

PRESS RELEASE
Gothenburg October 22, 2010

Fingerprint Cards reports record quarter

Fingerprint Cards AB (publ), corp. reg. no.: 556154-2381

Fingerprint Cards AB (FPC) is publishing its interim report earlier than previously announced as a result of the report being finalized ahead of schedule.

Interim report for the period January – September 2010

Notable events during the reporting period:

- Net sales rose 72% to SEK 42.7 M (24.9) for the interim-report period, compared with the year-earlier period, and by 78% to SEK 17.6 M (9.9) for the third quarter.
- Gross profit for the interim-report period advanced to SEK 21.7 M (7.4) and to SEK 8.9 M (3.8) for the third quarter.
 - Profit before tax increased to SEK 1.0 M (loss: 12.9) for the interim-report period and to SEK 3.7 M (loss: 4.1) for the third quarter.
 - Gross margin for the interim-report period rose to 51% (30%) and to 51% (38%) for the third quarter.
 - Earnings per share were SEK 0.03 (loss: 0.65) for the interim-report period, amounting to SEK 0.09 (-0.21) for the third quarter.
 - Cash and cash equivalents at the end of the period totaled SEK 32.9 M (10.3).
 - The order backlog on September 30, 2010 totaled SEK 11.3 M (40.5).
 - Frost & Sullivan awarded Fingerprint Cards its *Best Product Line Strategy* prize.
 - The *Solrosen* consortium acquired all Class A shares in Fingerprint Cards.
 - Fingerprint Cards won new orders in China valued at SEK 11 M.
 - Anders Blom was employed as Vice President, Business Development.
 - The assessment that sales will rise 40-60 % for 2010 compared with 2009 and that gross margin for 2010 will exceed the 2009 level is repeated.

Notable events after the close of the reporting period:

- Deloitte nominated FPC for its *Sweden Technology Fast 50* list.
- Fingerprint Cards secured new orders from China worth SEK 8.3 M.

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Fingerprint Cards AB (Fingerprint Cards) develops, produces and markets biometric technology, which, through analysis and matching of an individual's unique fingerprint, verifies the person's identity. The technology consists of biometric sensors, processors, algorithms and modules that can be used separately or combined. The competitive advantages offered by Fingerprint Cards' technology include unique image quality, extreme robustness, low power consumption and complete biometric systems. With these advantages and the ability to achieve extremely low manufacturing costs, the technology can be implemented in volume products, such as smart cards and mobile telephones, which impose extremely rigorous demands on these characteristics. Fingerprint Cards' technology can also be used in IT and for Internet security, and for access control. Fingerprint Cards AB (Fingerprint Cards) is listed on Nasdaq OMX Stockholm (FING B) and has its head office in Gothenburg, Sweden.

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CEO's comments on the interim report

The company's programs of change began to yield visible results during the third quarter. Team spirit at the organization has strengthened, leading to a clearly higher intensity in development and market activities, with priority assigned to proximity to customers and partners. The change in corporate culture has renewed energy and the entire workforce is focusing on jointly building the "new" Fingerprint Cards. These focused, collective efforts are reflected in the results, which represent a record for the company to date – with SEK 17.6 M in sales, 51% in gross margin and profit of SEK 3.7 M – permitting us to report positive earnings for the first nine months of the year.

During the quarter, we made considerable progress in the swipe sensors project, and in early October we successfully completed the initial testing of live silicon. This test program promptly gave us very high image quality, and thus it is likely that we can produce demo-prototypes and units during Q4.

To ensure effective launching and responsibility for market ventures involving swipe sensors, we recruited Anders Blom as Vice President Business Development and as a member of Group Management, with effect from November.

In recent weeks, we secured two orders from HST with a combined value of SEK 19.3 M. A noteworthy feature of both orders is that they are not aimed mainly at the Chinese bank's employees but are now primarily targeted at bank customers, meaning companies and consumers. Moreover, we have worked intensely with altering the order flow from individual large orders a few times a year to a more uniform flow with more frequent orders, although of smaller totals. At the end of the quarter, we participated with our Indian distributor, Implantaire, at a successful trade fair in Bombay that generated more than 200 new leads, which are being processed. We are convinced that the Indian market will follow a trend similar to what we experienced in China, though perhaps on a smaller scale.

