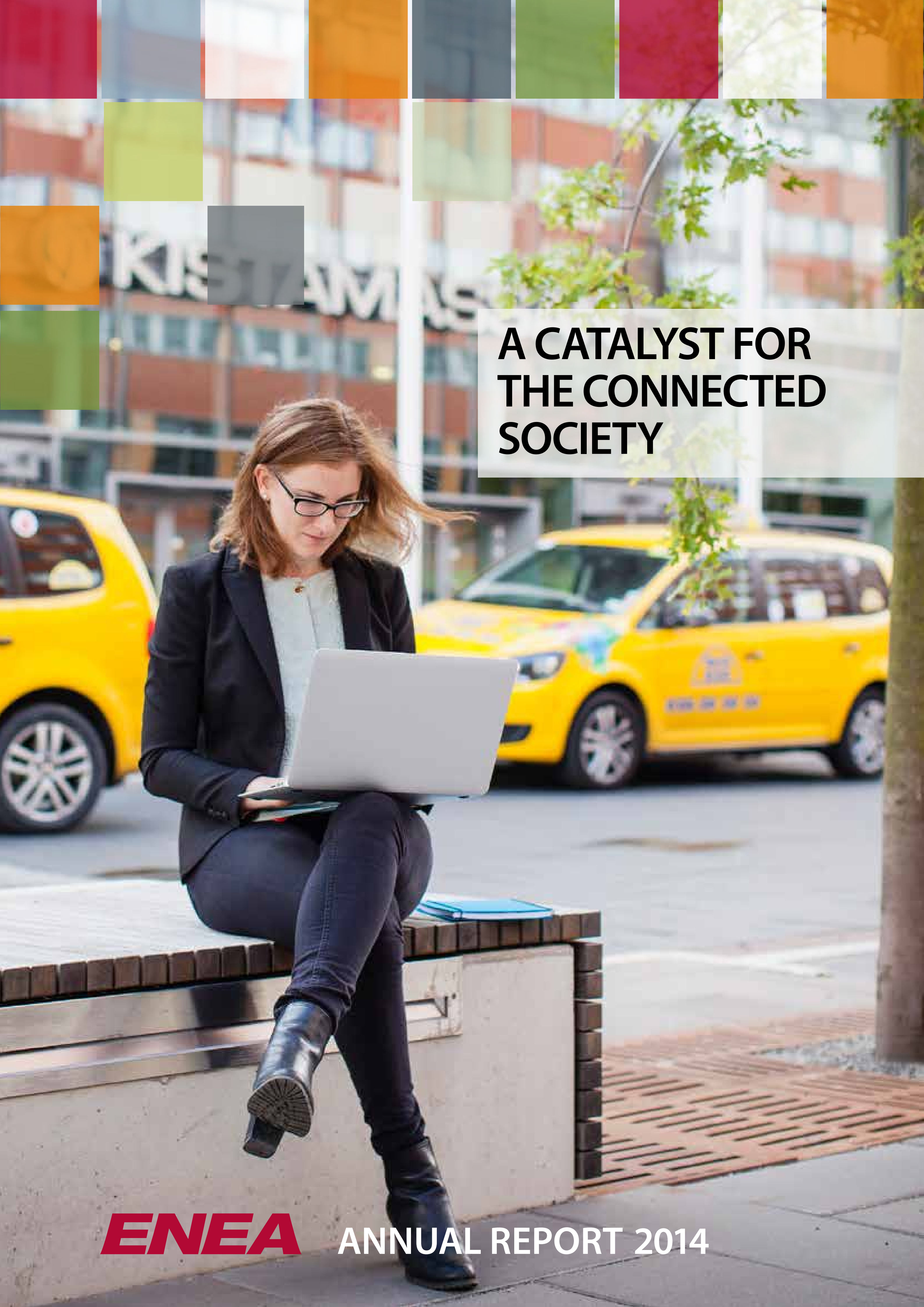


A CATALYST FOR THE CONNECTED SOCIETY

ENEA

ANNUAL REPORT 2014

Enea in five minutes

You have probably already used Enea's technology today without even realising it. Every day, millions of people use Enea's software for their mobile calls and data communication. Enea's operating systems are embedded in most 3G/4G infrastructures around the world.

The telecom leaders choose Enea

World-leading telecoms come to Enea when building their wireless communication infrastructure. Enea's solutions work in a raft of different types of communicating system, so in our customer base includes companies active in sectors like medical devices, as well as the aerospace and automotive industries.

RTOS + Linux

Enea is one of the few companies in the world that can offer a combination of real-time operating systems (RTOS) and Linux. Enea has extensive experience in the RTOS market, and launched a Linux solution in 2012. The combination of RTOS and Linux is creating new opportunities for Enea on the global market.

The future systems is built by Enea

Building tomorrow's wireless infrastructure is a complex task that requires expert knowledge. Enea is an expert in this field with extensive experience of managing large-scale global projects, building future-proof solutions in partnership with the customer.

Contents

Products and services for companies that develop communication-intensive products

Enea delivers products and services for companies that develop communication-intensive products. Our operating systems are the core of product portfolios, and are sold embedded in customer-specific solutions. There is a need for different types of operating system depending on where in the system it should be placed, what other systems it must interact with, and the features required.

Real-time operating systems are used when the priority is very high performance and predictability.

Apart from operating systems, Enea offers development tools, databases, middleware, communication protocols and communication software. Enea's products are modified in large-scale customer engagements, where our services portfolio and expertise are at least as important as our products.

REAL-TIME OPERATING SYSTEMS

Enea OSE and Enea OSEck are Enea's market-leading real-time operating systems.

LINUX

Enea Linux was launched in 2012 and is designed for embedded systems and address the needs of the telecom market.

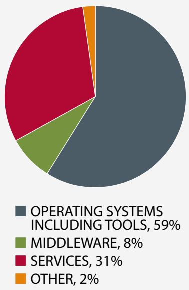
MIDDLEWARE

Enea Element, Enea Polyhedra and Enea Netbricks are examples of Enea's middleware offering. Middleware is software that interconnects operating systems with applications.

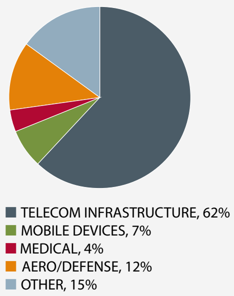
SERVICES

Enea's Bridged Services concepts delivers broad-based competence across a raft of segments, such as telecom and medical devices, as well as developing and modifying products according to customer needs. By combining competence, high quality and innovation, Enea services delivers highly developed applications for global players.

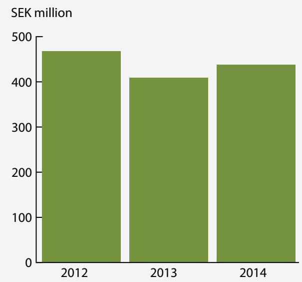
REVENUE BY PRODUCT GROUP, %



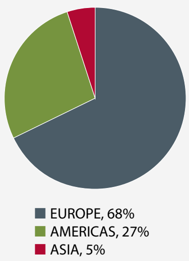
REVENUE BY SEGMENT, %



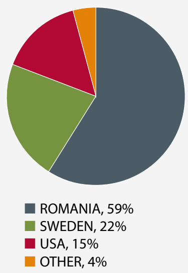
REVENUE



REVENUE BY REGION, %



EMPLOYEES BY COUNTRY, %



OPERATING PROFIT AND OPERATING MARGIN

Key data	2014	2013	2012
Net sales, SEK million	429.3	408.5	467.8
Revenue growth, %	5	–13	5
Revenue growth, currency adjusted, %	3	–11	4
Operating profit, SEK million	93.8	82.1	72.5
Operating margin, %	21.9	20.1	15.5
Net profit before tax, SEK million	95.3	83.8	76.7
Net profit after tax, SEK million	74.5	63.2	53.6
Earnings per share, SEK	4.58	3.83	3.18
Cash flow (operating activities), SEK million	116.2	76.6	80.1
Cash, cash equivalents, and financial investments, SEK million	215.3	163.6	146.7

Record profits and a lot of new business customers

I had like to start by thanking our shareholders, customers and employees for the confidence they showed us last year—2014 was a really good year for Enea. For the full year 2014, our operating margin, operating profit and cash flow from operating activities were the highest ever, while our sales also increased.

In the fourth quarter, we achieved the best operating profit and highest operating margin in the company's history, while revenue grew by over 10 percent. For the second consecutive quarter, we beat our profitability target of a 20 percent operating margin. Overall, the combination of financial results and a number of new business account wins is confirmation that the strategy we launched ahead of 2012 is paying off, and that its execution is delivering the desired results.

The new business account share of total revenues increased in 2014, which is a strategically significant in a long-term perspective. Less dependency on a small number of key accounts gives us a healthier and more balanced customer portfolio. As an example, revenues in China increased by 50 percent in the year, while we also secured four new customers. The combination of our Linux offering and real-time operating system (OSE) offering, as well as products in our middleware portfolio like Enea Element and Enea Polyhedra, are key components of these deals. For Bridged Services, we opened up a new market when we executed our first deal of this type in Germany in the year. This has opened a new, major market for this type of business, which eventually, will help bring yet more balance to our customer portfolio. Continuing to invest in product development the future is critical to a company like Enea. That is why we reinvest over 20 percent of our revenues in R&D—where more than 30 percent of our people work. In the year, we continued to invest in embedded Linux-based solutions, and during the summer, launched a new, powerful version of Enea Linux, which had a positive market reception. The deals we also secured that combine Linux with real-time operating systems, and our LINX communication solution, are especially promising. In combination, this creates a unique offering on the highly attractive market for system-on-chip (SoC) solutions.

" We will continue our efforts to achieve improved growth, high profitability and create unique value for our shareholders, customers and employees all over the world."

The open source trend is here to stay, and our commitment to the open source world is continuing to grow. This is not only important as a component of our own Linux offering, but is also the driver of services and training associated with open source. Our partnership with the Linux Foundation on Linux training is continuing to progress positively, and we are noting growing interest in our portfolio of training courses on Linux-based embedded systems. We also decided to enter another partnership driven by the Linux Foundation in the year, when we became a Silver Member of the OPNFV (Open Platform for NFV) project. This is a natural step for us, as NFV (Network Functions Virtualization) is a central concept of many discussions on the architecture of future network nodes and functionality. Progress towards more software-defined networks (SDN) and NFV is clear. This is fundamentally positive progress, with the focus shifting still more towards software, and the competence that Enea delivers. But simultaneously, this places big demands on our capacity to adapt and regenerate in terms of competence, our offerings and business model. Our market positioning evolved well over the past year, and now, we are more stable than ever. Competition between the two dominant hardware architectures and ecosystems is continuing to intensify. Being an independent software vendor in a world where our competitors are becoming more vertically integrated and closely associated with specific hardware, means we get great scope and freedom for our customers. We often take on the role of platform vendor, where our customers purchase several different products from us, bundled with services.

A global, well functioning sales and marketing organisation is critical for Enea. Our customers are global, as is our market. Just as in product development, we reinvest around 20 percent of our revenues in sales and marketing. Obviously, our main focus is on the sale of products and services, but this is also where we have responsibility

for our partners, and for our key accounts. Continuously maintaining a close dialogue with the market leaders, through channels including shared marketing and product development projects, ensures that what we do is consistent with how the market is evolving. We regularly implement changes and improvements to our sales and marketing organisation to increase efficiency and upgrade competence. In 2014, we saw a good pay-off from these actions, and we will continue to build on this in 2015. With a stronger market position, we take a confident view of the challenges we face in 2015. Our objectives are to achieve revenue growth, and we think sales will improve compared with 2014. We will continue our efforts to achieve improved growth, high profitability and create unique value for our shareholders, customers and employees all over the world. We are standing by our long-term ambition from 2012, to create a global software company with significantly higher sales, high profitability, strong cash flows and a high share of repeat revenues. The past year, 2014, saw us take another step on this journey.

Once again, thank you for the confidence you showed us.

March 2015

Anders Lidbeck
President and CEO

Strategy to achieve our vision

Business concept

Enea delivers the software platforms and expert services necessary in network solutions for the connected society of today and tomorrow.

Vision

Our software and our expertise help you develop amazing functions in the connected society.

Strategy

Technology and products

Enea has always worked on software and services focusing on embedded applications in general, and network applications in particular. Enea has been a leading vendor of real-time operating systems for three decades, and has accumulated world-leading competence in the real-time segment. Within mobile infrastructure, where most of Enea's customer base is active, real-time features are often critical. Performance and predictability are often key factors that confer real-time operating systems with strong status in embedded and hardware-related solutions. Continuously enhancing these features is vital for maintaining competitiveness in this portion of Enea's product offering. Going forward, the company's primary focus on real-time operating systems is to further improve performance.

Over time, Linux has become a progressively more central component of many solutions. The first version of the development platform that integrates Enea's proprietary Linux offering (Enea Linux) with our carrier-grade middleware solution (Enea Element), with one of our real-time operating systems (OSEck) was launched in the fourth quarter of 2014. This version specifically targets HP's new Moonshot servers. We also delivered Enea Linux bundled with our OSE or OSEck real-time operating systems in a variety of configurations last year. By enhancing the aspects of Linux that are demanded for communication solutions, such as real-time features, virtualisation support and IP performance, Enea's objective is to further consolidate its offering for this customer segment.

Today, Linux is often used side by side with real-time operating systems, and Enea's strategy is to deliver a broad-based product portfolio that include a wide range of operating system solutions for embedded systems. This is a positive trend for existing and new customers, who increasingly, are combining several products. This is enabling us to deliver more content and value for our users.

