter of 2010 in the business area doubled compared to the corresponding period of 2009 and amounted to SEK 7.7 m (3.9). The gross margin was 37.2 percent (45.3). It is characteristic of the business area that the gross margin for professional products may fluctuate from quarter to quarter depending on the share of direct sales to end-customers, with higher margins, compared with the share of sales made through distributors. The gross margin for the quarter was affected by the product mix, a higher degree of sales through distributors and costs related to the launch of the new series professional products.

Consumer Products

Sales for the first quarter of 2010 in the business area amounted to SEK 1.9 m (0.4) and consisted entirely of royalty income from Motorola. The gross margin was -98.0 percent. The operating result was charged with write-downs of accounts receivable of SEK -0.4 m (0.0) attributable to sales of the previous year.

Capital Expenditure, Cash flow, Liquidity and Shareholders' Equity

Capital Expenditure

Net capital expenditure for the first quarter of 2010 amounted to SEK -1.7 m (-1.9), of which SEK -1.7 m (-1.9) consisted of capitalized development costs attributable mainly to the development of future professional products.

Cash Flow and Liquidity

Cash flow from operating activities was SEK -7.8 m (-3.8) during the first quarter of 2010. Cash flow from investing activities amounted to SEK -1.7 (-1.9) and cash flow from financing activities amounted to SEK 20.0 m (5.0), including a new share issue of SEK 7.0 m (5.0) and liabilities to credit institutions of SEK 13.0 m (0.0). Cash flow during the period thus amounted to SEK 10.5 m (-0.7).

At the end of the first quarter, cash and cash equivalents of the Group amounted to SEK 15.5 m (0.2). The management and Board continue to work actively and continuously with the Company's governance and control, including earnings, liquidity and financial position. The Board is continuously evaluating that the conditions for further operations are fulfilled. During the quarter, the equity of the parent company was increased due to new share issues with the purpose of securing INVISIO's financial position and financing an increased capitalization to support the increased sales efforts of professional products. The Company is in need of additional liquidity until its operations reach break-even. The view held by the Company management and Board is the same as previously, namely, that necessary liquidity and financing will be generated to strengthen operations through income, borrowing, the possible exercise of stock options, and the authorization for equity issuance granted by the 2009 AGM.



Shareholders' Equity

The Group's reported shareholders' equity as per March 31, 2010, amounts to SEK -2.2 m (22.4), entailing a negative equity ratio (28.1 percent).

Parent Company

Operating income for the parent company for the first quarter of 2010 amounted to SEK 0.03 m (0.03). The operating result for the quarter was SEK -4.0 m (-1.5). The result after tax for the quarter was SEK -4.2 m (-2.3).

At the end of the quarter, cash and cash equivalents held by the parent company amounted to SEK 13.9 m (0.2), and the equity ratio was 78 percent (56). The parent company had 1 employee (1).

Important Events January – March 2010

Sales

INVISIO Headsets has received several orders from military customers in Europe and the US, including the US Navy. The orders include INVISIO Headsets' new communication system with certified hearing protection comprised of the INVISIO X50 control unit and the INVISIO X5 two-channel headset. This is the first digital communication system in the world to feature certified hearing protection and the patented INVISIO Bone Conduction technology, which enables disruption-free communication under extreme conditions. The total value of the order is approximately SEK 2 m.

Organization

The management structure was reorganized on March 1, 2010 when Jan Larsen, Head of R&D, also became Operations Manager.

Financing

On January 11, 2010, a total of 500,000 shares were registered relating to the directed share issue implemented in December 2009. On February 26, 2010, the Board of INVISIO Headsets decided that a directed share issue of 383,562 shares and corresponding to approximately 1.7 percent of the total number of shares in the Company following the issue, which provided the company with approximately SEK 7 m. The subscription price was SEK 18.25 per share, corresponding to the closing price prior to the Board's decision. The issue was directed at a smaller group of external investors. A new line of credit totalling SEK 14 m was raised in March. In addition to this, in February one of the largest shareholders of INVISIO Headsets agreed with the Board to ensure that in 2010 the Company is provided with an additional sum of approximately SEK 20 m through new loans or share issues, should this be necessary. INVISIO Headsets has appointed Erik Penser Bankaktiebolag its financial advisor for the planned listing on the NASDAQ OMX Small Cap list.



Important Events after the Period

INVISIO has, through partners, made a tender of communication equipment that includes a large number of units to a military customer, for a so called Future Soldier Program. A decision on the program is expected by the end of 2010 at the earliest.