I believe we have built a stable base for growth, along with solid team spirit, and thus I view the future with considerable confidence.

Sales and earnings

Group net sales for the interim-report period increased to SEK 42.7 M (24.9). During the third quarter, the sales trend continued to progress favorably, with Group net sales rising to SEK 17.6 M (9.9). Sales for the interim-report period rose 72% from the year-earlier period, with Q3 figures rising 76% compared with the third quarter in the preceding year. Gross profit for the interim-report period increased to SEK 21.7 M (7.4), and to SEK 8.9 M (3.8) for the third period. Gross margin remains high, rising to 51% (30) for the interim-report period as a whole and to 51% (38) for the third quarter. Gross profit before tax for the interim-report period advanced to SEK 1.0 M (loss: 12.9), and amounted to SEK 3.7 M (loss: 4.1) for the third quarter. The order backlog at September 30 totaled SEK 11.3 M (40.5).

The Parent Company's net sales for the interim-report period rose to SEK 17.6 M (24.9). The Parent Company's profit before tax for the interim-report period increased to SEK 0,8 M (loss: 12.9). The results for the Group and Parent Company were impacted by nonrecurring items totaling income of SEK 1.5 M.

Production and technology development

The production rate for area sensors was raised significantly during the third quarter in a bid to adjust production to meet higher demand during the period. The program designed to raise production progressed without disruption, and the high production quality and low reject level in production proved possible to maintain. During the quarter, we noted a deterioration in the availability of certain components on the world market, which may result in longer lead times. Consequently, we acted by reviewing alternative components and supply lines to ensure future production.

Also, the third quarter confirmed that the design changes introduced into our area sensor modules have resulted in a significant yield improvement in production.



As in recent quarters, most of the technological development programs focused on the development of a new swipe sensor. One of the core parts is the silicon chip that performs as the sensor in the finished product. The first version of the chip design was finalized early in the quarter and, during the transition to the fourth quarter, the first live chip was returned. As early as in the initial testing phase, we received a high quality fingerprint image from the chip. During the past quarter we also invested considerable resources in building the testing systems designed to appraise the functionality of the new sensor, which has taken the form of the production of hardware for sensor connection and the creation of software for sensor control and analysis of signal output. Another key component of the swipe sensor product is chip packaging, meaning its mounting on the circuit board, moulding in plastic and the mounting of the frame. The entire process has been designed and tested at the prototype level with nonfunctional chips. The excellent results mean that we now have mechanical samples that indicate the desired appearance of the sensor. After the live chips have passed the initial tests, we plan to package these in the same manner and thus have functional units that can be presented to potential customers.

Market and sales

Sales during the third quarter increased to SEK 17.6 M, or by 78% compared with the year-earlier period and 81% with the preceding quarter.

Sales in new regions commenced during the period but have not yet reached the targeted volumes and number of projects. In Korea, however, we have secured a solid market position and we are currently selected by most suppliers to the government-led project aimed at providing the disabled with access to free or subsidized services.

China remains the single largest market for FPC. The strong position attained in the banking and financial market has been strengthened, and during the period new projects commenced that are also aimed at providing biometric solutions for bank customers, meaning companies and individuals. In addition to deliveries to banks, our technology is also used in, for example, car ignition systems, security solutions for the insurance industry, door locks and time management systems.

The smart card customer projects in which we are involved continue to progress. Some of these customers have already started to display their solutions for the market and potential customers, and thus the next stage is to develop mass production capacity.

The product that currently accounts for most sales is the FPC1011F area sensor. Sales and deliveries of our modules and processors are also undertaken. The third quarter also saw the sale of wafers featuring the company's technology for smart card-related projects. Most sales are conducted via our distributors; FPC was represented in more than 18 countries at the end of the quarter.

During the period, FPC was awarded the *Best Product Line Strategy* prize by the international research consultants Frost & Sullivan. During spring 2010, Frost & Sullivan conducted a study to assess various companies' product strategies, which resulted in our selection as the best company in our industry. The criteria for assessment included broad-based product range, size of potential customer base, customer influence, market share and range of potential application areas/markets. According to the study, FPC outperformed its market competitors in all categories.

