January–March 2003 Interim Report

Orders received increased considerably and cash flow improved during the quarter. As expected, operating earnings were affected by severance costs.

- Agreements with 27 new customers were signed during the quarter. License orders received rose by 78 percent to SEK 263 million (148).
- Cash flow from operations amounted to SEK 155 million (–126). Cash flow after investing activities improved by SEK 342 million to SEK 108 million (–234).
- The break-even point for the entire year has been reduced from SEK 3,887 million during the first quarter of 2002 to SEK 3,642 million during the first quarter of 2003. As part of Intentia's ongoing cost effectiveness efforts, 222 employees received notices of termination during the quarter.
- License revenue declined by 2 percent to SEK 207 million (211).
- Consulting revenue was down by 19 percent to SEK 545 million (673).
- Consulting costs and indirect costs continued to decrease. Adjusted for severance costs amounting to SEK 26 million, consulting costs and indirect costs declined by SEK 118 million to SEK 802 million (920).
- Operating earnings for the period were SEK –87 million (–33), while earnings after financial items were SEK –106 million (–35).

Group Progress

Customers' Investment Decisions Were Negatively Affected by Prevailing Uncertainty

Along with general uncertainty, persistently weak global economic trends had a negative impact on the enterprise applications market, which is also reflected in what other leading players on the market have been saying. This continues to make it difficult to predict when and how particular contracts will ultimately be signed. Despite the slow, challenging market, many companies regard the current business climate as a good opportunity to take decisive steps aimed at revamping their operations and making them more cost effective. The biggest difference between the situation a couple of years ago and now is that companies are investing almost exclusively to generate greater cost effectiveness. Despite the weak economy, industry is today facing a significant need for change due to the substantial increase in business transaction costs over the past few years.

As a result, companies are investing primarily to make the value-added chain from supplier to end customer more efficient, while at the same time they are reviewing relevant internal processes. Thanks to its longstanding concentration on delivering solutions with state-of-the-art technology and functionality that meet the needs of manufacturers and distributors, Intentia can continue capturing a greater share of that market. Simultaneously, the company has maintained its focus on carrying out top-quality projects.

Given the current market, which is characterized by fierce competition, few companies have the resources or determination to make investments that can advance their positions. Thus, companies have a greater need to continue investing on the basis of their previous investments. Such an approach benefits suppliers such as Intentia that have a well-established customer base. Companies are also continuing to focus on project implementation. Given the current state of the market, that orientation has become a decisive factor in the choice of supplier. The concentration on forging long-term relationships (strategic partnerships) with customers often proved to be a vital consideration when Intentia was chosen as supplier during the first quarter.

License and Consulting Revenue During the Period

License orders received increased by 78 percent to SEK 263 million (148) during the quarter. Second only to 2001, license orders received were the highest that Intentia has ever posted during the traditionally slow first quarter. The company received a large number of major orders during the period, some of which will be recognized in earnings in 2003 and 2004. As a result, license revenue was less than orders received. License revenue totaled SEK 207 million (211), a decrease of 2 percent. New customers accounted for 25 percent of all license revenue, and Intentia acquired 27 new customers during the quarter.

Consulting revenue declined by 19 percent to SEK 545 million (673). The decrease reflected a number of developments, both temporary and structural. Lower orders received in late 2002 had a negative impact on the demand for consulting services associated with new projects. Demand has decreased among Intentia's existing group of customers because of budgetary constraints within many companies, which has led to the consequent postponement of system and process upgrades. In addition, downward price pressure persisted and customers took an increasingly demanding approach to contractual terms. Costs for Java skills development remained high and thereby had a negative impact on consulting revenue during the quarter. Intentia carried out a series of measures to become more cost effective. These have, among other things, included serving employees with notices of termination, renegotiating wage agreements and resetting individualized targets for 2003. Demand within the consulting organization is expected to improve during the remainder of the year as a result of the increase in orders received during the first quarter. However, the decline from the first quarter will have a negative effect on consulting revenue for the year. Nevertheless, Intentia believes that it can make up for some of the shortfall during the rest of the year.