The court ruling that was issued during the fourth quarter 2008, concerning a dispute stemming from 2005 between former employees and INVISIO Headsets A/S and INVISIO Headsets AB, respectively, has resulted in INVISIO being ordered to pay a total of approximately DKK 2.5 m. INVISIO has appealed the verdict. A court ruling was issued by the Supreme Court of Denmark on April 20, which meant that INVISIO lost the dispute. Assets of SEK 3.6 m were reserved in 2008 for possible future costs associated with the dispute. A further SEK 1.4 m has been reserved during the first quarter for costs related to the dispute.

Outlook for the Second Quarter of 2010

With the strategy of focusing on professional products and the cooperation with Motorola carried out in full, our costs under control and a streamlined organization with focus on sales and marketing, deliveries, logistics and technological innovations, we will continue to take decisive steps forward.

Professional Products

The number of queries and full-scale customer trials continues to rise following the introduction of the new series professional products. Follow-ups of market activities aimed at end users in important markets are underway and received queries on orders are considerably larger than usual for the Company. As previously explained, sales for the business area can vary from quarter to quarter due to the long lead times from initial query through quotation to firm order. The positive market response following the introduction of the new series of professional products means that INVISIO Headsets expects to see a considerable long-term increase in sales in the business area.

Consumer Products

So far, Motorola Endeavor HX-1 has been well received by trade publications and the market. The positive reactions have exceeded INVISIO Headsets' expectations and are expected to have a positive effect on coming royalties. In 2010, Motorola will intensify the marketing of the new product while also beginning the European launch of Endeavor HX-1. Endeavor HX-1 is a recommended accessory for Motorola's new DROID smartphone. However, as things stand, it is not possible for INVISIO Headsets to predict the speed of Motorola's rollout in terms of the number of distribution channels or markets.

Accounting Principles

This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The parent company's accounts have been prepared in accordance with RFR 2.3 Accounting for Legal Entities and the Swedish Annual Accounts Act. The accounting principles that are described in the 2009 Annual Report have been applied.



Significant Risks and Uncertainties

INVISIO Headsets' business and earnings are affected by a number of external and internal factors. A continuous process is conducted to identify all risks and to assess how each respective risk shall be managed.

The risks that the Company is mainly exposed to are market-related risks (including legislation and political decisions, global economic situation, competition, technological risks and market acceptance of new products and dependency of suppliers), operational risks (including the ability to manage growth, customers and cooperation agreements, product liability, immaterial rights, dependence on key persons and employees, as well as risks related to financial reporting) and financial risks (including primarily currency risk, financing risks and liquidity risks).

In the Company's opinion, no additional significant risks or uncertainties have arisen during the year, apart from those reported in this report and on pages 39, 40, 43, 44 and in note 2 in INVISIO Headsets' annual report for 2009.

As noted in the "Cash flow and liquidity" section, the Company management and Board are working actively and continuously with the Company's governance and control, including earnings, liquidity and financial position. The Board continuously tests that the conditions for continued operation exist. The parent company has, during the quarter, received equity through new share issues with the purpose of securing INVISIO's financial position and financing an increased capitalization to support the increased sales efforts of professional products.

The Company is in need of additional capital until the business reaches break-even. The view held by the Company management and Board is the same as previously, namely, that necessary liquidity and financing will be generated and added to operations through continuing income, borrowing, the possible exercise of stock options, and the authorization granted by the 2009 AGM to carry out new issues.

Related Party Transactions

Lage Jonason with related parties is the Company's largest individual shareholder. Lage Jonason has personally stood surety for some of the Company's liabilities to credit institutions, for a nominal amount of SEK 13.8 m, and for undertakings vis-à-vis suppliers. The Company has not reimbursed Lage Jonason in respect of his security responsibility.

Annual General Meeting 2010

The 2010 Annual General Meeting will be held at 9 a.m. on April 27, 2010, at the premises of Erik Penser Bankaktieföretag, Biblioteksgatan 9, Stockholm. Notice of the AGM can be found on INVISIO Headsets' website www.invisioheadsets.com.

Future Reporting Dates

- Interim report April–June: July 22, 2010
- Interim report July–September: November 3, 2010
- Year-end report 2010: February 17, 2011



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Stockholm, April 22 april, 2010

Heléne Bergquist
Chairman of the Board

Magnus Ruding
Director

Anders Persson
Director

Mats Warstedt
Director

Lars Højgård Hansen
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Review Report

We have reviewed this report for the period 1 January 2010 to 31 March 2010 for INVISIO Headsets AB. The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

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

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

Stockholm, 22 April 2010

PricewaterhouseCoopers

Michael Bengtsson

Authorised Public Accountant

Auditor in charge



Tables

Consolidated Income Statement

SEK 000s

Income statement	Jan.-March 2010	Jan.-March 2009	Jan.-Dec 2009
Sales	9 659	4 308	28 633
Other income	-	31 346	32 473
Total income	9 659	35 654	61 106
Cost of goods sold	-4 892	-3 191	-18 388
Gross Profit	4 767	32 463	42 718
Operating expenses ^{1/2/}	-19 910	-14 420	-56 156
Operating profit/loss	-15 143	18 043	-13 438
Net financial items	-250	-745	-3 857
Profit/loss before tax	-15 393	17 298	-17 295
Income tax	-	-	-
Profit/loss for the period	-15 393	17 298	-17 295
Other comprehensive income			
Translation differences during the period from translation of foreign businesses	-837	-742	-541
Comprehensive income for the period	-16 230	16 556	-17 836

Profit for the period as well as comprehensive income are entirely attributable to equity holders of the parent.