During the quarter, FPC's distributors in China – Hardware & Software Technologies Co. Ltd (HST) – placed an order worth SEK 11M. The order involves the FPC1011F area sensor, which is to be used primarily in personal identification systems for Internet-based banking applications. Delivery of the order commenced in Q3 and is expected to be completed during Q4 2010.

As part of efforts to develop the Indian market, we participated at the *Biometrics India Expo* in September, along with Implantaire Technologies, our Indian distributor. The presence at the fair may be viewed as highly successful, generating more than 200 leads of varying quality, which are now being processed jointly by Implantaire and FPC.



Future prospects

Due to the continuing recovery in the global economy, combined with the changes we have made in recent quarters, the conditions for business forecasts are expected to improve significantly. Consequently, we repeat our assessment from the preceding quarter report that sales for 2010 will increase 40-60% and that the gross margin will improve compared with 2009.

New dominant shareholder

Fingerprint Cards gained a new primary shareholder with effect from September 10. The *Solrosen* consortium acquired all Class A shares from Transferator AB. The block of shares corresponds to 3.02% of the share capital and 23.77% of the voting rights in the Group. The consortium consists of Mats Svensson, entrepreneur, investor and professional board member; Lars Söderfjell, Chief Stock Strategist at Ålandsbanken; Urban Fagerstedt, VP R&D Huawei Sweden and Member of the Board of Fingerprint Cards AB; Hans-Göran Stennert, IKEA, former Chairman and Board member, Chairman of the Board of Eolus Vind AB; and Johan Carlström, CEO of Fingerprint Cards;

Organization and personnel

The number of employees at the end of September 2010 was 17 (14), of whom none were women (-). During the third quarter, Anders Blom was employed as Vice President Business Development, and as a member of Group Management, with commercial responsibility for the ongoing swipe sensor venture.

Financial position, fixed assets, investments and depreciation

At the end of the period, the Group's disposable cash and cash equivalents, including current investments, totaled SEK 32.8 M (10.3), of which SEK 15 M has been pledged as collateral for an unutilized operating credit of SEK 15 M. The Group's working capital amounted to SEK 51.5 M (26.3). Consolidated shareholders' equity was SEK 76.4 M (45.6). The equity/assets ratio for the Group was 93% (86).

The Parent Company's disposable cash and cash equivalents, including current investments, totaled SEK 31.9 M (10.3). All values refer to the situation pertaining at September 30, 2010.

Accumulated investments in machinery and equipment during the interim-report period amounted to SEK 3.3 M (0.2), with capitalized development costs totaling SEK 12.1 M (0.7). During the third quarter of 2010, investments in machinery and equipment totaled SEK 1.7 M (0.1), and development costs of SEK 4.6 M (0.7) were capitalized. Accumulated depreciation for 2010 amounted to SEK 4.7 M (2.6) and depreciation during the third quarter totaled SEK 1.6 M (0.9).

Cash flow

Cash flow from operations, including changes in working capital, during the interim-report period amounted to a negative SEK 2.9 M (neg: 11.5) and to a negative SEK 3.5 M (neg: 0.7) during the third quarter. Cash flow from investing activities was a negative SEK 15.3 M (neg: 0.9) during the interim-report period and a negative SEK 6.8 M (0.1) during the third quarter. Investing activities relate primarily to the ongoing swipe sensor project.

Cash flow from financing activities during the interim-report period totaled SEK 1.0 M (-), none of which arose during the third quarter. The net change in cash and cash equivalents was a negative SEK 17.2 M (neg: 12.4) during the interim-report period and a negative SEK 10.4 M (neg: 0.8) in the third quarter.

Warrants program

The Annual General Meeting on May 31, 2007 resolved to issue 370,000 subscription warrants, of which 140,000 were subscribed for by current employees and the remainder cancelled. The term of the warrants is 3.5 years, extending to November 30, 2010. Following recalculation due to share issues in the company, the exercise price, which was originally SEK 38.00, is now SEK 23.60. The personnel costs for the warrants will not be recognized until they have been transferred to future employees. On full subscription with the support of all warrants in the 2007 warrants program, 222,600 new Class B shares may be issued, corresponding to a dilution effect of 0.6% of the total number of shares and 0.4% of the voting rights.