Expertise and services

Given the complex challenges facing Enea's customers, just selling a combination of complete products and solutions from our existing portfolio is often not enough. We often need to adapt them to each customer's unique circumstances. Enea's offering is not confined to its proprietary product portfolio, but is backed by an equally strong services offering. Enea's experience as a leading vendor of software for communication solutions means we can move into other adjacent sectors like medical technology, the automotive, aero and defense industries, where we already manage a number of services-only projects for leading players.

Most of our service revenues is sourced from large-scale global projects. Having the right expertise to undertake this type of project effectively is critical. To deliver optimal quality at a competitive price, we staff projects with consultants from different countries, usually putting key team members close to the customer.

Customers and market

Enea currently has strong status with a number of key customers. One prerequisite for success on these projects is that we know the customer well, and participate in forward-looking discussions at an early stage. This type of project requires customer-specific solutions, and an organisation that can manage customer-specific product development, and the related support, effectively.

Enea works to deepen and expand its collaborations with all key customers. We also continuously strive to create new customer relations. We initiate new customer dialogues from many of market activities we execute worldwide, from partnerships or through references from existing customers. Usually, new customers start as users of our service portfolio, or use our products in an early phase of their development cycle, long before they know whether the end-product they are developing will be successful.

Most of Enea's key customers are active in the telecom segment, while many of its smaller customers operate in other sectors. We are noting how communication-intensive solutions and embedded systems are spreading into a raft of new products and solutions. Enea's strength is

communication-intensive solutions, which are now used far beyond the telecom segment. With most customers, hardware and software go hand in hand, and often, modifications of operating systems and other software are necessary to fully exploit the underlying hardware. Accordingly, Enea will continue to develop and deepen its relationships with hardware vendors so it can offer well-integrated products and solutions.

Employees

Enea works continuously to enhance its status as an attractive employer and create a stimulating and rewarding workplace. Innovative and knowledgeable employees are the drivers behind the company and its solutions. We aim to continue to attract and stimulate individuals with an exceptional attitude and expertise.

Financial targets

Performance in 2014

In the year, Enea communicated targets of working towards its long-term profitability target of 20 percent. For the full year 2014, our assessment was that earning per share would improve.

During 2014, we achieved our long-term target of a 20 percent operating margin, not just in individual quarters, but also for the full year. Year over year, this was an improvement from a 20.1 percent operating margin for 2013, to 21.9 percent for 2014. Earnings per share improved from SEK 3.83 in 2013 to SEK 4.58 in 2014. Accordingly, Enea thus met its targets for 2014.

Outlook for 2015

The objective for 2015 is to achieve revenue growth, and our assessments are that earnings per share will improve compared with 2014.

Long-term ambition

The ambition over a period of five years, commencing in 2012, is to create a global software company with considerably higher net sales, high profitability, good cash flows, and a large proportion of recurring revenue.

The company will be focusing on organic growth, but both strategic and complementary acquisitions will be evaluated regularly. Growth will vary over the years and between the quarters, depending on how individual deals take place and the development of royalty flows, which depend on customers' sales volumes. The operating margin will vary in line with growth over the various quarters of the period. Enea's objective over this period is to achieve an operating margin of 20 percent.

How Enea's profit is generated

Business model

Being a software company, Enea deploys a business model that combines product and service revenues. The gross margin on Enea's software is high, set against a fixed cost base. Overall, this results in a model that requires a threshold scale for the company to create good profitability. The leverage effect is substantial in either direction—if revenues increase or decrease, this has a major effect on earnings. In 2014, Enea's revenues increased compared with last year. Enea achieved its long-term target of a 20 percent operating margin, thanks to good cost control and focused strategy.

Development licenses, including support and maintenance

When a customer develops a product, it purchases a developer license from Enea. Development licenses are typically priced per development engineer. The customer can decide whether to purchase a term-based or perpetual license. Revenue from term-based licenses is recognised during the license term, and revenue from perpetual is recognised on delivery. Support and maintenance are included in the term-based development license concept.

Production licenses (royalties)

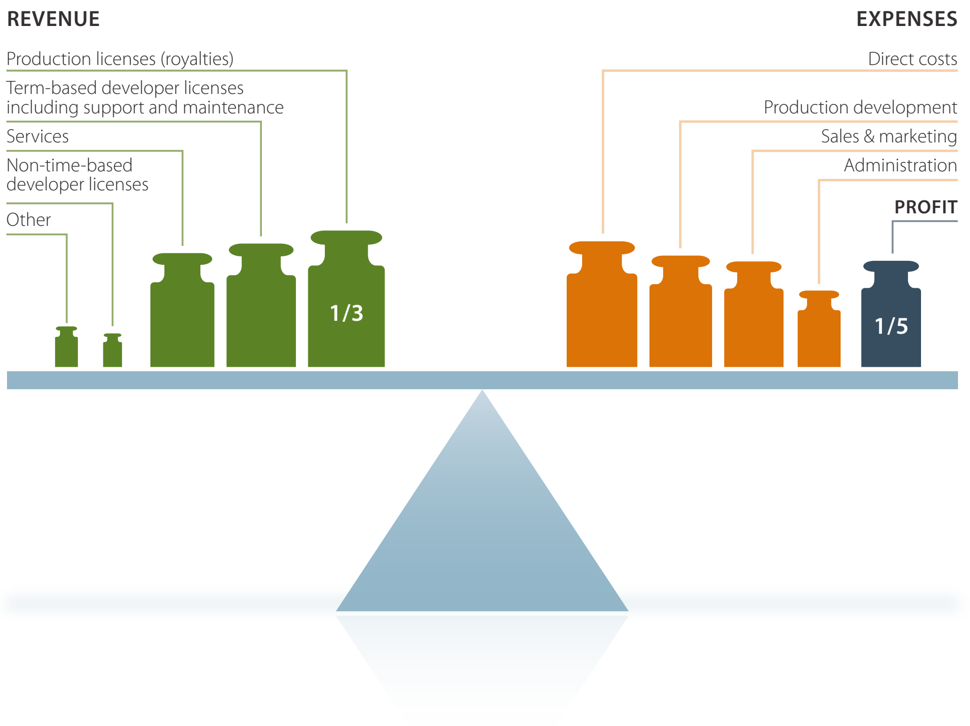
To enable delivery of a finished product embedding Enea's technology, the customer signs a production license. This may be term-based or perpetual, and often consists of royalties, that is to say revenue per sold unit. Some large customers report production volumes quarterly in arrears, which means that Enea invoice royalties with a one quarter delay.

Services

For service sales, the customer is either invoiced an hourly rate, or on a fixed-fee basis. The revenue from services is recognised in the period services are rendered.

Expenses

Enea's expenses largely consist of personnel and infrastructure, such as offices and IT support. This means that there is a threshold scale of operations to achieve good profitability. It also means that costs are fairly fixed and do not vary notably with revenues. Expenses can be divided into direct costs such as personnel costs for consulting assignments rendered and costs for third-party products, as well as indirect costs such as sales and marketing costs, product development costs and administrative expenses.



Software and services for the connected society

Enea was founded nearly 50 years ago. The first product developed and sold successfully was an operating system for the Swedish Armed Forces. This marked the start of a wide range of operating system created by Enea. Now, Enea's solutions are the mainstay of many communicating systems and mobile networks.

Enea has a strong product portfolio and world-leading competence in operating system technology for advanced network solutions. Throughout its history, Enea has maintained its course and been true to its origins. The operating system and network solution concepts have always been, and remain, central to its business. Currently, half of the world's radio base stations run on Enea software, while three billion people rely on Enea software to make calls or connect to the Internet from their phones every day.

In recent years, Enea has pursued a clear strategy that focuses on communication-intensive applications. Its target market is defined by the keywords of communication, which is now a constant presence in home electronics, medical devices, the automotive industry, and the telecom sector.

The majority of revenues are sourced from operating system solutions for telecommunication, but also from various types of service. While Enea's operating system business is based on licensing, royalties and product-related services, its services business is based on an expanding portfolio of services across all segments affecting the product or system development of software. Enea's successful reference cases are now in many sectors, and are based on a delivery model of projects and programme management located close to the customer physically, combined with a highly competent delivery organisation in Bucharest, Romania.

In 2014, new business sales as a share of total increased, which is a strategically positive change to Enea's customer portfolio. The traditional dependency on a cluster of key customers is reducing in favour of a healthier and more balanced portfolio composition.

Communication solutions in general, and telecom networks in particular, remain Enea's natural territory. Similarly, operating systems remain a core competence, and this service offering is a central component of operations.

While these are still mainstays, recent years have seen new trends for Enea and its market generally.

Open source partnerships have become central in all segments, and technology trends such as virtualisation, i.e. the separation of software and hardware, are exerting an impact in a growing number of segments..

Open source

Open source is a software development model that is gaining increasing ground. The open source concept is closely associated with the Linux operating system, but Linux is only one in an array of projects based on this development model. Linux and other open source software are now an important component of Enea's product portfolio.

Enea has been offering a proprietary Linux distribution, Enea Linux, for the past three years, which focuses on embedded systems and solutions. Enea Linux is based on a project focused on embedded solutions that is managed by the Linux Foundation, called Yocto. Enea is a member of the Linux Foundation and the Yocto project, and is an active contributor to Yocto's continued development.

Enea was one of five companies in the world certified as an Authorised Training Partner for the Linux Foundation in 2014. Enea already offered courses and specialist training in software for embedded applications, and can now also offer a comprehensive portfolio of tailored Linux training packages for global and local customers.

Industry collaboration

A sharper focus on software development partnerships is going hand in hand with growing interest in open source. Linux, OpenStack and OpenDaylight are examples of projects involving many companies and private individuals in driving development of collective software solutions. Open source is a prerequisite for these trade partnerships, and the list of new projects and forums is growing with every passing month.

Companies that have been long-time competitors are now collaborating across boundaries in segments that are strategic to them. Everyone has been affected by the understanding that collaboration creates new business opportunities because functionality growth dramatically expands when more enterprises are working towards the same goal. Stability and a long-term approach, as well as standardisation alleviating the lock-in to proprietary solutions, is reassuring for buyers and sellers.

Enea is an active participant in these projects and collaborations. Linaro, which focuses on creating software solutions for hardware based on ARM architecture, is one example. In recent years, ARM has been highly successful, especially in mobile electronics, and is now also focusing on solutions for infrastructure applications. As an independent software vendor, Enea sees great potential in ARM-based solutions, and is taking a goal-oriented approach to supporting ARM architecture. Enea is a member of the Linaro Networking Group, and has engineers dedicated to working on these projects full time.

The solutions of tomorrow

Open Platform for NFV (OPNFV), which commenced in fall 2014 on the initiative of the Linux Foundation, is another example of trade partnerships.

OPNFV is a project designed to accelerate the development of virtual network functionality, i.e. enabling network functionality to be implemented effectively as software on top of general and generic hardware. The OPNFV project is expected to deliver an open source platform that contributes to superior performance, reduced power consumption, greater availability and to facilitate maintenance and control of communication networks.

Membership of the OPNFV is strategic for Enea because it offers the potential to define the topology of future networks collectively with other market leaders in the communication industry. All software used on the OPNFV project is open source. This creates a chance for Enea to commercialise a software platform consisting of Enea Linux, software components from the OPNFV project, and a number of other Enea programmes.

The software platform Enea launched jointly with HP at the beginning of the fourth

NFV

Network Function Virtualization (NFV) is an oft-used term in discussions on the network solutions of the future. Virtualisation is about disassociating software from hardware and virtualising network functionality focuses on all the nodes of a network, which until the present, have been independent systems with firmly integrated and specialised hardware and software.

MIDDLEWARE

Middleware is software that provides services between an operating system and an application. Middleware bridges the gap between where the operating system ends and the application begins, making it easier for software developers to manage communication and data processing in between.

Enea offers middleware for large-scale, complex and distributed systems in networks, where services require consistently high levels of performance. Our software is compliant with the Service Availability Forum (SAF) standard, a common requirement for embedded telecom systems and military use.

The ability to handle system factors such as scalability, predictability, availability, modularity, redundancy and fault recovery is fundamental, and here, Enea's middleware provides services and tools that facilitate the entire product lifecycle from design and development to deployment, operation and maintenance.

quarter 2014, the Enea Telco Development Platform, is another step in this direction. This platform facilitates rapid development, low operating expenses, high availability and the optimal performance of network applications. It is platform independent and confers the user with excellent flexibility and porting potential between different hardware architectures.

Network operating systems

The OPNFV project and Enea Telco Development Platform are designed to produce software platforms for the next generation of communication solutions, consisting of network functionality on top of generic hardware. Linux plays a key role as a mainstay of these systems, but is also only one of several components of the overall solution. Depending on usage, Linux sometimes needs the addition of a real-time operating system (RTOS), and on top of this, a fast-growing stack of application software and middleware, which adds functionality at the system level between the operating system and application itself.

In simple terms, the overall solution can be considered an operating system for the network functionality of tomorrow in the broad sense—a network operating system. Such a platform, an operating system for the networks of the future, will be a necessary component for any party building communication systems.

This creates business opportunities for enterprises that can package, maintain and provide support for such software solutions. Enea, with its expertise in software for the communication industry, is well positioned to become an important player in this context.

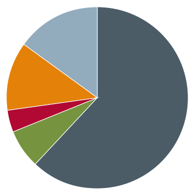
RTOS

RTOS stands for real-time operating system. A RTOS has the unique feature that program execution is predictable in terms of time. This is a fundamental difference compared to more general operating systems, where although execution may be fast, the random variation can be sizeable—which creates problems in many applications.

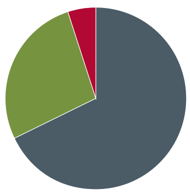
A RTOS is the natural foundation of many time-critical systems, which are often subject to specific determinism or response time standards. Historically, RTOS's have been more widely implemented in embedded systems generally—bordering on what could more accurately be described today as embedded operating systems. Enea offers a broad portfolio of operating system solutions extending from a small, compact, pure-play operating system, to more competent and higher-functionality embedded operating systems, up to Linux, our most recent addition. The optimal solution is determined by usage, and an integrated system with two different operating systems, such as an RTOS plus Linux, may offer the optimal combination of the features the customer requires.

