Q1
2002

FIRST QUARTER 2002

Net sales and earnings are on a level equal to those of 2001 despite a weak market. Adjusting for divestments in 2001, net sales for comparable units were up 7%.

IFS Applications continues to win marketshare. Revenue derived from IFS Applications increased by 24% when comparative figures for the first quarter of 2001 were adjusted for sales of other software in operations divested during 2001. License revenue for the 10 largest business applications vendors decreased by 18% during the first quarter of 2002.

The new version of IFS' component-based business applications, IFS Applications 2002—Packaged for Payback™, was launched and is currently being implemented at a number of customer sites.

Partnerships and alliances have developed well, with an increase in the number of prospects being approached in collaboration with partners. Sixteen percent of license revenue was derived from partnerships and alliances, compared with 6% for the first quarter of 2001.

Cash flow from current operations improved by SEK 19 M to SEK –28 M.

MSEK	**Q1 2002**	**Q1 2001**	**Change**
License revenue	304	272	12%
Consulting revenue	415	413	1%
Other	25	44	-43%
Net revenue	**744**	**729**	**2%**
Earnings before depreciation	**18**	**10**	**8**
Operating loss	–52	–52	0
Loss after financial items	**–68**	**–77**	**9**
Orders on hand	746	694	8%

In order to comply with a number of new recommendations, IFS has chosen to introduce new accounting principles for reporting revenue and product development expenditure as of January 1, 2002. The changes affect previous and future financial results. In compliance with Recommendation RR 5 on the revision of accounting principles, the quarterly income statements, balance sheets and cash flow statements from 2000 and 2001 have been restated, and financial ratios adjusted. A more detailed accounted appears on page 13 of this report.

Group performance

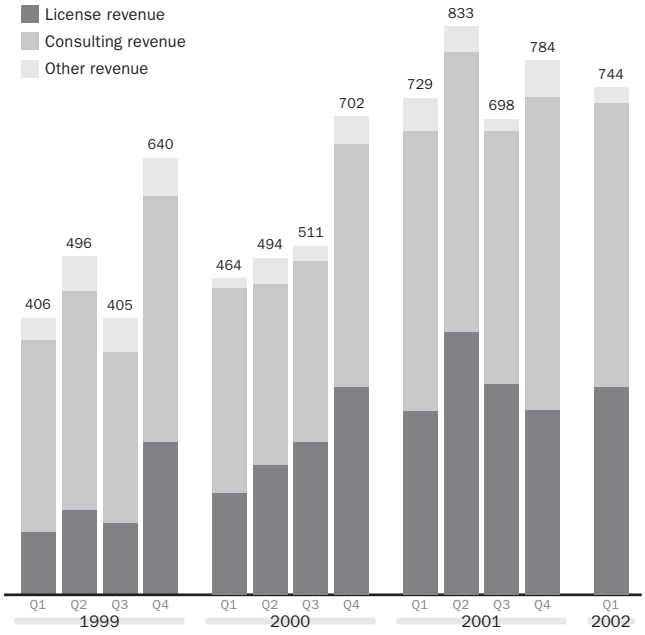
The slowdown in the economy continued to negatively impact the flow of orders. Apparently, many companies are choosing to defer major new investments in business applications, ordering instead smaller projects with faster return on investment. Another effect is that investments that are made are often preceded by longer evaluations than previously. We have, however, noticed a certain degree of recovery in the form of increased activity among customers in a number of important markets, primarily the U.S.A. and the U.K.

The market for business applications, including services, decreased by 2%, with license sales for the 10 major vendors of business applications down 18%. IFS has been relatively successful in this market and continues to win marketshare. In comparable units and in respect of IFS Applications, net sales increased by 7% and license sales by 24%. The opening value of orders on hand totaled SEK 884 M, and the closing value, SEK 746 M.

Of the Group's total sales during the period, consulting revenue accounted for 56%, license revenue for 41%, and other revenue for 3%, compared with 57%, 37% and 6%, respectively, for the first quarter of 2001. Other revenue refers mainly to hardware sales and application service provider (ASP) services. No acquisitions were made during the period.

