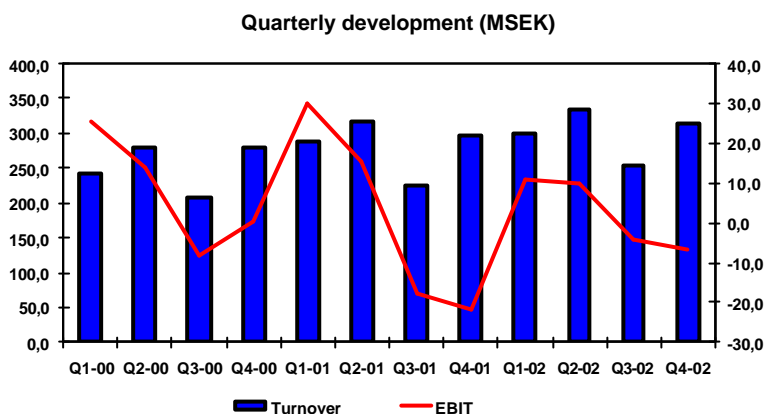


PROFITABLE INTERNATIONAL GROWTH ON A TOUGH MARKET

- Sales rose by 6.5% to SEK 1,200 million (1,127m)
- The operating profit (EBIT) reached SEK 10.1 million (5.7 m), up 79%
- Cash flow continues to be positive
- Several strategically important partnership agreements were signed



Comments by CEO Hans Johansson

“Despite a tough market, Semcon reported sales growth of 6.5% and operating profit of SEK 10.1 million. This proves that there is continuing demand for the competence of our highly capable consultants and our attractive business offer. Market conditions and a weak economy since the second half of 2001 have affected Swedish businesses and thus the entire consultancy market in Sweden.

“Our international activities have doubled in size and now account for 15% of our total sales in accordance with our strategic plans.

“Demand was weak throughout 2002 and weakened further at the end of the year and the start of 2003. We are prepared for yet another tough year when our aim will be to continue making a profit.

“Our managers have good knowledge about their markets and continually implement the required measures. In 2002 this meant concentrating our competence at fewer offices and departments. These continuous measures involved an SEK 41.5 million charge to the year’s results, of which SEK 15 million was in the final quarter.

“Changes in the market created a series of new business opportunities, including projects where we improve the efficiency of our customers’ product development in order to boost their profitability. Several new partnership agreements were signed where Semcon’s business offer, experience and competence were key factors. Partnership agreements were signed with Ericsson in Sweden within project management (PROPS), and in Denmark and Norway within wireless communication. In Sweden we also signed a partnership agreement with Volvo Buses, taking over their rig testing for durability and fatigue.

“It is very pleasing that Informatic’s partnership with Volvo Cars was extended for three years. With Informatic’s partnership concept for technical documentation we have established a leading position in northern Europe. The concept has attracted great interest and resulted in several concrete enquiries at the end of the year which have now lead to negotiations.”

Business activities

Sales for the full year rose by 6.5% to SEK 1,200 million (1,127 m). Growth came from existing and new partnership deals. The operating profit before goodwill depreciation was SEK 20.4 million (12.2 m), representing a profit margin of 1.7% (1.1%). The operating profit before financial items was SEK 10.1 million (5.7 m), representing a profit margin of 0.8% (0.5%). Sales in Q4 amounted to SEK 314.5 million (297.6 m) and the operating loss was SEK 6.9 million (-22.0 m). The greatly weakened market, especially within IT and telecom, affected results for all product areas, with e-Design worst hit.

Business areas	Sales (SEK m)		Growth (%)	Operating profit (SEK m)		Operating margin (%)	
	31/12/02	31/12/01		31/12/02	31/12/01	31/12/02	31/12/01
Industrial Design	578.8	570.4	1.5	14.0	14.5	2.4	2.5
e-Design	465.4	449.5	3.5	-6.6	-1.0	-1.4	- 0.2
Technology Management	156.0	106.7	46.2	2.7	-7.8	2.4	- 7.3
TOTAL	1200.2	1126.6	6.5	10.1	5.7	0.8	0.5

INDUSTRIAL DESIGN

Industrial Design focuses on the development and design of products and production systems. Our strong connection to industrial design unites people and technology in a unique way.

Sales increased by 1.5% to SEK 578.8 million (570.4 m) and the operating profit was SEK 14.0 million (14.5 m). The business area accounts for 48% (50) of total sales. In the current market, with cutbacks and the introduction of savings programmes among our customers, the business area developed positively thanks to stable demand from the vehicle, pharmaceutical and base industries. Our strategy of increasing complete responsibility projects and value-based offers has been put into practise. During the year Semcon reinforced its position as one of the leading suppliers to the Swedish vehicle industry, carrying out a number of important projects for Volvo Cars, the Swedish Defence Matériel Administration, Novo Nordisk, Saab Automobile, ABB and Scania.

