

A large, bold, black graphic of the numbers '03' with rounded ends. The '0' is a simple vertical oval. The '3' is composed of two rounded, stacked shapes. The text 'WM-data Annual Report 2003' is printed in white inside the right-hand loop of the '3'.

**WM-data
Annual Report
2003**

	2	Said – Done
President and CEO	4	
	8	Business concept, vision, goals, strategy
Market and competition	10	
	14	Structure and organisation
Group management	16	
	18	Industries, services and solutions
Assets and resources	24	
	28	Corporate Governance
Board of directors	32	
	34	The share 2003
Directors' report	36	
	43	Consolidated accounts
Parent company accounts	47	
	51	Notes
Key figures	66	
	68	Auditors' report/Definitions

1969

WM-data was founded in 1969 and is currently one of the leading design and IT companies in the Nordic region, with operations in Sweden, Finland, Norway and Denmark.

NORDIC

The Nordic region is our home market and our primary target group comprises major companies and organisations based in the Nordic region.

KNOWLEDGE & CLOSE CUSTOMER RELATIONS

Our operations are focused on a number of customer segments where, over the years, we have developed a deep understanding of the industry and close customer relations.

CUSTOMER BENEFIT

Through a wide range of design- and IT-related services we are able to create tangible and lasting benefit for our customers.

SAID

- **We aim to deliver a minimum level corresponding with expectations, both in respect of agreed customer deliveries and the needs of other stakeholders.**
- **We aim to play an active role in the restructuring of the Nordic market and thereby create growth of a minimum of 10 percent over a single business cycle.**
- **We aim to successively improve profitability to ensure the Group's long-term goal of an EBITA margin of a minimum of 10 percent is achieved.**
- **We aim to develop and train our employees and ensure the Group has a good supply of employees at managerial level.**
- **We aim to concentrate on our core skills and the customer segments for which we have principally chosen to develop our solutions.**

DONE

- **In 2003, WM-data met all its commitments to customers in full and delivered profits consistent with market expectations.**
- **In accordance with our acquisition strategy Novo Group, the Finnish IT company, was acquired at year-end 2003/2004 thereby increasing WM-data's sales by more than 25 percent.**
- **Income before tax for the year totalled SEK M 344, compared with SEK M -960 in 2002, and the EBITA margin for 2003 was 5,6 percent.**
- **During the year, the Executive Leadership Development training programme, completed by some 20 employees over two years, came to an end.**
- **The telephony operation, Effero, and certain components of the Swedish Infrastructure operation were divested while the Danish IT operation was transferred to our partner, DMdata.**

CEO

With a stabilised market, an organisation well adapted to meet demand, improved profitability and a healthy balance sheet, WM-data is prepared for expansion.

Operational year 2003 was characterised by increased stability and predictability. These were, in themselves, two important goals that WM-data had set itself for the year. Following a period of turbulence, in the market as well as individual projects, in the form of discrepancies in terms of time and cost, in operational year 2003 it was extremely important for us to have the opportunity to pursue established plans and start working with our long-term offensive strategy in an atmosphere of peace and calm. In all essentials, WM-data has been able to achieve this and the organisation is now well prepared for the expansion initiated by the acquisition of the Finnish IT company, Novo.

As anticipated, the market in the Nordic region stabilised in 2003.

As anticipated, the market in the Nordic region stabilised in 2003. Demand is still at a relatively low level but it has remained fairly stable over the past year. The metropolitan regions in all countries of the Nordic region have been hardest hit by over-capacity. Over time, balance will be re-established and, in a few years time, the market will probably experience a shortage of expertise as recruitment and training in the IT field is currently at an extremely low level. It is a serious threat to the industry should this development continue but, in all likelihood, supply and demand in the skills market will also eventually be balanced although a degree of backlog may cause problems.

In 2003, the number of employees at WM-data was further reduced as a consequence of continued adaptation to prevailing conditions in the market. All costs associated with these measures have been included in the operating profit figures. Within the infrastructure area, co-operation with the Danish company, DMdata, has progressed well and last year, WM-data's Danish computer operations activities transferred to DMdata, including some 60 employees. At the same time, the Danish infrastructure operation was rationalised with the laying-off of a further 40 employees.

Over time, balance will be re-established and, in a few years time, the market will probably experience a shortage of expertise.

In Norway, winding up of the project with the Norwegian tax authorities led to a number of cut-backs while a weak market in Stavanger also led to a reduction in the number of employees.

**INCREASED FOCUS ON
CUSTOMER BENEFIT PRODUCES RESULTS**

At the beginning of the new millennium, WM-data had already started work on making changes to its market strategy as well as organisation with the aim of increasing our focus on services and solutions that create benefit and added value for our customers. Concentration on a number of selected industries as well as a higher degree of packaging of our services has gradually changed our earning capacity in the direction of more value-adding services. The recession of the past year together

with adaptation to the market has certainly slowed down the speed of change but not altered the direction. Margin improvements in 2003 are a consequence of our increased focus on customer benefit.

ACQUISITION OF FINNISH NOVO

The highest priority for the WM-data Group is to achieve our long-term goal of an EBITA margin of a minimum of 10 percent. Over the past year, many of the operations that failed to support this goal were wound up or divested. At the same time, it is important for new markets or business areas that can assist in achieving our long-term goal of profitability to be added to the fold. For some time now, the Finnish market has been considered a prioritised area for expansion. This is partly to do with the fact that WM-data already has an operation that is performing well with good profitability and strong management in Finland, and partly to do with the fact that the Finnish market is characterised by significantly less intensive competition than other countries in the Nordic region. The Finnish economy has also been somewhat less affected by the recession.

In autumn 2003, the opportunity arose to acquire Finland's second largest IT company, Novo Group, which WM-data decided to take advantage of. Novo's board of directors and major shareholders had already accepted an offer for a take-over from a small, Finnish IT company listed on the stock exchange. WM-data saw the opportunity for making a financially as well as industrially better offer and presented such an offer in October 2003 that was accepted by the board of directors and major shareholders. On 29 December 2003, WM-data announced that it had obtained more than 90 percent of the shares in Novo and intended to complete the business deal by demanding compulsory redemption of the remaining shares in the company.

WM-data's strategy is to concentrate operations on highly value-adding services and solutions which, among other things, resulted in hardware sales being divested by WM-data in 2001 to the jointly-owned Atea company. In line with this strategy, the possibility of selling Novo's hardware component is currently being investigated. Other parts of the Novo company will be integrated with WM-data's Finnish operation and operate under the WM-data Novo name, to ensure that continuity and clarity is communicated to customers and employees alike.

COMPETITION IN THE NORDIC REGION

HP, the US company which merged with Compaq in 2002, has adopted a clear position as a new player in computer operations outsourcing. HP is chiefly focusing on the market segment once dominated by IBM, an area where other international players, such as EDS and CSC, have also achieved success. However, HP has also started actively competing in areas of the Nordic market, where competition is chiefly from more local players, such as TiteoEnator in Finland and Sweden, EDB Business Partner ASA in Norway and Maersk Data in Denmark. With the exception of HP's consolidated position, the year has not seen any major changes in the competitive field.

For some time now, the Finnish market has been considered a possible area for expansion.

The highest priority for the WM-data Group is to achieve our long-term goal of an EBITA margin of a minimum of 10 percent.

A current trend is for a growing number of companies to choose to outsource various components of the IT process separately which involves, for example, contracting out the computer operations, workstation support, applications administration and development under separate agreements and often to different suppliers.

OUTLOOK FOR 2004

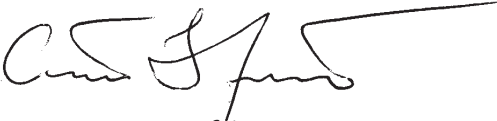
The market stabilised in 2003 and WM-data plans for a continuing stable market at the current level of demand. The potential for improved margins lies chiefly in the continued efficiency and packaging of our services. The market demands increased benefit and short-term cost savings, which the industry must meet through the constant development of new concepts and solutions.

The proportion of income-generating employees must not fall below 90 percent and the billing rate, measured against all our employees, be at least 70 percent to ensure our long-term goal of a minimum 10 percent EBITA margin can be achieved. Important steps were taken in 2003, to improve WM-data's profitability and stability. We aim to continue with this work in 2004 but we do not think we can, realistically, expect to reach our goal in 2004.

The acquisition of the Finnish company, Novo, which will provide growth (excluding the hardware component) of slightly more than 25 percent in 2004, will go some way to increasing the proportion of packaged services and create conditions for increased competitiveness in the Finnish market. Through our continued focus on selected industries, together with packaged solutions and qualified service, our margins will gradually improve.

With the exception of HP's consolidated position, the year has not seen any major changes in the competitive field.

Stockholm, February



Crister Stjernfelt
CEO and President



**BUSINESS
CONCEPT
VISION
GOALS
STRATEGY**

BUSINESS CONCEPT

Customer benefit through complete design and IT-related services. WM-data's overall business concept is to create increased efficiency and tangible benefit for selected customer segments through a wide range of design and IT-related services. Our business concept expresses our focus on the value of what we produce. We take total responsibility and deliver solutions that provide practicable and lasting benefit to the customer.

Functioning and value-creating solutions require the effective cooperation of people, applications and technology. WM-data achieves this by offering a complete range of services and solutions.

VISION

WM-data – leading supplier of design and IT-related services in the Nordic region. Our vision is an expression of what we are striving to achieve. It expresses our aim to be the leading player in terms of quality and resources. Being the leader in our field does not merely imply being one of the largest players but also being able to offer a complete range of services of a high quality.

Our vision also expresses our ambition to offer knowledge and service in all areas in which IT is an important component, as well as design and product development services in which IT is an important tool or is an essential part of the end product.

GOALS

Long-term profitability and growth. Our overall aim is to create value for our shareholders by providing a premium return on invested capital. Over a single business cycle, our aim is for WM-data to show growth of a minimum of 10 percent per annum. The profit margin (EBITA) must be at least 10 percent. We make profitability a higher priority than growth, and base our development on financial stability.

We aim to be better informed about the business environments of customers within the industries we are focusing on than our competitors. In this way, and in close cooperation with our customers, we aim to achieve a minimum level of quality corresponding with customers' expectations. This will lead to long, strong and mutually profitable customer relations.

Through long-term stability and growth, our goal is to be one of the industry's most attractive employers offering a safe and stimulating environment in which to work, both at a professional and a personal level.

STRATEGY

Through in-depth operational knowledge and a high level of design and IT expertise, translated into competitive services, WM-data's overall strategy is to consolidate existing relationships and establish new, long-term and intensely value-creating ones with major companies and organisations – with the Nordic region as our home market.

MARKET AND COMPETITION

IMPROVED BALANCE BETWEEN SUPPLY AND DEMAND

The Nordic region is WM-data's home market and our primary focus is on major companies and organisations in each country.

Over the past year, the Nordic market for design and IT -related services has continued to be weak. In recent years, the volume of business in the Nordic IT industry has gradually diminished. Although there are still no signs of direct recovery in sight, there is some evidence that negative growth in demand is beginning to level off – to a level that is significantly lower than when it reached its highpoint in 1999. Investment in IT solutions and services is on a par with the overall development of the economy, with some time delays and a higher degree of volatility.

Despite the fact that, on the whole, all players in the market have been forced to make significant cut-backs, the market continues to be characterised by an imbalance in supply and demand which, among other factors, implies a market that is still extremely competitive. Although many players have adapted their resources to deal with the fall in demand, profitability levels are too low for the majority

In addition to the weak economy, demand has been held back by a number of factors of uncertainty. It was generally thought that the EMU referendum in Sweden – irrespective of the outcome – would lead to an increase in demand following a lengthy period of wait-and-see. A tangible improvement has not, however, been evident. Nevertheless, in the slightly longer term, the result of the EMU referendum should mean that resources for essential IT investments will be released.

Over the past year, the Nordic market for design and IT-related services has continued to be weak.

AGEING IT INFRASTRUCTURE

MUCH MORE EXPENSIVE TO MAINTAIN

2003 was yet another year in succession when customers made full use of investments that had already been made in their IT infrastructure. In the past few years, there has been no major breakthrough in technology to drive the market and this has resulted in offensive investments being put off until the future. Generally speaking, however, there now exists a significant need for investment and this is increasing at a similar rate to the costs involved in maintaining existing infrastructure. All in all, many companies and organisations are reaching breakpoint where a major investment makes more economic sense.

Demand continues to be characterised by our customers' need to rationalise and improve the efficiency of their operations in various ways. Rationalisation of administrative processes – with or without elements of in-depth business and operations integration – is a dynamic area in which IT plays an increasingly major role.

Against the same background, outsourcing is a dynamic segment. Companies and organisations are choosing increasingly to outsource both the management of their IT systems and the administration of applications and functions to external suppliers. This an expression of customers' endeavours to concentrate on their core operations as well as a way of reducing their overall costs. At the end of the 1990s, many companies had built up increasingly large in-house development departments

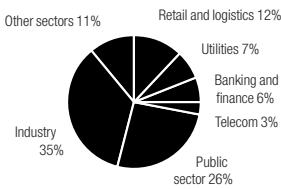
Demand continues to be characterised by our customers' need to rationalise and improve the efficiency of their operations in various ways.

Today, many companies and organisations have fairly high, fixed costs and pay a higher price and receive inferior performance from in-house produced services than if they accepted what the market has to offer.

when external consultancy costs were extremely high. However, since the major consultant companies have adapted themselves to produce a new cost picture and, at the same time, developed new cost-effective solutions, in-house departments have become less and less “competitive”. Today, many companies and organisations have fairly high, fixed costs and pay a higher price and receive inferior performance from in-house produced services than they would if they accepted what the market has to offer. This has created additional dynamic in the outsourcing market which, at the same time, is being exposed to tough competition. Above all, the margins are being squeezed in business deals purely concerned with computer operations.

Demand in the design and product development area, which is heavily dependent on the Swedish motor vehicle industry, demand has remained stable although competition continues to be tough.

Turnover sectors 2003



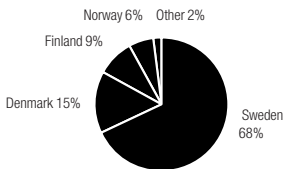
The Swedish market, where WM-data enjoys an extremely strong position, was characterised by stability in 2003 although still at a relatively low level of demand.

CONTINUED STRONG MARKET POSITION

According to assessments within the industry, the volume of business for IT related services in the Nordic region continued to fall in 2003. WM-data’s turnover fell by a total of 8 percent. Purged of operations that were divested in 2002 and 2003, together with the low Server & Storage turnover, the reduction is 3–4 percent which is on a par with the overall decline in the market. The result of this is that, over the past year, WM-data retained its market position as one of the leading suppliers of design and IT-related services in the Nordic market.

The Swedish market, where WM-data enjoys an extremely strong position, was characterised by stability in 2003 although still at a relatively low level of demand. WM-data’s turnover fell by approximately 5 percent, while profitability improved. Adjusted for the divestment of the Humanpro and Knowledge operations in 2002, and the telephone and hardware operations in 2003, Sweden has probably increased its market share. Demand from the public sector which, in accordance with the vision of the Swedish Agency for Administrative Development, is beginning to be characterised by the switch-over to “24-hour government”, has shown positive growth over the past year.

Turnover markets 2003



The Finnish market, which has had a more balanced relationship between the supply and demand of IT services, continued to be largely stable in 2003. A reduction in turnover of approximately 14 percent is wholly attributable to Server & Storage, which showed poor growth last year.

As in Sweden, the markets in Norway and Denmark have been characterised by a continuation in low levels of demand. Turnover in Denmark fell only marginally, indicating a strong market position. Turnover fell dramatically in WM-data’s operations in Norway, chiefly as a consequence of the winding down of the project with the Norwegian tax authorities at year-end 2002/2003.

UNCHANGED COMPETITIVE FIELD

WM-data's competitors comprise major IT and technology companies with operations in the Nordic region or one of the Nordic countries. In the Nordic market as a whole, TietoEnator remains WM-data's principal competitor.

The competitive field has not changed significantly over the past year despite the fact that HP, the US IT company, has consolidated its position in computer operations-related outsourcing. A few small players have been bought up or have wound down operations.

DEVELOPMENT

After a number of years of successive weakening, demand has now levelled off while, at the same time, the IT industry continues to consolidate its position. This is leading to a slow improvement in the balance between supply and demand resulting in an increase in the billing rate and improved margins.

According to IDC, the market for IT-related services is expected to grow by approximately 5 percent for 2004.

The fact that 3G is starting to become a reality in telecom may lead to an increased need for services and applications that can handle a high degree of mobility, in many companies outside the telecom area as well as within it. A breakthrough for 3G should also create a new surge of technology which, generally speaking, is favourable to the development of IT.

Of even greater importance is the fact that the IT infrastructure of a large number of companies is now so antiquated that maintenance costs are beginning to rise dramatically. The last major surge of IT investment was at the end of the 1990s, before the millennium. Another factor that must be taken into consideration is that the performance of this equipment is uncompetitive in terms of cost-efficiency which indicates that it must either be updated or replaced.

WM-data's competitors comprise major IT and technology companies with operations in the Nordic region or one of the Nordic countries.

After a number of years of successive weakening, demand has now levelled off while, at the same time, the IT industry continues to consolidate its position.

STRUCTURE AND ORGANISATION

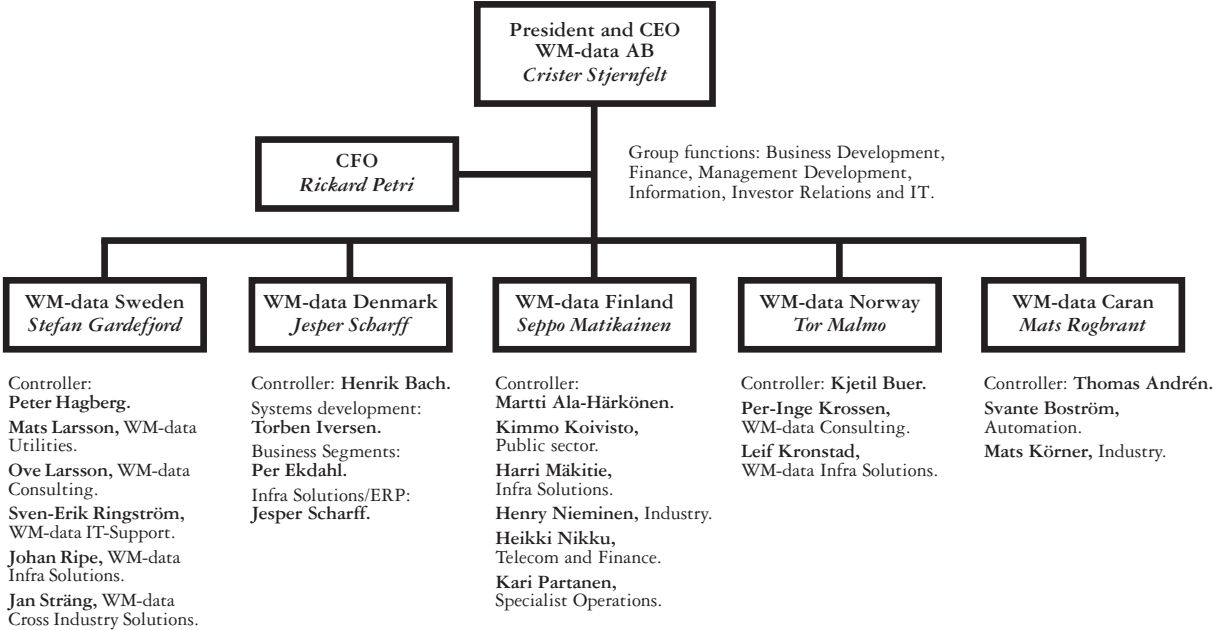
WM-data strives to achieve as flat and non-bureaucratic an organisation as possible with decisions being made close to our customers and employees. We have, therefore, chosen to run our Nordic operations in the form of four individual organisations in each of the countries concerned. Similarly, Caran, the design and product development operation which currently only operates in Sweden, functions as a separate unit. The managing directors of these units report to the parent company and the President and CEO of WM-data.