The focus on manufacturing and logistics, the asset-intensive industry, services, as well as aviation and defense has been intensified. Customers signed in the first quarter within the respective segments include: Manufacturing and logistics; Akers Yards, (Norway), Silicon Sensing Systems (U.K.), Interquisa (Canada). Asset-intensive industry; De La Rue Cash Systems (U.K.), Three Gorges (People's Republic of China), PRT Forest (Finland), Agder Energi (Norway). Service: Babcock Support Services (U.K.), Ryoden Koki Engineering (Japan). Aviation and defense: Terma (Denmark).

The total number of employees at the end of the period was 3,221, compared with 3,556 during the first quarter of 2001 and 3,216 at year-end 2001. Sales per employee rose by 13% to SEK 230,000, compared with SEK 204,000 during the corresponding period in 2001. Invoicing per consultant increased from SEK 216,000 to SEK 274,000, with a consulting margin of 15%, compared with 16% during the first quarter of 2001. The lower consulting margin is primarily related to the fact that there are fewer working days during the first quarter. Indirect costs per employee (including non-recurring items in 2001) increased by 9%, which was more than expected. Currency effects account for approximately 3% of the increase. The remainder can be attributed to salary revisions, the fact that the principal personnel reductions were made in low-costs areas, and increased activity in marketing and sales. The result is unsatisfactory. Further actions to increase sales and reduce costs are being implemented.



Net revenue (MSEK)

Values for 1999 have not been restated according to the new accounting principles

Division EMEA

Division EMEA comprises Europe (excluding eastern Europe), the Middle East, and Africa. As in the latter part of 2001, the market was relatively weak. No improvement is expected in southern Europe before the end of the year. At the same time, contracts in EMEA are becoming bigger, which is obvious not least in Sweden. This, however, also entails longer sales cycles.

Manufacturers and distributors continue to be the single largest customer group for new orders. Nevertheless, there is a marked trend toward increased volumes within the service-producing and service-oriented sectors, where companies mainly require solutions for commercial service administration, project management, logistics, after sales service, customer relationship management (CRM) and human resource management. IFS has a strong position and a very competitive solution within the commercial service sector. The focus on sales to local authorities in Sweden has been successful, with 24 municipalities signing agreements with IFS since the initiative began two years ago.

DIVISION EMEA	Q1 2002	Q1 2001	Change
Net Sales * MSEK	453	474	–4%
License Revenue MSEK	150	150	0%
Consulting Revenue MSEK	275	277	–1%
Operating Profit/Loss MSEK	64	80	–16
Employees (Average)	1 516	1 617	–101
* of which interdivisional sales	22	38	–16

Division Growth Markets

Division Growth Markets represents the regions where the biggest growth in IFS sales is expected and consists of Asia, Australia, Japan, Latin America, and eastern Europe. This market is being penetrated in collaboration with partners and joint venture companies to a greater extent than other markets. Australia and the People's Republic of China developed well. The joint venture with IFS/UFSoft has gotten off to a very positive start, winning an order from the world's largest hydropower project, Three Gorges, in the People's Republic of China. In southeast Asia, and particularly in Japan, demand was weak.

In Latin America, the first quarter includes a vacation period with reduced business activity. The number of employees in Brazil was further reduced, and the market is increasingly being penetrated via partnerships and alliances.

Eastern Europe is showing signs of stabilization. Personnel numbers are being adjusted. In Poland, the number of employees decreased by 40 during the first quarter.

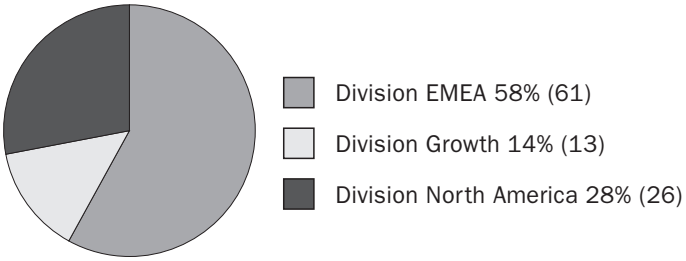
DIVISION GROWTH MARKETS	Q1 2002	Q1 2001	Change
Net Sales* MSEK	108	101	7%
License Revenue MSEK	59	41	44%
Consulting Revenue MSEK	43	43	0%
Operating Profit/Loss MSEK	14	9	5
Employees (Average)	601	696	–95
*of which interdivisional sales	7	8	–1

Division North America

Division North America consists of the U.S.A. and Canada. IFS continued to win marketshare in a very weak market. U.S.-based vendors of business applications, which have the majority of their sales in the U.S.A., experienced a drop in license sales of 25%. There were fewer new customers than in the previous quarter, and incoming orders derived primarily from additional orders from existing customers.