As a result of lower consulting revenue, net revenue fell by 16 percent to SEK 760 million (903) for the quarter. Exchange-rate effects upon consolidation negatively affected the change in net revenue by 3 percentage points.

Substantial Cost Reductions Will Have a Positive Impact on Intentia's Operations in Upcoming Quarters

As planned, Intentia is revamping its internal processes and adapting its organization to ensure greater cost effectiveness. As a result, Intentia can streamline its organization and thereby lower its costs without lessening its ability to serve current and prospective customers. The break-even point for the entire year has, compared to the first quarter of 2002, been reduced from SEK 3,887 million to SEK 3,642 million for the first quarter of 2003. The break-even point is expected to continue to be reduced. Staff and payroll model changes, along with other cost effectiveness measures, were expected to generate savings in excess of SEK 150 million during 2003. Based on the development of these measures during the first quarter, Intentia now expects cost effectiveness measures to generate full-year savings at least as great as what has previously been announced.

As part of the effort to lower costs, Intentia began reducing its staff and costs during the second half of 2002. Consulting and indirect costs declined by an additional SEK 95 million to SEK 828 million (923) in the first quarter. The total number of employees decreased by 124 to 3,195 at the end of the period, which represents a reduction of 197 since March 31, 2002. Intentia served notices of termination to 222 employees during the quarter. Of all staff cutbacks announced in 2002 and 2003, a total of 126 employees had left the company by the end of the period and 115 will do so during the second quarter. Severance costs of SEK 26 million (3) in connection with cost effectiveness measures was charged to first quarter earnings. After severance costs, the staff cutbacks carried out during the period are expected to boost Intentia's 2003 earnings by close to SEK 80 million. The corresponding figure for staff cutbacks throughout the year is estimated to reach nearly SEK 150 million. Furthermore, the cutbacks implemented in the second half of 2002 will reduce 2003 costs by more than SEK 50 million. Total personnel expenses decreased by SEK 70 million to SEK 539 million (609) for the first quarter.

Consulting revenue was down by SEK 71 million, or 13 percent, to SEK 478 million (549). SEK 16 million (1) in severance costs during the quarter was for the consulting organization. Adjusted for these severance costs, costs decreased by 16 percent on a comparable basis. The consulting margin was 12 percent (18) including, and 15 percent excluding, severance costs. Indirect costs were down by SEK 25 million to SEK 349 million (374). Sales and marketing expenses amounted to SEK 210 million (214), product development expenses to SEK 72 million (92) and administrative expenses to SEK 67 million (68). While SEK 45 million (27) of product development expenditures was capitalized, SEK 16 million (3) in product development previously capitalized was depreciated. Depreciation and amortization totaled SEK 46 million (40), of which SEK 15 million (17) was for amortization of goodwill and SEK 15 million (20) for depreciation of tangible fixed assets.

Productivity in terms of revenue per employee decreased by 12 percent in relation to the first quarter of 2002 to SEK 234 thousand (266). The decline reflected lower total consulting revenue, whereas license revenue per sales representative increased during the period. Costs per employee were 8 percent lower.

Reduced Costs Only Partially Offset Severance Costs and Lower Consulting Contributions

Gross earnings of SEK 256 million (335) represented a gross margin of 34 percent (37). Lower consulting contributions accounted for SEK 57 million and lower license contributions for SEK 21 million of the decline in gross earnings compared to the first quarter of 2002. The operating loss was SEK –87 million (–33). Severance costs accounted for SEK 26 million of the SEK 54 million decrease. Net financial income totaled SEK –19 million (–2). Translation differences related to convertible notes had a negative impact of SEK 2 million, and the write-down of financial receivables related to a previous distributor had a negative impact of SEK 11 million, on net financial income. While earnings after financial items were SEK –106 million (–35), the loss for the period amounted to SEK –116 million (–39).