The Extraordinary General Meeting on March 3, 2010 resolved to issue 3,925,000 subscription warrants with a term extending until August 31, 2012. The exercise price is SEK 7.48. On full subscription with the support of all warrants in the 2010 warrants program, 3,925,000 new Class B shares may be issued, corresponding to a dilution effect of 9.0% of the total number of shares and 7.2% of the voting rights.

These warrants programs jointly correspond to a dilution effect of approximately 9.5% of the total number of shares and about 7.6% of the total voting rights in the company.

Significant uncertainties and risks

No material changes in risks and uncertainties relating to the Parent Company or Group occurred during the period. Refer to the 2009 Annual Report for a description of risks and uncertainties.

Future reporting dates

Year-end report 2010: February 11, 2011

Certification

The Board of Directors and the CEO certify that this interim report provides a fair and accurate overview of the operations, financial position and earnings of the Parent Company and the Group and that it describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

Gothenburg, October 21, 2010

Board of Directors

Tommy Trollborg
Chairman of the Board

Christer Bergman

Urban Fagerstedt

Anders Hultqvist

Sigrun Hjelmquist

Johan Carlström
President



AUDITORS' REVIEW REPORT

Introduction

We have reviewed this interim report for Fingerprint Cards AB (publ), Corp. Reg. No. 556154-2381 for the period January 1, 2010 to September 30, 2010. 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 an opinion on this interim report based on our review.

Scope and focus of the review

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Reports Performed by the Independent Auditor of the Entity, issued by FAR SRS. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially smaller in scope than an audit conducted in accordance with the 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 such assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, a conclusion expressed on the basis of a review does not provide the same level of assurance as a conclusion expressed on the basis of an audit.

Conclusion

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

Gothenburg, October 21, 2010

KPMG AB

Johan Kratz
Authorized Public Accountant



Condensed consolidated statement of comprehensive income

	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Jan-Dec
(SEK M)	2010	2009	2010	2009	2009
Net sales	17.6	9.9	42.7	24.9	38.5
Cost of goods sold	-8.7	-6.1	-21.1	-17.6	-28.7
Gross profit	8.9	3.8	21.7	7.4	9.8
Sales expenses	-1.5	-1.9	-4.6	-4.4	-5.4
Administrative expenses	-2.1	-2.5	-6.1	-6.8	-9.6
Research and development costs	-2.7	-2.7	-11.2	-8.8	-18.6
Other operating income/expenses	1.0	-0.8	1.0	-0.3	-0.8
Operating profit/loss	3.6	-4.1	0.7	-13.0	-24.6
Net financial items	0.1	-	0.3	0.1	0.1
Tax	-	-	-	-	-
Profit/loss for the period	3.7	-4.1	1.0	-12.9	-24.6
Other comprehensive income/loss	-	-	-	-	-
Total comprehensive income/loss for the period	3.7	-4.1	1.0	-12.9	-24.6
Comprehensive income/loss for period attributable to:					
Parent Company shareholders	3.7	-4.1	1.0	-12.9	-24.6
Comprehensive income/loss for the period	3.7	-4.1	1.0	-12.9	-24.6
Profit/loss for the period attributable to:					
Parent Company shareholders	3.7	-4.1	1.0	-12.9	-24.6
Profit/loss for the period	3.7	-4.1	1.0	-12.9	-24.6
Profit/loss per share for the period					
before dilution, SEK	0.09	-0.21	0.03	-0.65	-1.11
after dilution, SEK	0.09	-0.21	0.03	-0.65	-1.11