DIVISION NORTH AMERICA	Q1 2002	Q1 2001	Change
Net Sales * MSEK	209	194	8%
License Revenue MSEK	102	79	29%
Consulting Revenue MSEK	102	113	–10%
Operating Profit/Loss MSEK	15	–8	23
Employees (Average)	402	503	–101
*of which interdivisional sales	2	4	–2

Utilization of consultants continued to increase. The reduction in consulting revenue was due to the lower number of consultants. Toward the end of the first quarter, customers increased their activities, and the number of ongoing negotiations is greater than before. With the divestment of TCM operations and the subsidiary, Intercim, during the fourth quarter, IFS North America is now totally focused on IFS Applications. Together with its partners, IFS is well equipped to meet increasing demand. In comparable operations, and with respect to IFS Applications, net sales increased by 30%.



Share of net sales per Division. Figures in parentheses refer to Q1 2001

The market

The weak market trend for business applications during 2001 continued into the first quarter of 2002. The 10 biggest vendors of business applications worldwide reported lower license sales compared with the same period last year and report a decrease of 18%. With respect to total revenue, the outlook is somewhat brighter, with the 10 largest vendors reporting a drop in net revenue of 2%.

Due to current market trends, many companies are waiting before making major investments in business applications. Instead, they are upgrading existing systems and supplementing these with minor investments in business-critical areas.

Market forecasts for the remainder of the year are ambiguous. Some industry analysts predict that current market trends will not turn until 2003, whereas others foresee a brighter situation as of the second half of 2002. AMR Research is an example of the latter, claiming to have already seen a marked increase in the number of ongoing evaluations and procurements. IFS believes this will result in an increased number of deals during the second half of the year, particularly in the U.S.A. IFS expects growth of 5–15% in the market for business applications during 2002. If the higher level of the interval is to be attained, the increased activity seen in a number of important markets must also result in a greater number of closures during the second quarter this year.

Alliances

After a weak period during the second half of 2001, operations developed well, and the number of prospective projects being approached via alliances increased. These accounted for 16% of license sales during the first quarter, compared with 6% during the same period in 2001.

Collaboration with ABB developed well. It is especially interesting to note that the list of joint prospects is geographically very diverse, with the main thrust in the U.S.A. The primary target groups are utilities, and pulp and paper companies. ABB played an important role in the procurement of IFS Applications for the Three Gorges hydropower project in the People's Republic of China, and the companies will collaborate on the delivery. During the first quarter, IFS Applications became the first external product to be Industrially IT enabled by ABB.

Deloitte & Touche has allocated further resources for collaborating with IFS in the U.S.A. An increasing number of potential customers are being approached.

The collaboration with Atos Origin has intensified, with an increasing number of prospects being targeted, especially in the automotive industry. During the period Atos Origin has sent a further 20 of its consultants for training in IFS Applications.

IBM and IFS collaborated on the launch of IFS Applications 2002™. This will be followed up with specific efforts in a number of important markets, with a focus on mobile solutions.

BAE SYSTEMS-IFS went live with Project Springboard II for BAE SYSTEMS and has been selected as supplier in yet another major defense project. Several negotiations are awaiting final decisions during 2002. The DRUMM project is currently being reviewed. No significant license revenue is expected during 2002.

A new version of IFS Applications for aircraft maintenance is being marketed jointly by GE Engine Services and IFS under the name Spectra. Demand in the civil aviation sector remains weak.

A further example of IFS' strategy of working with strong partners within specialized global marketing niches is the alliance with Det Norske Veritas to offer solutions for the offshore industry.

Product development

During the first quarter, IFS Applications 2002 was launched globally under the motto, "Packaged for Payback™", which indicates that IFS Applications 2002 addresses critical success factors for companies competing in the present business climate. The message has been enthusiastically received in the various markets.