Development by Region

Northern Europe: License orders received rose by 76 percent, while license revenue of SEK 62 million (54) represented an increase of 14 percent, from the first quarter of 2002. Among the new customers with which the region signed agreements were Spendrups Bryggeri AB and Oy KWH Pipe Ab. Consulting revenue declined by 14 percent to SEK 260 million (301). Due to the poorer consulting revenue, net revenue was down by 11 percent to SEK 326 million (366). Since lower operating costs only partially offset the decline in revenue, operating earnings decreased by 29 million to SEK –15 million (14). At 1,206 (1,248), the total number of employees at the end of the quarter was 42 fewer than at the end of the first quarter the previous year.

Central Europe: License orders received were up by 130 percent from the first quarter of 2002. License revenue increased by 12 percent to SEK 32 million (28). The region signed agreements with new customers such as Amigon FmbH, Baumgartner Papiers SA, Olma A.S. and Michelin. The agreement with Michelin had a positive impact on the Southern European region as well. Consulting revenue declined by 20 percent to SEK 75 million (94). Operating costs decreased by SEK 11 million to SEK 117 million (128). The operating loss was SEK –8 million (1). At 379 (422), the total number of employees at the end of the quarter was 43 fewer compared to the end of the first quarter 2002.

Northwestern Europe: License orders received were up by 85 percent from the first quarter of 2002. License revenue rose by 11 percent to SEK 30 million (27). Among the new customers with which the region signed agreements during the quarter were St. Regis Paper Company Ltd., Anglo Beef Processors Ltd., Scott Bader Company Ltd. and Ricoh Europe. Consulting revenue declined by 30 percent. Particularly in the United Kingdom, consulting revenue was affected by a temporary decrease in demand, which is expected to improve. As a result of improved orders received, sales are expected to increase in the second quarter. A substantial SEK 29 million reduction in operating costs to SEK 93 million (122) made a major contribution to the improvement in operating earnings to SEK 6 million (0). The region employed 259 people (321) at the end of the period, down 62 from the same period last year.

Southern Europe: License orders received were up by 189 percent from the first quarter of 2002. License revenue declined by 26 percent to SEK 44 million (59) during the period. The region signed agreements with companies such as Orefi and Martec. Consulting revenue declined by 26 percent to SEK 96 million (130). Operating costs decreased by SEK 39 million to SEK 127 million (166), while operating earnings declined by SEK 11 million to SEK 14 million (25). At 426 (467), the total number of employees at the end of the quarter was 41 fewer than at the end of the same period 2002.

Americas: License orders received were up by 229 percent, while license revenue declined by 11 percent to SEK 14 million (16). Among the new customers with which the region signed agreements during the quarter were D.R.L. Enterprises Inc. and Foresbec Inc. Consulting revenue declined by 38 percent to SEK 29 million (47). The decrease was partially attributable to the completion of a number of large implementation projects in the autumn of 2002. Operating costs were down by SEK 38 million to SEK 56 million (94). The operating loss continued to decrease and was SEK –13 million (–31) for the period. The region employed 100 people (144) on March 31, which is a reduction of 44 employees compared to the first quarter of 2002.

Asia Pacific: License orders received were unchanged from the first quarter of 2002. The SARS virus had a negative impact on business activities within the region, and expectations are that it will continue to do so. License revenue was down by 20 percent to SEK 22 million (28). The region signed new agreements with companies such as MSP Group Pty. Ltd., Takisada-Osaka Co. Ltd., THK Co. Ltd. and SMC. Consulting revenue increased by 37 percent to SEK 58 million (42). The improvement reflected higher license orders and a growing number of customers in recent years. Due to ongoing expansion in the region, operating costs were up by SEK 11 million to SEK 93 million (82). Operating earning of SEK –10 million were unchanged compared to the same period the previous year. At 326 (259), the total number of employees at the end of the quarter was 67 greater than at the end of the first quarter 2002.