The IT operations in each of the four countries offer a similar, though not identical, range of services and solutions. The local organisations may, therefore, vary but each country as well as Caran has its own managerial body, usually consisting of managers responsible for the operational units, and a controller.

Group management consists of the managing director in each of the four countries, the managing director of the infrastructure operation in Sweden, and the CFO and CEO.

All company and unit managers, key personnel in the sales organisations and managers responsible for major customers meet twice a year at a Group Management Conference where group-wide issues can be discussed.

Organisation



Crister Stjernfelt

CEO and President

Employed: 1977

Born: 1943

No. of shares: 179,625

Convertibles SEK: 359,856

No. of warrants: 40,000

Stock options:

2003: 50,000

Earlier: 49,200

Stefan Gardefjord

Sweden

Employed: 2002

Born: 1958

No. of shares: –

Convertibles SEK: 359,856

No. of warrants: 40,000

Stock options:

2003: 25,000

Earlier: –

Seppo Matikainen

Finland

Employed: 1995

Born: 1947

No. of shares: 4,125

Convertibles SEK: –

No. of warrants: 40,000

Stock options:

2003: 25,000

Earlier: 67,700

GROUP MANAGEMENT



Rickard Petri

CFO
Employed: 1995
Born: 1953
No. of shares: 75,000
Convertibles SEK: 359,856
No. of warrants: 40,000
Stock options:
2003: 25,000
Earlier: 16,700

Jesper Scharff

Denmark
Employed: 2002
Born: 1959
No. of shares: –
Convertibles SEK: 359,856
No. of warrants: –
Stock options:
2003: 25,000
Earlier: –

Tor Malmo

Norway
Employed: 2002
Born: 1954
No. of shares: –
Convertibles SEK: –
No. of warrants: –
Stock options: –
2003: 25,000
Earlier: –

Not included in photo:

Johan Ripe

President
WM-data Infra Solutions
Employed: 1993
Born: 1963
No. of shares: 4,125
Convertibles SEK: –
No. of warrants: 4,000
Stock options:
2003: 12,500
Earlier: 8,800



**INDUSTRIES
SERVICES
AND
SOLUTIONS**

COMPLETE SERVICE AND TOTAL COMMITMENT

WM-data offers a complete range of design and IT-related services and products for selected customer segments. This means that we can provide a complete solution package for all or parts of our customers' design and IT operations, as well as develop solutions that support their business goals. The services we deliver are built on the effective cooperation of advanced technological solutions, reliable applications and the sound experience and superior expertise of our employees.

WM-data has amassed its services and products in three distinct areas of expertise: industry, specialist and infrastructure operations. Industry operations offer expertise, service and solutions for specific industries in which, over the years, WM-data has built up an in-depth knowledge. Specialist operations offer expertise and solutions, independent of industry sector. Infrastructure deals with all the services and products required for computer operations, communications, customer support and technical support for central as well as decentralised server environments and workstations (see illustration on page 23).

To a growing extent, the market is seeking players who can take responsibility for larger parts of the IT process. They can either take the role of Prime Contractor for the complete process taking care themselves of delivery and responsibility for subcontractors, or complete delivery for parts of the IT process. The same trend applies in the design and product development area. A growing number of industrial and pharmaceutical companies want a supplier who can take responsibility for the whole process, from concept to completed prototype. Caran, WM-data's technology company, offers solutions of this kind in its Total Design concept.

In cooperation with strong partners, such as WDM Nordic Computer Management, the computer operations company (jointly owned with DMdata, the Danish company), WM-data is able to offer both complete solutions and specialist expertise covering the whole IT process. At the same time we cannot, with any credibility, address the needs of all types of companies and organisations. As a leading supplier in the Nordic region, it is natural for us to concentrate our complete offer on local customers, that is, companies who operate principally in the Nordic region. To global customers we can chiefly deliver our specialist services and a number of specific standard solutions.

FOCUS ON SELECTED INDUSTRIES

To pursue the long-term development of expertise and solutions, that have the potential to achieve commercial and economic success, we focus on a number of industries and market segments. We have divided these into five principal areas and we strive to develop our Nordic operation in stages to cover all of these.

The services WM-data delivers are built on the effective cooperation of advanced technological solutions, reliable applications and the superior expertise of our employees.

To pursue the long-term development of expertise and solutions, that have the potential to achieve commercial and economic success, we focus on a number of industries and market segments.

- **FINANCE** – banking, finance and insurance
- **RETAIL & LOGISTICS** – retail, transport and logistics
- **INDUSTRY** – manufacturing, process, automotive, aviation, forestry, telecom and pharmaceuticals
- **PUBLIC SECTOR** – local authorities, health, defence and government
- **UTILITY** – energy, water and the environment

FINANCE. This area includes WM-data’s knowledge and solutions for banks, finance companies and insurance companies.

WM-data offers the insurance industry packaged solutions for, for example, group insurance, individual savings insurance, damages handling, retail & corporate banking, treasury and asset management, electronic payment services and card and redemption functions. Among other things, this is offered in the form of Winsure – a complete framework for the administration of “non-life” insurance products with handling of customers, agreements, premiums, damages, renewals, commissions etc. Or Winlife 2000 – a framework with a complete set of components for the whole personal insurance area, including fund management and traditional life insurance management.

RETAIL & LOGISTICS. WM-data has wide expertise and many years’ experience in retail, transport and logistics. For many years, we have been involved in developing and administering IT solutions for the industry which has provided us with compelling knowledge of retail and transport company operations.

We are thoroughly familiar with the day-to-day work of the retail trade and focus on goods supply and the need for a more rapid throughput of customers at check-out points. One of our strongest areas is our own card solution for handling payment, customer and loyalty cards. We currently handle more than 500 million card transactions a year. WM-data has installed retail outlet and check-out systems for some of the largest chains in the Nordic region. In close cooperation with Europe’s largest transport and logistics companies, we have developed and administered IT solutions in TMS (Transport Management) and WMS (Warehouse Management). We have also created solutions for third-party logistics, Track and Trace, electronic transport documents and so on.

INDUSTRY. WM-data enjoys a strong position as a leading supplier to Nordic industrial companies operating both nationally and internationally. The industrial sector includes a large number of companies with distinct needs and varying views on how these should be met. The largest unit within WM-data that addresses the interests of this industry segment is Caran.

WM-data has wide expertise and many years’ experience in retail, transport and logistics.

WM-data enjoys a strong position as a leading supplier to Nordic industrial companies operating both nationally and internationally.

Caran has a broad knowledge of the industry from a large number of industries and offers a complete range of services in industrial design, product development and process improvement with the purpose of consolidating our customers' competitiveness. Our Total Design Centers are complete development houses with all the expertise and equipment required to take a concept through to completed prototype. The areas of expertise are numerous and include design, construction, computation and simulation, sound and acoustics, electronic and embedded systems, industrial management, production development, validation and quality assurance. The automotive industry constitutes the largest customer group but pharmaceuticals, aviation, telecom and the engineering industry are also important customer groups.

The IT area includes process industries, principally forestry and steel, important customer segments and WM-data has developed completed solutions for the paper industry as well as forestry and sawmills.

The forest industry includes GIS (Geographic Information System) an important element, and here the acquisition of the Finnish Novo Group has brought new skills and new solutions into WM-data.

WM-data has specific solutions to offer the manufacturing industries, for example, ERP for project-oriented manufacturing, as well as wide expertise in a number of standard system areas based on products from SAP, Microsoft and others.

PUBLIC SECTOR. With the recent acquisition of Novo, the Finnish IT company, WM-data has consolidated its position as one of the leading suppliers to the whole of the Nordic public sector. WM-data has developed a new way of thinking about how the public sector can use IT to rationalise its processes and contact with the outside world. The concept – administration integration for “24-hour government” – makes possible the total integration of an operation's information and transaction processes, and builds on a platform that links together subsystems, allowing them to work together in joint interfaces, both within the operation and outwards to the public.

Municipalities. WM-data has solutions for most municipal functions, for example, schools, care in the community, as well as for all administrative support functions. We deliver not only solutions and services but also take overall responsibility for computer operations and support.

Our Total Design Centers are complete development houses with all the expertise and equipment required to take a concept through to completed prototype.

With the recent acquisition of Novo, the Finnish IT company, WM-data has consolidated its position as one of the leading suppliers to the whole of the Nordic public sector.

Healthcare and medical treatment. A strong need exists within healthcare to make full use of information technology in order to deal with the growing workload and to integrate a multiplicity of IT systems in order to simplify management and accelerate the flow through the various parts of the healthcare chain.

Areas of concern also include information and decision-making support for the various operational areas of the healthcare system, such as anaesthesia, intensive care, and operations.

Public authorities and civil service departments. WM-data offers IT solutions for integration between systems, thereby creating greater accessibility and a better service to the public, a concept we call “Open, Integrated Management”. And we supply tools that help increase the efficiency of processes such as expertise, career, salary, diary, case handling, electronic trading, security, finance plus helpdesk and user support.

Defence. Through our industry initiative, WM-data Defence, we deliver IT solutions and IT expertise to the operational as well as supporting operations within the Swedish armed forces. With many years’ experience, we can offer solutions for management systems, finance, human resources, computer operations, administration and information security.

UTILITY. For nearly 20 years, energy, water and the environment have been central to WM-data’s ventures in the “utility” sector. We have promoted the development of solutions and services for this market segment in cooperation with one of the leading energy companies in Europe, EON/Sydkraft.

WM-data is a complete supplier that develops, co-ordinates and delivers services and products in electricity, gas, water, refuse collection, district heating and cooling. We have a total of more than 150 customers in the area and approximately 350 industry-oriented employees working actively on assignments within this sector.

SPECIALIST OPERATIONS

The combination of operational knowledge, packaged solutions and specialist know-how within a broad range of expertise is what creates success in all development work. WM-data has organised its specialist skills into a number of different units which work independently of industry sectors and support the whole of WM-data’s operation.

The specialist operations offer a wide range of general solutions in finance, personnel administration, salaries, document handling, data storage, security, communication, and so on. In certain cases, in-house solutions are developed, often specially adapted to meet the needs of the local market. In many cases, however, solutions based on leading international standard products from suppliers such as SAP, Oracle, Microsoft and IBM, are used.

WM-data offers IT solutions for integration between systems, thereby creating greater accessibility and a better service to the public.

The combination of operational knowledge, packaged solutions and specialist know-how within a broad range of expertise is what creates success in all development work.

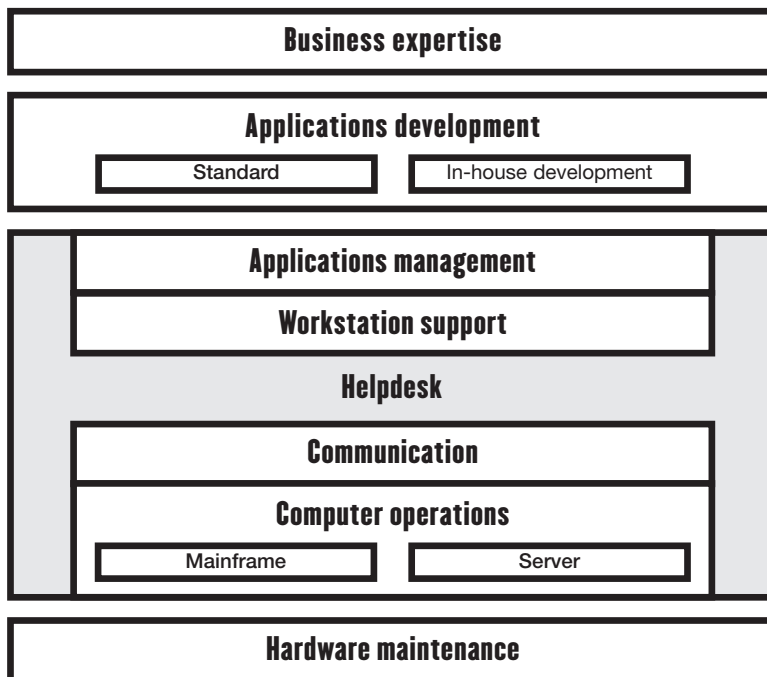
INFRASTRUCTURE OPERATIONS

WM-data does not take responsibility for the development and administration of applications only. We can also take care of computer operations, supervision and technical support for the infrastructure that our customers own themselves or deliver the whole function “on demand”.

We have one of the largest networks in the Nordic region with a complete range of communication services. Through strategic cooperation with the Danish company, DMdata, we can offer access to the largest and most cost-efficient computer and server operation in the Nordic region. Our helpdesk delivers services to customers all over the world, 24 hours a day, seven days a week. And our support services are never further away than as agreed in our service contract.

We have one of the largest networks in the Nordic region with a complete range of communication services.

IT-process



WM-data offers services and solutions at every stage of the IT process.

ASSETS AND RESOURCES

STRONG BALANCE SHEET AND STRONG RELATIONS

In recent years, a strong financial position and the capacity to adapt to changes in demand have been essential conditions for survival in the market. WM-data has a strong balance sheet and positive cash flow. This has made it possible for WM-data to play an active role in the structural transformation of the Nordic market, not least through the acquisition of the Finnish Novo Group.

At the end of 2003, WM-data had an equity/assets ratio of 43 (28) percent. The equity/assets ratio indicates the company's financial stability, endurance and freedom of action. This improvement is principally due to earnings made in 2003 and a reduction in the balance sheet total.

Last year, cash flow from ordinary activities was satisfactory. Current operations generated SEK 170 (226) million. The deterioration is chiefly due to payments attributable to a programme of measures initiated in 2002 and to the arrangement with the Norwegian tax authorities. Cash flow from investment activities amounted to SEK 67 (75) million, and refers to the fact that certain activities were divested.

Naturally, the acquisition of the Novo Group will change WM-data's balance sheet considerably, but even after this business transaction the financial position of the Group is strong.

During the year, debentures totalling SEK 865 million that were issued in 1998, fell due for payment. During the year, the decision was also made to issue a new convertible debenture loan aimed at WM-data's employees. The loan amounts to SEK 207 million and runs from 22 December 2003 up to and including 30 November 2008.

All in all, WM-data is well prepared to continue actively participating in the ongoing structural transformation of the industry and to further consolidate its position in the market through acquisitions.

CONTINUED RATIONALISATION AND FOCUS ON COSTS PRODUCED RESULTS

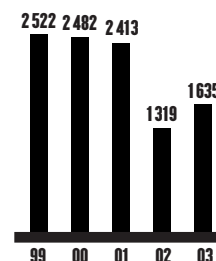
For 2003, WM-data's operating profit before amortisation of goodwill and excluding items affecting comparability (EBITA), amounted to SEK 366 (-372) million and the profit margin at this level was 5.6 (-5.2) percent. The return on shareholders' equity was 17.1 (-53.8) percent and the return on capital employed 18.2 (-30.2) percent.

In a knowledge-based company such as WM-data where, for the most part, earnings consist of remuneration for work performed by consultants at a fixed price or on current account, there are principally four factors determining profitability:

- The price.
- The billing rate, in other words, the degree to which our employees' time can be charged to the customer.
- The cost of the work performed, the greater part of which consists of salaries and social security costs.
- The efficiency of the organisation, in other words, the relationship between the income-generating part of the workforce and the administrative part.

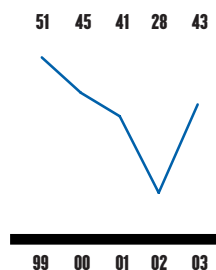
Shareholders' equity

SEK M



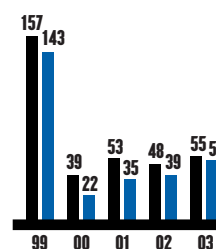
Equity/assets ratio

percent



Profit per revenue-earning employee

SEK 000s



■ Profit before amortisation of goodwill, items affecting comparability excluded
 ■ Profit after net financial income, items affecting comparability and write-down of goodwill excluded

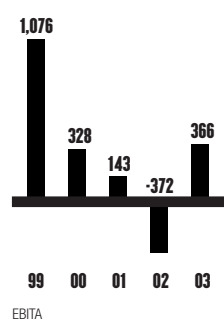
The factors above are followed up on a monthly basis for each unit through a well-developed key ratios package.

The average price remained relatively stable in 2003.

The billing rate reflects the amount of time measured across all employees expended by our consultants that is charged to the customer. The billing rate varies from one type of operation to another, but must be at least 70 to reach our long-term goal of a 10 percent EBITA margin. In 2003, the billing rate was a few entities below target.

WM-data has continued to consistently adapt the bulk of our costs to demand and increase efficiency within the organisation.

Profitability SEK M



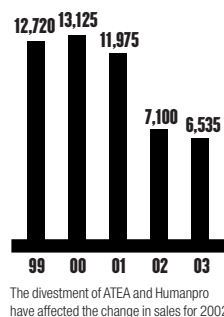
FOCUS ON STRUCTURAL CAPITAL-BASED EARNINGS

As with all service companies, our earnings are based almost exclusively on intangible resources – employees and expertise, structures/ processes (structural capital), customer relations and brands, as well as ideas and development work.

In addition to actively participating in the value-creating processes, intangible resources are also part of the bulk of assets. When acquisitions are made in the service industries, intangible assets often constitute the bulk of what one is paying for, and the majority of that is balanced as goodwill. Many of the companies that grew through acquisitions made in the 1990s, are now left with goodwill that exceeds shareholders' equity. In WM-data's case, goodwill in relation to shareholders' equity amounted to 19 (27) percent at the close of 2003. The acquisition of the Novo Group has, naturally, increased the amount of goodwill but, even after the acquisition, shareholders' equity exceeds the total goodwill value.

A necessary condition for creating long-term competitiveness and profitability is to build up structural capital, which means that customer benefit can be delivered with a gradual reduction in work content. WM-data's policy of focusing on selected industries is part of our drive to produce a higher proportion of earnings that are structural capital-based. By concentrating on a smaller number of industry and specialist areas, we have been able to raise our levels of expertise and solutions performance, and thereby base earnings on the benefit delivered, not the time invested in a project.

Sales, Group SEK M



The divestment of ATEA and Humanpro have affected the change in sales for 2002.

