

ENEA



Full Year Report 2007

Johan Wall

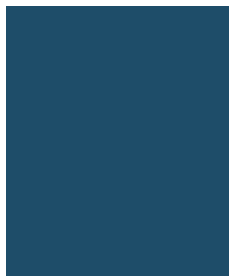
President & CEO

Håkan Gustavson

CFO

Did you know this about Enea?

- Technical pioneer and market leader in embedded technology since 1968
- Enea software and expertise powers the most demanding applications in telecom, avionics, automotive and medtech
- Our real time operating system is one of the world's most widely used
- Enea software handles 5 Billion phone calls every day
- Our software is deployed in 300 million new cell phones in 2007 alone



Agenda

- Corporate Overview
- Highlights and Financials
- Market Outlook, Opportunities and Growth Factors

This is Enea

- Leading provider of software and services for networked embedded applications
- Software offering targets run-time software, development tools and third party product for demanding embedded applications
- Industry leader in professional services for systems development, systems integration, project management, testing and quality assurance
- Enea solutions enable customers to significantly reduce development time and costs

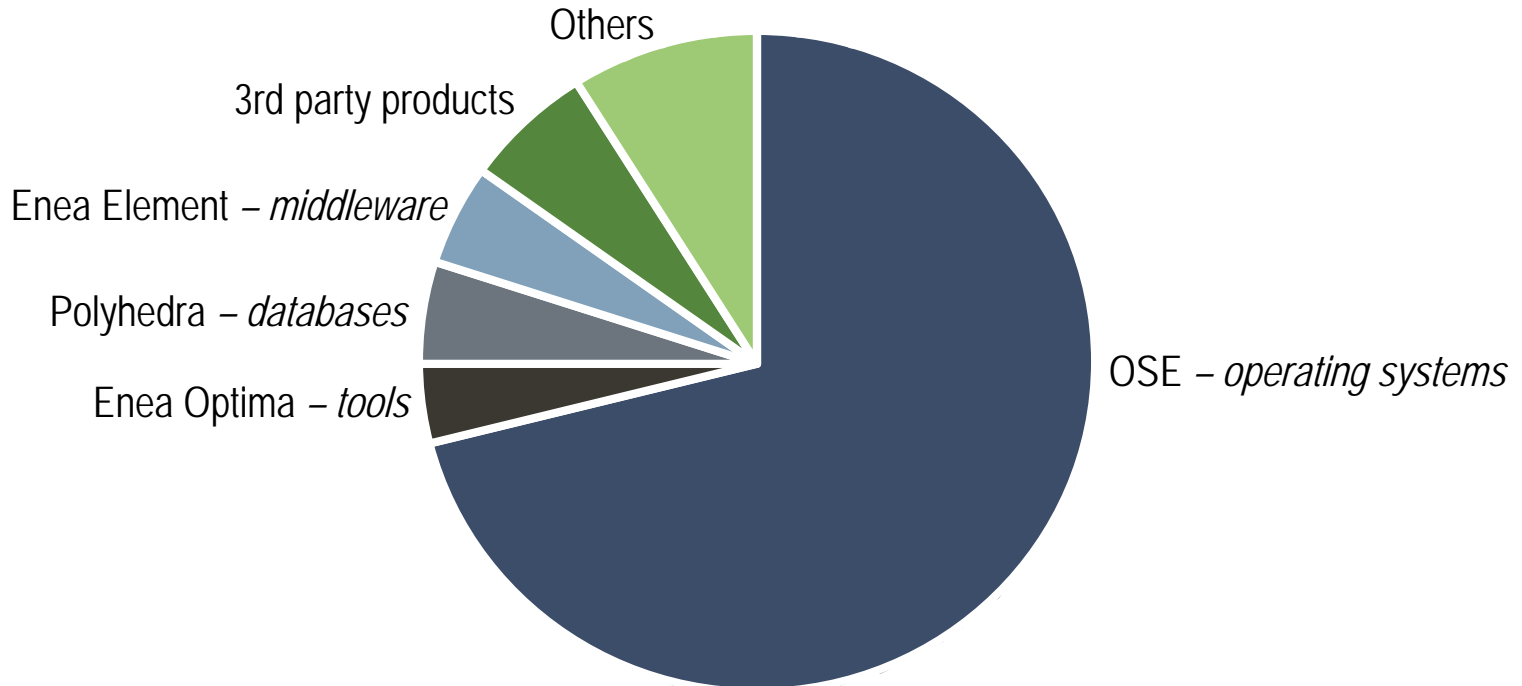


Global Footprint



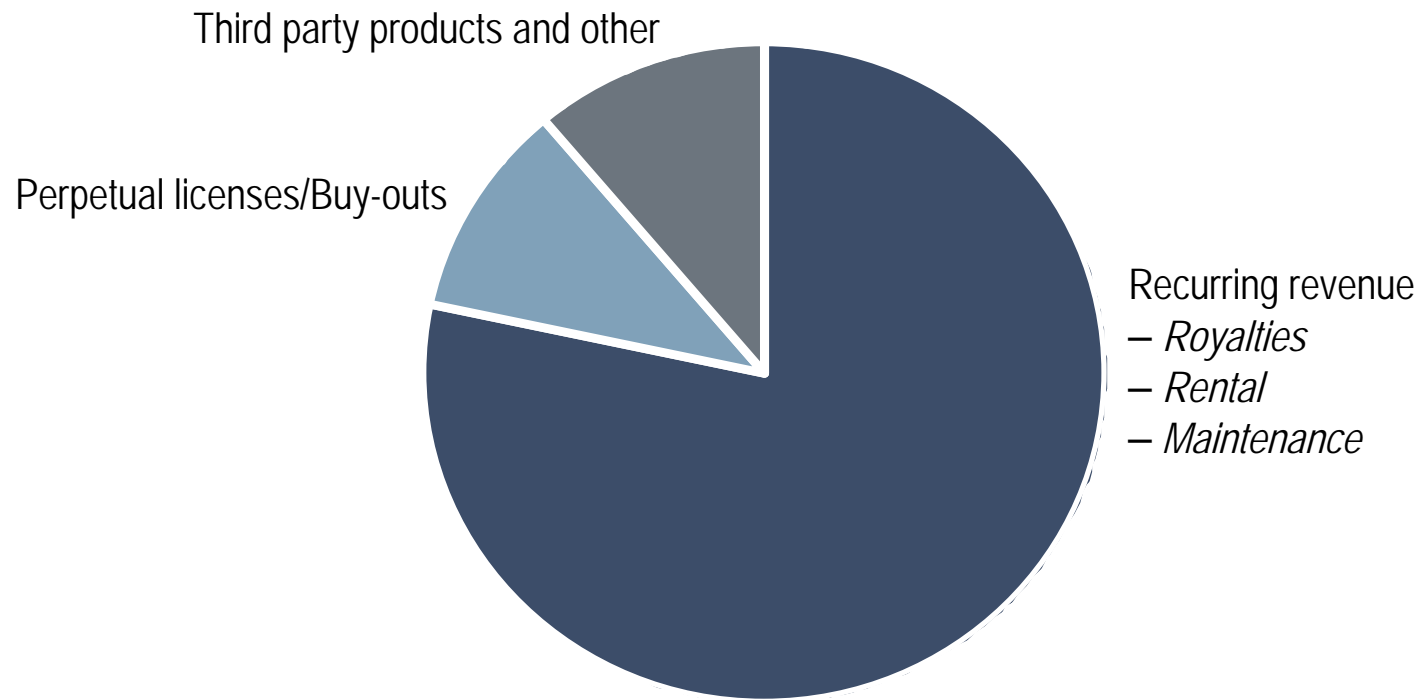
- Over 560 Enea employees in seven countries

Broad Software Offering



- Enea well positioned in fast-growing niches such as middleware
- Enea embraces open source initiatives like Linux
- Enea software portfolio addresses the needs of today's rapidly changing technology and market requirements