E-DESIGN

e-Design develops embedded IT systems for products and production systems, interactive information, web solutions and web design, systems solutions and also supplies IT products.

Sales increased by 3.5% to SEK 465.4 million (449.5 m), and the operating loss was SEK 6.6 million (-1.0 m). The business area accounts for 39% (40) of total sales. The increase in sales is mainly due to partnership agreements with the vehicle industry and Ericsson. Results were hit strongly by the lacklustre market, primarily within IT and telecom. Negative trends meant that we were forced to make cutbacks in areas with poor profitability, resulting in a charge of SEK 31 million for the year. In addition, prices developed negatively due to surplus capacity of consultants in the Stockholm region.

Informatic

Informatic has around 200 employees in the field of technical information and continues to develop well. We have extended our agreement with Volvo Cars for a further three years. Other clients include Metso, Besam and ABB Flexible Automation. Informatic's unique partnership concept means that we take an active role in ongoing discussions about partnerships in Sweden and abroad.

TECHNOLOGY MANAGEMENT

Technology Management improves customers' results by developing strategies for processes, technology and IT. The business area's work with strategic issues and transforming projects at senior management level creates opportunities for comprehensive undertakings where the complete range of Semcon's skills can be exploited.

Sales climbed by 46.2% to SEK 156.0 million (106.7m), and the operating profit reached SEK 2.7 million (-7.8 m). The business area accounts for 13% (10) of total sales. Demand remained strong for services where we can improve profitability for our customers. Strategic partnership agreements were signed with Ericsson concerning its PROPS activity. We offer and develop training and consultancy services based in the PROPS project management model in Karlstad, Stockholm and, from 2003, in Kuala Lumpur, Malaysia.

Zipper

Zipper focuses on strategies for IT infrastructure. Using effective concepts and by taking complete project responsibility we cut total IT costs for our customers. We do this by creating cost-efficient solutions for IT infrastructure and systems integration. Zipper's Fasttrack and Baseline concepts were very positively received by the market in 2002. It was very pleasing to see the Stockholm region developing well during the year, and the region still has large growth potential in 2003. Zipper is a Golden Partner to Microsoft and Zipper was chosen as partner of the year by IBM Software. Business deals were agreed with Sony Ericsson, Länsförsäkringar, Akzo Nobel and ESAB.

Parent company

Semcon AB is the parent company in the Group and responsible for company-wide issues such as strategy, information and marketing. Sales totalled SEK 17.5 million (20.0 m). The loss after depreciation was SEK 0.1 million (+0.4 m). The parent company's liquidity was SEK 49.5 million (50.0 m). The company's investments in stock totalled SEK 0 million (0 m).

Personnel and organisation

The total headcount on 31 December 2002 was 1,570 (1,601) and the average number of employees was 1,581 (1,585).

Financial items and investments

The Group's total investments, mainly in computer hardware and software, totalled SEK 14.1 million (25.0 m). At the end of the period the equity/assets ratio stood at 28% (29%) and liquid funds amounted to SEK 5.8 million (7.0 m). Of a total SEK 100 million in bank overdraft facilities, SEK 25.2 million was utilised. Investments in subsidiaries' shares amounted to SEK 3.8 million (31.8 m).

Dividend

The Board has established a dividend policy whereby Semcon AB's dividend over the long term shall be 30-50% of profit after tax. On 31 December 2002 the total number of shares was 17,391,021. Because of the results of the Semcon Group, the Board will propose to the AGM that no dividend be paid for 2002. No dividend was paid for 2001.

Options scheme

A total of 217,900 warrants were subscribed for in the options scheme offered to all employees during the first quarter. The subscription price was SEK 7. Each warrant gives the owner the right during the period 1 June-31 August 2005 to subscribe for one share at a price of SEK 63. The dilution effect will be 1,2% and the total number of shares will reach 17,608,921.

The Board of Semcon AB (publ) has awarded purchase warrants to 13 leading decision-makers of the company. The scheme comprises 236,00 purchase warrants. The CEO has acquired 75,000 warrants and other staff members have acquired between 2,000 and 25,000 warrants each. The warrants run until 3 July 2006 and each warrant gives the owner the right to buy one share in Semcon AB at a price of SEK 42, corresponding to around 150% of the average share price of a Semcon share during the period 24-28 June 2002. There will be no dilution effect on the total number of shares because Semcon has entered a so-called share-swap agreement to secure the commitment relating to the options scheme. The annual cost is estimated at around SEK 450,000 per year.