Condensed consolidated balance sheet

(SEK M)	Sep 30	Sep 30	Dec 31
	2010	2009	2009
Assets			
Intangible fixed assets	19.8	19.0	12.3
Tangible fixed assets	3.5	0.4	0.3
Total fixed assets	23.3	19.3	12.6
Inventory	8.8	13.9	9.1
Accounts receivable	12.9	7.0	9.7
Prepaid expenses and accrued income	3.1	0.7	0.5
Other receivables	1.4	2.0	1.7
Current investments	6.0	-	44.1
Cash and cash equivalents	26.8	10.3	6.0
Total current assets	59.2	33.9	71.2
Total assets	82.3	53.2	83.7
Shareholders' equity and liabilities			
Shareholders' equity	76.1	45.6	74.3
Accounts payable	3.9	4.3	5.9
Other liabilities	0.7	0.3	0.2
Accrued expenses and deferred income	1.5	3.0	3.4
Total shareholders' equity and liabilities	82.3	53.2	83.7
Pledged assets	15,0	None	None
Contingent liabilities	None	None	None



Condensed consolidated statement of changes in shareholders' equity

	Jan-Sep 2010	Jan-Sep 2009	Jan-Dec 2009
(SEK M)			
Shareholders' equity on the opening date	74.3	58.1	58.1
Employee warrants program	1.0	0.4	0.5
New share issue	-	-	40.2
Comprehensive income/loss for the period	1.0	-12.9	-24.5
Shareholders' equity on the closing date	76.1	45.6	74.3

Condensed consolidated cash flow statement

	Jul-Sep 2010	Jul-Sep 2009	Jan-Sep 2010	Jan-Sep 2009	Jan-Dec 2009
(SEK M)					
Profit/loss before tax for the period	3.7	-4.1	1.8	-13.0	-24.7
Adjustments for non-cash items	1.4	0.9	4.4	2.7	10.2
Change in inventory	4.9	1.0	0.2	1.5	6.3
Change in current receivables	-8.6	-1.3	-5.3	0.4	-1.8
Change in current liabilities	-4.9	2.8	-3.2	-3.2	-1.4
Cash flow from operating activities	-3.5	-0.7	-2.9	-11.5	-11.4
Cash flow from investing activities	-6.8	-0.1	-15.3	-0.9	-1.5
Cash flow from financing activities	-	-	1.0	-	40.3
Change in cash and cash equivalents	-10.4	-0.8	-17.2	-12.4	27.4
Cash and cash equivalents on the opening date	43.2	11.1	50.1	22.7	22.7
Cash and cash equivalents on the closing date	32.8	10.3	32.8	10.3	50.1

Group operating segments

(SEK M)	Products		Other		Group	
	Jan-Sep 2010	Jan-Sep 2009	Jan-Sep 2010	Jan-Sep 2009	Jan-Sep 2010	Jan-Sep 2009
Net sales	42.7	24.9	-	-	42.7	24.9
Segment earnings	0.7	-13.0	-	-	0.7	-13.0
Net financial items	0.3	-	-	0.1	0.3	0.1
Profit/loss for the period	1.2	-13.0	-	0.1	1.2	-12.9

Key data

	Jan-Sep 2010	Jan-Sep 2009	Jan-Dec 2009
Net sales growth (%)	72	33	40
Gross profit margin (%)	51	30	25
Shareholders' equity per share (SEK)	1.92	2.30	1.87
Shareholders' equity per share after full conversion (SEK) (1)	1.75	2.26	1.87
Equity/assets ratio (%)	93	85	88
Average number of shares (000s)	39 670	19 835	22 159
Average number of shares after full conversion (000s) (1)	42 257	20 205	22 159
Number of shares (000s)	39 670	19 835	39 670
Number of shares after full conversion (000s) (1)	43 595	20 205	39 670

(1) The company has two warrants programs.

The first program from 2007 extends until November 30, 2010. The exercise price is SEK 23.60. Since the exercise price exceeds the market price, the program was not considered in calculating the number of shares after conversion. On full subscription, the program would result in a maximum of 222,600 new Class B shares.

The second program from 2010 extends until August 31, 2012. The exercise price is SEK 7.48. The program was considered in calculating the number of shares after conversion. On full subscription, the program would result in a maximum of 3,925,000 new Class B shares.

The term *Shares after full conversion* refers to the total number of shares at the end of the period plus the number of shares that would arise from exercise of warrants. The term *Average number of shares after full conversion* refers to the average number of shares during the period plus the number of shares that would arise from the exercise of warrants.