Enea Software Business Model



- 78 percent of Enea software revenue is recurring

Our Strategy

- Expand with vertically integrated solutions positioned towards the convergence market
- Provide software foundations that enable development of high availability applications, accelerate software development and reduce cost
- Integrate new and existing solutions leveraging our core technologies
- Leverage partnerships and joint customer financed R&D efforts
- Invest in companies with key technologies, content or customer bases



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The Fourth Quarter in Brief

- Highest quarterly operating profit ever
- Strong software sales
- Three new Element deals, one repeat customer
- Continued strong services development
- First major dSPEED Platform order, in Asia
- Enea Linux Competence Center launched



Full Year 2007 in Brief

- Marquee deals
 - 7 Enea Element deals, one repeat customer
 - OSE in Chinese cell phones (ZTE)
- Continued strong relationships with major TEMs
- Expanded offering, several new major product releases
- Acquisition of Linux specialists QiValue Technologies
- Rapid expansion of outsourcing capabilities in Romania
- Enea Wireless Solution Center established
- North America Services Operations back on track



Q4 2007 Financials

- Net sales increased by 13 percent to MSEK 232 (206). Currency-adjusted growth was 16 percent
 - Software sales increased by 20 percent to MSEK 84 (70). Currency-adjusted growth was 24 percent
 - Consulting increased by 9 percent to MSEK 148 (136). Currency-adjusted growth was 11 percent
- Operating profit increased by 18 percent to MSEK 25 (21) with a profit margin of 11 (10) percent
- One off costs of MSEK 4
- Profit after tax more than doubled to MSEK 36 (14)
- Loss carry forwards had a positive effect on tax expense of MSEK 13