Cash Flow Was Positive Due to the Expected Decrease in Accounts Receivable

Accounts receivable on December 31, 2002 were negatively affected by the reluctance of customers to pay before the end of the year. Accounts receivable decreased during the first quarter to a level that was more in line with the second half of 2002, with the exception of December. Accounts receivable at the end of the period totaled SEK 801 million (1,106), or 23 percent of rolling 12-month revenue. That represents an improvement of 5 percentage points from March 31, 2002 and 8 percentage points from December 31, 2002.

The accounts receivable trend, along with lower payments of variable salaries, boosted working capital by SEK 303 million to SEK 200 million (–103). As a result, cash flow from operations amounted to SEK 155 million (–126). Investments reduced cash flow by SEK –47 million (–109). The smaller impact of investments on cash flow reflected lower investments in tangible fixed assets, as well as acquisitions of subsidiaries during the previous year. The effect was partially reduced by greater capitalization of product development in 2003. Cash flow after investing activities improved by SEK 342 million to SEK 108 million (–234). Borrowings increased by SEK 20 million during the period, as opposed to a reduction of SEK 160 million in the first quarter of 2002. Cash and bank balances and short-term investments were SEK 510 million (310), thereby exceeding borrowings (excluding convertible notes) by SEK 117 million (24). The proportion of riskbearing capital was 48 percent (48), while the equity/assets ratio was 22 percent (26).

Progress from April 2002 through March 2003

License orders received totaled SEK 1,094 million (1,092) and license revenue SEK 1,053 million (1,174) for April 2002 through March 2003. Consulting revenue declined by 14 percent to SEK 2,411 million (2,804). The lower consulting revenue was the main reason for net revenue for the period decreasing by 13 percent to SEK 3,506 million (4,037). The consulting margin was down by 1 percentage point to 16 percent (17). Consulting and indirect costs declined by SEK 244 million to SEK 3,577 million (3,821). Adjusted for severance costs in late 2002 and the first quarter of 2003, costs were down for the full-year period by SEK 280 million. Operating earnings declined to SEK –161 million (83). Earnings after financial items totaled SEK –222 million (–10), while the loss for the period was SEK –220 million (–53).

Cash flow from operations amounted to SEK 366 million (157), while cash flow after investing activities was SEK 162 million (–170). Average accounts receivable for the past four quarters amounted to 22 percent (29) of the period's revenue.

Parent Company

Net revenue totaled SEK 9 million (11) for the Parent Company, while earnings after financial items were SEK –28 million (–11). The Parent Company's investments totaled SEK 0 million (0). While liquidity at the end of the quarter amounted to SEK 124 million (213), borrowings excluding convertible notes were SEK 0 million (287).

Outlook for 2003

Consulting revenue was lower than expected in the first quarter. Intentia believes that it can make up for some of the shortfall during the rest of the year. Due to ongoing procurement projects, the outlook for license revenue is somewhat brighter than was previously the case. Furthermore, the cost adjustments carried out in early 2003 are likely to generate greater savings for the year than initially anticipated.

Nevertheless, the uncertainty in the market can lead to both upward and downward fluctuations in consulting and license revenue, which will have a significant impact on Intentia's earnings. Thus, no earnings forecast is being given for the full year.

Stockholm, April 28, 2003

Björn Algkvist
President and Chief Executive Officer

Accounting Principles

This interim report has been prepared in accordance with Recommendation 20 of the Swedish Financial Accounting Standards Council. As of January 1, 2003, the following recommendations are being employed for the first time: presentation of financial statements (RR 22), segment reporting (RR 25), events after the balance sheet date (RR 26), and financial instruments, recognition and measurement (RR 27). Compliance with these recommendations has not had any significant impact on the company's earnings or position. Otherwise, the same accounting principles have been used as in the 2002 annual report.