THE CONTEST FOR NEW EMPLOYEES IS ABOUT TO BEGIN

At the end of 2003 WM-data had 5,690 (6,635) employees. During the year, a total of 306 (625) employees left the company through lay-offs. Acquisitions provided the Group with approximately 15 (530) employees, while around 400 (300) left the Group as a result of divestments.

WM-data has a flat, non-bureaucratic organisation with our income-generating employees in the foreground, and our ambition is to keep administration at a low level. The proportion of income-generating employees at the end of the year was 90 (90) percent. The average age at WM-data is 38 (36) years.

WM-data has made a name for itself as an excellent employer offering a good working environment and the opportunity for employees to develop. Preserving a strong employer brand is just as important when a company is forced to lay people off. Over the past three years, the recruitment of new employees at WM-data has been low. Stabilisation of the market is now starting to result in the need to recruit a number of new employees which will not, initially, cause any problems as there is plenty of idle capacity. A shortage of qualified expertise in the IT field may, however, occur relatively quickly, a consequence of the fact that IT training over the past few weak years has failed to attract students to any great extent. In such circumstances, a strong employer brand is absolutely essential.

**DOCUMENTED CAPACITY TO DELIVER
CREATES LONGSTANDING CUSTOMER RELATIONS**

WM-data enjoys strong and longstanding customer relations, in certain cases with customers who have been with the company since its inception in 1969. The “lifetime value” of many of WM-data’s major customers is extremely high. Customer turnover is low.

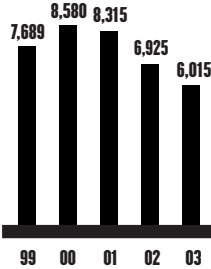
Our familiarity with our customers’ business environments and our documented capacity to deliver form the basis for longstanding, strong customer relations. This has been made possible by our policy of focusing on selected industries.

WM-data’s industry focus and strategy to cultivate mainly major customers has led to a reduction in the number of customers we serve. We have chosen, instead, to prioritise broader, deeper customer relations, expressed in the form of a higher share of our customers’ total investments in IT and product development.

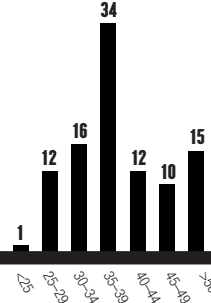
We currently have around ten customers who are responsible, in aggregate, for 26 (25) percent of turnover. WM-data also has a higher share of the above mentioned investments in this category than is the case with other customers.

WM-data systematically measures the way major customers perceive our delivery quality. These measurements are used as the starting point for various initiatives, often in open dialogue with the customer. Customer satisfaction as well as the likelihood of repeat business and recommendations are also measured continuously among our most important customers in the form of an SCI (Satisfied Customer Index), which is used as the basis for continual improvement work. This has led to a steady, high level of repeat business and recommendations in the Nordic region.

Average number of employees
number



Age distribution 2003
percent



CORPORATE GOVERNANCE

EFFECTIVE MANAGEMENT TO FACILITATE VALUE CREATION FOR CUSTOMERS AND SHAREHOLDERS

WM-data is a Nordic group of companies with its registered office in Sweden where the company is also listed on the Stockholm Stock Exchange's A list. With shareholder value our ultimate criterium, WM-data works to achieve value creation for all important stakeholders affected by the company's operations, in addition to shareholders, primarily customers and employees. WM-data is managed in such a way that our financial goals and other overall quantitative and qualitative goals can be attained. To safeguard shareholder value, WM-data has established secure procedures for risk management, including the management of project risks.

Presence, Reliability and Performance are the core values with which our business activities are imbued. WM-data has established a set of policies which regulates actions and relations with all external and internal stakeholders, including corporate responsibility for the environment.

THE BOARD'S WORK

The Board of Directors works according to a fixed agenda with seven meetings which are scheduled at the start of the year. In 2003, in addition to ordinary items on the agenda, other points of discussion were the Board's working methods including committee work, business reviews and WM-data's development and acquisition strategy. In 2003, a number of additional meetings were held including meetings held prior and in connection with the acquisition of the Novo Group. In total, the Board met on 15 occasions last year.

During last year, an audit committee, with Lars Wedenborn as chairman and Jonas Fredriksson as member, was appointed. A remuneration committee was appointed at an earlier date with Thord Wilkne as chairman and Börje Ekholm as member. These committees were recruited in their entirety from the Board.

COMPOSITION OF THE BOARD

WM-data's Board is comprised of seven members elected by the Annual General Meeting and three members appointed by the employees.

The current composition of the Board has been in place since 2002.

During the year, the Board adopted a system for evaluating its own work. Each Board member assessed his or her own input as well as that of the Board as a whole, together with determining in which areas their contributions could be improved. This evaluation is also a tool used in the nomination process.

New regulations for the nomination process were agreed at the Annual General Meeting in 2003: in the final quarter of 2003, the four largest shareholders were to appoint a representative each who, under the management of the Chairman of the Board, were to put forward a proposal to the Board to submit for resolution at the Annual General Meeting. The nomination committee before the AGM in 2004 is comprised of Marcus Wallenberg (Investor), Thord Wilkne, Joachim Spetz (Handelsbanken Fonder) and Lars Idermark (Andra AP-fonden).

MANAGEMENT AND ADMINISTRATION

WM-data is run as a land-based organisation (with, on the whole, a structure focused on industries). The management for each country – and for the business area, Caran – report to the President and CEO, the post held since 2001 by Crister Stjernfelt.

Group functions are limited to economy/finance, investor relations, information, management development and IT. The decision-making routes are short and the ambition is to keep administration at a low level.

REMUNERATION AND INCENTIVE PROGRAMME

With the purpose of creating close identification between corporate goals and those of individual employees, WM-data has put a number of incentive programmes into operation for management as well as other employees.

WM-data's remuneration model is based on the premise that as many employees as possible should have a variable component on top of their fixed monthly salary. Everyone participates in a profit-sharing system at company level whereby a certain proportion of income after net financial items is distributed proportionally against a share of the salary mass. Employees can also participate in WM-data's convertibles programme.

Last year, 1,364 employees applied for convertibles of SEK 207 million with a conversion rate of SEK 21 and a conversion period of 2 May 2007 to 31 October 2008.

A salary model with a target salary consisting of a fixed and a variable component applies to senior executives and other key personnel, approximately 8 percent of all employees. The variable component is, as from 2004, based on profit margin (EBITA) and fulfilment of the budget, and can amount to a maximum of 100 percent of the fixed salary.

Just over 50 senior executives and other key personnel were preliminary allotted 1,425,000 stock options during 2003. The programme, which is linked to the company's long-term increase in value, has an exercise price of SEK 8.20 per share which can be converted during the period 31 March 2006 to 31 March 2008. The final allocation depends on the Group's pre-tax profits meeting a certain minimum level. For 2003, this meant that half the preliminarily allotted options were withdrawn. The total number of outstanding options for 2003 were, subsequently, 681,250. At the Annual General Meeting, the Board will propose a similar programme for 2004.

Queries concerning remuneration of the CEO and other senior executives, such as the remuneration policy and wage structure principles, are prepared by the remuneration committee and are put before the Board and, where appropriate, the Annual General Meeting for resolution.

INTERNAL CONTROLS AND RISK MANAGEMENT

Part of the remit of the audit committee is to oversee and inspect the company's internal controls concerning its accounting records, management of assets and other financial circumstances. The committee consults and cooperates with the external auditors with the aim of maintaining the company's auditing standards at the highest possible level. The committee also prepares queries concerning the choice of auditor and his or her fees.

The nature of the company's business activities is such that financial risks are small. Project risks represent the single largest type of risk involved in WM-data's operations.

Since 2002, WM-data has employed a method – PRM (Project Risk Management) – that systematically charts the risk element and risk levels of each major project as well as the aggregated business risk of the Group's project portfolio, partly at the offer stage and partly while the work and delivery are in progress. PRM is thus a tool for handling these risk, both individually and seen as a whole.

Remuneration of the Board of Directors

Chairman	SEK 400,000
Deputy chairman	SEK 300,000
Member	SEK 200,000
Total 2003	SEK 1,700,000
Total 2002	SEK 1,700,000

No remuneration in addition to the board remuneration is paid for committee work.

No remuneration is paid to Board members who are permanent employees of WM-data.

Remuneration of Group management

KSEK	2003	2002
PRESIDENT AND CEO		
Fixed salary	2,501	2,525
Variable component	599	205
Other benefits	62	59
Total	3,162	2,789
OTHER GROUP MANAGEMENT		
Fixed salary	10,290	9,323
Variable component	2,955	1,993
Other benefits	709	571
Total	13,954	11,887

Lisbeth Gustafsson

Senior Vice President and Corporate Sales Director, Swedish Post AB.

Elected: 2002

Born: 1947

No. of shares: 8,000

Convertibles SEK: –

No. of warrants: –

Other managerial responsibilities:

Svensk Handel, the Swedish National Student Board of Aid (CSN), Prevas AB, Invest in Sweden Agency (ISA), Karolinska University Hospital and Scribona AB.

Lars Wedenborn

Executive Vice President and CFO of Investor AB.

Elected: 2002

Born: 1958

No. of shares: 125,000

Convertibles SEK: –

No. of warrants: –

Other managerial responsibilities:

Board member of Grand Hotel Holdings, and Chairman of Novare Holding AB.

Hans Mellström

Elected: 1969

Born: 1942

No. of shares: 111,000,000

Convertibles SEK: –

No. of warrants: –

Other managerial responsibilities:

Viamare Invest AB.

Börje Ekholm

Executive Vice President of Investor AB and Head of New Investments.

Elected: 2002

Born: 1963

No. of shares: 80,000

Convertibles SEK: –

No. of warrants: –

Other managerial responsibilities:

Chairman of b-business partners bv, board member of Chalmersinvest AB and Tessera Technologies Inc.

Ove Strömberg

Employee representative.

Elected: 1996

Born: 1952

No. of shares: 1,050

Convertibles SEK: 99,960

No. of warrants: 2,000

BOARD



Thord Wilkne

Chairman of the Board
WM-data AB.
Elected: 1969
Born: 1943

No. of shares:
15,000,000 A
20,100,000 B
Convertibles SEK: –
No. of warrants: –

*Other managerial
responsibilities: NeoNet AB,
the Swedish National Institute
of Trade and Industry and
Temagruppen Sverige AB.*

Hans Mild

Employee representative.
Elected: 1999
Born: 1953

No. of shares: –
Convertibles SEK: 359,856
No. of warrants: 6,000

Gündor Rentsch

Chairman of ITB AB.
Elected: 1996
Born: 1941

No. of shares: 404,000
Convertibles SEK: –
No. of warrants: –

*Other managerial
responsibilities:
Atea Holding AB,
Sectra AB, Streamserve Inc.
and Readsoft AB.*

Gunnel Johansson

Employee representative.
Elected: 2000
Born: 1955

No. of shares: –
Convertibles SEK: 99,960
No. of warrants: –

Jonas Fredriksson

Fund Manager,
Manticore Capital AB.
Elected: 2001
Born: 1965

No. of shares: –
Convertibles SEK: –
No. of warrants: –

*Other managerial
responsibilities:
Manticore Capital AB,
and Protect Data AB.*

Not included in the photo:

Navid Zargar, employee
representative, deputy.
Elected: 2003
Born: 1958

No. of shares: –
Convertibles SEK: 199,920
No. of warrants: 4,000

Bo Bjarnetoft, employee
representative, deputy.
Elected: 2003
Born: 1945

No. of shares: –
Convertibles SEK: –
No. of warrants: 2,000



THE SHARE 2003

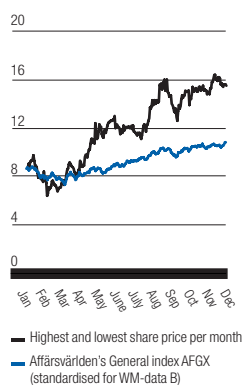
WM-data's B share is listed on the Stockholm Stock Exchange's A list and has been listed on the exchange since May 1985. At the beginning of 2003, WM-data's share price was SEK 7.60 and at year-end SEK 15.50, which translates into an increase in value of 104 percent during the year. During the same period, the general index on the Stockholm Stock Exchange increased by 30 percent. As at 31 December 2003, WM-data's market value amounted to SEK 5.7 billion. The number of shareholders amounted to approximately 51,000. Of these, a little over 21,000 have individual holdings of 1,000 shares or more. Institutional

investors' holdings amounted to 62 (66) percent of the share capital and 57 (59) percent of the voting rights. Overseas investors' holdings amounted to approximately 10 (7) percent of the share capital.

The Board's dividend policy is that 25 to 50 percent of the Group's net profit be distributed to the shareholders. The proposed dividend for 2003 is SEK 0.20. In January 2004, a new share issue was effected in connection with the acquisition of the Novo Group and the number of B shares has consequently increased by 49,692,073. These shares have the same dividend rights as other shares.

Share price trends

WM-data B, 2003
Stockholm Stock Exchange, SEK



Data per share

SEK	2003	2002	2001	2000	1999
Earnings ¹⁾	0.68	-2.71	0.00	0.20	1.81
Earnings, adjusted for goodwill ^{1,2)}	0.81	-1.09	0.30	0.48	2.05
Dividend	0.20 ³⁾	-	0.20	0.20	0.50
Dividend as % of profit	29	-	neg	100	28
Shareholders' equity ⁴⁾	4.41	3.56	6.54	6.73	6.84
Share price, 31 December	15.50	7.60	26	45	105
Highest price for year	16.50	29.30	55	141	122
Lowest price for year	6.10	5.50	14	33	57
No. of shares traded/day on av. per year ⁵⁾	1,490	1,251	1,527	921	875
Total no. of shares traded during year ⁵⁾	370,984	312,829	381,661	232,122	220,235
Direct yield, % ⁶⁾	1.3	-	0.8	0.4	0.5
P/E-ratio ⁷⁾	23	neg	neg	225	58
No. of shareholders at 31 December	50,903	47,998	45,320	41,100	23,100

¹⁾ Earnings per share have been calculated in accordance with RR 18. ²⁾ Income for the year in accordance with the consolidated income statement, adjusted with the reinstatement of the year's goodwill amortisation, in relation to the average outstanding number of shares for the financial year. ³⁾ Board of Directors' proposals. ⁴⁾ Reported shareholders' equity. ⁵⁾ In thousands.

⁶⁾ Dividend per share as a percentage of the price quoted on the stock exchange at the end of the year. ⁷⁾ Price quoted on the stock exchange at the end of the year divided by the profit per share.

Number of shares

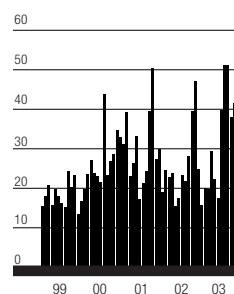
Class of share	No. of shares	No. of votes	Percentage of shares	Percentage of shares
A unrestricted	30,000,000	300,000,000	8.1	46.8
B unrestricted	340,543,175	340,543,175	91.9	53.2
<i>Total</i>	<u>370,543,175</u>	<u>640,543,175</u>	<u>100.0</u>	<u>100.0</u>

Convertible loans and share options

	A unrestricted	B unrestricted	Amount	Conversion/ subscription SEK	Conversion/ subscription period
No. of shares					
31-12-2003	30,000,000	340,543,175	370,543,175		
Share options		9,469,800	9,469,800	71.00	1 Mar 04-28 May 04
Convertible loans		9,846,298	9,846,298	21.00	2 May 07-31 Oct 08
<i>Total</i>	<u>30,000,000</u>	<u>359,859,273</u>	<u>389,859,273</u>		

Number of shares traded per month

WM-data B, Stockholm
Stock Exchange, Shares Million



Distribution of shares, 31 December 2003, WM-data

Holding, no. of shares	No. of shareholders	Percentage of shares	Percentage of votes
1 – 500	27,271	53.6	1.0
501 – 1,000	10,251	20.1	1.5
1,001 – 5,000	10,263	20.2	4.2
5,001 – 10,000	1,748	3.4	2.2
10,001 – 15,000	384	0.8	0.8
15,001 – 20,000	277	0.5	0.8
20,001 –	709	1.4	89.5
<i>Total</i>	50,903	100.0	100.0

Shareholders, 31 December 2003

Owner	Number A-shares	Number B-shares	Percentage of shares	Percentage of votes
Investor ¹⁾	15,000,000	55,265,500	19.0	32.1
Thord Wilkne & fam ¹⁾	15,000,000	20,100,000	9.5	26.6
Handelsbanken funds		16,130,570	4.4	2.5
SEB funds		15,223,019	4.1	2.4
Andra AP-fund		11,572,292	3.1	1.8
Hans Mellström		11,000,000	3.0	1.7
Föreningsparbanken funds		10,916,550	2.9	1.7
Didner & Gerge		10,661,000	2.9	1.7
Skandia/Carlsson funds		10,010,539	2.7	1.6
Alecta		8,384,948	2.3	1.3
Other shareholders	0	171,278,757	46.2	26.7
<i>Total</i>	30,000,000	340,543,175	100.0	100.0

¹⁾ There is a consortium agreement between Thord Wilkne and Investor to regulate options to acquire A shares.

Share capital development

Year	Share capital	No. of A shares	No. of B shares	Event
1985	11,500,000	300,000	850,000	
1986	23,000,000	600,000	1,700,000	Bonus issue
1989	29,643,080	600,000	2,364,308	New share issue
1993	30,618,080	600,000	2,461,808	Utilisation of share subscr. opt.
1994	61,236,160	2,400,000	9,847,232	Bonus issue, split
1995	73,754,035	2,400,000	12,350,807	New share issue
1997	368,770,175	12,000,000	61,754,035	Bonus issue
2000	368,770,175	40,000,000	328,770,175	Split, conversion
2002	370,543,175	30,000,000	340,543,175	Issue in kind, conversion

DIRECTORS' REPORT

WM-data 2003

- 2003 was a year of stabilisation and continued adaptation to current demand.
- Net income for the year amounted to SEK M 253 compared with SEK M -1004 in 2002. Profit before amortisation of goodwill (EBITA) was SEK M 366 compared with SEK M - 372 in 2002.
- At the turn of the year 2003/2004 the acquisition of Novo Group, the Finnish IT company, was implemented. Following the acquisition, WM-data's turnover will increase by slightly more than 25%.
- The refinement of operations continued. Effero, the telephony operation, was divested, as was the Swedish operation Server & Storage. In a business arrangement with DMdata at the beginning of the year, the Swedish computer operations unit was transferred to the jointly-owned computer operations company. At a later stage, the Danish IT operation was also transferred.

SALES	EBITA	EQUITY/ASSETS RATIO	SHAREHOLDERS' EQUITY
6,535 SEK M	366 SEK M	43 PERCENT	1,635 SEK M

WM-data

WM-data was founded in 1969 and is currently one of the leading IT companies in the Nordic region, with operations in Sweden, Finland, Norway and Denmark. The Nordic region is WM-data's home market and our primary target group comprises major companies and organisations based in the Nordic region. Our operations are focused on a number of customer segments where, over the years, WM-data has developed a deep understanding of the industry and close customer relations. Through a range of design- and IT-related services WM-data is able to create tangible and lasting benefit for our customers. Our Nordic IT operations are run in the form of four individual organisations in each of the countries concerned. Similarly, Caran, the design and product development operation which currently only operates in Sweden, functions as a separate unit. The managing directors of these units report to the President and CEO of WM-data (CEO of the parent company).