IFS Applications 2002 introduced numerous technology and functional innovations. These include a new generation of IFS Connect™, offering a completely platform-independent architecture that supports XML-based collaboration between companies as well as a web server solution based on the J2EE Java Servlet standard. Several new projects have been initiated to exploit the possibilities generated by this new technology. The development of new functionality has centered on selected industry segments. For example, highly focused development efforts are being made in the aviation and defense sectors in collaboration with BAE SYSTEMS-IFS and GE Engine Services to further expand our product offering.

Expenditure for research and development is expected to remain stable during 2002. Product development expenditure during the first three months amounted to SEK 113 M, of which SEK 58 M was capitalized, compared with SEK 133 M and SEK 61 M, respectively, for the corresponding period in 2001. Amortization of capitalized development costs amounted to SEK 32 M, compared with SEK 24 M in the first three months of 2001. Product development expenditure amounted to 15% of Group net revenue and 37% of license revenue, compared with 18% and 49%, respectively, for the same period in 2001.

Financing and cash flow

Group cash flow from current operations improved, amounting to SEK –28 M, compared with SEK –47 M, for the corresponding period in 2001. Receivables were reduced to SEK 767 M from SEK 841 M at the

License Revenue Q1 2002	License Revenue Q1 2001	License Revenue Growth (%)	Vendor	Total Revenue Q1 2002	Total Revenue Q1 2001	Total Revenue Growth (%)
352.7	**401.8**	**–12**	**SAP**	**1 454.5**	**1 336.9**	**9**
276.2	**368.6**	**–25**	**Oracle**	**612.3**	**720.7**	**–15**
133.3	**153.3**	**–13**	**PeopleSoft**	**483.3**	**514.2**	**–6**
43.9	**82.7**	**–47**	**J.D. Edwards**	**200.6**	**217.7**	**–8**
40.7	**36.0**	**13**	**Baan**	**113.6**	**103.0**	**10**
28.8	**25.8**	**12**	**IFS**	**70.5**	**69.1**	**2**
20.0	**22.6**	**–12**	**Intentia**	**85.6**	**83.4**	**3**
19.6	**21.8**	**–10**	**QAD**	**53.5**	**59.2**	**–10**
10.1	**14.5**	**–30**	**GEAC**	**86.8**	**99.3**	**–13**
8.4	**12.3**	**–32**	**Epicor**	**36.0**	**47.9**	**–25**

Total sales and license sales for the largest business applications vendors, January–March 2002 (US$ million).Source: Plant-Wide Research.
The period ends on March 31, except for Oracle (February 28), J.D. Edwards(January 31), QAD (January 31) and GEAC (January 31).

beginning of the year and SEK 824 M at the end of the first quarter 2001. Cash flow after investments amounted to SEK –75 M, compared with SEK –124 M for the corresponding period in 2001. Investments amounted to SEK 47 M, compared with SEK 77 M for the first three months of 2001. Activities to improve cash flow continue.

Financing operations contributed SEK 36 M, compared with SEK 222 M in the first quarter of 2001. During the quarter, the remaining SEK 30 M of the convertible debenture loan issued in February 2001 was converted. The conversion price amounted to SEK 22, resulting in 1,340,899 new shares being issued. During the first quarter, IFS sold its holding of 175,080 shares in Pivotal Software Inc. The sales value amounted to SEK 11 M.

IFS has an agreement with Hagströmer & Qviberg Fondkommission AB that entitles IFS to issue shares in an amount of SEK 300 M up to and including February 5, 2004. This entitlement has not been exercised.

As of March 31, 2002, liquid assets amounted to SEK 68 M, compared with SEK 221 M in the first quarter of 2001. The Group also had access to additional lines of credit and loan commitments in an amount of SEK 113 M, compared with SEK 59 M in the first quarter of 2001. The equity/assets ratio on March 31 was 47%, compared with 41% on March 31, 2001.

Parent Company

The Parent Company reported net revenue of SEK 16 M, compared with SEK 14 M for the corresponding period in 2001, reporting a loss after net financial items of SEK –41 M, compared with a loss of SEK 38 M for the same period the previous year.

Investments in stocks and shares amounted to SEK 0 M, unchanged from the corresponding period in 2001. Investments in machinery and equipment amounted to SEK 12 M, compared with SEK 0 M for the first quarter of 2001. On March 31, the Parent Company's liquid funds, including unutilized lines of credit, totaled SEK 45 M, compared with SEK 166 M for the corresponding period in 2001.