This report has not been audited by the Company's auditors.

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Int-03-067-1-en

Upcoming Reports

Information on the Group's development during 2003 will be provided as follows:

Interim report January–June 2003:
July 23, 2003

Interim report January–September 2003:
October 22, 2003

Announcement of 2003 accounts:
January/February 2004

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FINANCIAL INFORMATION

	Jan–Mar 2003	Jan–Mar 2002	Full Year Apr '02–March '03	Full Year Jan–Dec 2002
ORDER DATA (SEK million)				
Orders received	262.6	148.4	1,094.1	979.9
Order backlog basic, end of period	574.9	533.9	574.9	519.3
INCOME STATEMENT GROUP (SEK million)				
License revenue	207.0	210.6	1,053.1	1,056.7
Consulting revenue	544.9	673.1	2,411.1	2,539.3
Other revenue	8.2	19.2	41.9	52.9
Net revenue	**760.1**	**902.9**	**3,506.1**	**3,648.9**
Consulting cost	–478.4	–549.1	–2,028.0	–2,098.7
Cost for license	–22.4	–5.4	–101.3	–84.3
Cost for other revenues	–3.5	–13.0	–22.0	–31.5
Gross earnings	**255.8**	**335.4**	**1,354.8**	**1,434.4**
Other operating items net	**6.3**	**6.0**	**33.0**	**32.7**
Product development expenses	–72.4	–91.7	–369.0	–388.3
Sales and marketing expenses	–209.5	–214.4	–907.7	–912.6
Administration expenses	–67.4	–68.1	–272.5	–273.2
Operating earnings	**–87.2**	**–32.8**	**–161.4**	**–107.0**
Financial income and expenses	–18.6	–1.4	–58.7	–41.5
Participation in associated companies' earnings	0.1	–0.3	–1.8	–2.2
Earnings after financial items	**–105.7**	**–34.5**	**–221.9**	**–150.7**
Earnings before tax	**–105.7**	**–34.5**	**–221.9**	**–150.7**
Tax on profit/loss for the period	–12.0	–4.8	–1.0	6.2
Minority interest in profit/loss for the period	1.7	0.1	2.6	1.0
Profit/loss for the period	**–116.0**	**–39.2**	**–220.3**	**–143.5**
Earnings per share (SEK)				
Basic, average for period	–3.2	–1.1	–6.0	–3.9
Diluted, average for period	–3.2	–1.3	–6.0	–3.9
Number of outstanding shares (thousand)				
At end of period	36,573	36,573	36,573	36,573
Basic, average for period	36,573	36,240	36,573	36,490
Diluted, average for period	40,598	40,426	40,598	40,514

BALANCE SHEET GROUP (SEK million)

	March 31 2003	March 31 2002	December 31 2002
Capitalized product development expenses	278.8	165.3	249.6
Goodwill	332.8	417.9	348.7
Tangible fixed assets	209.6	254.2	222.5
Financial fixed assets	552.2	525.9	559.0
Total fixed assets	**1,373.4**	**1,363.3**	**1,379.8**
Accounts receivable	801.0	1,105.7	1,116.7
Other current assets	497.5	553.2	515.4
Liquid funds	510.0	310.4	402.8
Total current assets	**1,808.5**	**1,969.3**	**2,034.9**
Total assets	**3,181.9**	**3,332.6**	**3,414.7**
Stockholders' equity	690.2	849.3	779.4
Minority interests	17.0	19.6	20.1
Provisions	56.0	42.5	49.6
Convertible notes	553.8	541.7	551.6
Interest bearing long-term liabilities	60.6	61.2	64.0
Other long-term liabilities	–	35.6	9.8
Interest bearing current liabilities	332.2	225.6	312.0
Other current liabilities	1,472.1	1,557.1	1,628.2
Total stockholders' equity, provisions and liabilities	**3,181.9**	**3,332.6**	**3,414.7**