WM-data's services and solutions

WM-data's collective offer can be divided into three distinct areas of expertise: industry, specialist and infrastructure operations. Industry operations, responsible for all major customers and complete solution packages, is organised into five principal areas: Finance, Retail & Logistics, Industry, Public Sector and Utilities. The four countries offer similar, though not identical, services and solutions for the various industries included in the principal areas. WM-data strives to successively increase the proportion of packaged solutions and increase the re-utilisation of earned experience and developed systems. This also produces a high degree of recurring income. All industry units are supported by specialists in many different areas of expertise. These might deal with industry-independent standard products for finance, salaries, personnel administration or other administrative functions. Or specific expertise in systems integration, e-commerce, portals, security, data storage and retrieval, training and user support, and many other areas.

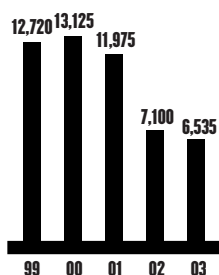
The Caran operation, WM-data's design and product development company, can be found within the area Industry. Caran works with a concept called Total Design which is responsible for the whole development chain from concept through to completed prototype. The automotive industry constitutes the largest customer group, but other manufacturing industries are also target groups for Caran.

Excluding Caran, industry and specialist operations are reported together under the Industry Solutions heading in WM-data's accounts, while Caran is reported as a separate line of business.

Infra Solutions covers all services and solutions in infrastructure operations. Apart from technical IT operations (where, since 2003, WM-data has collaborated with DMdata, the Danish company) services include helpdesk, technical support, applications management, communications services, etc. in infrastructure operations.

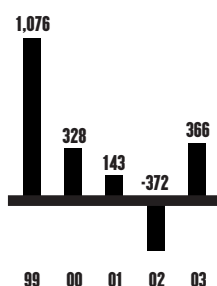
Sales trends and earnings

Sales for the Group SEK M



The divestment of ATEA and Humanpro have affected the change in sales for 2002.

EBITA SEK M



The Group's total sales for the year amounted to SEK M 6,535 (7,100). A good half of the reduction in sales, approximately 8 percent for the whole year, can be attributed to the divestment of operations and lower turnover in the Server & Storage area.

Profit before amortisation of goodwill amounted to SEK M 366 (-372). Profit after net financial items was SEK M 344 (-960). Net income amounted to SEK M 253 (-1,004).

Employee-related costs and other external expenses have fallen significantly (by SEK M 441 and SEK M 190 compared with the previous year). This reduction is partly due to implemented cut-backs and savings, and partly due to the business arrangement with DMdata at the beginning of 2003 when approximately 200 employees moved to the computer operations company jointly owned by DMdata and WM-data. Since then, WM-data has been purchasing these services from the computer operations company, and the expenses are reported as assignment-specific external expenses in the income statement.

Items affecting comparability

Earnings for the year include the cancellation of project reserves (the Norwegian tax authorities) by SEK M 117, while the previous year's earnings were affected negatively by project expenses incurred as a result of the Norwegian tax authorities project (SEK M 420). Capital loss of SEK M 47 concerning the divestment of the associated company INgroup was charged against income for 2003, while costs for laying-off employees and winding-up operations plus capital results of a total of SEK M 250, which were reported as items affecting comparability in line with the previous year's classification, were charged against earnings for 2002. The work involved in adapting the organisa-

tion continued throughout 2003. Expenses incurred as a result of laying-off employees and reserves for premises that have not been utilised are therefore included in the reported employee-related and other external costs in 2003. Goodwill amortisation of SEK M 529 was charged against the previous year's income.

In the segment accounts (note 3), items affecting comparability (SEK M 70 net in 2003 and SEK M -670 net in 2002) have been disclosed separately and are not included in the reported operational profit. These items are, however, included in the reported operating income and EBITA per segment.

The market 2003

The year 2003 was characterised by slow stabilisation without any great surprises or fluctuations in demand. Neither was the market affected by any technological advancements. The EMU referendum in Sweden had a slightly negative impact with many companies and organisations waiting to see what the outcome would be before making any new decisions regarding IT investments.

Now that any uncertainty concerning the election results has gone, we can expect to see a certain degree of increased activity although no clear signs of such a change were evident in the final quarter of the year. Of great importance to the technical consultancy operation, the automotive industry showed a positive trend and, during the latter part of the year, other industries have also sent out more optimistic signals to the market.

The public sector continues to rationalise and increase its accessibility to the public through the active exploitation of information technology. Retail and logistics are another market segment showing strong development and, consequently, the potential for increased demand for external services. Telecom and banking continued to experience poor demand with the sugges-

tion of some improvement at the end of the year.

As anticipated, the need to reduce costs is driving the demand for various types of outsourcing services. Competition is great and the growing trend for dividing up business deals in which each component of the IT process is put out to tender means that profitability is being squeezed. The Server & Storage market was characterised by poor demand in 2003.

The pattern is relatively similar in all the Nordic countries. The Finnish market was somewhat more stable than the rest of the Nordic region and competition there is more limited. Last year, again, Denmark was characterised by over-establishment and weak profitability in the ERP area.

WM-data's development

Adaptation to a new market situation has continued as has the concentration on more skilled services and packaged solutions. All units reported positive results for the operational year 2003.

The Swedish IT operations made sales totalling SEK M 3,905 (4,070). Approximately half of this reduction is due to divested operations. Corresponding operational profit were SEK M 197 (191), yielding a profit margin (calculated on operational profit) of 5.0 (4.7) percent. The market in Sweden has stabilised and WM-data has continuously adapted its production capacity to meet demand. The number of employees in 2003 fell by 14 percent, of which half was a result of our collaboration with DMdata. Infra Solutions showed a positive earnings trend that lasted the whole year. In January 2004, WM-data was appointed as Prime Contractor to Apoteket's IT operation, a business transaction in which WM-data's participation is estimated to be worth more than SEK M 500 over five years.

WM-data Denmark made sales of SEK M 1,010 (1,045). Operational profit amounted to SEK M 1 (-19), yielding a profit margin of 0.1 (-1.8) percent. Industry Solutions, excluding the ERP operation, has enjoyed stable earnings with

good margins. This operation grew by 30 percent during the year. Infra Solutions and the ERP operation have been running at a loss and measures have been taken which have been charged against income for the year but form the basis for positive results in 2004.

WM-data Finland made sales of SEK M 570 (660). Operational profit amounted to SEK M 79 (91), yielding a profit margin of 13.9 (13.8). The fall in sales is wholly attributable to the Server & Storage section of Infra Solutions, where profitability was also poor during the second half of the year. Other operations have shown a positive earnings trend in spite of a somewhat weaker market.

WM-data Norway made sales of SEK M 415 (595) SEK M. Operational profit amounted to SEK M 17 (18) SEK M, yielding a profit margin of 4.1 (3.0) percent. Winding up of the Norwegian tax authorities project has reduced turnover and Infra Solutions has poorer sales than planned.

The Caran operation made sales of SEK M 705 (800) SEK M. Operational profit amounted to SEK M 5 (-4) SEK M, yielding a profit margin of 0.7 (-0.5) percent. The automotive operation has developed well while the Industry section has shown a negative earnings trend and has, therefore, been forced to make comprehensive cut-backs.

SWEDEN	DENMARK	FINLAND	NORWAY	CARAN
SALES 3,905 SEK M	SALES 1,010 SEK M	SALES 570 SEK M	SALES 415 SEK M	SALES 705 SEK M

Acquisitions and divestments

Novo Group

On 29 October 2003, WM-data made a public offer for Novo Group plc, the Finnish IT service company. The Novo Group has turnover of approximately SEK 3 billion and employs 2,300 employees. On 16 January 2004, WM-data announced that it had obtained 91.5 percent of the shares and had, therefore, demanded compulsory redemption of the remaining shares in the company. As previously mentioned, WM-data's intention is to divest the hardware section of Novo, which has turnover of approximately SEK M 1,000. The work involved in integrating WM-data's existing Finnish organisation with other units at Novo has begun. In Finland, the merged operations will operate under the WM-data Novo name. The new operation will consolidate WM-data's competitiveness in the Finnish market as well as the rest of the Nordic region. The acquisition increases WM-data's potential for competing in major outsourcing business transactions. The operation will be included in the consolidated financial statements from January 2004.

The purchase sum for 100 percent of the shares is estimated to amount to approximately SEK M 1,800, of which scarcely SEK M 1,000 will be paid in cash while the remaining portion is made up of 49,692,073 WM-data B shares that were issued in January 2004. Approximately SEK M 550 of the purchase sum will be loan financed.

DMdata

In January 2003, a business deal was struck with DMdata, the Danish company, whereby WM-data and DMdata would each own 50 percent of the shares in WM-data's former computer operations unit, now renamed WDM Nordic Computer Management. This company has approximately 200 employees and specialises in supplying skilled computer operations services in both mainframe computer and server environments. In addition, WM-data became a partner with 10 percent of shares in DMdata A/S.

Other acquisitions and divestments

In February, WM-data acquired Loop AB, the consultancy company in Gothenburg whose principal operations are in the development and implementation of the Navision business system. Through the acquisition, six employees were transferred to WM-data.

In the summer Efferø AB, the telephony company jointly owned by WM-data and Volvo IT, was sold to Flextronics Network Services AB. With annual turnover of SEK M 150, 55 percent of the company was owned by WM-data and 45 percent by Volvo IT. Through the divestment Efferø's operation, including 48 employees, were transferred to Flextronics Network Services AB.

In November, WM-data acquired Trisys, the consultancy company in Sundsvall, Sweden. Trisys has its principal operations in Sundsvall and annual turnover of approximately SEK M 15. Through the acquisition, seven employees were transferred to WM-data.

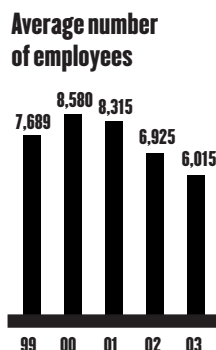
In the final quarter, WM-data's Swedish Server & Storage operation, System Platforms, was divested to Atea. The operation includes 31 employees and turnover of approximately SEK M 100 per annum.

Again in the final quarter, all shares in the associated company WM-data Scania were sold to Scania.

In December, an agreement was made with Manpower Solutions concerning the divestment of all shares in the associated company INgroup. WM-data's participating interest amounted to 37 percent.

Employees

At year-end, WM-data had 5,690 (6,635) employees. During the year, employee turnover amounted to 8 (9) percent, excluding lay-offs. During that period, slightly more than 300 employees left the company through lay-offs.



On December 31, 2003, WM-data had **5,690** employees

Financial position

In 2003, cash flow from ordinary activities amounted to SEK M 170 (226). Net cash (liquid assets minus interest-bearing liabilities) increased by SEK M 300 during the year despite the fact that cash flow for the year was affected by regulation of commitments in the project in Norway and by payment of costs for lay-offs which were provided for last year. At year-end, liquid assets including short-term investments amounted to SEK M 1,040 (1,507). Shareholders' equity totalled SEK M 1,635 (1,319) and the equity/assets ratio was 43 (28) percent.

Convertible debentures

In 1998, a convertible debenture of SEK M 865 was issued to employees of WM-data. The loan fell due for payment on 30 June 2003 and was repaid in full. In December 2003, a new convertible debenture was issued to WM-data's employees. 1,364 employees, corresponding to 24 percent of the work force, subscribed for a total of SEK M 215. Following a reduction due to over-subscription, the loan was fixed at SEK M 207. On full conversion, the dilution before the non-cash issue to Novo's shareholders will be approximately 2.6 percent of the share capital and 1.5 percent of the voting rights. For further information, see note 14.

Stock options

The financial results of 2003 led to the preliminary distribution of stock options completed in February 2003 being withdrawn by half. Accordingly, the number of outstanding options for 2003 amounted to 681,250. In net income for the year, employee-related costs of SEK M 6, reflecting the effect of the price increase on these options, are reported.

Subject to the approval of the Annual General Meeting, the Board has decided to distribute stock options in 2004 to approximately 75 senior executive and key personnel. The purpose of the distribution is to increase the attractiveness of the Group, reward

the long-term increase in value of the company and give affected employees the same goals as shareholders. Preliminary distribution will take place in February 2004 with a maximum of 50,000 options to the President and CEO and a maximum of 25,000 options to other executives of the company. The final distribution will take place in 2005 and depends on whether or not set financial goals are met during the distribution year. The options programme will include a total of a maximum of 1,000,000 options. The distribution of options forms part of the remuneration package for employees concerned.

The redemption price will amount to 110 percent of the average price paid for WM-data's B share during the period 9–13 February 2004. Holders will be able to utilise the options during the period 31 March 2007 – 31 March 2009.

According to the new options programme, commitments will be secured through share swap. The programme will not result in the issue of new shares.

Project risks

Project risks represent the single largest type of risk involved in WM-data's operations. Since 2002, WM-data has employed a method – PRM (Project Risk Management) – that systematically charts the risk element and risk levels of each major project as well as the aggregated business risk of the Group's project portfolio, partly at the offer stage and partly while the work and delivery are in progress. PRM is, thus, a tool for handling these risks, both individually and seen as a whole.

Financial risks

The nature of our business activities means that financial risks are low. Financial transactions within WM-data only provide support for ordinary activities and no transactions are conducted for the purposes of speculation. The corporate financial policy is determined by the Board and regulates the management of liquid assets, borrowing and currency exposure. Within the policy it is established that the aim of corporate financial transactions is to make a positive contribution, at low risk, to the results of operations.

The corporate financial instruments consist of overdraft facilities, liquid assets and short-term investments. The principal purpose of these financial instruments is to finance Group operations. In addition there are interest-bearing long-term receivables, a convertible debenture aimed at Group employees as well as trade accounts receivable and payable that continuously arise in operations. The Group also conducts transactions with derivatives with the purpose of handling the financial risks that occur in Group operations and the financing of the latter.

Interest risk

The Group's exposure to changes in interest levels occur principally in the investment of liquid assets and borrowing via overdraft facilities. The average duration of short-term investments should be in the 12–18 month interval and no single investment should have a longer term than 24 months.

The fixed interest term on corporate borrowing should not exceed 12 months. At present, there is no necessity for handling existing interest exposure with any form of derivative.

Credit risk

The Group's customer stock consists of major companies and organisations in the Nordic region. All trade accounts receivable are monitored continuously and the Group's exposure to bad debts is insignificant. Provisions are continuously made in the accounts for debts that are considered to be doubtful. Credit periods longer than 30 days must be approved by WM-data AB's CEO or CFO.

The credit risk associated with other financial assets, principally liquid assets and short-term investments, consists of the risk of default of payment from the other party. Apart from investment in the form of bank deposits, investments must only be made in interest-bearing securities issued by the Swedish government and its subsidiaries, Swedish banks and their wholly-owned financial institutions, the Swedish housing finance institution and other K1-rated issuers. There are no significant concentrations of credit risk within the Group.

Liquidity risk

The Group's investment of over-liquidity should only take place in such a way that funds can be freed at their actual value without any problem at short notice. For short-term financing of the operation's seasonal effects, overdraft facilities can be utilised. At year-end 2003/2004, a temporary credit facility was made available for larger acquisitions which will be replaced with finance with a medium set term in 2004.

Currency risk

In each company, less than 2 percent of the Group's invoicing is in foreign currencies. Less than a fifth of this has been subject to hedging with the help of forward exchanges. Foreign net assets in subsidiary companies are not secured.

Research and development

WM-data does not conduct any research. The development of services and products takes place largely within the framework of customer assignments.

Change-over to IFRS in 2005

WM-data has made an assessment of what the new recommendations may imply. This issue has also been subsequently discussed by the audit committee. WM-data believes that the change that will have the greatest impact on the company's accounts concern the accounting of goodwill as scheduled amortisation (in accordance with the present proposal) will be replaced by write-downs in those cases where it will not be possible to recover the reported value of goodwill. The accounting of stock option programmes will also be affected if the published proposals are approved.

The parent company

The parent company consists of joint Group functions for economy/finance, investor relations, information, management development and IT co-ordination. Earnings totalled SEK M 76 (70) and profit before appropriations and tax was SEK M 287 (-1,076).

Annual General Meeting April 15, 2004 at 5:00 p.m.

The Annual General Meeting will be held on 15 April 2004 at 5.00 pm in the Main Hall at the Swedish Academy of Music, Nybrokajen 11 in Stockholm.

Outlook for 2004

The market stabilised in 2003 and WM-data is planning for a continuing stable market at the current level of demand. There are signs of an increased willingness to invest in new IT solutions and growth in 2004 is likely to exceed BNP. At the same time, there is a certain degree of over-capacity in the market and increased demand is not immediately evident in the form of improved profitability. We are faced with the challenge of maintaining payroll expenses at an unchanged level which re-

quires both moderation from parties involved in the labour market and an adaptation of the wage structures.

WM-data's acquisition of the Finnish Novo Group will lead to an increase in turnover of slightly more than 25 percent, with the exclusion of the hardware section which we plan to divest.

Continued focus on selected industries, packaged solutions and qualified services will gradually improve the margins.

The Board

Börje Ekholm. Executive Vice President of Investor AB and Head of New Investments. Elected: 2002. Born: 1963. No. of shares: 80,000. Convertibles SEK: – No. of warrants: –
Other managerial responsibilities: Chairman of b-business partners bv, board member of Chalmersinvest AB and Tessera Technologies Inc.

Jonas Fredriksson. Fund Manager, Manticore Capital AB. Elected: 2001. Born: 1965. No. of shares: – Convertibles SEK: – No. of warrants: –
Other managerial responsibilities: Manticore Capital AB and Protect Data AB.

Lisbeth Gustafsson. Senior Vice President and Corporate Sales Director, Swedish Post AB. Elected: 2002. Born: 1947. No. of shares: 8,000. Convertibles SEK: – No. of warrants: –
Other managerial responsibilities: Svensk Handel, the Swedish National Student Board of Aid (CSN), Prevas AB, Invest in Sweden Agency (ISA), Karolinska University Hospital and Scribona AB.

Gunnel Johansson. Employee representative. Elected: 2000. Born: 1955. No. of shares: – Convertibles SEK: 99,960. No. of warrants: –

Hans Mellström. Elected: 1969. Born: 1942. No. of shares: 11,000,000. Convertibles SEK: – No. of warrants: –
Other managerial responsibilities: Viamare Invest AB.

Hans Mild. Employee representative. Elected: 1999. Born: 1953. No. of shares: – Convertibles SEK: 359,856. No. of warrants: 6,000.

Gündor Rentsch. Chairman of ITB AB. Elected: 1996. Born: 1941. No. of shares: 404,000. Convertibles SEK: – No. of warrants: –
Other managerial responsibilities: Atea Holding AB, Sectra AB, Streamserve Inc. and Readsoft AB.