Outlook

IFS expects the market for business applications to recover during 2002, especially during the second half of the year, and grow by 5–15%. To reach the upper end of the scale, the increased activity seen in a number of important markets must also result in a greater number of sales during the second quarter this year. IFS expects to grow faster than the market but at a slower pace than during previous years. With a recovery in the market, IFS can increase revenue within its existing organization and achieve positive earnings after net financial items for 2002.

Linköping May 13 2002

Bengt Nilsson
President and Chief Executive Officer

This interim report is unaudited.

Financial information 2002

Interim Report, January–June	August 20
Interim Report, January–September	November 5
Preliminary Report on 2002 operations	February 2003

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Consolidated Profit and Loss Account

SEK million	Note	Jan–March 2002	Jan–March 2001	Apr–March 2001/2002	Apr–March 2000/2001	Jan–Dec 2001
License revenue	2	304	272	1 269	990	1 237
Consulting revenue		415	413	1 659	1 298	1 657
Other revenue		25	44	131	148	150
Net sales		**744**	**729**	**3 059**	**2 436**	**3 044**
Capitalized work for own use		58	61	246	228	249
Direct costs		-120	-119	-570	-409	-569
Indirect costs	3	-661	-653	-2 658	-2 525	-2 650
Depreciation		-70	-62	-266	-227	-258
Other operating items, net		-3	-8	-17	-49	-22
Operating profit/loss		**-52**	**-52**	**-206**	**-546**	**-206**
Financial revenue		1	26	22	124	25
Financial expenses		-17	-51	-157	-96	-169
Profit/loss after financial items		**-68**	**-77**	**-341**	**-518**	**-350**
Taxes on earnings for the period	4	80	-19	75	3	-24
Minority interest		2	2	-3	0	-3
Profit/loss for the period		**14**	**-94**	**-269**	**-515**	**-377**

Consolidated balance sheet

SEK million	Note	March 31 2001	March 31 2000	Dec 31 2001
Capitalized development costs		492	382	467
Goodwill		562	612	596
Other intangible fixed assets		90	87	94
Total intangible fixed assets		**1 144**	**1 081**	**1 157**
Tangible fixed assets		223	258	243
Other financial fixed assets	5	227	148	157
Total fixed assets		**1 594**	**1 487**	**1 557**
Stock in trade		5	5	3
Accounts receivable		767	824	841
Other current receivables		118	107	118
Prepaid expenses and accrued income		135	93	133
Short-term investments		–	21	12
Cash and bank balances		68	221	110
Total current assets		**1 093**	**1 271**	**1 217**
Total assets		**2 687**	**2 758**	**2 774**
Shareholders' equity	6	1 234	1 109	1 220
Minority interest		19	19	23
Provisions		8	10	18
Convertible debenture loan	7	68	242	96
Interest-bearing liabilities	8	319	310	280
Accounts payable		214	236	222
Other liabilities		238	258	273
Accrued expenses and deferred income	9	587	574	642
Total shareholders' equity, provisions and liabilities		**2 687**	**2 758**	**2 774**

Cash flow statement

SEK million	Jan–March 2002	Jan–March 2001	Jan–Dec 2001
Cash flow from current operations before change in working capital	-2	-11	50
Change in working capital	-26	-36	-57
Cash flow from current operations	**-28**	**-47**	**-7**
Cash flow from investment operations	-47	-77	-348
Cash flow after investment operations	**-75**	**-124**	**-355**
Cash flow from financing operations	36	222	338
Cash flow for the period	**-39**	**98**	**-17**

Key figures:	Jan–March 2002	Jan–March 2001	Apr–March 2001/2002	Jan–Dec 2001
Change in license revenue	12%	82%	28%	43%
Change in consulting revenue	1%	38%	28%	40%
Change in net sales	2%	57%	26%	40%
Product development/net sales	15%	18%	17%	18%
Product development/license revenue	37%	49%	42%	45%
Net sales per employee (TSEK)	230	204	900	884
Indirect costs per employee (TSEK)	205	183	782	770
Consulting margin	15%	16%	11%	12%
Equity/assets ratio	47%	41%		46%
Number of employees on March 31	3 221	3 556		3 216
Number of employees, average	3 228	3 572		3 443
Key data per share, SEK				
Profit per share—after tax	0	-2		-7
Shareholders' equity per share	17	20		18
Number of shares on March 31 (millions)	72	57		70
Average number of shares (millions)	71	50		57