1/ Of which, depreciation	-2 553	-2 243	-9 480
2/ Of which, cost of one-off measure	5 075	-	-

Per-share data	Jan.-March 2010	Jan.-March 2009	Jan.-Dec 2009
Earnings per share, SEK	-0,70	0,83	-0,82
Earnings per share after dilution, SEK	-0,70	0,82	-0,82
Shareholders' equity per share, SEK	neg.	1,07	0,33
Shareholders' equity per share after dilution, SEK	neg.	1,07	0,33
Equity ratio	neg.	28%	14%
Number of shares outstanding	22 448 688	21 017 190	21 565 126
Average number of shares outstanding	22 064 974	20 858 217	21 063 789
Number of shares outstanding after dilution	22 448 688	21 017 190	21 565 126
Share price, SEK	18,00	21,20	18,00

Consolidated Balance Sheet

Condensed balance sheet

SEK 000s

Assets	3/31/2010	3/31/2009	12/31/2009
Intangible assets	22 550	25 467	24 521
Property, plant and equipment	1 235	2 819	1 611
Financial assets	697	794	769
Inventories	2 153	4 711	2 716
Accounts receivable - trade	6 022	5 071	13 404
Other receivables, prepaid expenses and accrued income	2 083	40 843	2 149
Cash and bank balances	15 546	197	5 059
Total assets	50 286	79 902	50 229



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Consolidated Balance Sheet

Shareholders' equity and liabilities	3/31/2010	3/31/2009	12/31/2009
Shareholders' equity	-2 200	22 422	7 030
Liabilities to credit institutions	23 217	17 846	16 815
Accounts payable - trade	9 559	13 452	11 761
Other liabilities, accrued expenses and deferred income	19 710	26 182	14 623
Total shareholders' equity and liabilities	50 286	79 902	50 229
Changes in shareholders' equity	3/31/2010	3/31/2009	12/31/2009
Opening balance	7 030	4 068	4 068
New share issue	7 000	1 798	20 798
Comprehensive income for the period	-16 230	16 556	-17 836
Closing balance	-2 200	22 422	7 030

Statement of financial position, Group

SEK 000s

Interim period 1/1/2010 – 3/31/2010	Share capital	Other capital contributions	Loss carried forward	Total shareholders' equity
Opening balance, 1/1/2010	21 565	177 011	-191 546	7 030
New share issue	500	-500	-	0
New share issue in progress	383	6 617	-	7 000
Comprehensive income for the period	-	-	-	-16 230
Shareholders' equity, 3/31/2010	22 448	183 128	-191 546	-2 200

Interim period 1/1/2009 – 3/31/2009	Share capital	Other capital contributions	Loss carried forward	Total shareholders' equity
Opening balance, 1/1/2009	20 646	157 132	-173 710	4 068
New share issue	-	1 798	-	1 798
Comprehensive income for the period	-	-	-	16 556
Shareholders' equity, 3/31/2009	20 646	158 930	-173 710	22 422

Statement of cash flows – Group

SEK 000s

Cash flow	Jan.-March 2010	Jan.-March 2009	Jan.-Dec 2009
Operating activities			
Profit/loss before tax	-15 393	17 298	-17 295
Adjustments for non-cash items	3 028	-29 822	9 034
Taxes	-	-	-
Cash flow from operating activities before changes in working capital	-12 365	-12 524	-8 261
Cash flow from changes in working capital	4 569	8 741	-2 433
Cash flow from operating activities	-7 796	-3 783	-10 694
Investing activities			
Capitalization of non-current assets	-1 682	-1 868	-8 286
Acquisition/divestment of property, plant and equipment	-42	5	-189
Cash flow from investing activities	-1 724	-1 863	-8 475
Financing activities			
New share issue	7 000	5 044	24 044
Change in financial assets	13 000	-35	-743
Acquisition/divestment of financial assets	28	-35	-10
Cash flow from financing activities	20 028	4 974	23 291
Cash flow for the period	10 508	-672	4 122
Cash and bank balances at start of period	5 059	864	864
Translation differences in cash and bank balances	-21	5	73
Cash and bank balances at end of period	15 546	197	5 059