Outlook

Demand was weak in 2002 and weakened further towards the end of the year and the start of 2003. We are prepared for another tough year and our aim will be to maintain profitability. We continuously adapt our organisation to demand levels. Customers are continuing to develop new products and processes in order to improve their profitability. This creates new business opportunities within product development and new partnership agreements. The trend is that an increasing number of customers are selecting fewer, larger suppliers, and this trend favours Semcon.

Other information

All figures are based on the same accounting principles and calculation periods used in the previous financial year. This report has been produced in accordance with recommendations and statements by the Swedish Financial Accounting Standards Council. The recommendations that came into effect in 2002 have not resulted in any changes to the company's accounting principles.

Future reports and AGM

The Annual Report for 2002 is planned for publication at the beginning of March 2003 and will be sent to all shareholders who have indicated that they wish to receive financial information. The Annual Report will also be made available at Semcon's head office, Therese Svenssons gata 15, Göteborg. It can be ordered via tel: +46 31-721 00 00, fax: +46 31-721 03 33, or via email: karin.sjoberg@semcon.se

The Annual General Meeting will be held at 6 p.m. on 13 March 2003 at Semcon's head office in Göteborg. The record date will be 3 March.

The Q1 report will be published on 28 April. For further information please contact CEO Hans Johansson on Tel: +46 (0)31 721 03 05, or mobile: +46 (0)70 591 43 34 or CFO Bengt Nilsson Tel: +46 (0)31-721 03 11, or mobile: +46 (0)70 447 28 68.

GÖTEBORG, 30 JANUARY 2003

SEMCON AB (publ)

Financial information in 2003

AGM	13 March
Q1 report January - March 2003	28 April
Q2 report January - June 2003	21 August
Q3 report January - September 2003	23 October

The Annual report for 2002 will be ready at the beginning of March 2003.

Semcon AB, Consolidated financial summary, 2002

Income statements (SEK 000s)	2002 Oct-Dec	2001 Oct-Dec	2002 Full year	2001 Full year
Operating income	314 472	297 555	1 200 201	1 126 628
Staff costs	-234 050	-241 524	-862 644	-809 611
Other operating expenses	-78 721	-69 150	-292 903	-278 182
Operating profit before depreciation	1 701	-13 118	44 654	38 835
Depreciation of tangible assets	-5 627	-6 906	-23 054	- 25 556
Depreciation of intangible assets	-2 951	-1 986	-11 489	- 7 629
Operating profit/loss	-6 877	-22 010	10 111	5 650
Net financial items	-856	-1 978	-2 993	-3 290
Profit/loss after financial items	-7 733	- 23 988	7 118	2 360
Tax	-1 859	6 262	-6 171	-1 409
Minority interest in profit/loss	-20	817	0	411
Profit/loss for the period/year	-9 612	-16 909	947	1 362
Number of shares	17 391 021	17 391 021	17 391 021	17 356 021
Earnings per share, SEK ¹⁴	-0,55	-0,97	0,05	0,08

Balance sheets (SEK 000s)	31 Dec 2002	31 Dec 2001
Assets		
Intangible fixed assets *	81 273	88 129
Tangible fixed assets	43 316	52 414
Financial fixed assets	21 041	19 660
Current assets	383 215	355 698
Total assets	528 845	515 901
Shareholders' equity and liabilities		
Shareholders' equity	147 593	148 921
Provisions	60 061	68 370
Minority shares	180	426
Long-term liabilities	36 038	62 924
Current liabilities	284 973	235 260
Total shareholders' equity and liabilities	528 845	515 901

Note *Of which goodwill

77 973

83 743

Cash flow statement (SEK 000s)	2002 Full year	2001 Full year
Current activities	28 808	28 023
Change in working capital	12 026	8 734
Investment activities	-16 835	-31 389
Financing activities	-25 217	-10 861
Change in liquid funds	-1 218	-5 493

Changes in shareholders' equity (SEK 000s)	2002 Full year	2001 Full year
Shareholders' equity at period's start	148 921	148 637
Effect of changed accounting principles	-	3 875
New share issue	-	3 937
Option premium	1 668	-
Risk of loss in initial SWAP agreement	-3 840	-
Dividend paid	-	- 8 669
Exchange rate differences	-103	- 221
Profit for the year	947	1 362
Shareholders' equity at period's end	147 593	148 921