A global operation with world-class products

REVENUE BY SEGMENT, %



REVENUE BY REGION, %



Geographical development

Enea has a total of ten offices in Europe, the Americas and Asia.

Europe

The European operation includes customers like Ericsson, Nokia and Alcatel-Lucent. Sales are through offices in Sweden, Germany and Romania.

Sales from Europe increased year over year. Romania doubled sales year over year.

Americas

The American operation includes major customers such as Motorola, Fujitsu, Boeing, Honeywell and Hospira. Two offices manage software sales and delivery, and services.

Total sales in the Americas increased in the year.

Asia

The Asian operation comprises customers such as Fujitsu and Yamaha. Enea has opened offices in China and Japan. Sales and profitability in Asia increased strongly compared with last year.

Customers

Most customers are in the telecom industry. These customers account for 62 percent of sales, while the mobile industry represent 7 percent. Customers active in medical technology represent 4 percent, and the aero and defense industry provide 12 percent of sales. Two individual customers, Ericsson and Nokia, represent over half of sales.

Competitors

There is a large number of smaller enterprises that can compete with Enea in certain segments, but only a few that can compete on a broad front. Their common feature is that operating systems are a central component of their offering. The largest competitor is Wind River, which has been part of Intel since 2009, followed by Green Hills and Mentor Graphics. One company that can compete within Linux, but not in RTOS, is US company MontaVista, owned by Cavium Networks since 2009.

MAJOR CUSTOMER BUSINESS IN 2014

First quarter

- Enea signed a service agreement worth SEK 8 million with a leading Romanian system integrator.
- A service agreement worth SEK 20 million on OSE and Enea Linux with a global telco was signed in the US.
- Enea secured new orders worth SEK 4 million for OSE from a global telco in Japan.

Second quarter

- Enea signed a three-year strategic agreement with a large customer in industrial security systems. This customer will be deploying Enea's operating systems in its products, and the agreement also covers services for modifying the company's existing products.
- In the quarter, Enea signed a Bridged Services agreement with a leading medical device vendor in North America. This agreement is worth SEK 12 million.
- The service operation in North America extended an agreement with a well-known aerospace electronics company worth SEK 17 million.

Third quarter

- An important license agreement was signed with a major automotive industry customer in Europe. This deal has a one-year term, and the customer will be using Enea Linux 4.0. This keynote deal demonstrates the capacity of Enea Linux for mission-critical systems subject to extreme reliability standards.
- A new agreement with an existing customer, which will be deploying Enea OSE in additional product lines, was signed in Asia. This new agreement is on developer licenses including support and maintenance, and is worth SEK 2 million.

Fourth quarter

- An SEK 2 million deal was signed in the fourth quarter with a telecom customer in Europe. This customer will be using Enea OSEck on the implementation of security protocols.
- In the fourth quarter, a deal was signed with a new customer in China. This customer is active in the communication sector, and will be using Enea OSE and Enea OSEck in an IoV (Internet of vehicles) project.

PRODUCT AND SERVICE OFFERING

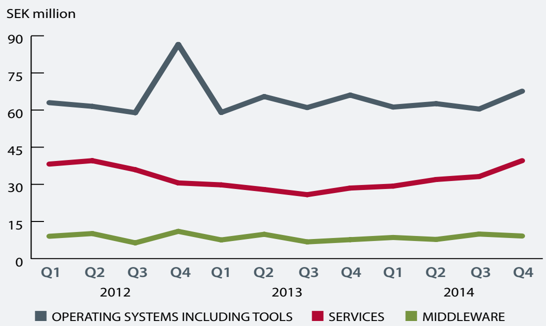
OSE and Linux operating systems are the core of Enea's product offering. Enea also provides a range of complementary products that are usually combined into a custom solution and backed by consulting services.

- Enea OSE—a real-time operating system for embedded systems. The operating system is the software that is closest to the hardware and is the link between hardware and software.
- Enea OSEck—a real-time operating system optimised specifically for digital signal processors, the hardware component that deal with communication.
- Enea Linux—an open-source operating system. Enea Linux is a distribution designed specifically for telecom purposes, based on Yocto packages. Enea offers expertise and technology that is specifically focused on next-generation communications solutions.
- Enea Netbricks—a communications protocol for telecom.
- Enea Hypervisor—software that enables several operating systems to be run in parallel, such as OSE and Linux.
- Enea Optima—a development environment for developing software that runs on Enea's operating systems.
- Enea Polyhedra—a database developed specifically for embedded systems.
- Enea Element—middleware, meaning software that interconnects operating systems with applications. Middleware runs in background, and has functions including ensuring that a system is reliable, predictable and scalable.
- Enea LINX—software to handle the communication between various kernels on the hardware chip. These kernels can also run different operating systems.
- Services—Enea has capacity for complex projects of various size and geographical distribution, including design and development, project management, training and quality assurance.

PRODUCT REVENUES IN 2014

Operating systems including tools make up a product group with the largest share of Enea's sales: 59 percent of revenue. Sales in the year increased somewhat year over year. Middleware represented 8 percent of Enea's total sales, up somewhat year over year. Total service sales increased in the year, making up 31 percent of sales. Other sales represented 2 percent.

SALES BY PRODUCT GROUP



400 employees in eight countries

Enea has some 400 employees based in eight countries. Just over half of group staff are stationed in Romania. In order of headcount, this is followed by Sweden and the US. Enea's smallest offices are in China, Japan, France, Germany and the UK. The absolute majority of employees are graduates, most of them engineers. 23 percent of group staff are women.

Diversity

We encourage progress towards greater diversity. Employees that dare to think in new and different ways have made the company what it is today. Differing backgrounds and experience are something positive that we wish to promote. Enea's equal opportunities policy prohibits discrimination against employees in terms of employment or duties based on sex, religion, age, disability, sexual orientation, nationality, political opinion, or social and ethnic origin.

Participation

Each unit of Enea is responsible for continuously communicating information to employees about its activities as well as other activities within the group. Global information meetings are held via web-conferencing, and local meetings are held at each office. Enea's management holds monthly informative meetings, where one of the most important items on the agenda is questions and feedback to management. Enea's intranet is a well-developed tool that most employees use daily. In addition to information and news, the intranet contains interviews and articles that aim to raise awareness and promote an inclusive workplace culture.

Ethics and responsibility

Enea's Code of Conduct summarises the group's ethical guidelines. The Code of Conduct includes guidelines for compliance with laws and ordinances, rights of the individual and rules for anti-corruption and ethical business practice. The aim of the Code of Conduct is to emphasise the fundamental principles by which Enea operates and manages relationships with its employees, business partners and other stakeholders. Enea supports the UN Global Compact.

Corporate social responsibility

Enea contributes directly and indirectly to the communities where it operates. Millions of people use Enea's products in communication. Increased communication alleviates the need for unnecessary travel, and provides greater security. Enea also seeks to improve conditions by contributing to various community projects, particularly in Romania, where the company has its largest office.

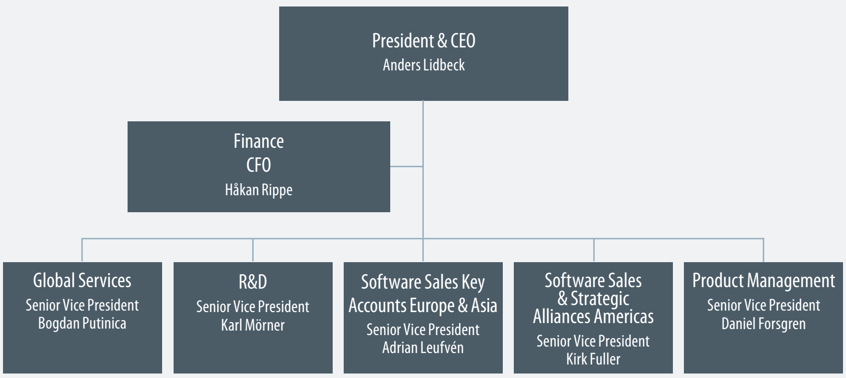
Enea's responsibility to stakeholders is to generate profitable growth. The long-term objective is to increase the value of the company and thus ensure sustainable development and long-term returns for shareholders. Enea contributes to socioeconomic development through product usage and by creating employment opportunities. Enea's responsibility to employees is based on the company's core values the corporate culture is built on. Every employee should feel valued and part of the company's success. Enea respects individual dignity and human rights, develops the skills of individuals, pays a fair salary, provides opportunities for advancement, promotes open and honest communication and provides a safe and healthy working environment.

Environment

Our business concept is about delivering the software platforms and expert services that are necessary in various network solutions. Many of Enea's customers develop products that alleviate environmental impact. Many telecom solutions improve communication and mitigate the need for physical meetings. Enea also helps customers build products that consume less energy and use resources more efficiently. Creating innovative solutions that promote sustainable development is a key component of Enea's future product plans.

Although Enea does not conduct activities that are subject to permit or notification requirements under the Swedish Environmental Code, environmental practice is an integral part of our daily business.

ORGANISATION 2014



Our Environmental Policy stipulates that we will:

- Comply with all applicable environmental legislation and other environmental standards that apply in markets in which the group operates,
- avoid wasting resources,
- dispose of the waste that we generate, and re-use and recycle materials, consider environmental issues in the design and location of our offices,
- endeavour to continuously review our working practices and find alternatives to reduce our environmental impact.

Efficient distribution

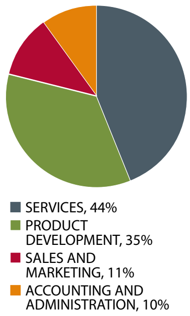
To optimise deliveries, Enea mainly provides software downloads, which imply minimal environmental impact on delivery and distribution. Enea also sends invoices electronically.

Minimising travel

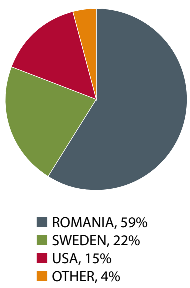
Enea is a global corporation active in several countries worldwide. To minimise business travel, Enea uses an internal chat and web conferencing system. This enables Enea to keep teams together and hold regular meetings regardless of geographical distance without any negative environmental impact.

Sustainable development means looking at our operation from a global perspective and rethinking ingrained beliefs and practices. It means taking care of employees and unleashing their appetite for innovation, to create products and services that promote sustainable development, and to identify better everyday solutions.

EMPLOYEES BY FUNCTION, %



EMPLOYEES BY COUNTRY, %



VALUES

We view values as a basic platform for our everyday actions. Our values unite us, creating a sense of commitment and togetherness. At Enea, we want our values to be visible in everything we do.

We focus on our customer success

To be successful for us, our decisions must lead to the success of our customers. We focus our resources on a select number of customers to deliver world class solutions.

We provide trusted leadership

We strive to be global leaders in everything we do. Leadership is about taking full responsibility and delivering on your promises.

We innovate for business reasons

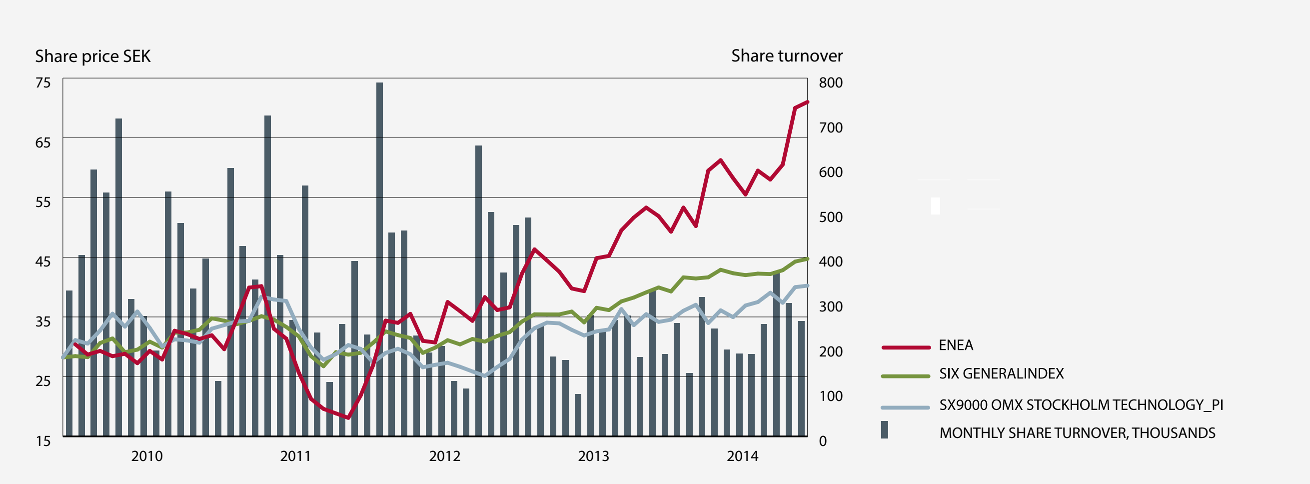
Creativity is adding value when it solves real customer challenges and creates new business opportunities.

We are team players

A team player puts company objectives first. A strong team player delivers his/her share and always strive to contribute to the overall result.

We bring passion and fun

No great achievements have been accomplished without passion. The best way to achieve passion is to have fun.



The share and shareholders

Enea AB had its initial public offering in 1989, and has been quoted on Nasdaq OMX Nordic Exchange Stockholm's List of Swedish equities—Small Cap (ENEA) since 1 July 2007.

Share price

The share price fluctuated between a low of SEK 47.84 on 4 February and a high of SEK 71.00 on 30 December. The closing price at year-end was SEK 71.00. Enea's share price rose by 37 percent in the year, which can be set against the broad SIX Generalindex, which increased by 12 percent and the IT index, which increased by 17.7 percent.