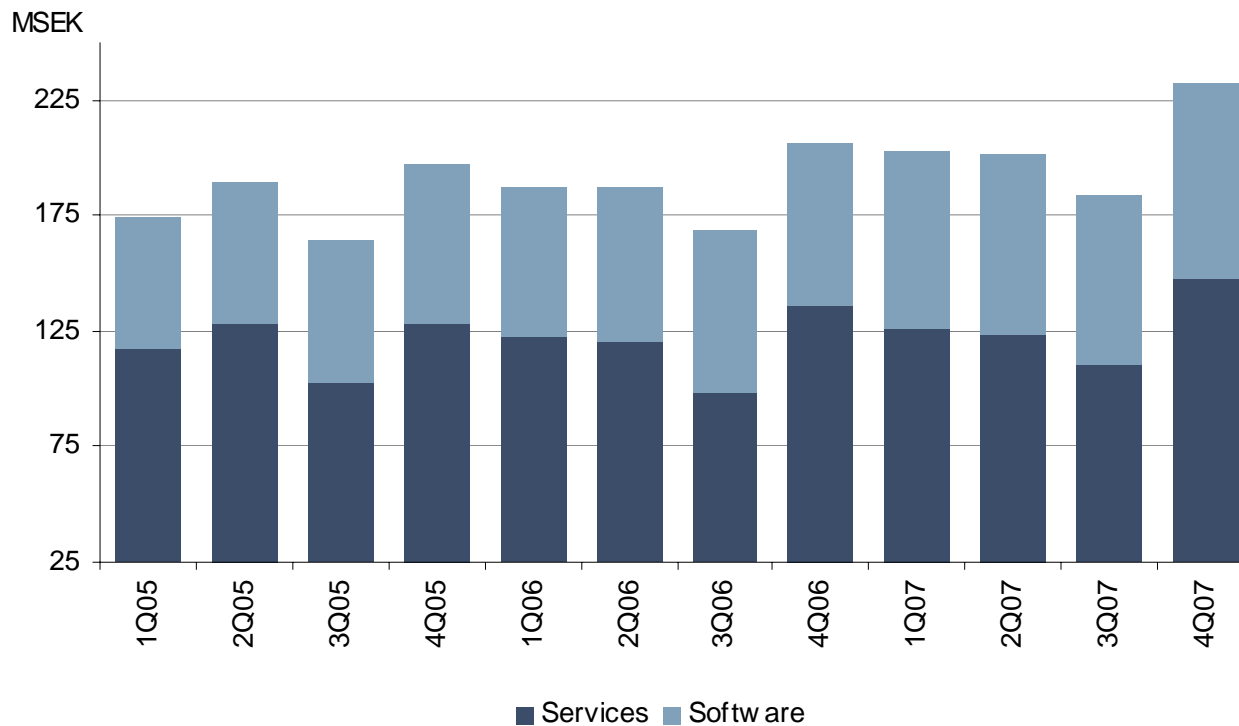


Full Year 2007 Financials

- Net sales increased by 9 percent to MSEK 821 (750). Currency-adjusted growth was 11 percent
 - Software sales increased by 15 percent to MSEK 312 (271). Currency-adjusted growth was 17 percent
 - Consulting increased by 6 percent to MSEK 509 (479). Currency-adjusted growth was 8 percent
- Operating profit increased to MSEK 72 (68)
- Capitalized investments into new products with MSEK 26 (33)

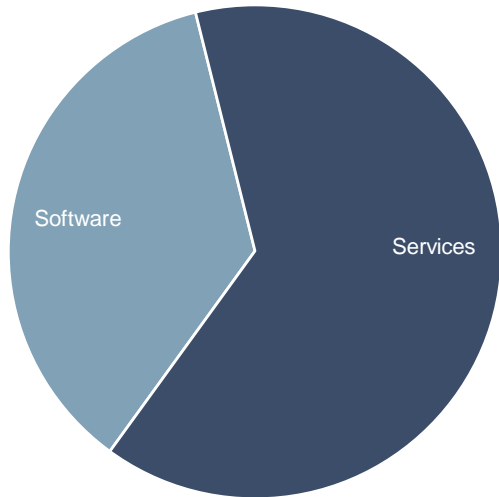


Enea Group – Net Sales

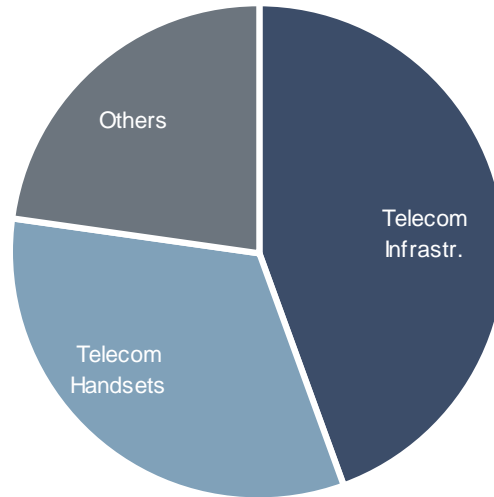


- Strong sales increase of 16 percent, in local currency, in Q4
- Full year sales increase of 11 percent in local currency