Consolidated Profit and Loss per quarter

SEK million	1st Quarter Jan–March 2002	1st Quarter Jan–March 2001	4th Quarter Oct–Dec 2001	4th Quarter Oct–Dec 2000	3rd Quarter July–Sept 2001	3rd Quarter July–Sept 2000	2nd Quarter April–June 2001	2nd Quarter April–June 2000
License revenue	304	272	271	304	309	223	385	191
Consulting revenue	415	413	463	356	369	265	412	264
Miscellaneous	25	44	50	42	20	23	36	39
Net sales	**744**	**729**	**784**	**702**	**698**	**511**	**833**	**494**
Capitalized work for own use	58	61	68	63	57	48	63	56
Direct costs	-120	-119	-167	-104	-118	-90	-165	-96
Indirect costs	-661	-653	-658	-676	-649	-606	-690	-590
Depreciation	-70	-62	-64	-66	-67	-53	-65	-46
Other operating items, net	-3	-8	-18	-54	7	9	-3	4
Operating profit/loss	**-52**	**-52**	**-55**	**-135**	**-72**	**-181**	**-27**	**-178**
Financial revenue	1	26	7	36	2	49	12	13
Financial expenses	-17	-51	-94	-17	-32	-14	-14	-14
Profit/loss after financial items	**-68**	**-77**	**-142**	**-116**	**-102**	**-146**	**-29**	**-179**
Taxes	80	-19	-1	12	-15	4	11	6
Minority interest	2	2	-4	-4	0	3	-1	-1
Profit/loss for the period	**14**	**-94**	**-147**	**-108**	**-117**	**-139**	**-19**	**-174**
Key figures:								
Change in license revenue	12%	82%	-11%		39%		102%	
Change in consulting revenue	1%	38%	30%		39%		57%	
Change in net sales	2%	57%	12%		37%		69%	
Product development/sales	15%	18%	20%		18%		16%	
Product development/license revenue	37%	49%	57%		41%		35%	
Net sales per employee (TSEK)	230	204	235		201		236	
Cost per employee (TSEK	205	183	197		187		196	
Consulting margin	15%	16%	19%		4%		9%	

Accounting principles

As of January 1, 2001 and January 1, 2002, a number of recommendations from the Swedish Financial Accounting Standards Council (Redovisningsrådet, RR) took effect. The new recommendations are part of an effort to adapt Swedish accounting standards to International Accounting Standards (IAS). The most important changes for IFS took effect in 2001 and refer to a change in principles for reporting revenue (Recommendation RR 11) and income taxes (Recommendation RR 9). As of January 1, 2002, new recommendations apply for reporting intangible assets (Recommendation RR 15).

License revenue

When reporting license revenue, IFS applies Recommendation RR 11 and the guidelines issued by the Stockholm Stock Exchange. These are based partly on IAS Recommendation IAS 18 and partly on U.S. GAAP, including Recommendation SOP 97–2.

License revenue for standard IFS software and third-party licenses is recognized as revenue when all of the following requirements are fulfilled: the license agreement, without the right to return all or part of the software, has been signed: delivery has been made; a price and payment terms, based on time—not on assignment—are established; payment can be deemed likely and is due within 180 days. License revenue that includes undelivered components that are required for the functionality of the software is recognized in its entirety when the components have been delivered. Consulting services and training related to implementation are reported separately from license revenue and are recognized as income as the services are supplied. If the services, such as extensive customization, are requirement for the functionality of the software, and if the services are part of the total delivery, license revenue as well as revenue from services are recognized as income successively as delivery is made. Maintenance revenue is recognized on a monthly basis.

IFS software licenses sold via partners and distributors is recognized as income when sold to the final customer. One exception is sales to partners where IFS Applications is included as part of the partner's total product offering and where IFS can be considered a supplier.

Orders on hand

Orders on hand comprise contract orders for licenses that have not been recognized as income. Maintenance contracts are included in outstanding orders, and maintenance contracts without time limits are calculated as two-yearly in each report.