Trading volume

A total of nearly 3,000,000 shares turned over with a total value of SEK 166,236,729 in the year. An average of 11,536 shares were traded per trading day in the year.

Ownership structure

The company had 7,936 shareholders as of 31 December 2014. The ten largest shareholders' holdings were 64.3 (63.9) percent of the equity and votes. The ten largest shareholders mainly consist of SIX SIS AGA and Försäkringsbolaget Avanza Pension. Foreign ownership amounts to 44.2 (42.3) percent. Source: Euroclear

Number of shares

The number of shares was 16,739,724 as of 31 December 2014. Each share has a nominal value of SEK 1.10. Shareholders are entitled to dividends as approved by the AGM. One share entitles its holder to voting rights at the AGM, of one vote per share. There are no limitations to the transferability of shares, or each shareholder's voting rights at shareholders' meetings due to stipulations in the Articles of Association.

Long-term dividend policy

Enea's long-term dividend policy implies at least 30 percent of profits before non-recurring items and after standard rate tax should be paid as dividends to shareholders.

Capital structure

In order for Enea to continue to progress, which may also include acquisitions, the company may be in net debt from time to time. For a company of Enea's character, where the development and sale of software is a significant portion of operating activities, the retention of a secure financial position is important. Accordingly, at each occasion, the Board of Directors will consider the company's long-term funding requirements.

Proposed dividend

According to the company's dividend policy, at least 30 percent of profit after tax should be transferred to shareholders. Considering Enea's strong financial position, the Board of Directors is proposing that the AGM resolves to transfer a dividend corresponding to SEK 3.60 (3.00) per share to shareholders. This corresponds to a transfer of SEK 57.9 (49.1) million. The Board proposes that this dividend is executed through an automatic redemption procedure.

Authorisation

The AGM 2014 resolved to authorise the Board of Directors to decide on the purchase and transfer of treasury shares. The purchase of shares of the company is only permitted via Nasdaq OMX Stockholm, or in a takeover bid to all the company's shareholders. The maximum permitted purchase is such that the holding of treasury shares at no time exceeds 10 percent of all the shares of the company. Transfer shares of the company is also permitted by means other than via the stock exchange, including the right of transfer waiving shareholders' preferential rights, and with payment by means other than cash. A maximum of 10 percent of the total number of the shares of the company may be transferred. The above authorisation maybe utilised on one or more occasions and by no later than the AGM 2015. The purchase of shares on the stock exchanges only permitted within the price range quoted on the stock exchange from time to time. Transfer coincident with business combinations is permitted at the market value determined by the Board of Directors.

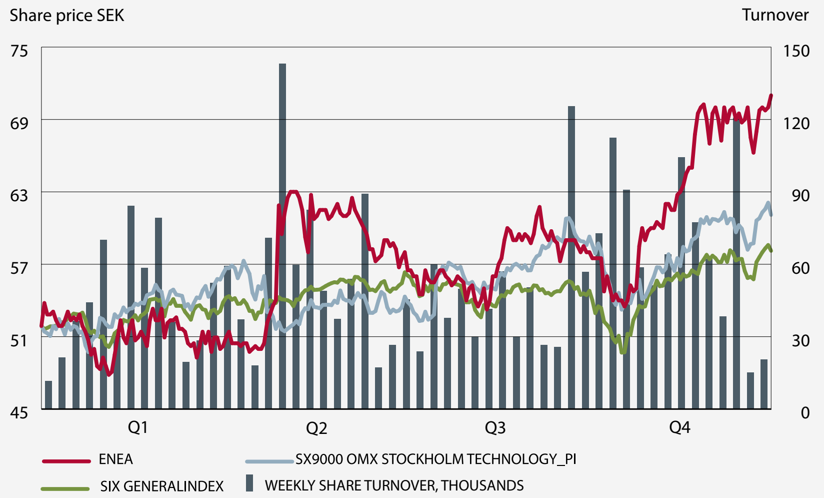
The purpose of the purchase and transfer of treasury shares is to continuously adapt Enea's capital structure to its capital requirements, to enable full or part-funding of business combinations, and to ensure available shares in approved Share Savings Programmes.

As of 31 December 2014, Enea AB held 606,704 Treasury shares, or 3.6 percent of all shares. In 2014, Enea AB repurchased 253,027 treasury shares for a value of SEK 15.2 million. The AGM 2014 authorised the Board of Directors to decide on the new issue of shares on one or more occasions in the period until the AGM 2015, waiving shareholders' preferential rights, and including stipulations on issue in kind or other terms stated in chap. 13 § 5 para. 1 point 6 of the Swedish Companies Act, and that the Board may otherwise determine the terms and conditions of the share issue. However, the issue price shall be set on market terms, and may involve a maximum of 10 percent of the number of outstanding shares. This authorisation was not utilised in 2014.

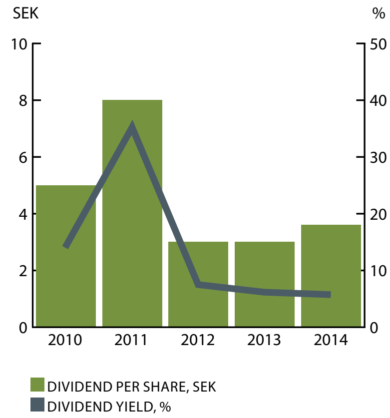
Investor relations

Enea's IR work features open, relevant and accurate information to shareholders, investors and analysts to increase knowledge of the group's operations and share. Enea provides information in the form of Interim Reports, Annual Reports, relevant press releases and provides in-depth information on the company via its IR pages on the Internet. Shareholders and other stakeholders can subscribe to press releases and financial reports via e-mail.

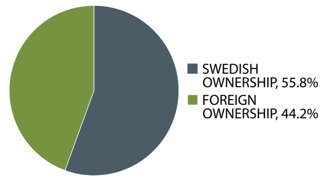
THE SHARE 2014



DIVIDEND PER SHARE, DIVIDEND YIELD



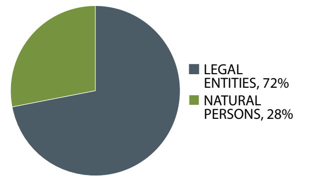
SWEDISH AND FOREIGN OWNERSHIP, BASED ON HOLDING, NO. OF SHARES



DIVISION BY SIZE
31 DECEMBER 2014

Holding	No. of shareholders	No. of shares	% of votes and capital
1 – 500	6,613	826,909	4.94
501 – 1,000	599	484,300	2.89
1,001 – 5,000	569	1,270,372	7.59
5,001 – 10,000	72	537,258	3.21
10,001 – 15,000	23	278,510	1.66
15,001 – 20,000	13	228,013	1.36
20,001 –	47	13,114,362	78.34
Total	**7,936**	**16,739,724**	**100.00**

LEGAL ENTITIES AND NATURAL PERSONS, BASED ON HOLDING, NO. OF SHARES



TEN LARGEST SHAREHOLDERS
31 DECEMBER 2014

Shareholder	No. of shares	% of votes and capital
SIX SIS AG	4,222,911	25.2
Försäkringsaktiebolaget Avanza Pension	2,354,865	14.1
DnB Nor	1,394,528	8.3
Per Lindberg	921,185	5.5
Handelsbanken Fonder AB	628,407	3.8
Caceis Bank Luxembourg	257,091	1.5
Försäkrings AB Skandia	255,731	1.5
Skandia Norden	235,989	1.4
Holmen Spesialfond	170,000	1.0
Banque Carnegie Luxembourg	161,535	1.0
Total, ten largest shareholders	**10,602,242**	**63.3**
Enea AB (PUBL)	606,704	3.6
Other shareholders	5,530,778	33.0
	16,739,724	**100.0**

OWNERSHIP BY GEOGRAPHICAL REGION

Region	Share-holders, %	% of votes and capital
Domiciled in Sweden	96.67	55.76
Rest of Nordics	0.91	9.85
Rest of Europe (excl. Sweden and Nordics)	1.61	33.37
US	0.49	0.93
Rest of world	0.32	0.09
Total	**100.00**	**100.00**

SHARE-RELATED KEY FIGURES[1]

SEK	2014	2013	2012	2011	2010
Net asset value per share	24.81	22.65	22.14	24.31	29.55
Earnings per share	4.58	3.83	6.85	–0.37	2.65
Earnings per share after full dilution	4.58	3.83	6.85	–0.37	2.65
Cash flow from operating activities per share	7.19	4.65	4.83	4.51	4.39
Dividend per share[2]	3.60	3.00	3.00	8.00	5.00

[1] *Including businesses sold in 2009–2011*
[2] *The Board's proposal to the Annual General Meeting*

Focused strategy resulted in increased profitability

The Board of Directors and Chief Executive Officer of Enea AB (publ) Corp. ID no. 5562097146 with registered office in Kista, Stockholm, Sweden, hereby present the annual report for the financial year 1 January–31 December 2014, for the Parent Company and the Group.

Enea is a global vendor of software solutions that include Linux and real-time operating systems, middleware, tools and protocols, as well as consulting services. Enea is a world leader in producing software platforms for communication-driven products subject to extreme availability and performance standards. Enea's expertise in operating systems and middleware helps companies shorten development lifecycles and reduce expenses, simultaneous with increasing reliability.

Sales

In 2014, Enea's sales increased by 5 (13) percent to SEK 429.3 (408.5) million. Currency-adjusted, sales increased by 3 percent for the full year. Sales of term-based development licenses including support and maintenance increased somewhat compared with last year, while revenues from perpetual licenses reduced. Production licenses, which are largely dependent on customer sales volumes, increased somewhat year over year. Non-recurring revenues from production licenses decreased, while revenues from repeat production licenses increased. Effective the Fourth-quarter Interim Report 2013, support and maintenance are included in the term-based development licenses. Service sales produced the greatest sales increase in 2014.

Profit/loss

Enea's operating profit was SEK 93.8 (82.1) million, corresponding to an operating margin of 21.9 (20.1) percent. The currency effects on the Group's profit is marginal.

Gross margin for the full year was 71.8 (72.7) percent.

Financial net for the full year was SEK 1.5 (1.7) million. Profit after tax was SEK 74.5 (63.2) million for the full year. Earnings per share increased to SEK 4.58 (3.83) for the full year. Without adjusting for holdings of treasury shares, earnings per share were SEK 4.45 for the full year.

Cash flow and financial position

Cash flow from operating activities was SEK 116.2 (76.6) million for the full year. Total cash flow was SEK 13.1 (17.3) million. Shares worth SEK 15.2 million were repurchased in the year. On 30 May 2014, SEK 3.00 (3.00) was disbursed through an automatic redemption program corresponding to a transfer amounting to SEK 49.1 (49.4) million to shareholders.

Cash and cash equivalents and short-term investments were SEK 215.3 (163.6) million at year-end. Additionally, the Group has an unutilised credit of SEK 15 million. Enea still has a strong financial position, with an equity ratio of 79.4 (84.5) percent.

Investments, depreciation and amortisation

The Group's investments for the full year were SEK 15.0 (14.3) million. The depreciation of investments was SEK 18.6 (18.2) million. SEK 12.3 (12.6) million of product development expenses were capitalised in the year. The amortisation of capitalised product development expenses was SEK 14.5 (12.6) million in the year.

Parent company

The parent company's operating activities are primarily focused on group-wide administration of management, accounting and finance, administration and IT.

SIGNIFICANT EVENTS IN 2014

JANUARY
Enea launched the first commercial version of Enea LWRT (LightWeight RunTime), which protects customers' architecture and software investments already implemented.

FEBRUARY
Enea launched Enea Linux, the first fully open version of a commercial embedded Linux distribution with the associated ecosystem. Open Enea Linux is light and portable, with excellent scalability and an open Eclipse™-based tool suite.

FEBRUARY
Enea was present on ARM's stand at the Mobile World Congress 2014 in Barcelona, where a framework of software services capable of handling workloads on an HP Moonshot were demoed.

APRIL
Enea held its AGM, which passed resolutions including a new redemption programme worth SEK 3 per share, and the cancellation of SEK 314,754 shares.

MAY
Enea and a leading US medical device company signed a service agreement worth SEK 11.8 million. This contract is an extension for the remainder of 2014 with one of Enea's long-time customers.

MAY
Enea and a leading US aero and defense corporation signed a service agreement worth SEK 16 million with a 2.5-year term.

Parent company net sales in the year were SEK 51.6 (48.8) million, and profit before appropriations and tax was SEK 2.2 (2.8) million. The financial net of the parent company was SEK 2.2 (2.7) million, and cash and cash equivalents and financial investments were SEK 184.1 (131.4) million at year-end. Parent company investments were SEK 1.4 (0.8) million. There were 13 (13) employees of the parent company at year-end. The parent company does not conduct any operations, and primarily, its risks relate to the operations of subsidiaries.

Transfer to shareholders

The Board of Directors is proposing a transfer to shareholders in the form of an automatic redemption program combined with a 2:1 share split to the Annual General Meeting. This program involves each share being divided into one ordinary share and one redemption share. There will be no transfer of shares the company has re-purchased. The proposal is for redemption of the redemption shares for SEK 3.60 per share, corresponding to a maximum transfer of SEK 60,263,006 (57,912,955 excluding treasury shares as of 9 March 2015) to the company's shareholders. After implementation of the proposed appropriation of profits and redemption programme, non-restricted and total equity of parent company Enea AB will be SEK 143,776,000 and SEK 162,132,000 respectively.

Board of Directors' statement regarding the proposed redemption programme, pursuant to chap. 18 § 4 of the Swedish Companies Act. The proposed dividend to shareholders reduces the parent company's equity ratio from 58.0 percent to 50.4 percent, and the group's equity ratio from 79.4 percent to 76.8 percent. Against the background of the company's and the group's operating activities continuing to be conducted profitably, the equity ratio and liquidity are satisfactory.