Ove Strömberg. Employee representative. Elected: 1996. Born: 1952. No. of shares: 1,050. Convertibles SEK: 99,960. No. of warrants: 2,000.

Lars Wedenborn. Executive Vice President and CFO of Investor AB. Elected: 2002. Born: 1958. No. of shares: 125,000. Convertibles SEK: – No. of warrants: –
Other managerial responsibilities: Board member of Grand Hotel Holdings and Chairman of Novare Holding AB.

Thord Wilkne. Chairman of the Board WM-data AB. Elected: 1969. Born: 1943. No. of shares: 15,000,000 A. 20,100,000 B. Convertibles SEK: – No. of warrants: –
Other managerial responsibilities: NeoNet AB, the Swedish National Institute of Trade and Industry and Temagruppen Sverige AB.

Bo Bjarnetoft. Employee representative, deputy. Elected: 2003. Born: 1945. No. of shares: – Convertibles SEK: – No. of warrants: 2,000.

Navid Zargar. Employee representative, deputy. Elected: 2003. Born: 1958. No. of shares: – Convertibles SEK: 199,920. No. of warrants: 4,000.

The Board's working method

The Board works according to a fixed agenda with seven meetings which are fixed at the beginning of the year. In 2003, in addition to ordinary items on the agenda, other points of discussion were the Board's working methods including committee work, business reviews and WM-data's development and acquisition strategy. In 2003, a number of additional meetings were held including meetings held, prior to and in connection with the acquisition of the Novo Group. In total, the Board met on 15 occasions in 2003.

During last year, an audit committee, with Lars Wedenborn as chairman and Jonas Fredriksson as member, was appointed. A remuneration committee was appointed at an earlier date with Thord Wilkne as chairman and Börje Ekholm as member. These committees were recruited in their entirety from the Board.

New regulations for the nomination process were agreed at the Annual General Meeting in 2003: in the final quarter of 2003, the four largest shareholders were to appoint a representative each who, under the management of the Chairman of the Board, were to put forward a proposal to the Board to submit for resolution at the Annual General Meeting.

Proposed appropriation of funds

According to the consolidated balance sheet, unrestricted shareholders' equity amounted to SEK M 557 (246), of which SEK M 253 (-1,004) comprised net income for the year. No transfer to restricted funds is proposed.

The Annual General Meeting has at its disposal the following funds:

	SEK 000s
Net income brought forward	395,182
Net income for the year	284,221
	<hr/>
	679,403

The Board and CEO propose that these funds be distributed as follows

	SEK 000s
Shareholders' dividend (SEK 0.20 per share)	84,047
Brought forward	595,356
	<hr/>
Total	679,403

The dividend amount includes dividends on the 49,692,073 shares issued in January 2004.

Stockholm February 6, 2004

*Börje Ekholm,
Deputy Chairman
Jonas Fredriksson
Lisbeth Gustafsson
Gunnel Johansson
Hans Mellström
Hans Mild*

*Gündor Rentsch
Crister Stjernfelt, CEO
Ove Strömberg
Lars Wedenborn
Thord Wilkne,
Chairman*

*Our auditors' report was submitted
on February 12, 2004*

Thomas Forslund

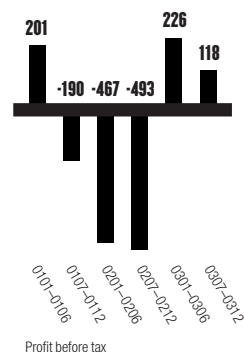
Anders Wiger

CONSOLIDATED INCOME STATEMENT

	2003		2002	
	SEK M	EUR M	SEK M	EUR M
<i>Net sales</i>	6,535.0	716.6	7,100.0	775.1
<i>Operating expenses</i>				
Assignment-specific ext. expenses (Note 2)	-1,930.8	-211.7	-1,830.4	-199.8
Other external expenses (Note 2)	-581.8	-63.8	-772.0	-84.3
Cancellation/provision project reserves (Norwegian tax authorities)	116.9	12.8	-420.0	-45.8
Other items affecting comparability (Note 4)	-	-	-250.0	-27.3
Employee-related expenses (Note 19)	-3,693.2	-405.0	-4,134.2	-451.3
Depreciation and write-down of tangible fixed assets (Note 9)	-68.9	-7.6	-118.0	-12.9
Share in earnings of ass. companies (Note 5)	35.7	3.9	53.1	5.8
Capital loss. associated companies (Note 5)	-47.0	-5.1	-	-
<i>Operating income before amortisation of goodwill</i>	<u>365.9</u>	<u>40.1</u>	<u>-371.5</u>	<u>-40.5</u>
<i>Amortisation of goodwill (Note 8)</i>	-47.8	-5.2	-70.3	-7.7
<i>Write-down of goodwill (Note 5,8)</i>	-	-	-529.0	-57.8
<i>Operating income</i>	<u>318.1</u>	<u>34.9</u>	<u>-970.8</u>	<u>-106.0</u>
<i>Income from financial investments</i>				
Financial income (Note 6)	65.9	7.2	86.0	9.4
Financial expenses (Note 6)	-39.6	-4.3	-75.4	-8.2
<i>Income after financial income and expenses</i>	<u>344.4</u>	<u>37.8</u>	<u>-960.2</u>	<u>-104.8</u>
<i>Tax on income for the year (Note 7)</i>	-85.0	-9.3	-36.5	-4.0
<i>Minority's share of income</i>	<u>-6.4</u>	<u>-0.7</u>	<u>-7.6</u>	<u>-0.8</u>
<i>Net income for the year</i>	<u>253.0</u>	<u>27.8</u>	<u>-1 004.3</u>	<u>-109.6</u>
<i>Earnings per share, SEK</i>	0.68		-2.71	
<i>Earnings per share after dilution, SEK</i>	0.68		-2.71	
<i>Weighted average no. of shares in thousands</i>	370,543		370,100	
<i>Proposed dividend per share, SEK</i>	0.20		0.00	

COMPARATIVE FIGURES IN EUROS. For 2003, a rate of 9.12 has been used for translation purposes and, for 2002, 9.16.

Result trends half yearly SEK M



CONSOLIDATED BALANCE SHEET

Assets	2003		2002	
	SEK M	EUR M	SEK M	EUR M
FIXED ASSETS				
<i>Intangible fixed assets</i>				
Goodwill (Note 8)	307.5	33.8	353.6	38.4
<i>Tangible fixed assets (Note 9)</i>				
Buildings and land	1.6	0.2	29.4	3.2
Machinery and equipment	101.7	11.2	219.3	23.8
<i>Financial fixed assets</i>				
Shares in associated companies (Note 5)	290.8	32.0	335.3	36.4
Other shares and participations	60.1	6.6	22.0	2.4
Deferred tax receivables (Note 7)	107.3	11.8	148.6	16.2
Other long-term receivables (Note 10)	118.9	13.0	120.8	13.1
<i>Total fixed assets</i>	<u>987.9</u>	<u>108.6</u>	<u>1,229.0</u>	<u>133.5</u>
CURRENT ASSETS				
<i>Inventories</i>	64.6	7.1	85.2	9.3
<i>Current receivables</i>				
Accounts receivable trade	1,226.4	134.8	1,366.4	148.5
Receivables from associated companies	3.7	0.4	5.2	0.6
Other receivables	42.3	4.7	76.9	8.4
Current tax claim	44.8	4.9	59.1	6.4
Prepaid expenses and accrued income	415.3	45.6	464.2	50.5
<i>Short-term investments (Note 11)</i>	311.0	34.2	1,349.3	146.7
<i>Cash and bank</i>	<u>729.4</u>	<u>80.1</u>	<u>158.0</u>	<u>17.2</u>
<i>Total current assets</i>	<u>2,837.5</u>	<u>311.8</u>	<u>3,564.3</u>	<u>387.6</u>
<i>Total assets</i>	<u>3,825.4</u>	<u>420.4</u>	<u>4,793.3</u>	<u>521.1</u>

COMPARATIVE FIGURES IN EUROS. For 2003, a rate of 9.10 has been used for translation purposes and, for 2002, 9.20.

Shareholders' equity and liabilities

2003

2002

	SEK M	EUR M	SEK M	EUR M
SHAREHOLDERS' EQUITY (NOTE 12)				
Share capital	370.5	40.7	370.5	40.3
Equity share fund	62.9	6.9	190.6	20.7
Other restricted reserves	644.1	70.8	512.3	56.1
<i>Total restricted shareholders' equity</i>	<u>1,077.5</u>	<u>118.4</u>	<u>1,073.4</u>	<u>117.1</u>
Unrestricted reserves	304.4	33.5	1,250.3	135.9
Net income for the year	253.0	27.8	-1,004.3	-109.6
<i>Total unrestricted shareholders' equity</i>	<u>557.4</u>	<u>61.3</u>	<u>246.0</u>	<u>26.3</u>
<i>Total shareholders' equity</i>	<u>1,634.9</u>	<u>179.7</u>	<u>1,319.4</u>	<u>143.4</u>
MINORITY SHARE OF EQUITY	19.6	2.1	37.1	4.0
PROVISIONS				
Deferred tax (Note 7)	133.8	14.7	173.6	18.9
Provisions for pensions	18.0	2.0	13.2	1.4
Other provisions (Note 13)	77.0	8.4	410.4	44.6
<i>Total provisions</i>	<u>228.8</u>	<u>25.1</u>	<u>597.2</u>	<u>64.9</u>
LONG-TERM LIABILITIES				
Debts to credit institutions (Note 14)	0.6	0.1	3.5	0.4
Convertible debentures (Note 14)	171.8	18.9	-	-
<i>Total long-term liabilities</i>	<u>172.4</u>	<u>19.0</u>	<u>3.5</u>	<u>0.4</u>
CURRENT LIABILITIES				
Liabilities to credit institutions (Note 14)	58.4	6.5	109.6	11.9
Convertible debentures (Note 14)	-	-	860.7	93.6
Accounts payable, trade	496.8	54.6	490.4	53.3
Liabilities to associated companies	3.2	0.3	2.0	0.2
Current tax liability	23.7	2.6	43.3	4.7
Other non interest-bearing liabilities	402.8	44.3	466.2	50.8
Accrued expenses and prepaid income (Note 15)	784.8	86.2	863.9	93.9
<i>Total current liabilities</i>	<u>1,769.7</u>	<u>194.5</u>	<u>2,836.1</u>	<u>308.4</u>
<i>Total shareholders' equity and liabilities</i>	<u>3,825.4</u>	<u>420.4</u>	<u>4,793.3</u>	<u>521.1</u>
<i>Pledged assets (Note 16)</i>	58.6	6.4	88.1	9.6
<i>Contingent liabilities (Note 16)</i>	94.4	15.2	77.3	8.4

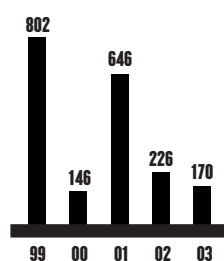
CONSOLIDATED CASH FLOW STATEMENT

2003

2002

Cash flow from operating activities

SEK M



	SEK M	EUR M	SEK M	EUR M
OPERATING ACTIVITIES				
Income after financial income and expenses	344.4	37.8	-960.2	-104.8
Adj. for items not incl. in cash flow (Note 22)	39.5	4.3	1,160.2	126.6
Tax paid	-106.2	-11.7	134.7	14.7
<i>Cash flow from operating activities before changes in working capital</i>	277.7	30.4	334.7	36.5
Changes in working capital (Note 23)	-107.6	-11.8	-108.7	-11.8
<i>Cash flow from operating activities</i>	170.1	18.6	226.0	24.7
INVESTING ACTIVITIES				
Investments in tangible fixed assets	-27.6	-3.1	-76.1	-8.3
Investments in financial fixed assets	-	-	-6.5	-0.7
Divestment of subsidiaries (Note 24)	87.0	9.5	39.6	4.3
Acquisition of subsidiaries (Note 24)	-7.5	-0.8	15.7	1.7
Div. of other shares and participations	53.4	5.9	109.7	12.0
Acq. of other shares and participations	-38.6	-4.2	-7.1	-0.8
<i>Cash flow from investing activities</i>	66.7	7.3	75.3	8.2
FINANCING ACTIVITIES				
Newly raised loans	206.8	22.7	-	-
Amortisation	-906.7	-99.4	-143.2	-15.6
Paid dividends	-	-	-73.8	-8.1
<i>Cash flow from financing activities</i>	-699.9	-76.7	-217.0	-23.7
<i>Cash flow for the year</i>	-463.1	-50.8	84.3	9.2
<i>Liquid assets at beginning of year</i>	1,507.3	163.9	1,425.7	151.3
<i>Exchange difference in liquid assets</i>	-3.7	1.2	-2.7	3.4
<i>Liquid assets at year-end</i>	1,040.5	114.3	1,507.3	163.9

An exchange difference of EUR M 1.6 (3.6) occurred on conversion to the Euro.

CONSOLIDATED CHANGE IN SHAREHOLDERS' EQUITY

SEK M	SHARE-CAPITAL	RESTRICTED RESERVES	UNRESTRICTED RESERVES	TOTAL SHAREHOLDERS' EQUITY
1 January 2002	368.8	885.4	1,159.0	2,413.2
Dividend rendered			-73.8	-73.8
Effect of hedging stock options (Note 19)			-40.3	-40.3
Translation differences			-15.6	-15.6
Non-cash issue	1.7	38.5		40.2
Transf. between restricted/unrestricted equity		-221.0	221.0	0.0
Net income for the year			-1,004.3	-1,004.3
31 December 2002/1 January 2003	370.5	702.9	246.0	1,319.4
Effect of hedging stock options (Note 19)			24.1	24.1
Value of granting conversion right		35.2		35.2
Translation differences			3.2	3.2
Transf. between restricted/unrestricted equity		-31.1	31.1	0.0
Net income for the year			253.0	253.0
31 December 2003	370.5	707.0	557.4	1,634.9

PARENT COMPANY INCOME STATEMENT

	2003	2002
	SEK M	SEK M
<i>Net sales</i>	75.6	70.1
<i>Operating expenses</i>		
Other external expenses	-56.3	-65.3
Cancellation/provisions, project reserves (the Norwegian tax authorities)	26.9	-165.0
Employee-related expenses (Note 19)	-29.5	-31.3
Scheduled depreciation	-0.1	-
<i>Operating income</i>	16.6	-191.5
<i>Income from financial investments</i>		
Financial income (Note 6)	400.9	429.3
Financial expenses (Note 6)	-130.3	-1,313.3
<i>Income after financial income and expenses</i>	287.2	-1,075.5
<i>Appropriations</i>		
Difference between recorded depreciation and scheduled depreciation	-0.3	-
Transfer to tax allocation reserve	-32.6	-
Withdrawals from tax allocation reserve	90.9	94.0
<i>Income before tax</i>	345.2	-981.5
<i>Tax on net income for the year (Note 7)</i>	-61.0	-3.6
<i>Net income for the year</i>	284.2	-985.1
<i>Proposed dividend per share, SEK</i>	0.20	0.00

PARENT COMPANY BALANCE SHEET

Assets	2003	2002
	SEK M	SEK M
FIXED ASSETS		
<i>Tangible fixed assets</i>		
Machinery and equipment	1.1	0.0
<i>Financial fixed assets</i>		
Shares in subsidiaries (Note 17)	815.9	756.8
Shares in associated companies (Note 18)	228.0	253.2
Other shares and participations	54.7	16.1
Deferred income taxes recoverable (Note 7)	–	42.6
Other long-term receivables (Note 10)	100.0	100.0
<i>Total fixed assets</i>	<u>1,199.7</u>	<u>1,168.7</u>
CURRENT ASSETS		
<i>Current receivables</i>		
Accounts receivable, trade	0.7	2.6
Receivables from subsidiaries	327.9	248.0
Current tax claim	–	7.3
Other receivables	11.8	1.8
Prepaid expenses and accrued income	12.8	5.6
<i>Short-term investments (Note 11)</i>	310.8	1,349.3
<i>Cash and bank</i>	652.3	37.0
<i>Total current assets</i>	<u>1,316.3</u>	<u>1,651.6</u>
<i>Total assets</i>	<u>2,516.0</u>	<u>2,820.3</u>

Shareholders' equity and liabilities**2003****2002**

	SEK M	SEK M
SHAREHOLDERS' EQUITY (NOTE 12)		
<i>Restricted shareholders' equity</i>		
Share capital	370.5	370.5
Legal reserve	110.6	110.6
Share premium fund	142.4	107.1
<i>Total restricted shareholders' equity</i>	<u>623.5</u>	<u>588.2</u>
Retained earnings	395.2	1,356.3
Net income for the year	284.2	-985.1
<i>Total unrestricted shareholders' equity</i>	<u>679.4</u>	<u>371.2</u>
<i>Total shareholders' equity</i>	<u>1,302.9</u>	<u>959.4</u>
UNTAXED RESERVES		
Additional depreciation	0.3	-
Tax allocation reserve 1998 tax assess.	-	90.9
Tax allocation reserve 1999 tax assess.	126.9	126.9
Tax allocation reserve 2000 tax assess.	102.2	103.6
Tax allocation reserve 2001 tax assess.	27.7	26.2
Tax allocation reserve 2004 tax assess.	32.6	0.0
<i>Total untaxed reserves</i>	<u>289.7</u>	<u>347.6</u>
PROVISIONS		
Deferred tax liabilities (Note 7)	-	8.5
Other provisions (Note 13)	-	165.0
<i>Total provisions</i>	<u>-</u>	<u>173.5</u>
LONG-TERM LIABILITIES		
Convertible debentures (Note 14)	171.8	-
<i>Total long-term liabilities</i>	<u>171.8</u>	<u>-</u>
CURRENT LIABILITIES		
Convertible debentures (Note 14)	-	860.7
Accounts payable, trade	0.9	3.2
Liabilities to subsidiaries	645.8	361.5
Current tax liability	23.3	0.0
Other non interest-bearing liabilities	71.0	85.9
Accrued expenses and prepaid income	10.6	28.5
<i>Total current liabilities</i>	<u>751.6</u>	<u>1,339.8</u>
<i>Total shareholders' equity and liabilities</i>	<u>2,516.0</u>	<u>2,820.3</u>
<i>Pledged assets (Note 16)</i>	3.0	40.9
<i>Contingent liabilities (Note 16)</i>	220.9	453.7

PARENT COMPANY CASH FLOW STATEMENT

	2003	2002
	SEK M	SEK M
OPERATING ACTIVITIES		
Income after financial income and expenses	287.2	-1,075.5
Adj. for items not included in cash flow (Note 22)	-293.9	1,040.2
Tax paid	3.4	139.0
<i>Cash flow from operating activities before changes in working capital</i>	-3.3	103.7
Change in working capital (Note 23)	256.3	162.7
<i>Cash flow from operating activities</i>	253.0	266.4
INVESTING ACTIVITIES		
Investments in tangible fixed assets	-1.2	-
Investments in shares and participations	-227.2	-206.5
Divestment of shares and participations	210.4	154.5
<i>Cash flow from investing activities</i>	-18.0	-52.0
FINANCING ACTIVITIES		
Newly raised loans	206.8	-
Amortisation	-865.0	-
Paid dividends	-	-73.8
<i>Cash flow from financing activities</i>	-658.2	-73.8
<i>Cash flow for the year</i>	-423.2	140.6
<i>Liquid assets at beginning of year</i>	1,386.3	1,245.7
<i>Liquid assets at year-end</i>	963.1	1,386.3

PARENT COMPANY CHANGES IN SHAREHOLDERS' EQUITY

	SHARE CAPITAL	LEGAL RESERVE	SHARE PREMIUM FUND	UNRESTR. RESERVES	TOT. SHARE- HOLDERS' EQUITY
<i>1 January 2002</i>	368.8	110.6	106.8	1,470.3	2,056.5
Dividend rendered				-73.8	-73.8
Eff. of hedging stock opt. (Note 19)				-40.3	-40.3
Issue in kind	1.7		0.4		2.1
Net income for the year				-985.1	-985.1
<i>31 December 2002/1 January 2003</i>	370.5	110.6	107.2	371.1	959.4
Eff. of hedging stock opt. (Note 19)				24.1	24.1
Effect of granted conversion rights			35.2		35.2
Net income for the year				284.2	284.2
<i>31 December 2003</i>	370.5	110.6	142.4	679.4	1,302.9

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. CORPORATE INFORMATION

The 2003 consolidated financial statements for WM-data AB (publ) have been approved for publication in accordance with a decision passed by the Board on 6 February 2004. The income statement and balance sheet will be submitted to the Annual General Meeting for resolution on April 15, 2004. WM-data AB (publ), corporate identity no. 556124-5233 is a limited company with its head office in Stockholm, Sweden. The Group's principal business activities are detailed in the directors' report.