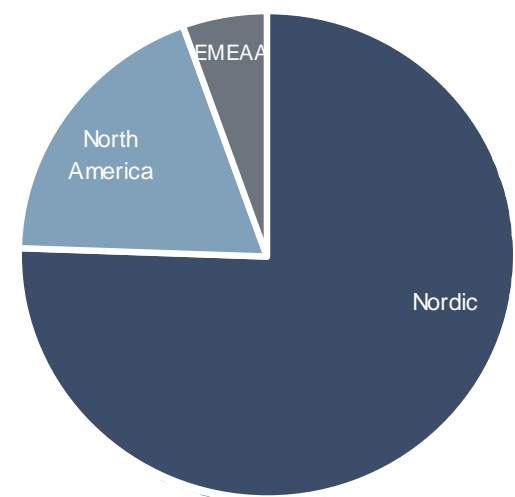
Enea Group – Sales Distribution



62% Services
38% Software

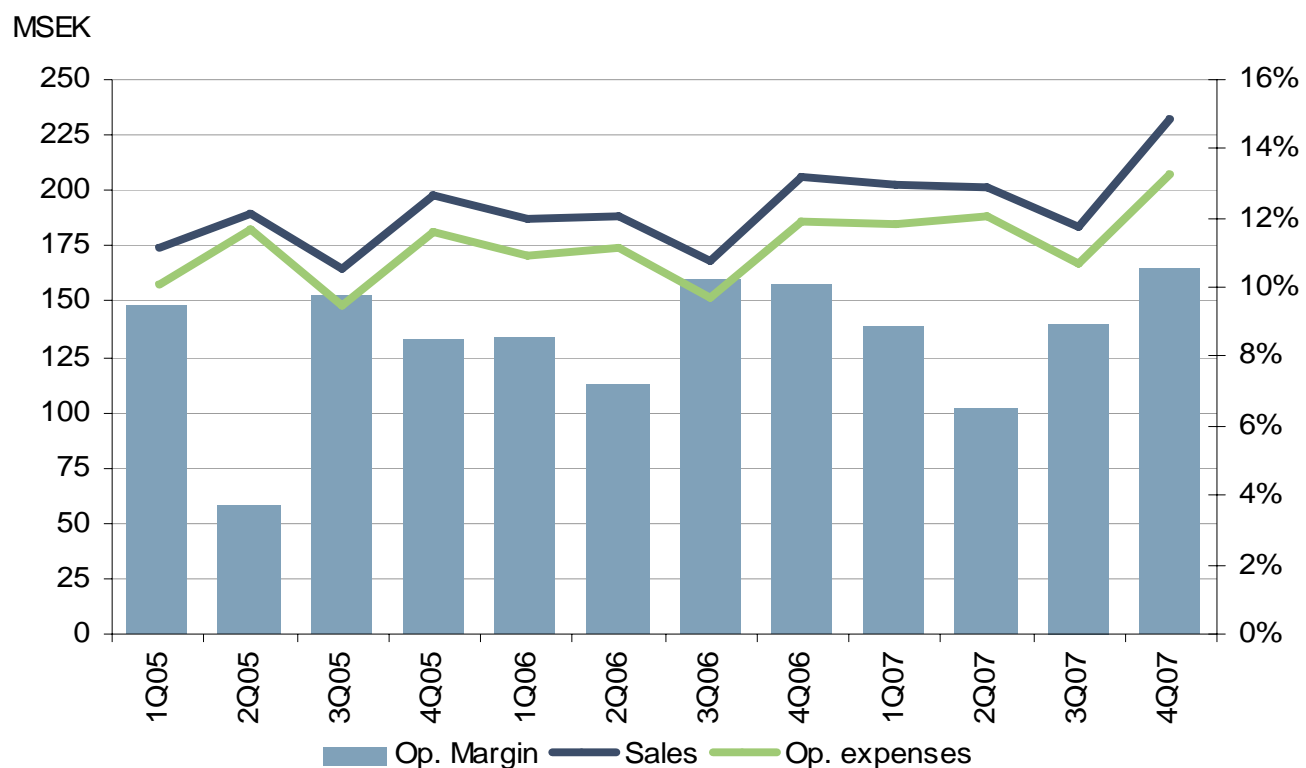


44% Telecom Infrastructure
33% Mobile Handsets
23% Others



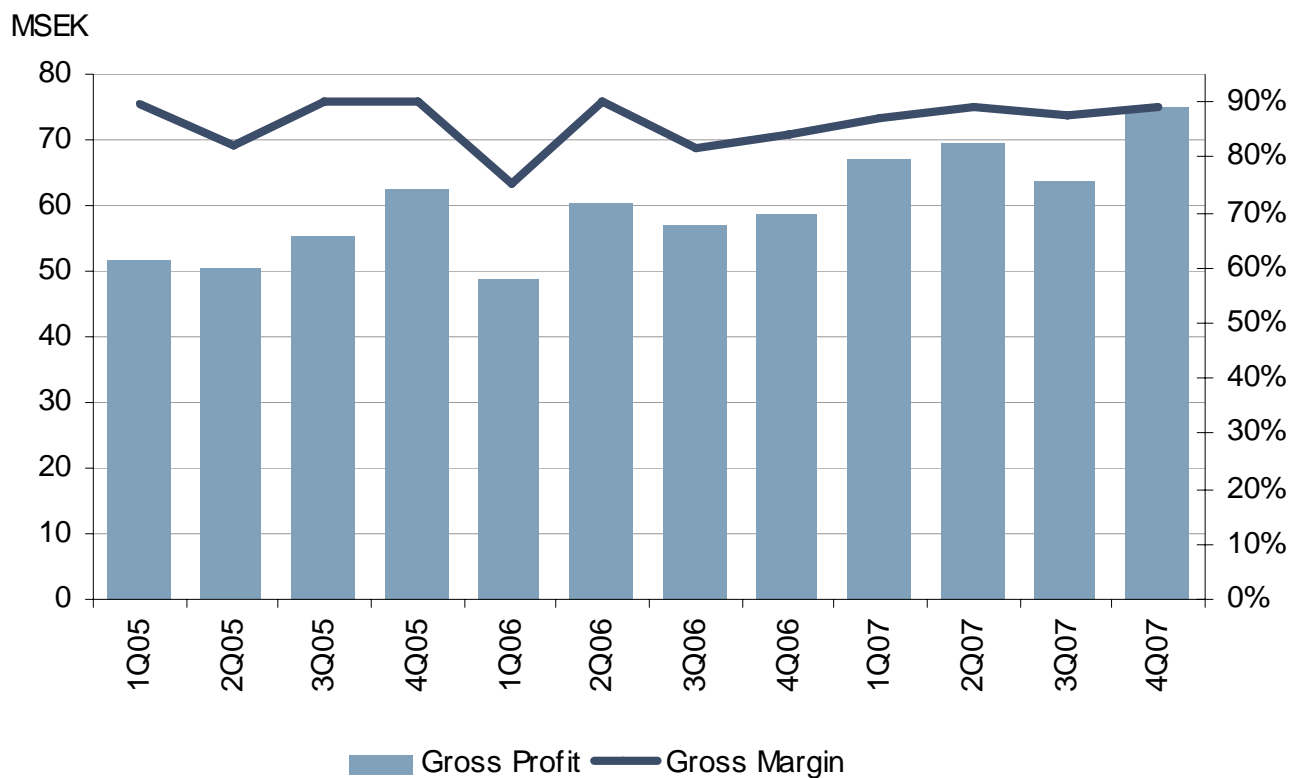
77% Nordic
19% North America
4% EMEAA

Enea Group – Operating Profit, Margin and Expenses



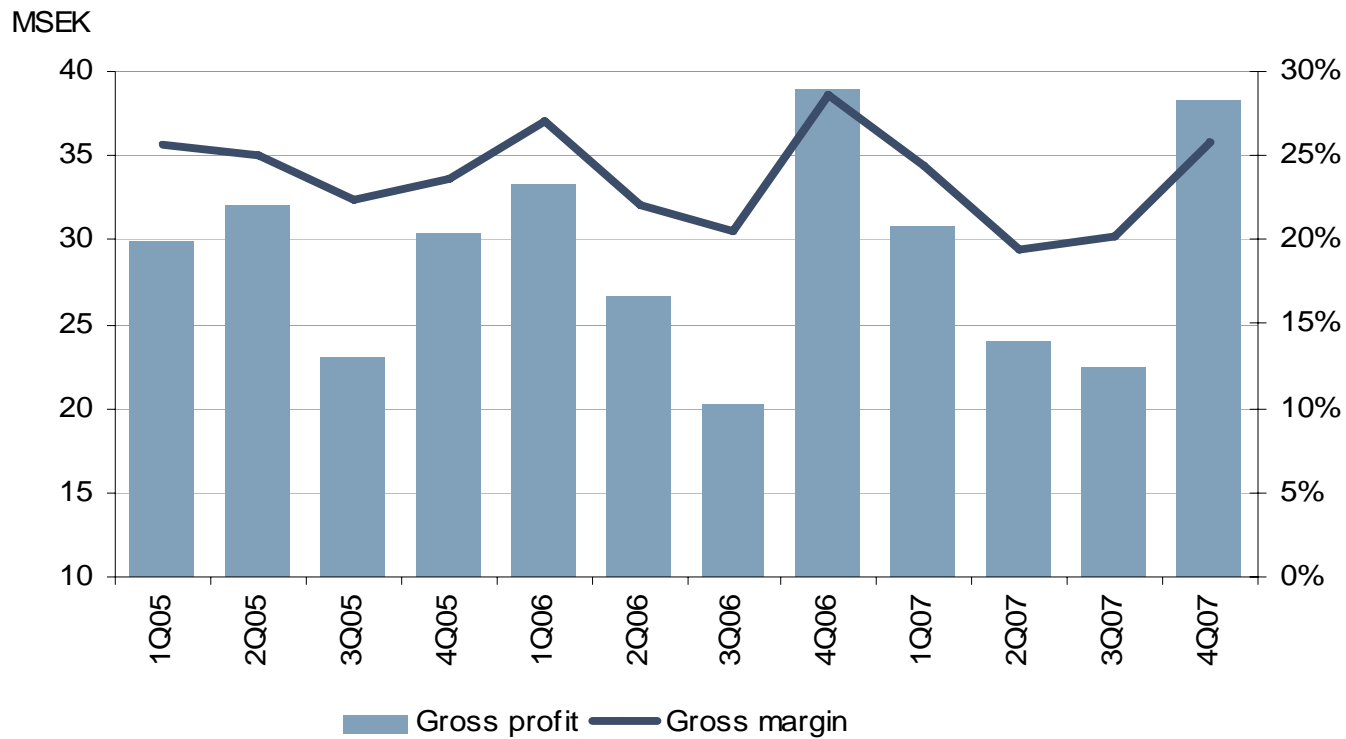
- Significant increase in operating profit by 18 percent for 4Q
- Full year operating profit margin was 9 percent

Enea Software – Gross Margin



- High gross margin due to low third party product costs

Enea Services – Gross Margin



- North America back on track
- High utilization rate in all units

Strong Financial Position

Cash Flow 2007, MSEK

Current operations	66.4
Investment activities	-42.7
Financing activities	-12.8
Cash & Bank	156

- Positive cash flow