The Board of Directors' opinion is that the proposed value transfer does not prevent the company, or other member companies of the group, from fulfilling their obligations in the short and long term, nor from completing the necessary investments. Accordingly, the proposed value transfer can be considered justifiable in terms of what is stated in chap. 17 § 3, para. 2-3 of the Swedish Companies Act. The Board of Directors proposes that the Annual General Meeting authorises the Board to set a record date for the share split and redemption procedure, and the period for trading in redemption shares.

Regarding the company's results of operation and financial position otherwise, the reader is referred to the following Income Statements and Balance Sheets, as well as Cash Flow Statements and associated Notes. These financial statements were approved for issue by the parent company's Board of Directors on 26 March 2015.

Proposed appropriation of profits

The following funds are at the disposal of the parent company, SEK:

	2014
Share premium reserve	3,050,047
Retained earnings	197,387,646
Profit (loss) for the year	1,251,202
Total	201,688,895

The Board of Directors proposes that these funds are appropriated so that SEK 201,688,895 is carried forward.

Enea announced a training partnership with the Linux Foundation on the resale of its full selection of courses in embedded Linux programming and related subjects.

JUNE

Release of version 4.0 Enea Linux, which includes technology that promotes system performance and enables virtualisation of network functionality.

JUNE

Enea and a leading US aero and defense corporation signed a new service agreement worth SEK 9.2 million over a five-month period.

SEPTEMBER

Enea launched version 3.4.0 of its middleware offering Enea Element. Enea is one of few independent players with the capacity to deliver applications management and system support of embedded and cloud-based software for customers.

SEPTEMBER

Enea presented the Enea Telco Development Platform, a software platform produced exclusively in collaboration with HP for its ProLiant m800 server cartridge in its Moonshot server system.

OCTOBER

Enea signed a three-year contract worth SEK 6 million with a major telco. Enea will be providing this customer with Enea Element middleware for its new Ethernet switches.

OCTOBER

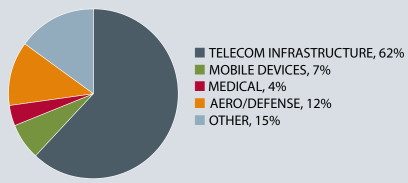
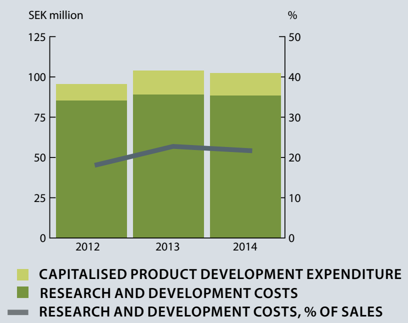
Enea became a silver member of the OPNFV (Open Network Functions Virtualization) project.

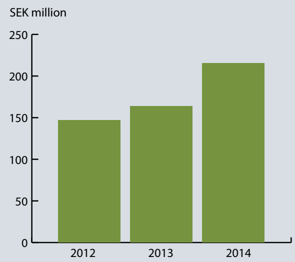
DECEMBER

Risks and risk management

Enea is exposed to a number of risks that could affect the group's earnings. Enea identifies and manages the company's risks on a continuous basis. The risks deemed most significant are classified as operational, market and financial risks.

Operational risk	Comments	Exposure
Customer structure Enea is dependent on a few major customers such as Ericsson and Nokia, all of which are significant suppliers of telecom equipment.	Enea is dependent on its major customers' long-term plans for investment and product development, since the development of new generations of products can involve major decisions that affect how products and services are used.	Total revenue from Ericsson and Nokia constitutes more than half of the company's sales. The risk of rapid negative fluctuations is limited due to long-term agreements and difficulties for customers to change the degree to which they use Enea's products and services at short notice.
Contract structure A high proportion of software revenue is repeat revenue and derived from long-term royalty and maintenance agreements. Revenue from consultancy services is not normally repeatable.	Enea cannot influence the progress of its future royalty streams. Enea's royalty streams are largely dependent on customer production volumes. However, expenses related to simultaneous revenue streams are limited.	Repeat revenue streams represent the majority of annual software revenue.
Competence supply Enea's success is very closely linked to the company's ability to employ, stimulate, motivate and retain highly-qualified personnel.	Competition for highly-qualified personnel in the IT industry is intense. However, Enea's combination of products and services represents a competitive advantage, as the company is able to offer more career opportunities. The launch of Enea's Linux product also increases the company's technical range, a factor that could be significant for recruiting and retaining engineers.	Enea's staff turnover is considered comparable to the industry average.
Product liability, intellectual property rights and legal disputes Enea's products are critical components of its customers' products, and faulty products could compromise customer relationships and generate claims for damages. Enea's intellectual property is at risk of infringements. There is also a risk that Enea's products infringe on external parties' intellectual property.	Enea is insured against product liability and judges that the company's insurance cover adequately limits its direct risk exposure. Enea is also covered by insurance in the event that its products infringe on external parties' patents or copyright. Enea continuously obtains legal advice in order to protect its intellectual property rights and reduce the risk of infringement of its intellectual property.	Neither Enea AB nor its subsidiaries are currently involved in any litigation, court proceedings or arbitration, with the exception of some minor disputes that are not expected to have any material adverse effect on the company's financial position. Enea continuously reviews the application of its contract terms with its customers and suppliers. Disagreements relating to how contracts are to be interpreted could lead to disputes.

Market-related risks	Comments	Exposure
Macroeconomic trends Enea is dependent on the growth and financial progress of its largest customers. Most revenue is derived from customers in the telecom industry, which means that economic risks are linked to the business cycle in general, but also to specific progress in the telecom industry.	A generally slower business cycle mainly impacts customers' current investment appetite, followed by declining purchases of Enea's products and services. An economic downturn may also impact customer product sales, which, in turn, affects Enea's royalty streams. Structural changes that impact the application of embedded systems in various contexts are more significant than cyclical fluctuations.	
Products and technology Enea's competitiveness and market position are largely dependent on the company's ability to produce innovative products, often in close collaboration with customers and hardware suppliers.	Close collaboration with the company's largest customers on product development is critical. The growth in software based on open-source code entails a risk that customers choose solutions that generate less revenue for Enea, rather than the company's copyrighted products. Enea collaborates with a number of hardware vendors in order to adapt its product plans to future hardware solutions, and to pre-integrate its products in hardware vendors' solutions.	**PRODUCT DEVELOPMENT COSTS** 
Competitors The embedded software market is fragmented with a handful of players of Enea's size or larger. Like Enea, all competitors are active globally, while niche companies may be competitors in specific areas.	Enea has a strong position in the telecom industry and has positioned itself as a market leader in the sector. Customers' proprietary software solutions represent one aspect of the competition. However, these are in decline as hardware environments and end products become increasingly complex. Enea's open source products are also subject to competition from non-commercial developers.	Enea is a global leader in real-time operating systems.

Financial risks	Comments	Exposure
Currency risk Currency risk means the risk that the value of a financial instrument fluctuates due to changes in exchange rates.	Enea operates in an international environment and conducts most of its sales in SEK, EUR and USD. Currency exposure is largely minimised by conducting business activities in subsidiaries with revenue and expenses denominated in local currency. A group account structure that uses multiple currencies minimises exchange rate fluctuations and increases flexibility regarding the timing of foreign exchange transaction. Major expected foreign currency deposits and payments are hedged through currency forwards, in line with Enea's financial policy. Foreign subsidiaries are translated into SEK using the current rate method, which means that the Statement of Comprehensive Income is translated at the average exchange rate for the period, while the Balance Sheet is translated at the closing-day rate. Translation exposure is not hedged.	In 2014, a total of EUR 8 (7) million was hedged. At the end of 2014, the value of two derivatives outstanding totalled EUR 3 million, at rates of 8.85 and 8.87 respectively at year-end 2014. Average appreciation/depreciation of 5 percent against the EUR would have implied a decrease/increase of SEK 5 million in revenue in 2014, all things being equal. The corresponding effect on revenue against the USD would total SEK 7 million.
Liquidity risk Liquidity risk is the risk that Enea is unable to obtain financing, or only access financing at a significantly increased cost.	Enea's cash pool, with cash and cash equivalents mainly in its Swedish companies and financial investments, is managed by the parent company. The group's liquidity is reported and monitored weekly on an ongoing basis. Surplus liquidity is invested in interest-bearing assets with a term of less than one year, and a specified proportion for a period up to a maximum of two years with reputable financial institutions. It is possible to terminate investments during the term. The risk associated with the investments is limited in accordance with the group's Finance Policy which has been authorised by Enea's Board of Directors.	Enea's liquidity risk is limited. Cash and cash equivalents and financial investments totalled SEK 215.3 (163.6) million as of 31 December. The group has no interest-bearing liabilities. **CASH AND CASH EQUIVALENTS AND FINANCIAL INVESTMENTS** 
Capital risk The objective of the group's capital structure is to ensure a stable financial position that secures the group's ability to continue operating and generate returns for its shareholders, benefit other stakeholders and inspire confidence in the company's frequently close and long-term customer relationships.	To maintain or adjust its capital structure, the group may pay dividends, or repay capital to shareholders, or issue new shares, or sell assets to reduce liabilities.	At the end of the year, the group had no external financing..
Interest rate risk Interest rate risk means the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.	The group has credit facilities totalling SEK 15 million, of which SEK 15 million was unutilised as of 31 December 2014. Interest rate risk in the group's cash and cash equivalents is primarily due to progress on the Swedish bond market.	Since the group has no interest-bearing liabilities, Enea's interest rate risk is low. An increase/decrease of 1 percent in interest rates on cash and cash equivalents and invested surplus liquidity would generate an increase/decrease of some SEK 2 million in the financial net.
Credit risk Credit risk refers to the risk that the counterparty in a transaction involving a financial instrument is unable to meet its obligations. The primary credit risk is that Enea fails to receive payment for its accounts receivable.	The group's customers are predominantly large, well-established companies with high solvency ratios, spread across several geographical markets. To limit risks, the company's credit policy contains guidelines and regulations for assessing the credit risk of new customers, payment terms and procedures and processes for handling outstanding claims.	Provisions of SEK 4.5 (0) million were made for doubtful debt in 2014.

Corporate Governance Report 2014

Enea AB is a Swedish public limited company listed on the NASDAQ OMX Nordic Exchange in Stockholm, Sweden. The Enea group's corporate governance is based on Swedish legislation and the rules and recommendations issued by relevant organisations, including the Swedish Corporate Governance Board, NASDAQ OMX, the Swedish Securities Council and others. Enea's governance, management and control are divided between the shareholders at the Annual General Meeting, the Board of Directors and the CEO in compliance with the Swedish Companies Act and the Board of Directors' Rules of Procedure.

Swedish Code of Corporate Governance

The following description of the Corporate Governance Report has been prepared in accordance with the Swedish Code of Corporate Governance. During the financial year, Enea complied with the Code without exception.

Shareholders

Enea's ordinary shares are listed on NASDAQ OMX Stockholm's Small Cap list. According to the share register maintained by Euroclear Sweden, Enea had 16,739,724 shares as of 31 December 2014. On the same date, Enea AB's share capital amounted to SEK 18,355,714, divided between 16,739,724 ordinary shares, each carrying the same voting rights and participation in the company's earnings and capital. Enea owns 606,704 treasury shares, corresponding to 3.6 percent of total shares. On 31 December 2014, the largest shareholders were SIX SIS AG, with 25.2 percent and Försäkringsbolaget Avanza Pension, with 14.1 percent of the shares.

Annual General Meeting

The Annual General Meeting, or where applicable, an Extraordinary General Meeting, is Enea's highest decision-making body. All shareholders are entitled to participate in the Annual General Meeting, either in person or through a representative given Power of Attorney. All shareholders are entitled to request that a matter be addressed by the Meeting.

Enea AB's Annual General Meeting was held on 24 April 2014 in Kista, Sweden. The Annual General Meeting's responsibilities include adopting the Articles of Association, appointing the Board of Directors and Chairman, appointing the Auditors, adopting the Income Statement and Balance Sheet, adopting a resolution on the appropriation of earnings, discharging the Board of Directors and the CEO from liability, resolutions on the Nomination Committee, deciding the remuneration principles for the CEO and other senior executives, etc. A two-thirds majority is required to amend the Articles of Association.

The Annual General Meeting 2014 adopted the following resolutions

- adopting the company's and the group's Income Statement and Balance Sheet,
- discharging the Board of Directors and the CEO from liability,
- remuneration to the Board of Directors and the Auditors,
- guidelines for remuneration to senior executives,
- introducing an automatic redemption programme involving a share split, the redemption of shares and a bonus issue. The redemption programme involved a transfer of SEK 3.00 per share to shareholders,
- a reduction in share capital and a bonus issue,
- a reduction of the statutory reserve,
- Board authorisation to pass resolutions on acquisitions and transfers of treasury shares corresponding to a maximum of 10 percent of the company's shares,
- Board authorisation to reach resolutions on new share issues relating to share or business acquisitions corresponding to a maximum increase of 10 percent of share capital,
- election of Board members, Åsa Landén Ericsson, Mats Lindoff, Anders Skarin, and Kjell Duveblad, Torbjörn Nilsson and Robert Andersson were re-elected as Board members. Anders Skarin was elected Chairman of the Board.

The complete minutes from the Annual General Meeting, together with the Meeting's supporting decision-making data, can be found on the company's website (www.enea.se), under Investor Relations.