NOTE 2. SUMMARY OF IMPORTANT ACCOUNTING PRINCIPLES

BASIS FOR PREPARATION OF ACCOUNTS

The annual accounts have been prepared in accordance with the Swedish Annual Accounts Act (årsredovisningslagen) and the recommendations of the Swedish Financial Accounting Standards Council (redovisningsrådet). The same accounting principles applied to the Group have been used in the preparation of the parent company accounts, provided nothing to the contrary is indicated below. The accounts are based on historic acquisition values. The same accounting principles have been used as in previous years. New recommendations that have come into force have not had any effects on the income statements and balance sheets.

INCOME STATEMENT FORMAT

A change has been made to the classification and headings for external expenses compared with previous years. Purchases of goods and services that are sold on to customers or used in the delivery of WM-data's services are reported as assignment-specific external expenses. Purchases of goods and services with an overhead expenses character are reported as other external expenses. Information concerning the comparative year has been reclassified in accordance with the new classification system which means that expenses that were previously reported as goods for sale are included in assignment-specific external expenses together with certain items that were previously reported as other external expenses.

NEW IN 2004

The coming into force of the Swedish Financial Accounting Standards Council's recommendation concerning employee remuneration will involve a change to the reporting of pension obligations. In the Swedish operation, employees are covered by a retirement pension and collective family pension in a benefits-determined pension plan whereby the pension plan is financed through pension insurance in Alecta. Alecta has, so far, been unable to provide information about WM-data's share of the benefits-determined obligation and of the administrative assets and expenses associated with the plan. WM-data is, therefore, unable to report how the coming into force of RR 29

may affect the opening balance shareholders' equity. From 2004, the income concept "Operating income before amortisation of goodwill" will be removed from the income statement. Amortisation and write-down of goodwill will be collected under the heading "Amortisation and write-down of intangible fixed assets".

BASIS FOR CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements include the parent company and its subsidiaries. A subsidiary is included in the consolidated financial statements from the date when the parent company, directly or indirectly, gains a controlling influence over the company and is no longer included from the date when the parent company's controlling influence over the company ceases. The consolidated financial statements are prepared in accordance with the purchase method. The method implies that assets and liabilities are valued at their actual value and that only profit and loss for the acquired company arising after the acquisition affects the equity of the Group. The income and expenditure of the acquired company are included in the consolidated financial statements from the date of acquisition. If the acquisition value of the acquired shares exceeds the actual value of the acquired company's net assets, the difference is reported as goodwill on consolidation which is treated in accordance with the accounting principles for goodwill as stated below.

INVESTMENTS IN ASSOCIATED COMPANIES

Group holdings in associated companies are reported in accordance with the equity method. An associated company is a unit in which the Group has significant influence and which is not a subsidiary or a joint venture. Investments in associated companies are reported in the balance sheet at the acquisition value plus amendments to the Group's share of the associated companies' net assets, with deductions for amortisation of goodwill and any write-downs. The consolidated income statement reflects the Group's share of the associated companies' income. Goodwill in acquisitions is treated in accordance with the accounting principles for goodwill as stated below.

TRANSLATION OF RECEIVABLES AND LIABILITIES IN FOREIGN CURRENCIES

Transactions in foreign currencies are translated at the rate applicable on the day of the transaction. Monetary receivables and liabilities that are expressed in foreign currencies are reported in the balance sheet translated at the rate applicable on the day of the transaction. All exchange differences are charged to the income statement.

TRANSLATION OF FOREIGN SUBSIDIARIES

Assets and liabilities in foreign subsidiaries are translated at the closing day rate. The foreign subsidiaries' income statements are translated with a weighed average of the exchange rate for the year. The exchange rate differences that arise at the time of translation are reported directly in shareholders' equity. On divestment of a foreign, independent operation, the accumulated exchange rate differ-

ences are reported in the income statement together with the profit or loss on the divestment.

Goodwill and adjustments at actual value which are attributable to the acquisition of foreign units are treated as assets/liabilities in the acquired company and reported in accordance with the rate of exchange on the day of the transaction.

REVENUE

Revenue is reported to the extent that it is probable that the economic advantages will be obtained and the income can be calculated in a reliable way. *Sales of consultancy services:* services performed on a current account basis are taken up as revenue at the rate at which the work is performed. Work performed at a fixed price is reported as revenue in proportion to the degree of completion of each assignment on the balance sheet date. The cost of work expended in relation to the total forecast expenditure forms the basis for establishing the degree of completion. When calculating costs, the number of hours involved can be used as an approximation. If the degree of completion in the agreement cannot be calculated in a reliable way, revenue is reported at a value corresponding to recoverable expenses. At balance sheet date, services for which invoices are still to be issued are reported as accrued revenue. If the invoiced amount exceeds the sales value of work performed, the difference is reported as a current liability. Provision is made for anticipated losses. *Sales of goods, including software:* the revenue is reported on delivery.

TANGIBLE AND INTANGIBLE FIXED ASSETS, INCLUDING GOODWILL

Tangible and intangible fixed assets are valued at acquisition value with deductions made for accumulated depreciation and any write-downs. Depreciation is linear at residual value over the period of use. Land is not written off. The reported value is reviewed for any depreciation when events or a change in circumstances indicate the possibility of the reported value failing to be recoverable. If such indications occur and if the reported value exceeds the anticipated recoverable sum, the assets are written down to the recoverable amount. The recoverable amount for tangible fixed assets corresponds to the highest net realisable value and usufruct value. The usufruct value consists of the present value of the anticipated future cash flow in accordance with a discounting factor before tax which reflects the market's current valuation of the money's time value and the risks associated with the asset. Write-down is reported in the income statement.

RESEARCH AND DEVELOPMENT EXPENDITURE

WM-data does not conduct any research. The cost of developing services and products within the framework of customer assignments is reported as a cost when it occurs, and corresponding worked up earnings are taken up as income in accordance with the principles of revenue recognition. The development of services or products that are not directly attributable to an agreement with a customer is reported as an expense when it occurs.

INVENTORIES

Inventories mainly consist of hardware for resale. Inventories are valued at the lowest acquisition value and net realisable value. The net realisable value corresponds to the estimated sales price in normal conditions, with deductions for expenditure required to complete the sale. The acquisition value is calculated according to the so-called Fifo method which means that assets in stock at year-end are considered to be the last acquired.

ACCOUNTS RECEIVABLE, TRADE AND OTHER RECEIVABLES

Accounts receivable, trade, which normally fall due for payment after 15–90 days, are initially reported at the invoiced amount with deductions for the estimated loss risk. Provision for bad debts is made when it is no longer likely that the full amount will be received. Bad debts are written off in their entirety when the loss has been realised.

CONVERTIBLE DEBENTURES

Convertible debentures, ie, loans whereby the holder is entitled to convert his or her claim into shares, and which bears interest that is less than the market rate of interest, is reported at the time of issue divided into a loan and shareholders' equity component. The liability component is calculated as the present value of the company's future payments for the loan with the assumption that the loan will be repaid on the final due date. As a discounting factor, the market rate of interest is used at the time of issue for a loan with corresponding security and duration. The shareholders' equity component is valued with the aid of the Black-Scholes options valuation model. Both sums are then brought into line with each other so that the total corresponds with the nominal value of the convertible. The reported loan is adjusted upwards during the loan term by an amount corresponding to the value of the shareholders' equity component. The increase in the loan is reported as a financial expense in the income statement.

PROVISIONS

Provisions are reported in the balance sheet when the Group is obliged to do so (legally or informally) because of an occurrence and it is probable that an outflow of resources associated with economic benefits will be required in order to meet the obligation and the amount can be calculated in a reliable manner. If the Group can count on receiving remuneration corresponding to provision that has been made, for example, through an insurance contract, the remuneration is reported as an asset in the balance sheet, but this can only be done when the remuneration is virtually certain. If the effect of the time value for the future payment is assessed to be significant, the value of the provision is established by calculating the present value of the anticipated future cash flow with a discounting factor (before tax) which reflects the market's current valuation of the time value and any risks attributable to the obligation. The gradual increase in the appropriated amount resulting from the present value computation is reported as an interest expense in the income statement.

PENSIONS AND OTHER PLEDGES CONCERNING BENEFITS AFTER EMPLOYMENT HAS CEASED

WM-data in Sweden follows a benefits-determined pension plan that includes several employers (Alecta). The premiums are carried as an expense on an ongoing basis. The foreign operations have both fees-determined and benefits-determined pension plans. The insurance premiums are carried as an expense on a continuous basis.

STOCK OPTIONS PROGRAMMES

The cost of stock options issued with the choice between receiving remuneration in cash or buying shares is carried as an expense on an ongoing basis for the duration of the programme. The cost is estimated as the difference between the market value and the exercise price plus social security contributions if the exercise price falls below the market value at the end of the accounting period. Changes in value during the period of the programme are reported

as employee-related expenses. The cash flow risk of outstanding options programmes during an upturn in share price is safeguarded with the help of a share swap agreement. The interest expenses that run on these agreements are reported as financial expenses in the income statement. Changes in the value of share swaps are reported directly against shareholders' equity.

SAFEGUARDING CURRENCY RISKS

Currency risks in the operating activities are safeguarded with the help of forward exchanges. The effect of the forward exchanges is only reported when the related transaction appears in the accounts.

LEASING

WM-data has no assets leased through financial leasing agreements, ie, such where in all essentials all risks and benefits concerning the leased assets which are associated with the ownership, have passed to the Group. Leasing agreements where, in all essentials, all risks and benefits concerning the leased assets which are associated with the ownership fall on the lessor, are classified as operational leasing contracts. Leasing fees regarding these are reported as an expense in the income statement and are carried as a straight-line expense over the loan period.

LOAN EXPENSES

Loan expenditure is charged to the income for the period to which it is attributable. The expense associated with raising a loan is allocated over the leasing period.

INCOME TAX

Deferred tax is reported in accordance with the balance sheet method, which means that deferred tax is estimated for all identified temporary differences on the balance sheet date, ie, between on the one hand the fiscal value of the assets and liabilities and on the other their reported value.

Deferred tax is reported in the balance sheet for all taxable temporary differences,

- apart from when the deferred tax liability concerns goodwill or an asset or liability in a transaction that is not an acquisition and which, at the time of the transaction, neither affects the reported or taxable profit or loss
- and relates to investments in subsidiaries and associated

companies, apart from when the Group has a controlling influence on when cancellation of the temporary difference will take place and it is probable that the temporary difference will not be cancelled in the foreseeable future.

- Deferred tax receivables for all deductible temporary differences and unutilised deficit deductions, to the extent that it is likely that future taxable income will be accessible and against which the temporary differences or unutilised deficit deductions may be utilised,

- apart from when the deferred tax receivables related to a deductible temporary difference for an asset or liability in a transaction that is not an acquisition and which, at the time of the transaction, neither affects the reported or taxable income

- and in the case of deductible temporary differences that relate to investments in subsidiaries and associated companies, the deferred tax receivables are reported to the extent that it is likely that the temporary differences will be cancelled in the foreseeable future and a taxable profit that the temporary difference can be charged against is accessible.

The deferred tax receivables are assessed on every balance sheet date and reduced to the extent that it is no longer likely that sufficiently large taxable profits will be accessible in order to utilise all or part of the deferred tax receivables. Deferred tax receivables and income tax liabilities are estimated with the aid of tax rates that are expected to apply to the period when the receivables are settled or the liabilities regulated, based on the tax rates (and the fiscal legislation) available or in practice on the balance sheet date.

EARNINGS PER SHARE

Earnings per share are calculated by dividing the income for the year after tax by the average number of outstanding shares. The dilution effect has not been calculated as the current value of the conversion rate concerning the issue price of outstanding options and convertibles exceeds the actual value of the shares.

CASH FLOW ANALYSIS

Cash flow analysis shows deposits and withdrawals. The indirect method has been used for operating activities. All short-term investments, apart from cash and bank balances, are classified as liquid assets and reported in the balance sheet.

NOTE 3 ■ SEGMENT INFORMATION

WM-data's Nordic IT operations are run in the form of four individual organisations in each of the countries concerned. Similarly, Caran, the design and product development operation which currently only operates in Sweden, functions as a separate unit. The managing directors of these units report to the President and CEO of WM-data (CEO of the parent company).

Based on the services and products offered by WM-data, activities can also be divided into three types of operation: Industry Solutions, Infra Solutions and Caran. The organisation and WM-data's services and solutions are described in greater detail in the directors' report.

Sales between the business areas and types of operation are at market prices. An exception, however, is made for services purchased from the business activities of the group-wide functions which are priced based on full cost coverage. The scope of purchases of this kind is relatively limited.

Revenue is attributed to business areas and between types of operation with the starting point from where the employees who generate the income are employed. This does not differ significantly from where the customers are based. Sales in the UK and Germany of a modest extent have not been disclosed.

Group-wide matters include group functions and the ATEA and INgroup associated companies. The bulk of the Group's liquid assets and long-term financing is reported as group-wide. All investments in goodwill are reported in this section. "Other" for 2002 concerns Humanpro through to the divestment of its operation. Items affecting comparability (see directors' report) are not included in the operational profit, but in EBITA and operating income in the segment accounts.

continued on next page

3. NOTE SEGMENT INFORMATION – *continued*

BUSINESS AREA	WM-data Sweden		WM-data Denmark		WM-data Finland		WM-data Norway	
	2003	2002	2003	2002	2003	2002	2003	2002
REVENUE								
External sales	3,850	4,005	1,009	1,045	564	655	407	585
Internal sales	55	65	1	0	6	5	8	10
<i>Total revenue</i>	3,905	4,070	1,010	1,045	570	660	415	595
INCOME								
Share of associated companies' income	2	15	–	–1	26	25	–	–
Operational profit	197	191	1	–19	79	91	17	18
Items affecting comparability	–	–134	–	–26	–	–	–	–255
EBITA	187	59	8	–36	84	97	20	–231
<i>Operating income</i>	187	59	8	–36	84	97	20	–231
Financial income and expenses								
Tax								
Minority								
<i>Income for the year</i>								
OTHER INFORMATION								
Assets	1,372	1,704	363	359	268	314	103	161
Equity share	50	65	–	–	21	19	–	–
Non-allocated assets								
<i>Total assets</i>	1,422	1,769	363	359	289	333	103	161
Liabilities	1,194	1,390	273	282	136	160	137	416
Non-allocated liabilities								
<i>Total liabilities</i>	1,194	1,391	273	282	136	160	137	416
Investments in tangible and intangible assets	18	66	2	–12	4	4	0	7
Depreciation and write-downs	36	84	15	13	6	6	3	2
Other expenses not included in cash flow	–	87	–	16	–	–	–84	134
No. of employees Dec. 31 2003	3,450	4,025	705	855	510	540	210	295

TYPE OF OPERATION	Industry Solutions		Infra Solutions	
	2003	2002	2003	2002
REVENUE				
External sales	3,555	3,915	2,275	2,375
Internal sales	80	50	140	110
<i>Total sales</i>	3,635	3,965	2,415	2,485
INCOME				
Share of associated companies' income	–1	15	29	24
Operational profit	204	213	90	68
Items affecting comparability	–	–387	–	–28
EBITA	202	–175	97	64
<i>Operating income</i>	202	–175	97	64
OTHER INFORMATION				
Assets	1,550	1,592	693	948
Non-allocated assets				
<i>Total assets</i>	1,550	1,592	693	948
Investments in tangible and intangible assets	3	28	21	37
No. of employees Dec. 31 2003	3,460	3,995	1,415	1,720

WM-data Caran		Group-wide		Elimination		Other		Total	
2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
705	780	0	0			-	30	6,535	7,100
0	20	0	0	-70	-100	-	0	0	0
705	800	0	0	-70	-100	-	30	6,535	7,100
1	1	7	13	-	-	-	-	36	53
5	-4	-25	-39	-	-	-	1	274	239
-	-21	70	-226	-	-	-	-8	70	-670
7	-20	60	-233	-	-	-	-7	366	-371
7	-20	12	-832	-	-	-	-7	318	-970
								26	10
								-85	-36
								-6	-8
								253	-1,004
350	507	1,225	1,638	-254	-374	-	-	3,427	4,309
3	2	217	249			-	-	291	335
								107	149
353	509	1,442	1,887	-254	-374	-	-	3,825	4,793
216	348	323	1,042	-254	-374	-	-	2,025	3,264
								146	173
216	348	323	1,042	-254	-374	-	-	2,171	3,437
2	12	9	49			-	-	35	126
9	13	48	70	-	-	-	-	117	188
-	37	14	188	-	-	-	-	-70	462
790	910	25	10			-	-	5,690	6,635

WM-data Caran		Group-wide		Elimination		Other		Total	
2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
705	780	0	0			-	30	6,535	7,100
0	20	0	0	-220	-180	-	0	0	0
705	800	0	0	-220	-180	-	30	6,535	7,100
1	1	7	13	-	-	-	-	36	53
5	-4	-25	-39	-	-	-	1	274	239
-	-21	70	-226	-	-	-	-8	70	-670
7	-20	60	-233	-	-	-	-7	366	-371
7	-20	12	-832	-	-	-	-7	318	-970
353	509	1,442	1,887	-320	-292	-	-	3,718	4,644
								107	149
353	509	1,442	1,887	-320	-292	-	-	3,825	4,793
2	12	9	49			-	-	35	126
790	910	25	10			-	-	5,690	6,635

NOTE 4. OTHER ITEMS AFFECTING COMPARABILITY

SEK M	2003	2002
GROUP		
Downsizing expenses	–	–163.0
Other action program expenses	–	–60.0
Winding-down of operations	–	–18.7
Capital gains from divestments	–	41.6
Capital losses from divestments	–	–49.9
<i>Total</i>	–	–250.0

NOTE 5. EQUITY SHARES IN ASSOCIATED COMPANIES

SEK M	2003	2002
GROUP		
<i>Opening balance</i>	335.3	461.5
Investments	38.5	8.0
Divestments	–71.1	–103.2
Shares in associated companies' operating income	36.4	55.2
Tax on income for the year	–21.1	–15.6
Amortisation of goodwill	–0.7	–2.1
Write-down of goodwill	0.0	–31.2
Dividends received	–24.4	–33.7
Translation difference	–2.1	–3.6
<i>Total</i>	290.8	335.3

Investment 2003 refers to remaining equity share after divestment of 50 percent of the shares in WDM Nordic Computer Management AB. Divestment of the associated company, INgroup, led to a capital loss of SEK M 47. Of the equity share, goodwill constitutes SEK M 2.2 (2.9).

