

# Second 2006 Quarter Report 6

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# Financial summary

(SEK b.)

	Q205	Q106	Q206	YoY %	Seq %
Sales	38.4	39.2	44.2	15%	13%
Gross margin	45.9%	43.3%	42.0%		
Adj. Operating income	8.3	7.0*	8.7*	4%	23%
Adj. Operating margin	21.6%	17.9%*	19.6%*		
Operating income	8.3	6.6	8.3		25%
Operating margin	21.6%	16.9%	18.7%		

\* Excl. Marconi intangible amortization of SEK 0.4 b

# Financial summary

(SEK b.)

	Q205	Q106	Q206	YoY %	Seq %
Income after financial items	8.5	6.7	8.3		
EBITDA	25.3%	22.0%	22.6%		
Tax rate	32%	31%	31%		
Adj. EPS	0.37	0.31*	0.38*	3%	23%
EPS	0.37	0.29	0.36	-3%	24%

\* Excl. Marconi intangible amortization of SEK 0.4 b

# Financial performance

(SEK b.)

	Q205	Q106	Q206
Net income	5.8	4.6	5.7
Adj. income to cash	2.2	3.3	2.7
Income to cash	8.1	7.8	8.4
Working capital	-1.0	-5.4	-8.1
Cash flow from operating activities	7.1	2.4	0.2
Investing activities	-1.7	-18.5	-2.2
Cash flow bef. fin. investing activities	5.4	-16.1	-2.0
Adj. Cash flow bef. fin. investing activities	5.4	1.5*	-2.0
Net cash	42.4	33.7	27.9
Equity ratio (%)	44.9%	50.2%	53.9%

\*Excl. Marconi acquisition SEK 17.6 b.

# Operating efficiency trends

	Q205	Q106	Q206	Targets
Accounts receivable (SEK b.)	38.4	44.8	46.3	
DSO	90	101	95	<90
Inventories, incl. CWIP (SEK b.)	19.3	23.5	23.1	
Inventory turnover	4.5	4.2	4.4	>5.5
Accounts payable (SEK b.)	11.8	14.4	16.1	
Payable days	56	52	55	>45

Operational excellence remains in focus

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