Nomination Committee

The Annual General Meeting appoints Nomination Committee members or states how they are to be appointed. Enea's Nomination Committee for the Annual General Meeting 2015 will be appointed from a minimum of two and a maximum of four of the largest shareholders in descending order from the share register as of 31 August 2014. If more than two of the four largest shareholders in terms of votes declines to appoint a representative of the Nomination Committee, the next shareholder in order of size shall be given the opportunity to appoint a representative. The names of the Nomination Committee's representatives shall be published in the company's Third-quarter Interim Report. The mandate period for the Nomination Committee runs until a new Nomination Committee has become effective. A shareholder representative should be appointed Chairman of the Nomination Committee.

In accordance with the above, the Chairman of the Board contacted the four largest shareholders, in terms of votes, at the end of August 2014 to request that they appoint one member each to the Nomination Committee. Two of these appointed a representative, and two declined. If any significant changes take place to the ownership structure following the appointment of the Nomination Committee, the composition of the Nomination Committee will be amended in accordance with the above principles.

The Nomination Committee will prepare and submit proposals to the Annual General Meeting for:

- the Chairman of the forthcoming Annual General Meeting,
- the election of the Chairman and other Board members,
- Board remuneration divided between the Chairman and other Board members, as well as guidelines for potential remuneration for committee work,
- the election and fees for Auditors and Deputy Auditors (where applicable),
- resolution on guidelines for the composition of the Nomination Committee.

Prior to the 2015 Annual General Meeting, the Nomination Committee consists of Per Lindberg, Sverre Bergland (DnB Nor) as well as Anders Skarin (Chairman of the Board of Enea AB). The Nomination Committee appointed Per Lindberg as its Chairman.

The work of the Board of Directors

The Board manages the company's affairs in the interests of the company and all shareholders. The Board's tasks include adopting business objectives and strategy, appointing, evaluating and, where necessary, dismissing the CEO, ensuring that effective systems are in place for monitoring and reviewing the company's operations, ensuring that there is satisfactory control of the company's compliance with laws and other regulations applicable to the company's operations, ensuring that the requisite ethical guidelines are adopted regarding the company's conduct and ensuring that the company's corporate communication features transparency and that it is accurate, relevant and reliable.

The CEO participates at every Board meeting and reports on the company's business situation, future prospects, financial position and events of material significance, as well as the management's budget proposals and action plan for the coming financial year. Other company executives also participate in Board meetings and present reports when necessary. The CEO does not participate in the parts of Board meetings that deal with the relationship between the CEO and the company, and the work of the CEO and other senior executives is evaluated at least yearly.

The Board members' shareholdings are provided in the presentation of the Board of Directors, see page 22.

Every year, the company's Auditor presents a report to the Board of Directors based on observations made during the review and assessment of the company's internal control. The guidelines for the Board of Directors' work are based on the Rules of Procedure that regulate the division of responsibilities between the Board of Directors, the Chairman and the CEO, and the matters that are to be discussed at ordinary Board meetings. The Board of Directors' Rules of Procedure are adopted annually at the statutory Board meeting following the Annual General Meeting and adjusted as required.

Apart from the above duties, the Rules of Procedure include approval of the Board of Directors' agenda, instructions for the CEO, decision-making procedures within the company, the appropriate division of responsibilities as well as information flows between the company and the Board of Directors.

In 2014, the Board of Directors addressed the Enea group's strategy and business operations, remuneration of senior executives, continuously monitored operations and forecasts, interim reports, budgets and the business plan for 2015, as well as a repurchase of treasury shares. The work of the Board of Directors was appraised at year-end. In 2014, the Board of Directors held eight meetings, as well as one meeting following election. In addition to regular Board work, some Board members are also members of the company's Audit Committee and Remuneration Committee. Attendance statistics for Board meetings in 2014 are shown in the following table.

The Board received remuneration of SEK 1,600,000, to be divided as follows: SEK 420,000 to the Chairman of the Board and SEK 200,000 each to other Board members appointed by the Annual General Meeting, as well as SEK 180,000 to be divided among Board members according to their efforts and participation in committee work. Details of Board members' remuneration are stated in Note 4.

Board of Directors independence

All Board members were judged to be independent in respect of the company and group management and in respect of major shareholders. For information on Board members and the CEO, see pages 22–23.

Audit Committee

The Audit Committee consisted of Åsa Landén Ericsson (Chairman), Torbjörn Nilsson and Robert Andersson. Enea's CFO and the company's Auditor are co-opted to the meetings, which are normally held once quarterly. Minutes are kept at Audit Committee meetings and presented to the Board of Directors.

The Audit Committee is responsible for the preparation of the Board of Directors' quality assurance of the company's financial reporting, keeping informed of the focus and scope of the audit, discussing coordinating between external Auditors and the company's internal control functions, evaluating the company's risk exposure, adopting guidelines for services other than those provided by the company Auditor, evaluating the audit and informing the company's Nomination Committee of the evaluation, as well as assisting the Nomination Committee with its proposals for Auditors and remuneration.

In 2014, the Audit Committee held four meetings, all in connection with the quarterly financial statements. Board members' attendance statistics at Remuneration Committee meetings in 2014 are indicated below. The main topics addressed included presentations of the company's Interim Reports, product profitability, goodwill and other intangible assets, accounts receivable, risk management, finance-related issues and internal reviews.

ATTENDANCE AT BOARD MEETINGS

Board member	1	2	3	4[1]	5	6	7	8	9
Anders Skarin (Chairman)	X	X	X	X	X	X	X	X	X
Robert Andersson	X	X	X	X	X	X	X	X	X
Kjell Duveblad	X	X	X	X	X	X	X	X	X
Åsa Landén Ericsson	X	–	X	X	X	X	X	X	X
Mats Lindoff	X	X	X	X	X	X	X	X	X
Torbjörn Nilsson	X	X	X	X	X	X	X	X	X
Eva Swedberg	X	–	X	X	X	X	X	X	X

1 Meeting no. 4 was statutory

The group's Auditor reports his findings to the Board of Directors annually in connection with the annual financial statement. In addition, the Board of Directors meets the company Auditor at least yearly—without the presence of group management—to learn about the audit's focus and scope, and to discuss the coordination between external Auditors and the internal control and evaluation of the company's risk exposure.

Remuneration Committee

The overall responsibilities of the Board of Directors cannot be delegated, although the Board of Directors has established a Remuneration Committee tasked with consulting on issues relating to salaries, remuneration and other employment terms for the CEO and other members of group management.

In 2014, the Committee comprised Board members Anders Skarin (Chairman) and Kjell Duveblad. The Remuneration Committee is convened as required and reports to the Board of Directors. The Remuneration Committee held four meetings in 2014.

Remuneration to senior executives

Principles

Remuneration is paid to the Chairman and Board members in accordance with the resolution of the Annual General Meeting.

Employee representatives do not receive Directors' fees. Remuneration to the CEO is decided by the Board of Directors on the basis of a proposal from the Remuneration Committee. Guidelines for remuneration to senior executives are determined by the Annual General Meeting. Market terms are applied to salary and other employment terms relating to the group management. In addition to basic annual salary, group management also receives variable remuneration. Variable remuneration is based on profit performance against set targets and is subject to a ceiling in absolute amounts determined annually on an individual basis. Remuneration to some senior executives in the Enea group can also be payable in the form of share-based payment.

Pensions

Other senior executives in Sweden are subject to pension agreements within the framework of the ITP plan (Supplementary Pensions for Salaried Employees) with pensionable age of 65 and pension provisions are related to employee salaries. The ITP plan

THE BOARD OF DIRECTORS 2014







Name	Anders Skarin	Robert W. Andersson	Kjell Duveblad	Åsa Landén Ericsson	Mats Lindoff	Torbjörn Nilsson	Eva Swedberg
Born	1948	1960	1954	1965	1961	1953	1968
Appointed	2005	2012	2008	2003	2010	2012	2012
Board position	Chairman since September 2011.	Board member.	Board member.	Board member.	Board member.	Board member.	Employee representative SI.
Education	B.A.	M.Sc. (Econ.) (Finland) and MBA (US).	B.Sc. in Business Administration, Stockholm School of Economics.	M.Sc. (Eng.) and MBA	M.Sc. (Eng.) EE.	M.Sc. (Eng.) and B.Sc. Business Administration.	M.Sc. Engineering.
Previous positions	President of Programator (listed) and Nordic Manager of Cap Gemini, Board work and management consulting.	Nokia group 1985–2012, including EVP Customer and Market Operations, SVP Corporate Alliances and Business Development. President and CEO of Sonera (TeliaSonera).	Sales Director of IBM Svenska AB and President of Oracle Sweden, Nordics and Baltics.	Acting President and CEO of Enea AB and Scanpix Sweden, Investment Manager of Catella Holding & Catella IT AB.	Chief Technology Officer Sony-Ericsson, President of C-Technologies AB.	Chairman and Board member of unlisted technology companies, Deputy CEO of the Ericsson group.	Test Manager of CM at Enea, Consultant, AGA Process Controller, Energo developer control systems.
Directorships	Chairman of PocketMobile Communications AB, Infobric, Multisoft Consulting and JVAB, as well as a Board member of Acando AB.	Board member of the Swedish School of Economics Trust, Board member of PALTA (Finnish employers' organisation).	Chairman of Enaco and Remium Nordic and directorships in a number of unlisted companies.	Board member of Almega IT & Telekomföretagen, Grant Thornton Sweden AB and Lindebergs Intressenter AB.	Board member of Precise Biometrics AB and directorships in a number of unlisted companies.	Board member of Transmode AB, Flexenclosure AB, Clavister Holdingbolag AB and directorships in a number of unlisted companies.	–
Own and related parties' shareholdings 2014 (2013)	15,000 (15,000)	0	10,000 (10,000)	2,500 (2,500)	990 (990)	0	2,250 (2,250)
Committee positions	Remuneration Committee.	Audit Committee.	Remuneration Committee.	Audit Committee.	–	Audit Committee.	–
Primary employment	Management consulting and directorships.	EVP, Head of Region Europe, TeliaSonera.	Consultant.	President of Enfo Pointer AB.	Partner of EMA-Technology and Consulting.	Strategic Consultant and directorships.	Team Manager, OSE.
Attendance, Board meetings	9	9	9	8	9	9	8
Attendance, Committee meetings	4	4	4	4	Non-member.	4	Non-member.

Enea's Board of Directors as of 31 December 2014. All shareholdings, including related parties as of 31 December 2014.

MANAGEMENT 2014







Name	Anders Lidbeck	Håkan Rippe	Karl Mörner	Adrian Leufvén	Bogdan Putinica	Daniel Forsgren	Kirk Fuller
Born	1962	1968	1975	1972	1977	1973	1958
Employed since	2011	2009	1998	1998	2007	2006	2014
Member of management since	2011	2009	2011	2008	2011	2014	2014
Position	President and Chief Executive Officer.	CFO.	Senior Vice President R&D.	Senior Vice President Software Sales Key Accounts Europe & Asia.	Senior Vice President Global Services.	Senior Vice President Product Management.	Senior Vice President, Sales and Strategic Alliances.
Education	M.Sc. in Business Administration and Economics, University of Lund.	M.Sc. in Industrial Engineering and Management, Chalmers University of Technology, Gothenburg.	Software Engineering, University of Skövde.	M.Sc. Mechatronics, Royal Institute of Technology, Stockholm	International Finance and Banking, Academy of Economic Studies, Bucharest, Romania.	Industrial Engineering and Management, M.Sc. in Applied Physics and Electrical Engineering, Linköping Institute of Technology.	M.Sc. in Computer Science, Central Michigan University, B.Sc. in Business Administration, Aquinas.
Previous positions	President and CEO of Telelogic, sales and marketing positions at Nokia, ICL and Telia Megacom, including as President of ICL Direct in Benelux and Vice President of Sales and Marketing for ICL Industry systems Europe.	Head of Business Development at Enea, Senior Vice President Nordic Consulting at Enea, Business Development Executive at IBM Rational Software and Executive Vice President Corporate Development at Telelogic.	Director of Product Management at Enea, Director of System Management at Enea, System Architect at Enea and Team Leader at Enea.	Development Manager at Enea, VP Strategic Outsourcing at Enea, VP Support at Enea, VP Marketing at Enea, Director Asian Sales at Enea.	CEO of Enea Romania, Global Sales Director Product Services at Enea Romania and President of IP Devel.	Principle Engineer at Enea's CTO office, System Architect, System Manager, Software Engineer at Enea. Software Engineer at Virtutech.	VP, Worldwide Field Operations and Sales—Simics, Wind River Systems (an Intel Subsidiary); SVP, WW Field Operations, Virtutech, Inc.
Own and related parties' shareholdings 2014 (2013)	50,000 (through endowment insurance) (50,000).	45,000 (of which 35,000 through endowment insurance).	500 (500)	17,000 (29,500)	3,500 (3,500)	11,000 (0)	0 (0)

Oskar Swirtun was part of Enea's management team as Interim SVP Marketing in the financial year 2014.

is largely defined-benefit. The ITP plan is covered by insurance through Alecta. Pension premiums are paid continuously.

Severance pay

A six-month notice period applies in the event of termination of employment of the CEO initiated by either the company or the CEO. In addition, severance pay corresponding to six months' basic salary is payable should employment be terminated by the company. Should the ownership structure change so that a new majority shareholder emerges, the CEO is entitled to severance pay of six months' salary. All dismissal and severance pay are deducted from any other income. For other senior executives, a notice period of three to twelve months applies.

The Board of Directors reserves the right to depart from the proposed guidelines in individual cases where special conditions apply.

CEO

Anders Lidbeck has been Enea's CEO since 2011. The CEO's other significant assignments and previous experience are detailed in the presentation of senior executives on page 23. Anders Lidbeck has no significant shareholdings in companies that Enea has a business relationship with.

Internal control and risk management of financial reporting

The Board is responsible for internal control in accordance with the Swedish Companies Act, the Swedish Annual Accounts Act and the Swedish Code of Corporate Governance. The following description is limited to internal controls over financial reporting.