NOTE 6. FINANCIAL INCOME AND EXPENSES

SEK M	Group		Parent company	
	2003	2002	2003	2002
FINANCIAL INCOME				
Profit from divestment of subsidiaries	–	–	49.5	30.8
Profit from divestment of associated companies	–	–	38.1	24.0
Other interest income and similar income	65.9	86.0	55.3	75.8
Dividend from subsidiaries	–	–	83.3	101.9
Dividend from associated companies	–	–	25.0	27.1
Group contribution	–	–	149.7	169.7
<i>Total financial income</i>	65.9	86.0	400.9	429.3
FINANCIAL EXPENSES				
Interest expenses on convertible debentures ¹⁾	–19.7	–44.3	–19.7	–44.3
Interest expenses on share swaps	–3.5	–3.3	–3.5	–3.3
Other interest expenses and similar expenses	–16.4	–27.8	–5.7	–10.9
Write-down of shares in subsidiaries	–	–	–	–933.0
Losses on sales of associated companies	–	–	–49.7	–14.9
Losses on sales of other shares and participations	–	–	–	–10.7
Group contribution	–	–	–51.7	–296.2
<i>Total financial expenses</i>	–39.6	–75.4	–130.3	–1,313.3
¹⁾ Of which adjustment upwards of loans.	4.5	8.6	4.5	8.6

7 ■ INCOME TAX

SEK M	Group		Parent company	
	2003	2002	2003	2002
INCOME STATEMENT				
<i>Current income tax</i>				
Current tax expenses for the year	-71.3	-79.1	-26.9	0.0
Current income tax attributable from previous years	-4.3	0.0	0.0	0.0
<i>Deferred income tax</i>				
Deferred tax concerning changes in temporary differences	-9.4	42.6	-34.1	-3.6
<i>Tax expenses reported in the income statement</i>	-85.0	-36.5	-61.0	-3.6
Reconciliation between tax expenses relating to income before tax, calculated in accordance with the current income tax rate and the Group's and parent company's effective tax expenses for 2003 and 2002, are as follows:				
Income before tax	344.4	-960.2	345.2	-981.5
Tax in accordance with the current tax rate in Sweden	-96.4	268.9	-96.6	274.8
Adjustment for tax rates in other countries	-0.9	0.4	-	-
Tax effects of tax-related adjustments				
incl goodwill amortisation and write-down	17.0	-232.3	47.4	-278.4
Adjustment of current tax for previous periods	-4.3	0.0	0.0	0.0
Review of deferred tax for previous periods	-0.4	0.0	-11.8	0.0
Effect of losses for which deferred tax revenue has not been reported	0.0	-73.5	0.0	0.0
<i>Net tax expenses</i>	-85.0	-36.5	-61.0	-3.6
<i>Effective tax expenses in %</i>	24.7	-3.8	17.7	-0.4
BALANCE SHEET				
<i>Deferred tax receivables</i>				
Deficit deductions that can be offset				
against future taxable income	62.9	112.6	0.0	42.6
Other temporary differences	44.4	36.0	0.0	0.0
<i>Total deferred tax receivables</i>	107.3	148.6	0.0	42.6
<i>Deferred tax liabilities</i>				
Unscheduled tax depreciation	2.2	5.8	-	-
Other untaxed reserves	96.4	116.8	-	-
Other temporary differences	35.2	51.0	0.0	8.5
<i>Total deferred tax liabilities</i>	133.8	173.6	0.0	8.5

The Group's unutilised tax deficit deductions amounted to SEK M 345 (602). Of this, SEK M 129 (306) has not been reported as deferred tax claims as it is uncertain whether they can be offset against future taxable income as they originated in subsidiaries that reported losses during a specific period and cannot be offset against other group companies' taxable income.

NOTE 8. GOODWILL

SEK M	2003	2002
GROUP		
Opening acquisition value	1,207.0	1,301.7
Investments	7.4	49.5
Sales/disposals	-16.3	-144.5
Changes relating to acquired/divested companies	-15.4	4.0
Translation difference for the year	-0.8	-3.7
<i>Closing acquisition value</i>	1,181.9	1,207.0
Opening accumulated amortisation	-273.0	-276.0
Sales/disposals	11.4	74.3
Changes relating to acquired/divested companies	0.8	-1.0
Amortisation for the year	-47.8	-70.3
<i>Closing accumulated amortisation</i>	-308.6	-273.0
Opening accumulated write-downs	-580.4	-140.6
Sales/disposals	0.0	58.0
Changes relating to acquired/divested companies	14.6	0.0
Write-downs for the year	0.0	-497.8
<i>Closing accumulated write-downs</i>	-565.8	-580.4
<i>Closing residual value</i>	307.5	353.6

Goodwill amortisation is linear over the economic life of the asset. The economic life of acquisitions which, to a lesser extent, bring new business or new customer groups is estimated to be 2–5 years; of acquisitions which, to a greater extent, bring new business or new customer groups, 10 years; of companies that, in addition, are strategic acquisitions in new markets or in new service areas, 20 years. Smaller acquisitions that merely lead to a consolidation of resources are viewed as organic acquisitions in which goodwill is regarded as a recruitment expense that is charged to earnings at the time of the acquisition.

NOTE 9. TANGIBLE FIXED ASSETS

SEK M	Machinery and equipment		Buildings and land	
	2003	2002	2003	2002
GROUP				
Opening acquisition value	705.3	671.2	38.3	38.5
Purchases for the year	42.4	91.5	-	0.0
Changes relating to acquired/divested companies	-223.0	77.7	-34.4	0.0
Reclassifications	-	-19.8	-	0.0
Sales/disposals for the year	-94.0	-112.3	-1.2	0.0
Exchange rate difference	-7.0	-3.0	-0.2	-0.2
<i>Closing acquisition value</i>	423.7	705.3	2.5	38.3
Opening accumulated scheduled depreciation	-486.0	-409.6	-8.9	-7.7
Scheduled depreciation for the year	-68.8	-116.7	-0.1	-1.3
Changes relating to acquired/divested companies	146.9	-49.8	7.9	0.0
Sales/disposals for the year	80.2	88.9	0.2	0.0
Translation difference	5.7	1.2	-	0.1
<i>Closing accumulated scheduled depreciation</i>	-322.0	-486.0	-0.9	-8.9
<i>Scheduled residual value</i>	101.7	219.3	1.6	29.4

Linear amortisation is applied over the period of use in accordance with the following:
Machinery and equipment: 3–10 years. Buildings: 15–50 years.

NOTE 10. OTHER LONG-TERM RECEIVABLES

SEK M	Group		Parent company	
	2003	2002	2003	2002
Long-term interest-bearing receivables	100.0	100.0	100.0	100.0
Other long-term receivables	18.9	20.8	0.0	0.0
<i>Total</i>	118.9	120.8	100.0	100.0

The long-term interest-bearing receivables bear interest with a fixed interest term of three months and fall due for repayment in 2006. There is no amortisation over the term of the loan. The actual value is estimated to be close to the book value as the fixed interest term is relatively short-term which is why the market value has not been assessed.

NOTE 11. SHORT-TERM INVESTMENTS

Short-term investments are investments of surplus liquidity in the Swedish interest market in accordance with the corporate financial policy. These investments are to be considered liquid and can be readily converted into cash in the interest market at market value. At year-end, the portfolio of corporate bonds, housing bonds and government securities. The net amount corresponds to the market value plus accrued interest. At year-end, the average term was 12 months.

NOTE 12. SHAREHOLDERS' EQUITY

SHARE CAPITAL	No. of shares with a nominal value of SEK 1		No. of votes		Nominal value, SEK	
	A shares	B shares	A shares	B shares	A shares	B shares
1 January 2002	40,000,000	328,770,175	400,000,000	328,770,175	40,000,000	328,770,175
Conversion	-10,000,000	10,000,000	-100,000,000	10,000,000	-10,000,000	10,000,000
Non-cash issue		1,773,000		1,773,000		1,773,000
31 December 2002/ 1 January 2003	30,000,000	340,543,175	300,000,000	340,543,175	30,000,000	340,543,175
31 December 2003	30,000,000	340,543,175	300,000,000	340,543,175	30,000,000	340,543,175

CONVERTIBLES AND SHARE OPTIONS	No. of shares		Conversion rate/ issue price	Conversion/sub- scription period
	A shares	B shares		
Convertible loan		9,846,298	21.00	2 May 2007 to 31 October 2008
Share options		9,469,800	71.00	1 March 2004 to 28 May 2004
No. of shares including convertibles and share options	30,000,000	359,859,273		
Weight average no. of shares after dilution	30,000,000	340,543,175		

Registered share capital corresponds to all shares issued. All shares are fully paid for. A consortium agreement exists between the A shareholders which regulates the allocation terms for this class of share.

continued on next page

Note 12 continued

OTHER INFORMATION	2003	2002
Holders of own shares	–	–
Proposed non-approved dividend, SEK 000s ¹⁾	84,047	–

¹⁾ In January 2004, 49,692,073 B shares were issued in connection with the acquisition of the Novo Group. The proposed dividend also includes a dividend on these shares.

Explanation of items included in shareholders' equity

GROUP

Unrestricted reserves: The total amount of earned income in each company that represents profit available for distribution

Equity share fund: The Group's share of non-distributed income in associated companies that was earned after the acquisition took place

Other restricted reserves: Other shareholders' equity, excluding share capital

PARENT COMPANY

Legal reserve: Reductions could be made in accordance with the decision of the annual general meeting in those instances stated in ABL, chapter 12.

Share premium fund: payments made in addition to the nominal amount on share issues and the value of granted conversion rights in connection with issues of convertible loans and other share options. Reductions could be made in accordance with the decision of the annual general meeting in those instances stated in ABL, chapter 12.

NOTE 13. OTHER PROVISIONS

SEK M					Group	Parent company
	Project-related provisions	Action-progr. 2002	Stock-options	Other provisions	Total	Project-related provisions
1 January 2003	329.9	52.6	0.0	27.9	410.4	165.0
Provisions for the year	20.2	–	6.5	31.0	57.7	–
Utilisation	–211.0	–47.7	–	–16.5	–275.1	–138.1
Cancelled	–116.9	–	–	–4.1	–121.1	–26.9
Reclassified	–	–	–	5.1	5.1	–
31 December 2003	22.2	4.9	6.5	43.4	77.0	–
Short-term 2003	22.2	4.9	–	31.4	58.5	–
Long-term 2003	–	–	6.5	12.0	18.5	–
<i>Total</i>	22.2	4.9	6.5	43.4	77.0	–
Short-term 2002	329.9	47.6	–	20.6	398.1	165.0
Long-term 2002	–	5.0	–	7.3	12.3	–
<i>Total</i>	329.9	52.6	–	27.9	410.4	165.0

Cancellation of SEK M 117 project-related reserves refers to that portion of provisions for the Norwegian tax authorities that was earmarked in the previous year but was not utilised. No provisions remain for this project.

NOTE 14. INTEREST-BEARING LIABILITIES

SEK M	Due date	Group		Parent company	
		2003	2002	2003	2002
<i>Long-term interest-bearing liabilities</i>					
Liabilities to credit institutions	2008	0.6	3.5	–	–
Convertible debentures	2008	171.8	–	171.8	–
<i>Total long-term interest-bearing liabilities</i>		172.4	3.5	171.8	–
<i>Current interest-bearing liabilities</i>					
Overdraft facilities	on demand	58.4	109.6	–	–
Convertible debentures	2003	–	860.7	–	860.7
<i>Total current interest-bearing liabilities</i>		58.4	970.3	–	860.7
<i>Above loans allocated according to currency</i>					
SEK		172.4	861.0	171.8	860.7
DKK		27.5	3.2	–	–
NOK		30.9	109.6	–	–
<i>Total</i>		230.8	973.8	171.8	860.7

Loans are raised in the currency of each respective operation and therefore no hedging has been applied to these transactions.

Due date structure for the above loans:	Group	Parent company
2004	58.4	–
2008	172.4	171.8
<i>Total</i>	230.8	171.8

Convertible debentures:

In 2003, the parent company issued a convertible debenture of SEK M 206.8 to employees of the WM-data Group. The loan falls due for payment on 30 November 2008 and bears interest on 12 months' stibor minus 0.8 percent. Conversion to B shares may be effected during the period 2 May 2007 to 31 October 2008. The conversion rate is SEK 21.00. The shareholders' equity component of the total amount issued has been valued at SEK M 35.2. In 1998, the parent company issued a convertible debenture of SEK M 865.0 to employees of the WM-data Group. The loan fell due for payment on 30 June 2003 and was repaid in full to the lenders. Interest of SEK M 19.7, including the adjustment upwards of the loan, for convertible debentures has been charged to income for the year.

Other borrowing:

Other borrowing bears floating interest. Unutilised overdraft facilities amounted to SEK M 230 at year-end. Confirmed unutilised credit facilities (available up to and including 23 December 2004) concerning the acquisition of the Novo Group amounted to EUR M 95. The terms include certain restrictions, chiefly concerning acquisitions, divestments, raising new loans and pledging, for the duration of the undertaking. An agreement has also been made concerning medium set financing of this facility before the facility expires.

NOTE 15. ACCRUED EXPENSES AND PREPAID INCOME

KONCERNEN

This item includes accrued employee-related expenses of SEK M 505 (556.6). Of this, SEK M 26 (120) refers to salaries paid during the period of notice to employees covered by the action programme from 2002.

NOTE 16. PLEDGED ASSETS, CONTINGENT LIABILITIES

SEK M	Group		Parent company	
	2003	2002	2003	2002
PLEDGED ASSETS				
Floating charges	5.0	28.5	3.0	3.0
Real estate mortgages	none	6.0	none	none
Other assets with ownership reservation	53.6	53.6	none	37.9
<i>Total</i>	58.6	88.1	3.0	40.9
CONTINGENT LIABILITIES				
Guarantee commitments for associated companies (Note 25)	51.6	–	51.6	–
Other guarantee commitments	42.7	76.7	169.3	453.7
Other	0.1	0.6	none	none
<i>Total</i>	94.4	77.3	220.9	453.7

Pledged assets constitute security for current liabilities to credit institutions.

NOTE 17. SHARES IN SUBSIDIARIES

SEK M	Corporate identity number	No. of shares	Capital share, %	Book value	
				2003	2002
PARENT COMPANY					
WM-data Consulting A.S., Oslo	Norway	6,000	100	99.1	0.1
WM-data Infra Solutions A.S., Oslo	Norway	3,000	100	0.1	0.1
WM-data Danmark A/S, Ballerup	Denmark	23,000	100	84.6	84.6
WM-data Oy, Helsinki	Finland	100	100	16.3	16.3
WM-data X-way Oy, Helsinki	Finland	2,000	100	86.5	86.5
WM-data Infra Solutions Oy, Helsinki	Finland	15,200	100	1.4	1.4
WM-data Deutschland GmbH, Düsseldorf	Germany	400,000	100	6.3	6.3
Caran Design Ltd, London	England	1	100	1.3	1.3
WM-data Consulting AB, Stockholm	556337-2191	2,600	100	2.9	1.0
A2 Acoustics AB, Linköping	556052-5601	1,250	60	2.7	2.7
WM-data Public Partner Outsourcing AB, Stockholm	556221-2745	10,645	100	1.7	1.7
Propoint AB, Gothenburg	556286-5450	4,000	100	7.5	7.5
WM-data Public Partner AB, Stockholm	556071-4577	1,000	100	14.8	14.8
WM-data Infra Solutions AB, Stockholm	556601-6902	2,040	100	0.1	0.1
WM-data IT-Support AB, Stockholm	556080-9179	1,000	100	0.2	0.2
WM-data Caran AB, Gothenburg	556256-1562	50,000,000	100	291.0	291.0
WM-data Sverige AB, Stockholm	556489-3021	3,000	100	0.3	0.3
WM-data Management AB, Stockholm	556290-7872	100	100	0.6	0.6
WM-data Cross Industry Solutions AB, Stockholm	556203-1822	4,800	100	4.7	4.7
WM-data Stratevo AB, Stockholm	556214-9202	1,000	100	0.1	0.1
WM-data Utilities AB, Malmö	556271-8360	50,000	60	16.1	16.1
WM-data Group Support AB, Stockholm	556087-3449	1,000	100	67.4	1.4
Dormant companies ¹⁾				110.2	218.0
<i>Total shares in subsidiaries</i>				815.9	756.8
SHARES OWNED BY OTHER GROUP COMPANIES					
WM-data Utilities Services AB, Uppsala	556556-8887		100		
Knight Form & Teknik AB, Karlstad	556256-8740		100		
WM-data Server and Storage A/S, Copenhagen	Denmark		100		
WM-data Internet Solutions A.S., Oslo	Norway		100		

¹⁾ Complete specification can be obtained from the parent company.

NOTE 18. SHARES IN ASSOCIATED COMPANIES

SEK M	Corporate identity number	Capital share, %	2003	2002
PARENT COMPANY				
Atea Holding AB, Stockholm	556610-7982	48.8	195.3	195.3
Caran SAAB Engineering AB, Linköping	556615-7581	50.0	1.0	1.0
DocHotel i Stockholm AB, Stockholm	556626-3934	25.0	1.0	1.0
ITPS AB, Stockholm	556589-0943	40.0	6.0	6.0
WM-data Procon AB, Stockholm	556402-4759	50.0	0.1	0.1
Pohjolan Atk-Palvelu Oy, Helsinki ¹⁾		60.0	1.1	1.1
WDM Nordic Computer Management AB, Sthlm	556029-2566	50.0	23.5	–
WM-data Scania AB ²⁾			–	22.6
WM-data Axfood AB ²⁾			–	0.3
INgroup Sweden AB ²⁾			–	25.8
<i>Total</i>			228.0	253.2

¹⁾The number of votes constitutes 40%. ²⁾Divested 2003.