- Considerable cash holding, no debts
- Invested in
 - Expanded product portfolio
 - Acquisition of Linux company
 - Repurchasing of own shares

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Overall Market Outlook and Opportunities, Software

- Market growth in embedded systems and tools
- Significant higher growth in segments like middleware
- Moderate price pressure
- Trend towards Commercial of the Shelf Technologies (COTS) continues
- Consolidation in embedded segment expected



Telecom Market Outlook and Opportunities

- **Overall** telecom market growth expected to slow down in 2008, according to major TEMs
- Still, significant growth expected in certain **segments**
- Subscriber growth, convergence, data growth and IP technology major telecom growth drivers
- Longer term outlook positive, supported by fundamentals and consumer trends



Overall Market Outlook and Opportunities, Services

- High, solid demand in Swedish and North American services markets
- High dependency on Ericsson related companies in Sweden
- Outsourcing trend continues
- Moderate price pressures
- Trend towards project outsourcing rather than staffing contracts
- Solutions, contracts combining software and services



Summary

- Enea is in an exciting, rapidly evolving marketplace with trends such as convergence and subscriber growth
- Enea benefits from market transition to COTS, Commercial Off-The-Shelf software.
- Enea has the resources and the ambition to actively take part in the development and potential consolidation of the embedded market
- **Enea well positioned for further growth**



ENEAA



Thank you!

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