Control environment

Enea's objective is to fulfil the requirements for ongoing work pertaining to risk and internal control as part of Enea's compliance with the Swedish Code of Corporate Governance. At Enea, internal control over financial reporting is an integral part of corporate governance. It includes procedures and methods to secure the group's assets and the accuracy of financial reporting, and this aims to protect shareholders' investments in the company.

The Board monitors the quality of the financial reporting in a number of ways. The Board approves the rules of procedure each year, which include regulating the duties of the Chairman and CEO. According to these instructions, the CEO is responsible for reviewing and ensuring the quality of financial reporting, and for ensuring that the Board of Directors receives the reports required in order to evaluate the group's financial position on a continuous basis. The instructions to the CEO include matters on which the CEO is authorised to represent the company, but only after receiving authorisation or approval from the Board.

At the statutory Board meeting following the Annual General Meeting, Enea's Board of Directors adopts the Rules of Procedure for the Board of Directors, the Audit Committee and the Remuneration Committee.

In addition, the instruction to the CEO, approvals list and instruction for trading in the company's shares are approved.

Enea's CEO and group management bear operational responsibility for internal control. Based on the Board of Directors' guidelines alongside legislation and regulations governing financial reporting, management has established the division of roles and responsibilities for staff working on financial reporting in the group. The Group is divided into units, with each unit manager responsible for meeting objectives and budgets, as well as compliance with governance issues relating to the unit. Enea's organisational structure is presented on the Group's intranet so that roles and responsibilities are made clear to everyone working on financial information.

Enea has issued instructions to subsidiary managers based on the framework and guidelines that apply to Enea AB's CEO. Enea also presents a number of policies on the intranet, which govern work at Enea and create a basis for good internal control, including a Finance Policy, Approvals Policy, IT Policy, Environmental Policy, Insider Trading Policy and Communications Policy. The Group also has an accounting and reporting manual with instructions on the group's accounting policies, reporting instructions and a schedule that ensure that consistent and accurate accounting information is provided in a timely manner. These guidelines are followed up and updated regularly and presented to all employees who work directly or indirectly on financial reporting.

Risk assessment

The objective of Enea's risk assessment is to secure the group's earnings progress and financial position. Enea AB's Board of Directors approves Enea's risk management policies and guidelines, and the CEO and group management have operational responsibility. Regular risk assessments are carried out within the scope of Enea's monthly financial follow-ups by unit managers, the Management group and the controller, and measures are implemented as required.

Control activities

Enea's business areas are followed up monthly by the relevant manager and controller. Results are compared to previous figures and budgets for all units. Enea's group management held scheduled bi-monthly meetings in 2014 to monitor operations and business progress, the financial outcome against budget and preceding periods, to establish forward-looking sales and earnings forecasts, as well as determining necessary measures for ensuring good internal control. The CEO presents an aggregated monthly report to the Board of Directors. When necessary, more detailed follow-ups are carried out, for example, in the form of reviews of subsidiaries by controllers.

In 2014, Enea's Auditors conducted a summary review of quarter three Interim Report and submitted a review in the Interim Report for 1 January–30 September 2014, and a review of the annual financial statement when presenting their Audit Report in the company's Annual Report 2014.

Given the scope and limited complexity of operations, combined with existing reporting to the Board of Directors and Audit Committee, the Board does not consider the establishment of a specific internal audit function to be financially justifiable. The internal control described above is deemed sufficient to assure the quality of financial reporting.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK 000 (1 January–31 December)	Note	2014	2013
Net sales		**429,298**	**408,518**
Operating expenses			
Cost of sold products and services		–120,850	–111,576
Gross profit		**308,448**	**296,942**
Sales and marketing expenses		–80,338	–76,052
Product development expenses		–87,895	–90,362
Administrative expenses		–46,400	–48,412
Operating profit	3,4,5,6,7,10,11,22	**93,815**	**82,116**
Financial income		5,540	7,041
Financial expenses		–4,065	–5,351
Financial net	8	**1,475**	**1,690**
Profit before tax		**95,290**	**83,806**
Tax	9	–20,784	–20,631
Net profit		**74,506**	**63,175**
Other comprehensive income			
Exchange rate difference		14,341	1,012
Cash flow hedges, profit/loss before tax		–1,144	–743
Cash flow hedges, tax effect		252	163
Total comprehensive income for the year, net after tax		**87,955**	**63,607**
Profit for the period attributable to parent company shareholders		**74,506**	**63,175**
Comprehensive income for the period attributable to parent company shareholders		**87,955**	**63,607**
Earnings per share, SEK	17	4.58	3.83

The company has no outstanding instruments that may entail a dilution effect.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEK 000 (31 December)	Note	2014	2013
Assets			
Intangible assets	10	128,050	121,727
Equipment, tools, fixtures and fittings	11	7,712	9,877
Financial assets held for sale	12	14,300	–
Deferred tax assets	9	1,764	2,269
Other long-term receivables		468	1,009
Total fixed assets		**152,294**	**134,882**
Accounts receivable	13	119,766	104,949
Tax assets		6,280	2,567
Prepaid expenses and accrued income	14	23,801	21,371
Other receivables		791	11,891
Financial assets held for sale	12	20,615	–
Cash and cash equivalents		180,408	163,591
Total current assets		**351,661**	**304,369**
Total assets		**503,955**	**439,251**
Equity	16		
Share capital		18,356	18,356
Other paid-up capital		433,382	433,382
Reserves		–12,667	–26,116
Retained profits, including profit (loss) for the year		–38,782	–54,439
Total equity		**400,289**	**371,183**
Provisions			
Deferred tax liabilities	9	14,841	10,341
Other provisions		1,313	1,243
Total provisions		**16,154**	**11,584**
Current liabilities			
Accounts payable		3,357	7,080
Tax liabilities		2,047	1,594
Other liabilities		13,491	10,703
Derivative instruments	15	2,083	109
Accrued expenses and deferred income	18	66,534	36,998
Total current liabilities		**87,512**	**56,484**
Total equity and liabilities		**503,955**	**439,251**
Pledged assets		None	None
Contingent liabilities		–	–

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

SEK 000 (1 January–31 December)	Share capital	Other paid-up capital	Reserves: Cash flow hedges	Reserves: Translation reserve	Retained profits including profit (loss) for the year	Total equity
Opening equity, 1 Jan. 2013	**18,356**	**713,992**	**580**	**–27,128**	**–338,586**	**367,214**
Comprehensive income						
Profit for the year					63,175	63,175
Other comprehensive income						
Cash flow hedges, profit/loss before tax			–743			–743
Cash flow hedges, tax effect			163			163
Translation difference				1,012		1,012
Total other comprehensive income			**–580**	**1,012**		**432**
Total comprehensive income			**–580**	**1,012**	**63,175**	**63,607**
Transactions with shareholders						
Dividend	–9,177				–40,304	–49,481
Reduction of share capital	–629				629	–
Bonus issue	9,806	–280,610			270,804	–
Share savings plan					3,432	3,432
Repurchase of treasury shares					–13,589	–13,589
Total transactions with shareholders	**–**	**–280,610**			**220,972**	**–59,638**
Closing equity, 31 Dec. 2013	**18,356**	**433,382**	**–**	**–26,116**	**–54,439**	**371,183**
Opening equity, 1 Jan. 2014	**18,356**	**433,382**	**–**	**–26,116**	**–54,439**	**371,183**
Comprehensive income						
Profit for the year					74,506	74,506
Other comprehensive income						
Cash flow hedges, profit/loss before tax			–1,144			–1,144
Cash flow hedges, tax effect			252			252
Translation difference				14,341		14,341
Total other comprehensive income			**–892**	**14,341**		**13,449**
Total comprehensive income			**–892**	**14,341**	**74,506**	**87,955**
Transactions with shareholders						
Dividend	–9,178				–40,143	–49,321
Reduction of share capital	–339				339	–
Bonus issue	9,517				–9,517	–
Share savings plan					5,706	5,706
Repurchase of treasury shares					–15,234	–15,234
Total transactions with shareholders	**–**	**–**			**–58,849**	**–58,849**
Closing equity, 31 Dec. 2014	**18,356**	**433,382**	**–892**	**–11,775**	**–38,782**	**400,289**

CONSOLIDATED CASH FLOW STATEMENT

SEK 000 (1 January–31 December)	Note 20	2014	2013
Operating activities			
Profit before tax		95,290	83,806
Adjustment for items not included in cash flow		23,563	23,262
		118,853	107,068
Tax paid		–18,558	–19,073
Cash flow from operating activities before changes in working capital		**100,295**	**87,995**
Cash flow from changes in working capital			
Change in operating receivables		–9,476	12,813
Change in operating liabilities		25,360	–24,192
Cash flow from changes in working capital		**15,884**	**–11,379**
Cash flow from operating activities		**116,179**	**76,616**
Investing activities			
Purchase of intangible assets	10	–13,432	–12,554
Purchase of property, plant and equipment	11	–1,584	–1,723
Purchase of financial assets		–33,876	–7
Divestment of operations		10,368	18,000
Cash flow from investing activities		**–38,524**	**3,716**
Financing activities			
Dividend		–49,321	–49,481
Repurchase of treasury shares		–15,234	–13,589
Cash flow from financing activities		**–64,555**	**–63,070**
Cash flow for the year		**13,100**	**17,262**
Cash and cash equivalents at beginning of year		163,591	146,747
Exchange rate differences in cash and cash equivalents		3,717	–418
Cash and cash equivalents at end of year		**180,408**	**163,591**

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

SEK 000 (1 January–31 December)	Note	2014	2013
Net sales	2	**51,591**	**48,823**
Operating expenses			
Administrative expenses		–51,591	–48,740
Operating profit	3,4,5,6,7,10,11,22	**–**	**83**
Interest income and similar income items		2,540	3,328
Interest expenses and similar expense items		–318	–620
Financial net	8	**2,222**	**2,708**
Profit after financial net		**2,222**	**2,791**
Appropriations		–574	–291
Profit before tax		**1,648**	**2,500**
Tax	9	–397	–577
Profit for the year		**1,251**	**1,923**

PARENT COMPANY BALANCE SHEET

SEK 000 (31 December)	Note	2014	2013
Assets			
Intangible assets	10	1,035	52
Equipment, tools, fixtures and fittings	11	2,656	3,924
Participations in group companies	19	172,034	172,034
Financial assets held for sale	12	14,300	–
Total fixed assets		**190,025**	**176,010**
Receivables from group companies	21	11,850	2,781
Tax assets		2,721	1,582
Prepaid expenses and accrued income	14	4,898	4,931
Other receivables		–	10,370
Financial assets held for sale	12	20,615	–
Cash and bank balances		149,184	131,419
Total current assets		**189,268**	**151,083**
Total assets		**379,293**	**327,093**
Equity	16		
Restricted equity			
Share capital		18,356	18,356
Non-restricted equity			
Share premium reserve		3,050	2,711
Retained profits		197,388	254,653
Profit for the year		1,251	1,923
Total equity		**220,045**	**277,643**
Provisions			
Untaxed reserves		6,626	6,053
Total provisions		**6,626**	**6,053**
Liabilities			
Accounts payable		656	1,020
Liabilities to group companies	21	136,207	32,306
Other liabilities		1,958	1,031
Accrued expenses and deferred income	18	13,801	9,040
Total current liabilities		**152,622**	**43,397**
Total equity and liabilities		**379,293**	**327,093**
Pledged assets		None	None
Contingent liabilities		–	–

PARENT COMPANY STATEMENT OF CHANGE IN EQUITY

	Restricted equity		Non-restricted equity			
SEK 000 (1 January–31 December)	**Share capital**	**Statutory reserve**	**Share premium reserve**	**Retained profits including profit (loss) for the year**	**Profit (loss) for the year**	**Total equity**
Opening equity, 1 Jan. 2013	**18,356**	**280,610**	**2,082**	**34,480**		**335,528**
Redemption programme	–9,178			–40,303		–49,481
Reduction of share capital	–629		629			–
Bonus issue	9,807	–280,610		270,803		–
Share Savings Programme				3,262		3,262
Repurchase of treasury shares				–13,589		–13,589
Profit for the year					1,923	1,923
Closing equity, 31 Dec. 2013	**18,356**	**–**	**2,711**	**254,653**	**1,923**	**277,643**
Opening equity, 1 Jan. 2014	**18,356**	**–**	**2,711**	**256,576**		**277,643**
Redemption programme	–9,178			–40,143		–49,321
Reduction of share capital	–339		339			–
Bonus issue	9,517			–9,517		–
Share Savings Programme				5,706		5,706
Repurchase of treasury shares				–15,234		–15,234
Profit for the year					1,251	1,251
Closing equity, 31 Dec. 2014	**18,356**	**–**	**3,050**	**197,388**	**1,251**	**220,045**

PARENT COMPANY CASH FLOW STATEMENT

SEK 000 (1 January–31 December)	Note 20	2014	2013
Operating activities			
Profit (loss) before tax		1,648	2,500
Adjustment for items not included in cash flow		7,501	6,165
		9,149	8,665
Tax paid		–1,139	–1,953
Cash flow from operating activities before changes in working capital		**8,010**	**6,712**
Cash flow from changes in working capital			
Change in operating receivables		1,334	83,006
Change in operating liabilities		108,827	11,518
Cash flow from changes in working capital		**110,161**	**94,524**
Cash flow from operating activities		**118,171**	**101,236**
Investing activities			
Purchase of intangible assets	11	–1,096	–
Purchase of property, plant and equipment	10	–296	–781
Purchase of financial assets		–34,459	–
Cash flow from investing activities		**–35,851**	**–781**
Financing activities			
Dividend		–49,321	–49,481
Repurchase of treasury shares		–15,234	–13,589
Cash flow from financing activities		**–64,555**	**–63,070**
Cash flow for the year		**17,765**	**37,385**
Cash and cash equivalents at beginning of year		131,419	94,034
Cash and cash equivalents at end of year		**149,184**	**131,419**

NOTE 1 – Accounting principles

Amounts in SEK 000 unless otherwise stated.