Condensed consolidated statement of comprehensive income

	2009		2010	
	<u>Oct-Dec</u>	<u>Jan-Mar</u>	<u>Apr-Jun</u>	<u>Jul-Sep</u>
(SEK M)				
Net sales	13.6	15.4	9.7	17.6
Cost of goods sold	<u>-11.2</u>	<u>-7.7</u>	<u>-4.6</u>	<u>-8.7</u>
Gross profit	2.4	7.7	5.1	8.9
Sales expenses	-1.3	-1.5	-1.6	-1.5
Administrative expenses	-2.5	-1.9	-2.1	-2.1
Research and development costs	-9.7	-4.4	-4.2	-2.7
Other operating income/expenses	<u>-0.6</u>	<u>0.2</u>	<u>-0.2</u>	<u>1.0</u>
Operating profit/loss	-11.7	0.1	-3.0	3.6
Net financial items	0.1	0.1	0.2	0.1
Tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit/loss for the period	-11.6	0.1	-2.8	3.7
Other comprehensive income/loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Comprehensive income/loss for the period	-11.6	0.1	-2.8	3.7

Condensed income statement, Parent

Company	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Jan-Dec
(SEK M)	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2009</u>
Net sales	17.6	9.9	42.7	24.9	38.5
Cost of goods sold	<u>-8.7</u>	<u>-6.1</u>	<u>-21.1</u>	<u>-17.6</u>	<u>-28.7</u>
Gross profit	8.9	3.8	21.7	7.4	9.8
Sales expenses	-1.5	-1.9	-4.6	-4.4	-5.4
Administrative expenses	-2.1	-2.5	-5.9	-6.8	-9.6
Research and development costs	-2.7	-2.7	-11.2	-8.8	-18.6
Other operating income/expenses	<u>1.0</u>	<u>-0.8</u>	<u>1.0</u>	<u>-0.3</u>	<u>-0.8</u>
Operating profit/loss	3.6	-4.1	0.9	-13.0	-24.6
Net financial items	-	-	0.1	0.1	0.1
Tax	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit/loss for the period	3.6	-4.1	1.0	-12.9	-24.6



Condensed balance sheet, Parent Company (SEK M)	Sep 30 <u>2010</u>	Sep 30 <u>2009</u>	Dec 31 <u>2009</u>
Assets			
Intangible fixed assets	20.5	19.0	12,3
Financial fixed assets	1.0	-	-
Tangible fixed assets	<u>2.8</u>	<u>0.4</u>	<u>0,3</u>
Total fixed assets	24.3	19.3	12,6
Inventory	8.8	13.9	9,1
Advances to suppliers	-	1.4	0,4
Accounts receivable	12.9	7.0	9,7
Prepaid expenses and accrued income	3.1	0.7	0,5
Other receivables	1.4	0.6	1,4
Current liabilities	6.0	-	44,1
Cash and cash equivalents	<u>25.9</u>	<u>10.3</u>	<u>6,0</u>
Total current assets	<u>58.1</u>	<u>33.9</u>	<u>71,2</u>
Total assets	82.3	53.2	83,7
Shareholders' equity and liabilities			
Restricted shareholders' equity	49.4	45.4	49,4
Unrestricted shareholders' equity	<u>26.4</u>	<u>-0.3</u>	<u>24,3</u>
Shareholders' equity	75.7	45.1	73,7
Accounts payable	3.9	4.3	5,9
Liabilities to Group companies	0.5	0.5	0,5
Other liabilities	0.7	0.3	0,2
Accrued expenses and deferred income	<u>1.5</u>	<u>3.0</u>	<u>3,4</u>
Total shareholders' equity and liabilities	82.3	53.2	83,7
Pledged assets	15.0	None	None
Contingent liabilities	None	None	None

Accounting principles

This condensed interim report for the Group was prepared in accordance with IAS 34, Interim Financial Reporting, and applying the provisions in the Annual Accounts Act. The interim report for the Parent Company was prepared in accordance with the Annual Accounts Act, Chapter 9, Interim reports. The application of these accounting policies complies with those presented in the Annual Report for the fiscal year ending December 31, 2009 and must be read together with them.

As of January 1, 2009, the company applies the following new or amended IFRS:

No new or amended IFRS that became effective in 2010 have had any significant impact on the financial result or position of the Group.