CHANGE IN STOCKHOLDERS' EQUITY (SEK million)

	March 31 2003	March 31 2002	December 31 2002
Stockholders' equity at beginning of period	779.4	850.3	850.3
New stock issued	–	44.3	44.3
Profit/loss for the period	–116.0	–39.2	–143.5
Translation differences for the period	26.8	–6.1	28.3
Stockholders' equity at end of period	**690.2**	**849.3**	**779.4**

CASH FLOW ANALYSIS GROUP (SEK million)

	Jan–Mar 2003	Jan–Mar 2002	Full Year Apr '02–March '03	Full Year Jan–Dec 2002
Cash flow from operations before change in working capital	–45.3	–22.4	57.9	80.8
Change in working capital	199.9	–103.1	307.9	4.9
Cash flow from operations	**154.6**	**–125.5**	**365.8**	**85.7**
Cash flow from investments	–47.0	–108.6	–203.6	–265.2
Cash flow after investing activities	**107.6**	**–234.1**	**162.2**	**–179.5**
Cash flow from financing	5.6	–118.8	65.8	–58.6
Cash flow for the period	**113.2**	**–352.9**	**228.0**	**–238.1**
Liquid funds, beginning of period	**402.8**	**644.4**	**310.4**	**644.4**
Exchange rate difference in liquid funds	–6.0	18.9	–28.4	–3.5
Liquid funds, end of period	**510.0**	**310.4**	**510.0**	**402.8**

DEVELOPMENT PER QUARTER

		Net revenue	License revenue	Operating earnings before depreciation	Operating earnings	Earnings after financial items	Number of employees*
2001	Q2	977.9	274.0	44.2	7.1	–33.7	3,299
	Q3	878.6	246.2	37.9	2.4	–77.1	3,358
	Q4	1,277.4	443.1	152.7	106.4	135.7	3,325
2002	Q1	902.9	210.6	7.5	–32.8	–34.5	3,392
	Q2	990.8	307.3	57.1	5.8	–12.7	3,405
	Q3	758.3	222.8	–30.4	–77.2	–92.0	3,379
	Q4	996.9	316.0	49.1	–2.8	–11.5	3,319
2003	Q1	760.1	207.0	–40.8	–87.2	–105.7	3,195

**at end of period*

FINANCIAL RATIOS

	Jan–Mar 2003	Jan–Mar 2002	Full Year Apr '02–March '03	Full Year Jan–Dec 2002
OPERATIONAL				
Growth over previous period				
License revenue	–2%	–11%	–10%	–12%
Consulting revenue	–19%	8%	–14%	–8%
Net revenue	–16%	3%	–13%	–9%
Orders received license	77%	–50%	0%	–21%
Order backlog license	8%	–13%	8%	–13%
Margins				
Consulting margin	12%	18%	16%	17%
Gross margin	34%	37%	39%	39%
Operating margin	–11%	–4%	–5%	–3%
Net profit margin	–15%	–4%	–6%	–4%
Expenses and efficiency				
Product development/license revenue	35%	44%	35%	37%
Sales and marketing/license revenue	101%	102%	86%	86%
Administration/net revenue	9%	8%	8%	7%
Average number of employees for period	3,252	3,390	3,232	3,370
Revenue per employee	234	266	1,085	1,083
Added value per employee	153	182	721	723
Personnel expenses per employee	166	180	710	698
FINANCIAL POSITION				
Working capital 4 quarters/net revenue 12 months	0%	3%	0%	0%
Debt/equity ratio (excluding convertible notes)	–0.2	0.0	–0.2	0.0
Average capital employed	1,536	1,661	1,562	1,594
Share of riskbearing capital	48%	48%	48%	47%
Equity/assets ratio	22%	26%	22%	23%
Cash flow/net revenue	14%	–14%	5%	–4%
RETURN				
On average capital employed	–5%	–1%	–9%	–5%
On average stockholders' equity	–17%	–5%	–30%	–19%
NET INDEBTEDNESS (excluding convertible notes)				
At beginning of period	26.8	215.7	23.6	215.7
At end of period	117.2	23.6	117.2	26.8
Cash flow for the period	113.2	–352.9	228.0	–238.1
Funds borrowed	250.0	205.8	731.6	687.4
Amortization of loans	–229.8	–365.6	–654.5	–790.3
SHARE DATA				
Riskbearing capital per share at end of period	35.1	39.7	35.1	38.3
Stockholders' equity per share at end of period	18.9	23.2	18.9	21.3
Cash flow per average number of shares, basic	2.9	–3.5	4.4	–4.9