NOTE 19. SALARIES, OTHER REMUNERATION AND SOCIAL SECURITY COSTS ¹⁾

SEK M	Parent company		Subsidiary		Group	
	2003	2002	2003	2002	2003	2002
SALARIES AND OTHER REMUNERATION						
Board and President	4.2	4.4	38.6	43.0	42.8	47.4
of which variable component	0.6	0.2	6.2	3.6	6.8	3.8
Other employees	12.0	13.4	2,437.1	2,784.4	2,449.1	2,797.8
<i>Total</i>	16.2	17.8	2,475.7	2,827.4	2,491.9	2,845.2
PAYROLL OVERHEADS						
Pensions Board and President	0.4	0.3	8.0	6.8	8.4	7.1
Pensions other employees	2.8	2.8	284.1	295.4	286.9	298.2
<i>Total pensions expenses</i>	3.2	3.1	292.1	302.2	295.3	305.3
Other payroll overheads	6.7	6.9	680.0	758.9	686.7	765.8
<i>Total</i>	9.9	10.0	972.1	1,061.1	982.0	1,071.1
AVERAGE NO. OF EMPLOYEES ²⁾						
Women	2	2	1,443	1,799	1,445	1,801
Men	6	7	4,564	5,117	4,570	5,124
<i>Total</i>	8	9	6,007	6,916	6,015	6,925

¹⁾Complete information can be found in the annual report sent to PRV (the Swedish National Patent Registration Office).

²⁾The Board has two women members, in other words, 20 percent of the total number of members of the Board. At present, there are no women in Group management or the management organisations of the four Nordic countries and Caran.

REMUNERATION AND OTHER BENEFITS PAID TO GROUP MANAGEMENT

	Basic salary/ directors' fees SEK000s	Variable remun. SEK000s	Other benefits SEK000s	Total cost SEK000s	Pension cost SEK000s	Stock opt. (no.) previous progr. 2003	
2003							
Chairman of the Board	400			400			
Deputy Chairman of the Board	300			300			
President and CEO	2,501	599	62	3,162	387	50,000	49,200
Other Group management	10,290	2,955	709	13,954	2,136	162,500	126,800
<i>Total</i>	13,491	3,554	771	17,816	2,523	212,500	176,000
2002							
Chairman of the Board	400			400			
Deputy Chairman of the Board	300			300			
President and CEO	2,525	205	59	2,789	384		
Other Group management	9,323	1,993	571	11,887	2,323		
<i>Total</i>	12,548	2,198	630	15,376	2,707		

continued on next page

Notes to the table:

Group management consists of the following people: President and CEO, CFO, managing directors in each country and the managing director of the Infra Solutions operation in Sweden.

Fees in accordance with the decision of the annual general meeting are paid to the chairman and deputy chairman. Issues considering remuneration paid to the CEO and other members of Group management are prepared by the remuneration committee and submitted to the board for their decision. The remuneration committee is appointed by the board and consists of the chairman of the board and his deputy.

Group management is subject to a salary model with fixed and variable salaries. The variable component, which can amount to a maximum of as much as the fixed salary, is based on income for the Group as whole and, where appropriate, for the country for which the senior executive is responsible. For 2004, the link between goal-fulfilment and salaries has been further strengthened by the introduction of a target salary in which the variability (up and down) has a direct connection with the company's long-term profits goals and are based on profit margins (EBITA) and budget-fulfilment. Group management has been allotted synthetic stock options in accordance with the conditions described below. The number of options in the allocation for 2003 is reported in the table.

Pensions: The CEO has a fees-determined pension plan. The retirement age for the CEO is 65 years. The same conditions apply to other members of Group management.

Termination and severance pay: The mutual period of notice is six months. In the event of termination by the company, severance pay is provided for a period of 12 months. If the CEO assumes new duties during this period, the right to remaining severance pay ceases. Other members of Group management have conditions comparable with those of the CEO.

Stock options programmes: Since 2001, WM-data has issued stock options to senior executive and key personnel. The programmes have been introduced with the purpose of increasing the attractiveness of the Group, rewarding the long-term increase in value of the company and giving affected employees the same goals as shareholders. The allotment is part of each employee's overall compensation package and is free of charge. The allotment is preliminary and the final allotment depends on whether or not set targets have been met during the allotment year. The options entitle the holder to either a cash settlement calculated as the difference between the exercise price and the current share price at the time of redemption, or delivery of shares against payment of the exercise price. The exercise price for all programmes has been fixed at 110 percent of the share price over a period of measurement of five days in connection with the decision to issue options. If employment at WM-data ceases, the options holder's entitlement to redeem the stock options will be revoked. The decision to allot stock options was made by WM-data's board of directors, after the proposal had been prepared by the remuneration committee. For 2004, the board has temporarily allotted 1,000,000 options with the same terms as described above. The decision is, however, conditional upon the annual general meeting approving the programme. The table below shows the number of allotted and outstanding options in each programme.

Employee-related expenses for the year include a cost of SEK M 6.5 (0) for stock options due to the increase in share price.

In the event of a price increase, to limit the liquidity outflow when the options are irredeemable, an agreement has been made with financial institutions concerning share swaps. On the other hand, the effect of a downswing in price has not been secured. In discussions concerning the size of security, social security contributions and presumed employee turnover based on previous experience are taken into consideration. When choosing an instrument, consideration is paid to the anticipated costs of the security. Interest expenses of SEK M 3.5 for these agreements for the year have been charged to income. Changes in the value of the share swaps dependent on price trends throughout the year, SEK M 24.1 (-40.3), have been reported directly against shareholders' equity. The net financial effect of shares swap agreements and outstanding options at year-end will be SEK M +3.5 with an increase of 10 percent in the share price. The net effect of a corresponding downswing will be SEK M -3.5. If the share price exceeds SEK 47, the positive effect per percentage change will be somewhat greater.

OUTSTANDING STOCK OPTIONS PROGRAMME

Allotment year	Total no. of options			No. of outstanding options			
	No. of employees	Preliminary allotment	Definite allotment	Dec 31, 2003	Dec 31, 2002	Redemption price	Redemption period
2001	136	1,885,500	1,307,580	1,072,780	1,213,580	47.00	31 Mar. 2004 -31 Mar. 2006
2002 ¹⁾	-	-	261,700	202,200	227,800	28.20	31 Mar. 2005 -31 Mar. 2007
2002	65	725,000	-	-	-	28.20	31 Mar. 2005 -31 Mar. 2007
2003	53	1,425,000	712,500	681,250	-	8.20	31 Mar. 2006 -31 Mar. 2008

Changes in the number of outstanding options in the programme issued before 2003 is due to employees that have left the company. None of the programmes fell due during the period concerned and there were no redemptions.

¹⁾The allotment includes an extra allotment for operational year 2001. The preliminary allotment in 2002 was withdrawn in its entirety.

NOTE 20. AUDITORS' REMUNERATION

The following remuneration has been paid to the company's auditors and firm of accountants:

SEK M	Group		Parent company	
	2003	2002	2003	2002
<i>For auditing and examining the accounts in accordance with the Swedish Companies Act (aktiebolagslagen) etcetera and for giving advice and other forms of assistance arising from observations made during examination of the accounts:</i>				
Ernst & Young AB ¹⁾	4.5	5.0	2.5	0.5
Other	0.6	0.5	–	–
<i>For separate advice, assistance etcetera:</i>				
Ernst & Young AB	1.5	0.6	0.7	0.2

¹⁾The figures for 2003 include fees for examining several prospectuses in connection with the convertible debentures programme and the acquisition of Novo Group Plc.

NOTE 21. LEASING EXPENSES AND PAYMENT OBLIGATIONS

The company has equipment, computers, company cars, premises etc. at its disposal through operational leasing contracts. Future payment commitments within the Group amounted to:

SEK M	2004	2005	2006	2007	2008	2009 and later
Premises	170.1	142.2	103.4	86.6	45.1	42.1
Machinery and equipment	35.2	27.9	18.2	6.1	5.7	5.7

Costs for the year of leased assets amounted to: premises SEK M 215.3 (227.8), machinery and equipment SEK M 42.2 (104.6).

NOTE 22. ADJUSTMENT FOR ITEMS NOT INCLUDED IN CASH FLOW

SEK M	Group		Parent company	
	2003	2002	2003	2002
Share in earnings of associated companies less dividends received	-7.0	-19.4	–	–
Depreciation and write-down, tangible fixed assets	68.9	117.8	0.1	0.0
Amortisation and write-down, intangible fixed assets	47.8	599.4	0.0	0.0
Cancellation/provision project reserves	-116.9	298.8	-26.9	165.0
Capital loss	47.0	–	–	–
Other items affecting comparability	–	141.5	–	–
Financial items	-4.7	0.6	-42.6	-38.3
Group contribution	–	–	-224.5	-19.5
Write-down of shares in subsidiaries	–	–	0.0	933.0
Other	4.4	21.5	0.0	0.0
<i>Total</i>	39.5	1 160.2	-293.9	1,040.2

NOTE 23. CHANGES IN WORKING CAPITAL

SEK M	Group		Parent company	
	2003	2002	2003	2002
Inventories	18.9	16.5	–	–
Other operating assets	-263.4	432.1	-87.9	-31.2
Operating liabilities and provisions	136.9	-557.3	344.2	193.9
<i>Total</i>	-107.6	-108.7	256.3	162.7

NOTE 24. ACQUISITION AND DIVESTMENT OF SUBSIDIARIES

ACQUISITIONS

In 2003, the Group acquired 100 percent of the shares in Loop AB and Trisys AB, both unlisted companies in Sweden. The value of these identifiable assets and liabilities were:

Accounts receivable, trade	5.8
Other receivables	1.8
Liquid assets	14.5
	22.1
Accounts payable, trade	-1.9
Other non interest-bearing liabilities	-5.6
Net assets actual value	14.6
Goodwill on acquisitions	7.4
	22.0
<i>Paid purchase sum</i>	22.0
<i>Cash outflow on acquisitions:</i>	
Net liquid assets in the acquired subsidiaries	14.5
Paid	-22.0
<i>Cash outflow, net</i>	-7.5

DIVESTMENTS

In 2003, all shares in Effero AB (in which WM-data had a holding of 55 percent) were divested. In addition, 50 percent of the shares in WDM Nordic Computer Management AB were divested. The remaining 50 percent participating interest was reported as equity share in associated company. The value of the identifiable assets and liabilities of these divestments were:

Financial fixed assets	7.2
Tangible fixed assets	102.1
Inventories	1.1
Accounts receivable, trade	172.6
Other receivables	75.9
Liquid assets	4.5
	363.4
Provisions	-30.7
Accounts payable, trade	-74.9
Other non interest-bearing liabilities	-166.3
Net assets actual value	91.5
<i>Received purchase sum</i>	91.5
<i>Cash flow on divestments:</i>	
Net liquid assets in the divested subsidiaries	-4.5
Paid in	91.5
<i>Cash inflow, net</i>	87.0

NOTE 25. INFORMATION ABOUT RELATED PARTIES

Associated companies Atea Holding AB, Pohjolan Atk-Palvelu Oy and WDM Nordic Computer Management AB are considered to be related parties of significance.

ATEA HOLDING AB. WM-data AB has a long-term, interest-bearing claim of SEK M 100, see note 10 for further information. In addition, the WM-data Group buys and sells products and services to and from the Atea group under market conditions.

POHJOLAN ATK-PALVELU OY. In the past year, the WM-data Group sold products and services to the company under market conditions.

WDM NORDIC COMPUTER MANAGEMENT AB. In the past year, the WM-data Group bought services from the company under market conditions.

KEY FIGURES

INDIVIDUAL CAPITAL	2003	2002	2001	2000	1999
EMPLOYEES					
Average number of employees	6,015	6,925	8,315	8,580	7,689
Of whom, in Sweden	4,450	5,225	5,945	6,050	5,391
Of whom, in the other Nordic countries	1,565	1,700	2,370	2,530	2,298
Of whom, revenue-earning employees	5,395	6,190	7,440	7,720	6,843
Total as at 31 December	5,690	6,635	7,055	8,250	8,180
Average age	38	36	35	34	35
Employee turnover, %	8	9	13	14	13
Net sales per revenue-earning employee, KSEK	1,211	1,147	1,610	1,700	1,859
Income before amortisation of goodwill excl. items affecting comparability per revenue-earning employee, KSEK	55	48	53	39	157
Income after net financial items excl. items affecting comparability and goodwill-write-down per revenue-earning employee, KSEK	51	39	35	22	143

Definitions on page 68.

CUSTOMER CAPITAL	2003	2002	2001 ¹⁾	2000	1999
BREAKDOWN OF SALES, %					
<i>Sector</i>					
Public sector	26	23	21	18	22
Manufacturing and processing industries	35	33	37	36	30
Banking, finance and insurance	6	9	11	12	10
Retail and logistics	12	10	23	24	28
Telecoms	3	5	8	10	10
Utility	7	6	—	—	—
Other sectors	11	14	—	—	—

¹⁾ Atea excluded.

FINANCIAL CAPITAL	2003	2002	2001	2000	1999
INCOME STATEMENT, SEK M					
Net sales	6,535	7,100	11,975	13,125	12,720
Operating expenses	-6,206	-6,737	-11,512	-12,770	-11,542
Depreciation	-69	-118	-167	-145	-132
Items affecting comparability	70	-670	-247	31	—
Shares in earnings of associated companies	36	53	95	88	30
<i>Operating income before amortisation of goodwill</i>	<i>366</i>	<i>-372</i>	<i>144</i>	<i>329</i>	<i>1,076</i>
Amortisation of goodwill	-48	-70	-110	-103	-90
Write-down of goodwill	—	-529	—	—	—
<i>Operating income</i>	<i>318</i>	<i>-971</i>	<i>34</i>	<i>226</i>	<i>986</i>
Net financial items	26	11	-23	-24	-5
<i>Income after financial income and expenses</i>	<i>344</i>	<i>-960</i>	<i>11</i>	<i>202</i>	<i>981</i>
Tax on income for the period	-85	-36	-12	-127	-315
Minority's share of income	-6	-8	—	—	—
<i>Income for the period</i>	<i>253</i>	<i>-1,004</i>	<i>-1</i>	<i>75</i>	<i>666</i>
<i>Profit margin, %</i>					
Operating income before amortisation of goodwill	5.6	-5.2	1.2	2.5	8.5
Income after financial income and expenses	5.3	-13.5	0.1	1.5	7.7
CASH FLOW, SEK M					
Cash flow from operating activities	170	226	646	146	802
Cash flow from investing activities	67	75	353	-666	-939
Cash flow from financing activities	-700	-217	-248	41	-204
Change in liquid assets	-463	84	751	-479	-341
Liquid assets at year-end	1,040	1,507	1,426	668	1,147
CAPITAL STRUCTURE, SEK M					
Fixed assets	988	1,229	1,868	1,885	1,588
Current assets	2,837	3,564	4,008	5,465	5,033
Shareholders' equity	1,635	1,319	2,413	2,482	2,522
Minorities	20	37	12	—	—
Provisions	229	597	281	244	260
Interest-bearing liabilities	231	974	1,109	1,218	1,041
Non interest-bearing liabilities	1,710	1,866	2,061	3,406	2,798
Balance sheet total	3,825	4,793	5,876	7,350	6,621
Equity/assets ratio, % ¹⁾	43	28	41	34	38
Interest coverage ratio, factor ¹⁾	9.6	-11.7	1.1	3.6	17.9
RETURN, % ¹⁾					
Capital employed	18.2	-30.2	2.7	7.2	28.7
Shareholders' equity	17.1	-53.8	0.0	3.0	29.0
Total capital	8.9	-16.6	1.6	4.0	16.0

Definitions on page 68.

¹⁾ The key figures are calculated on the assumption that no conversion of convertible debentures takes place.

AUDITORS' REPORT

*To the Annual General Meeting of shareholders of WM-data AB (publ.),
corporate identity no. 556124-5233*

We have examined the Parent company and the consolidated financial statements, the accounts and the administration of the Board of Directors and the President of WM-data AB (publ.) for the year 2003. These accounts and the administration of the company are the responsibility of the Board of Directors and the President. Our responsibility is to express an opinion on the financial statements and the administration based on our audit.

We conducted our audit in accordance with generally accepted accounting standards in Sweden, which require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and their application by the Board of Directors and the President, as well as evaluating the overall presentation of information in the financial statements. As the basis for our statement concerning discharging of liability, we have examined significant decisions, actions taken and circumstances of the company in order to determine the

possible liability to the company of any Board member or the President. We have also conducted an examination to see if any Board member or the President has in some other way acted in contravention of the Swedish Companies Act (aktieföretagslagen), the Swedish Annual Accounts Act (årsredovisningslagen) or the articles of association. We believe that our audit provides a reasonable basis for our opinion set out below.

The Parent company and the consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act and, consequently, provide a true picture of the company's and the Group's income and position in accordance with good accounting practice in Sweden.

We recommend that the statement of income and the balance sheet for the Parent company and the Group be adopted, that the unappropriated earnings in the Parent company be disposed of as proposed in the Board of Directors' report and that the members of the Board of Directors and the President be discharged from liability for the financial year.

Stockholm den 12 februari 2004

Thomas Forslund
Auktoriserad revisor, Ernst & Young AB

Anders Wiger
Auktoriserad revisor, Ernst & Young AB

DEFINITIONS

REVENUE-EARNING EMPLOYEE Employees who are active in the company's direct production, ie, planning, production and sales of the service/product requested by the client.

EBITA Operating income before amortisation of goodwill.

EMPLOYEE TURNOVER The number of employees who have resigned in relation to the total number of employees at the beginning of the financial year.

RETURN ON SHAREHOLDERS' EQUITY Income after tax in relation to average shareholders' equity.

RETURN ON CAPITAL EMPLOYED Income after net financial items plus interest expenses in relation to the average balance sheet total less non interest-bearing liabilities.

RETURN ON TOTAL CAPITAL Income after net financial items plus interest expenses in relation to the average balance sheet total.

INTEREST COVERAGE RATIO Income after net financial items with interest expenses added on in relation to interest expenses.

EQUITY/ASSETS RATIO Shareholders' equity in relation to the balance sheet total.

PROFIT MARGIN Income after net financial items in relation to net sales.

OPERATIONAL PROFIT Operational profit for the business areas includes the cost of shareholders' equity but not amortisation of goodwill and items affecting comparability. Operational profit for "Consolidated items" includes the parent company's income and goodwill amortisation but not items affecting comparability. Share of earnings in associated companies is included in the operation in question.

INFO

ORDERING INFORMATION

The Annual Report, preliminary report and interim reports are published in Swedish and English. All financial information can be ordered from www.wmdata.com or WM-data AB, PO Box 27030, SE-10251 Stockholm, Sweden.

Tel: +46 (0)8-6702000.

Fax: +46 (0)8-6702290.

Corporate identity no. 556124-5233.

FINANCIAL REPORTS IN 2004

- Annual General Meeting 15 April
- Quarterly report 29 April
- Quarterly report 23 July
- Quarterly report 29 October
- Year-end report 4 February 2005

The Annual Report is available in Swedish and English. The English version is virtually the same as the Swedish report. If deviations between the Swedish and the English versions occur, the Swedish version shall apply.

FOR FURTHER INFORMATION

Visit WM-data's website at www.wmdata.se or contact us at investorrelations@wmdata.com



WM-data AB, Sandhamngatan 65, Box 27030, SE-102 51 Stockholm
Phone +46 8 670 20 00, Fax +46 8 670 20 60
E-mail wmdatab@wmdatab.com, Internet www.wmdatab.com