Parent Company Income Statement

SEK 000s

Income statement	Jan.-March 2010	Jan.-March 2009	Jan.-Dec 2009
Operating income	30	30	345
Operating expenses ³⁾	-4 037	-1 525	-6 005
Operating loss	-4 007	-1 495	-5 660
Net financial items ⁴⁾	-163	-803	-33 609
Loss before tax	-4 170	-2 298	-39 269
Income tax	-	-	5 761
Loss for the period	-4 170	-2 298	-33 508

^{3/} Of which, depreciation

Parent Company Balance Sheet

Condensed balance sheet

SEK 000s

Assets	3/31/2010	3/31/2009	2009-12-31
Financial assets/shares in subsidiaries	81 871	81 871	81 871
Receivables from Group companies	21 891	69 731	14 697
Other receivables, prepaid expenses and accrued income	596	346	299
Cash and bank balances	13 893	199	3 533
Total assets	118 251	152 147	100 400

Shareholders' equity and liabilities	3/31/2010	3/31/2009	12/31/2009
Shareholders' equity	91 652	84 887	88 822
Liabilities to credit institutions	20 750	15 500	7 750
Accounts payable - trade	2 951	3 947	2 232
Liabilities to Group companies	180	40 260	198
Other liabilities, accrued expenses and deferred income	2 718	7 553	1 398
Total shareholders' equity and liabilities	118 251	152 147	100 400

Changes in shareholders' equity	3/31/2010	3/31/2009	12/31/2009
Opening balance	88 822	85 387	85 388
New share issue	7 000	1 798	11 798
New share issue in progress	-	-	9 000
Group contribution	-	-	21 906
Tax group contribution	-	-	-5 762
Loss for the period ⁴⁾	-4 170	-2 298	-33 508
Closing balance	91 652	84 887	88 822

^{4/} Of which, SEK 30 m in shareholder contribution to subsidiaries as per 12/31/2009.



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Consolidated Income Statement - Segmental Breakdown
SEK 000s

Income statement, per segment, Jan.-March 2010	Professional Products	Consumer Products	Other	Total
Sales	7 728	1 931	-	9 659
Other income	-	-	-	0
Total income	7 728	1 931	-	9 659
Cost of goods sold	-4 854	-38	-	-4 892
Gross Profit	2 874	1 893	-	4 767
Selling and marketing expenses	-7 194	-314	-1 305	-8 813
Administrative expenses	-2 303	-102	-3 217	-5 622
Research and development costs	-3 649	-1 392	-434	-5 475
Operating profit/loss⁵⁾	-10 272	85	-4 956	-15 143
Net financial items	-86	-	-164	-250
Profit/loss before tax	-10 358	85	-5 120	-15 393
Tax	-	-	-	-
Profit/loss for the period	-10 358	85	-5 120	-15 393

5/ Includes depreciation of SEK 2 553 thousand for the period Jan.-March 2010

Income statement, per segment, Jan.-March 2009	Professional Products	Consumer Products	Other	Total
Sales	3 916	392	-	4 308
Other income	-	-	31 346	31 346
Total income	3 916	392	31 346	35 654
Cost of goods sold	-2 144	-1 047	-	-3 191
Gross Profit	1 772	-655	31 346	32 463
Selling and marketing expenses	-6 128	-234	-147	-6 509
Administrative expenses	-2 431	-78	-1 236	-3 745
Research and development costs	-2 644	-1 505	-17	-4 166
Operating profit/loss⁶⁾	-9 431	-2 472	29 946	18 043
Net financial items	91	-	-836	-745
Profit/loss before tax	-9 340	-2 472	29 110	17 298
Tax	-	-	-	-
Profit/loss for the period	-9 340	-2 472	29 110	17 298

6/ Includes depreciation of SEK 2 243 thousand for the period Jan.-March 2009

Income statement, per segment, Jan.-Dec. 2009	Professional Products	Consumer Products	Other	Total
Sales	21 345	7 288	-	28 633
Other income	-	-	32 473	32 473
Total income	21 345	7 288	32 473	61 106
Cost of goods sold	-12 902	-5 486	-	-18 388
Gross Profit	8 443	1 802	32 473	42 718
Selling and marketing expenses	-23 121	-860	-655	-24 636
Administrative expenses	-9 250	69	-4 771	-13 952
Research and development costs	-12 397	-4 976	-195	-17 568
Operating profit/loss⁷⁾	-36 325	-3 965	26 852	-13 438
Net financial items	-2 548	-1	-1 308	-3 857
Profit/loss before tax	-38 873	-3 966	25 544	-17 295
Tax	-	-	-	-
Profit/loss for the period	-38 873	-3 966	25 544	-17 295

7/ Includes depreciation of SEK 9 480 thousand for the period Jan.-Dec. 2009