DEVELOPMENT PER REGION JANUARY–MARCH

Amounts in SEK million	Northern Europe			Central Europe			Northwestern Europe		
	2003	**2002**	**Change**	**2003**	**2002**	**Change**	**2003**	**2002**	**Change**
License revenue	61.8	54.0	7.8	31.6	28.2	3.4	30.3	27.4	2.9
Consulting revenue	260.0	301.3	–41.3	75.0	94.3	–19.3	65.5	93.6	–28.1
Other revenue	4.4	10.9	–6.5	1.7	5.7	–4.0	3.3	1.3	2.0
Net revenue	**326.2**	**366.2**	**–40.0**	**108.3**	**128.2**	**–19.9**	**99.1**	**122.3**	**–23.2**
Of which internal divesting	20.6	35.7	–15.1	6.3	10.3	–4.0	11.5	17.5	–6.0
Operating expenses	–341.1	–352.6	11.5	–116.7	–127.6	10.9	–93.0	–121.9	28.9
Of which depreciation	–3.6	–3.9	0.3	–2.8	–2.9	0.1	–1.3	–1.7	0.4
Operating earnings	**–14.9**	**13.6**	**–28.5**	**–8.4**	**0.6**	**–9.0**	**6.1**	**0.4**	**5.7**
Number of employees	1,206	1,248	–42	379	422	–43	259	321	–62
Operating assets	857.6	950.1	–92.5	217.4	174.0	43.4	247.0	311.7	–64.7
Current liabilities	681.9	682.6	–0.7	123.7	115.0	8.7	154.9	201.7	–46.8
Investments									
Tangible fixed assets	0.6	9.3	–8.7	0.7	1.7	–1.0	0.2	0.3	–0.1
Intangible fixed assets	–	–	–	–	–	–	–	–	–

Amounts in SEK million	Southern Europe			Americas			Asia Pacific		
	2003	**2002**	**Change**	**2003**	**2002**	**Change**	**2003**	**2002**	**Change**
License revenue	43.7	58.7	–15.0	13.9	15.7	–1.8	22.2	27.7	–5.5
Consulting revenue	95.8	130.1	–34.3	29.2	47.4	–18.2	57.8	42.1	15.7
Other revenue	1.1	2.1	–1.0	0.4	0.1	0.3	3.1	2.2	0.9
Net revenue	**140.6**	**190.9**	**–50.3**	**43.5**	**63.2**	**–19.7**	**83.1**	**72.0**	**11.1**
Of which internal divesting	10.1	7.0	3.1	4.1	8.0	–3.9	1.2	2.5	–1.3
Operating expenses	–126.9	–166.2	39.3	–56.1	–94.1	38.0	–92.6	–81.5	–11.1
Of which depreciation	–2.2	–1.8	–0.4	–6.0	–7.5	1.5	–2.4	–2.5	0.1
Operating earnings	**13.7**	**24.7**	**–11.0**	**–12.6**	**–30.9**	**18.3**	**–9.5**	**–9.5**	**0.0**
Number of employees	426	467	–41	100	144	–44	326	259	67
Operating assets	677.3	513.8	163.5	81.7	133.6	–51.9	151.0	161.1	–10.1
Current liabilities	431.2	322.1	109.1	55.7	72.3	–16.6	135.7	142.2	–6.5
Investments									
Tangible fixed assets	0.7	0.4	0.3	–	0.3	–0.3	2.4	3.2	–0.8
Intangible fixed assets	–	–	–	–	–	–	–	–	–