Key figures	Note	2002 Full year	2001 Full year
Growth in sales, (%)		6.5	11.9
Operating margin, (%)	1	0.8	0.5
Return on average shareholders' equity, (%)	2	0.6	0.9
Return on average capital employed, (%)	3	6.0	3.3
Equity/assets ratio, (%)	4	27.9	28.9
Debt/equity ratio, (multiple)	5	0.24	0.42
Share of risk-bearing capital, (%)	6	39,3	42,1
Interest cover ratio, (multiple)	7	2.5	1.5
Earnings per share, (SEK)	8	0.05	0.08
Earnings per share inc 381 800 options, (SEK) ¹⁴	9	0.05	0.08
Shareholders' equity per share, (SEK)	10	8.49	8.56
Average number of employees	11	1581	1585
Value added per employee, (SEK 000s)	12	544	507
Profit after financial items per employee, (SEK 000s)	13	4.5	1.5
Investments in machinery and equipment, (SEK 000s)		14 057	24 991
Investments in subsidiaries' and associated companies shares, (SEK 000s)	15	3 766	31 762
Number of shares, year-end		17 391 021	17 391 021
Average number of shares		17 931 021	17 356 021

Notes:

- Profit after depreciation as a percentage of operating income.
- Net profit for the year as a percentage of average shareholders' equity.
- Profit after net financial items plus financial expenses as a percentage of average capital employed.
- Shareholders' equity as a percentage of the balance sheet total.
- Interest bearing liabilities divided by shareholders' equity.
- Shareholders' equity plus provisions, divided by the balance sheet total.
- Profit after net financial items plus financial expenses divided by financial expenses.
- Profit for the year divided by the average number of outstanding shares.
- Profit for the year divided by the average number of outstanding shares plus options.
- Shareholders' equity divided by the number of outstanding shares, year-end.
- Average number of full-time employees.
- Profit after depreciation plus payroll expenses and social security contributions divided by average number of full-time employees.
- Profit after net financial items divided by the average number of full-time employees.
- A certain dilution effect is not judged to exist for outstanding options because the exercise price exceeds the prevailing share price.
- Of which 2001's figures include SEK 25 000 000 regarding provision for estimated additional purchase price

Other explanations:

Net profit for the year

Profit for the year after tax.

Capital employed.

Shareholders' equity plus interest bearing liabilities.

Significant events during the financial year

Partnerships*

- Partnership agreement with Ericsson Project Management for PROPS
- Partnership agreement with LM Ericsson A/S in Denmark
- Partnership agreement with Ericsson Mobile Platform in Denmark
- Partnership agreement with Ericsson in Norway
- Partnership agreement with Volvo Buses AB
- Partnership with Volvo Car Corporation extended by a further three years

Orders

- Order of around SEK 12 million from FMV
- Order of around SEK 2 million from Kockums
- Order for Semcon's ER/ES logger from AstraZeneca
- Order from Bombardier for technical information
- Significant framework agreement signed with AstraZeneca, Scania, Pharmadule/Emtunga, Saab Avionics and Nokia DK
- Development and maintenance of computerised systems for automatic analysis of inhalers for AstraZeneca

Other

- Semcon was chosen as Volvo Car's Long Term Preferred Supplier
- Investing in Industrial IT, employing 10 people from Done Logistics
- Operational responsibility for Boverket's IT environment over 3 years with a possible 2 year extension
- Partnership agreement with ABB in Olofström for construction and production
- Development of production equipment for Valmet Automotve Inc. of Finland
- Zkill.net, a network of sub-consultants, started as a complement to the rest of Semcon

Significant events after the end of the financial year

- Recruitment firm Zpearpoint started
- Framework agreements signed so far with ABB, Apoteksbolaget, Bombardier, Ericsson Microwave Systems, FMV, Gambro, Husqvarna, ITT Flygt, Kockums, Nokia, OKG, Pharmacia, Siemens-Elcoma, Sapa, Scania, Telia, Tetra Pak, Tågia, Volvo Cars, Westinghouse Atom and others.
- Signed framework agreements covering 2003 with: AstraZeneca, Akzo Nobel, Gryaab, Kvaerner Pulping, Perstorp Oxo, Pharmadule/Emtunga, Pågens AB and Scanraff
- Semcon has created one of Scandinavia's leading design and development centres gathering all its resources in a joint office at Lindholmen Science Park in Göteborg.

Definition:

* Partnership:

Semcon takes over the entire or parts of the customers' development process where Semcon has extensive experience and specialist skills. A partnership agreement means we take over responsibility for personnel and development resources. Our partnership agreement with the customer also involves us running strategic development and making activities more effective and providing lasting cost-savings for the customer.