Product development expenditure

IFS capitalizes product development expenditure in accordance with Recommendation RR 15, Intangible assets, when the following certain criteria are fulfilled: it shall be technically feasible to turn the development project into a marketable or internally usable product, the resources required to complete the project are available, and the project is likely to entail financial benefits for IFS, either in the market where the product is to be sold or via internal savings. Moreover, it must be possible to calculate development expenditure in a reliable manner. It must also have been decided that the development project is to be part of an IFS Applications release or will be used to streamline internal processes. This means that costs for research and support are not capitalized.

IFS works continuously with a number of product development projects, most of which focus on standard releases of IFS Applications. Product development expenditure refers mainly to personnel costs. In addition to these, there are indirect costs such as premises, interest payments, travel, and office overheads. Indirect costs do not include amortization of capitalized product development expenditure or administration costs.

Capitalized development expenditure is amortized after the estimated economic lifetime of each product, which does not exceed five years. Continuous assessments are made concerning whether previous expenditure was validly capitalized and if required, corresponding depreciation will be applied.

Income taxes

IFS applies Recommendation RR 9, Income taxes. Deferred tax is reported separately in the Group's income statement. Deferred tax claims are reported as fixed assets, whereas deferred tax liabilities are reported as provisions. Deferred tax claims that pertain to deficit deduction are reported as an asset if it is likely that the deficit deductions can be set off within three years.

Notes

Note 1 Income statement by function	Jan–March 2002
License revenue	304
Consulting revenue	415
Miscellaneous	25
Net revenue	**744**
License and support costs	-82
Consulting expenses	-353
Other expenses	-21
Direct costs	**-456**
Gross margin	**288**
Marketing expenses	-145
Research & development expenses	-87
Administration expenses	-105
Other operating expenses, net	-3
Indirect costs	**-340**
Operating loss	**-52**

Financial ratio	
License margin	73%
Consulting margin	15%
Gross margin	39%
Marketing/license revenue	48%
Research & development/license revenue	29%
Research & development/Net sales	12%
Administration/net sales	14%

Note 2 License revenue	Jan–March 2002	Jan–March 2001
License fees	208	162
Maintenance fees	78	88
Third-party licenses	18	22
Total	**304**	**272**

Note 3 Reimbursement to related company

IFS International Flight Service leases aircraft from Greenfield AB on an hourly basis and on market terms. Greenfield AB is 90% owned by Bengt Nilsson, president and CEO of IFS. During the period the volume of transactions amounted to SEK 3 M, compared with SEK 2 M during the first quarter of 2001

Note 4 Taxes on earnings for the period	Jan–March 2002	Jan–March 2001
Current tax	-1	-9
Deferred tax	81	-10
Total	**80**	**-19**

Note 5 Other financial fixed assets	March 31 2002	March 31 2001
Participations in associated companies	10	40
Deferred tax receivables	155	58
Miscellaneous	62	50
Total	**227**	**148**

IFS and all IFS product names are trademarks of IFS. The names of actual companies and products mentioned herein may be the trademarks of their respective owners.
En0205-1 Production: CMC, May 2002. Printing: AB Danagårds Grafiska, Ödeshög, Sweden. Printed on: MultiArt Silk.

Note 6 Shareholders' equity	March 31 2002
Opening balance according to the adopted balance sheet	1 575
Effect of the change in accounting principles	-355
Opening balance adjusted according to the new accounting principles	1 220
Earnings for the period	14
New issue, net	27
Translation differences, etc.	-27
Closing balance, March 31, 2002	**1 234**

Note 7 Convertible debenture loan	March 31 2002	March 31 2001
Employee convertible debenture loan	68	68
Convertible debenture loan 2001/2002	–	174
Total	**68**	**242**

Note 8 Interest-bearing liabilities	March 31 2002	March 31 2001
Operating credit	108	137
Liabilities arising from factoring	47	61
Credit for leasing and property	53	37
Other interest-bearing liabilities	111	75
Total	**319**	**310**

Note 9 Accrued expenses and deferred income	March 31 2002	March 31 2001
Deferred maintenance revenue	192	186
Accrued payroll expenses, including social security fees	241	199
Other accrued expenses and deferred income	154	189
Total	**587**	**574**