Amounts in SEK million	Other Operations			Eliminations/Adjustments			Total		
	2003	**2002**	**Change**	**2003**	**2002**	**Change**	**2003**	**2002**	**Change**
License revenue	77.7	54.1	23.6	–74.2	–55.2	–19.0	207.0	210.6	–3.6
Consulting revenue	14.2	41.1	–26.9	–52.6	–76.8	24.2	544.9	673.1	–128.2
Other revenue	5.6	24.1	–18.6	–5.1	–21.2	16.2	14.5	25.2	–10.7
Net revenue	**97.5**	**119.3**	**–21.9**	**–131.9**	**–153.2**	**21.4**	**766.4**	**908.9**	**–142.5**
Of which internal divesting	73.5	61.4	12.1	–127.3	–142.4	15.1	–	–	–
Operating expenses	–143.4	–176.8	33.4	116.2	179.0	–62.8	–853.6	–941.7	88.1
Of which depreciation	–16.9	–4.7	–12.2	–11.3	–15.3	4.0	–46.5	–40.3	–6.2
Operating earnings	**–45.9**	**–57.5**	**11.5**	**–15.7**	**25.8**	**–41.4**	**–87.2**	**–32.8**	**–54.4**
Number of employees	499	531	–32	–	–	–	3,195	3,392	–197
Operating assets	3,347.8	3,369.8	–22.0	–3,844.8	–3,570.4	–274.4	1,735.0	2,043.7	–308.7
Not allocated assets	–	–	–	–	–	–	1,446.9	1,288.9	157.9
Total assets	–	–	–	–	–	–	3,181.9	3,332.6	–150.7
Current liabilities	1,528.9	1,520.9	8.0	–1,631.9	–1,539.6	–92.3	1,480.1	1,517.2	–37.1
Not allocated liabilities	–	–	–	–	–	–	1,011.6	966.1	45.5
Investments									
Tangible fixed assets	0.2	1.0	–0.8	–	–	–	4.8	16.2	–11.4
Intangible fixed assets	36.9	25.9	11.0	–	64.4	–64.4	36.9	90.3	–53.4

Intentia has defined six primary segments based upon geographic area. This division is based upon how the company is organized and how its internal reporting system is constructed, which reflects the risks and differences that exist between different markets.

The geographic areas are the following: Northern Europe consisting of Denmark, Finland, Norway and Sweden; Central Europe consisting of Austria, the Czech Republic, Germany, Poland and Switzerland; Northwestern Europe consisting of Ireland, the Netherlands, the United Kingdom and a branch in Belgium; Southern Europe consisting of France, Italy, Portugal, Spain and Brazil; Americas consisting of the operations in the US; and Asia Pacific consisting of Australia with a subsidiary in New Zealand, Japan, and Singapore with a subsidiary in China. Other operations consist of the parent company, holding companies, development operations and an internal bank.

Secondary segments are not reported since Intentia only has a line of business that consists of supplying and implementing Movex through total project responsibility.

Internal pricing is based on market prices.

Number of employees reflects the total number of employees at the end of the period.

Results reporting per segment has been established in accordance with RR 25. Where Intentia's operations are not primarily of a financial nature, financial items, such as interest, earnings upon disposal of financial investments, tax expenses and extraordinary records, and revenue and costs per segment, are not included. Likewise, assets and payables of a financial nature, as well as prepaid taxes and tax liabilities, per segment are excluded.

For further information about the Group's earnings beyond operating earnings, refer to the Group's Income Statement.