Compliance with standards and legislation

The consolidated accounts have been prepared in accordance with the Swedish Annual Accounts Act, International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB), and interpretation pronouncements from the International Financial Reporting Interpretations Committee (IFRIC) as endorsed by the EU. The Swedish Financial Reporting Board's recommendation RFR 1 Supplementary accounting rules for groups has also been applied.

The parent company applies the same accounting policies as the group except in the cases stated below in the section on "parent company accounting policies". The inconsistencies between the parent company's and the group's policies stem from the limited potential for applying IFRS to the parent company as a consequence of the Swedish Annual Accounts Act, and in some instances, for tax reasons.

Conditions applying to preparation of parent company financial statements and consolidated financial statements

The parent company's functional currency is Swedish kronor (SEK) which also constitutes the presentation currency for the parent company and the group. This means that the financial statements are presented in SEK. Assets and liabilities are recognised at historical cost, except certain financial assets and liabilities, which are measured at fair value.

In order to prepare financial statements in accordance with IFRS, management is required to make accounting judgements and estimates as well as assumptions that affect the application of the accounting policies and the carrying amounts of assets, liabilities, income and costs. The estimates and assumptions are based on historical experience and a number of other factors that are deemed reasonable under prevailing circumstances. The result of these estimates and assumptions are then used to assess the carrying amounts of assets and liabilities that are not otherwise clear from other sources. Actual outcomes may differ from these estimates and judgements.

The estimates and assumptions are reviewed regularly. Changes to estimates are recognised in the period in which the change is made if the change has only affected that period, or in the period in which the change is made and future periods if the change affects both the current period and future periods.

When applying IFRS, assessments made by executive management that have a significant impact on the financial statements and the estimates and which could result in substantial adjustments to the financial statements of subsequent years are described in greater detail in Note 24.

The accounting policies stated below for the group have been applied consistently to all periods presented in the consolidated accounts unless otherwise stated. The group's accounting policies have been applied consistently to the recognition and consolidation of subsidiaries.

Changes in accounting policies and disclosures

New and revised standards and interpretations of existing standards applied by the group

IFRS 10, "Consolidated Financial Statements"

The standard is based on existing policies since it identifies control as the decisive factor in determining whether a company needs to be included in the consolidated financial statements and also provides further guidance for how to determine whether there are grounds for control in cases where this may be difficult to determine. The standard also denotes how the consolidated financial statements should be presented. The standard came into effect on 1 January 2014. The standard does not have any material impact on the consolidated financial statements.

IFRS 12 "Disclosures of Interests in Other Entities"

StThe standard covers disclosure requirements for all forms of holdings in other companies, such as subsidiaries, joint arrangements, associated companies and consolidated structured entities. The standard applies from 1 January 2014 and does not have any material impact on the consolidated financial statements.

Other standards, amendments and interpretation statements that apply to the financial year beginning on 1 January 2014 have not had any significant impact on the consolidated financial statements.

New standards, amendments and interpretation statements regarding existing standards that have not been applied prospectively by the group

A number of new standards and amendments to existing standards and interpretations come into effect for financial years beginning after 1 January 2014 and have not been applied prospectively by the group. The following is a description of new and amended standards that are regarded as relevant to and that could impact future consolidated financial statements.

IFRS 9 "Financial Instruments"

The standard deals with the presentation, measurement and recognition of financial liabilities and assets. The complete version of IFRS 9 was issued in July 2014 and replaces those parts of IAS 39 relating to the presentation and measurement of financial instruments. IFRS 9 retains a mixed-measurement model, although it has been simplified in some respects. There are three measurement categories for financial assets, amortised cost, fair value recognised in other comprehensive income and fair value recognised in the Income Statement. The presentation of an instrument depends on the company's business model and the characteristics of the instrument. Investments in equity instruments are recognised at fair value in the Income Statement but there is also an option to recognise the instrument at fair value in other comprehensive income on first-time recognition. In such cases, no reclassification to the Income Statement will occur when the instrument is sold. IFRS 9 also introduces a new model for computing credit loss provisions arising from doubtful debt. For financial liabilities, there is no change in presentation and measurement except in cases where a liability is reported at fair value in the Income Statement based on the fair value option. Changes in value attributable to changes in own credit risk are then recognised in other comprehensive income. IFRS 9 reduces the requirements for hedge accounting as the 80-125 criterion is replaced by a requirement for a economic relationship between the hedging instrument and the hedged item where the hedging ratio must correspond to that used in risk management. There are also only limited changes to the hedging documentation compared to those produced under IAS 39. The standard will apply from the financial year starting 1 January 2018. Prospective adoption is permitted. The group has not yet evaluated the effects of introducing the standard.

IFRS 15 "Revenue from Contracts with Customers"

IFRS 15 "Revenue from Contracts with Customers" regulates revenue recognition. The principles IFRS 15 is based on are intended to give users of financial reports more useful information about the company's revenue. The expanded disclosure requirements mean that information relating to revenue class, date of settlement, uncertainty associated with revenue recognition and cash flow attributable to the company's customer contracts must be presented. According to IFRS 15, income is recognised when the customer obtains control over the good or service sold and is able to utilise and obtain benefit from the good or service.

IFRS 15 replaces IAS 18 "Revenue" and IAS 11 "Construction Contracts" and associated SIC and IFRIC. IFRS 15 becomes effective on 1 January 2017. Prospective adoption is permitted. The group has not yet evaluated the implications of introducing the standard.

Segment reporting

The operating segments are reported in a manner that complies with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the function responsible for allocating resources and assessing the performance of segments. For the group, this function has been identified as the CEO. The group has applied IFRS 8 Operating segments effective 1 January 2009.

Classification, etc

Fixed assets and long-term liabilities in the parent company and group essentially consist only of amounts expected to be recovered or paid after more than 12 months of the reporting date. Current assets and current liabilities in the parent company and group essentially consist only of amounts expected to be recovered or paid within 12 months of the reporting date.

Consolidation policies

Subsidiaries

Subsidiaries are companies over which Enea AB exercises a controlling influence. Controlling influence entails a direct or indirect right to determine a company's financial and operational strategies with the purpose of generating financial benefits. When assessing whether controlling influence exists, shares providing potential entitlement to votes that can be utilised or converted without delay are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements as of the date on which the controlling influence is transferred to the group until the time that the controlling influence ceases.

The purchase method is used to recognise the group's business combinations. The purchase consideration for the acquisition of a subsidiary comprises the fair value of transferred assets, liabilities and the shares issued by the group. The consideration also includes the fair value of all assets or liabilities resulting from an agreement concerning a contingent consideration. Acquisition-related costs are expensed as they arise. Identifiable acquired assets and assumed liabilities in a business acquisition are initially measured at fair value on the date of acquisition. For each acquisition, the group determines whether all non-controlling interests in the acquired company

are recognised at fair value or at the proportionate share of net assets of the acquired company.

The amount by which the transferred consideration, any non-controlling interests and the fair value of previous shareholdings on the date of transfer exceeds the fair value of the group's share of identifiable acquired net assets is recognised as goodwill. When the difference is negative, it is recognised directly in profit or loss.

Intra-group receivables, liabilities, income or expenses and unrealised gains or losses attributable to intra-group transactions are eliminated when the consolidated financial statements are prepared.

Unrealised losses are eliminated in the same manner as unrealised gains.

Foreign currency

Transactions in foreign currency

Transactions in foreign currencies are translated into the functional currency at the rate of exchange ruling on the transaction date. Monetary assets and liabilities in foreign currencies are translated into the functional currency at the rate of exchange ruling on the reporting date. Exchange rate differences arising in conjunction with such translation are recognised in profit or loss. Exchange rate differences on non-monetary assets and liabilities are recognised in operating profit, while exchange rate differences on monetary assets and liabilities are recognised in financial net. Non-monetary assets and liabilities that are recognised at historical cost are translated at the rate of exchange ruling on the transaction date. Non-monetary assets and liabilities recognised at fair value are translated into the functional currency at the rate of exchange ruling on the date of fair value measurement. The exchange rate change is then recognised in the same way as the other value changes in respect of the asset or liability.

Functional currency is the currency in the primary economic environments where the companies included in the group run their business. The companies included in the group are the parent company and subsidiaries. The parent company's functional currency and reporting currency is Swedish kronor (SEK). The group's reporting currency is SEK.

Financial statements of foreign operations

Assets and liabilities in foreign operations, including goodwill and other consolidated surplus and deficit value, are translated to SEK at the closing day date. Income and expenses in foreign operations are translated to SEK using an average exchange rate that represents an approximation of the exchange rates for each particular transaction date. Translation differences that arise from currency translation of foreign operations are recognised in other comprehensive income. On the sale of a foreign operation, the accumulated translation differences attributable to the operation are realised. Accumulated translation differences are presented as a separate category under "Reserves" and include translation differences accumulated from 1 January 2004 onwards. Accumulated translation differences before 1 January 2004 are allocated to other equity categories and are not recognised separately.

Revenue

The group generates revenue from sales of software and services.

The following are the criteria for recognising the revenue from licenses and, wherever appropriate, the revenue from services:

- A written contract signed by both parties,
- Delivery has occurred,
- The license fee must be a fixed amount or calculated using a reliable method, and no withdrawal options are available, or the credit period is less than 12 months,
- It is probable that payment will be received.

Software sales

Sales of software generate revenue in the form of license fees, buyouts (the customer purchases the product for an unlimited time), royalties and maintenance contracts.

Developer licenses and buyouts

For both developer licenses and buyouts, income is recognised when delivery of the software has been completed. Income from time-based license fees is accrued over the contract period in accordance with the economic substance of the contract, while income from non-time-based license fees and buyouts is recognised at delivery when no material obligations remain.

Support and maintenance are sold in part separately and in part together with the licenses. Separate maintenance contracts normally have a term of 12 months and the income is allocated on a straight-line basis over the contract term.

In connection with sales of time-based developer licenses, support and maintenance is included in the license fee, as is entitlement to upgrades. In respect of such multi-component contracts, revenue from license sales is recognised in the amount representing the fair value of the license in relation to the fair value of the sales contract as a whole. Revenue from the service component, which corresponds to the fair value of the service component in relation to the fair value of the sales contract, is allocated over the service period. The fair value of the various components is measured on the basis of current market prices of these components when they are sold separately.

Product licenses (royalties)

Royalty revenue is allocated in accordance with the economic substance of the relevant agreement, went full delivery has been completed.

Services

The revenue from service assignments rendered on open account is recognised as the work is completed. The revenue from services that are based on a functional undertaking are recognised on a straight-line basis over the contract term during which the services are rendered. A functional undertaking involves a service function with an indefinite number of services that are to be maintained over a specific period. Revenue from projects that are executed on a fixed-fee basis is recognised by degree of completion, which is determined on the basis of contract costs incurred in relation to estimated contract costs for the whole contract in accordance with the percentage of completion method. If a loss risk is deemed to exist, individual provisions are posted continuously.

Operating expenses and financial income and expenses

Cost of operating leases

The cost of operating lease arrangements is recognised on a straight-line basis in profit or loss over the lease term. Benefits accrued on signing an agreement are recognised as a part of the total lease expense in profit or loss.

Financial income and expenses

Financial income and expenses may consist of interest income from bank balances and receivables and fixed-income securities, interest on loans, dividend income, exchange rate differences and unrealised and realised gains on financial investments, as well as derivative instruments used in financing activities.

Interest income on receivables and interest expenses on liabilities are measured using the effective interest rate method. The effective interest rate is the interest rate that makes the current value of all future deposits and disbursements during the fixed interest term the same as the carrying amount of the receivable or liability. Interest income includes accrued amounts of transaction expenses and any discounts, premiums and other differences between the original value of the receivable and the amount received upon maturity. The group does not capitalise interest on the cost of assets, since its development projects do not extend over a period exceeding one year.

Financial instruments

Financial instruments recognised in the Balance Sheet include, on the assets side, financial assets held for sale, cash and cash equivalents and accounts receivable, and, on the liabilities and equity side, accounts payable and other current and non-current liabilities. A financial asset or financial liability is recognised in the Balance Sheet when the company becomes a party to the contractual terms of the instrument. Accounts receivable are recognised in the Balance Sheet when the invoice has been sent.

Accounts payable are recognised in the Balance Sheet when the invoice has been received. A financial asset is derecognised from the Balance Sheet when the contractual rights have been realised, expire or the company loses control over them. Spot purchases and sales of financial assets are recognised on the transaction date, which is the date on which the company commits to acquire or sell the asset. A financial liability is derecognised from the Balance Sheet when the contractual obligation has been fulfilled or is in some other way extinguished.

The fair value of quoted financial assets corresponds to the highest price paid quoted for the asset on the reporting date. Should no such price be available, valuation takes place through generally acceptable methods, such as discounting of future cash flows to the market interest rate for the particular maturity.

For short-term loans and investments, the fair value is assumed to correspond to book value since a change in market interest rates would not have a material effect on market value.

Financial assets and liabilities are offset and recognised in a net amount in the Balance Sheet only when a legal right exists to offset the items and there is an intention to settle the amount net, or to simultaneously realise the asset and settle the liability. Financial assets and liabilities are divided into the following categories according to IAS 39.

Loans and accounts receivable

This category includes financial assets that are not derivative instruments, with fixed or determinable payments, and that are not listed on an active market. These receivables arise when money, goods or services are provided directly to another party without an intention to trade in the receivables. The assets in this category are measured at amortised cost, less any provision for value depletion. The category includes accounts receivable and cash and cash equivalents.

Accounts receivable

When the estimated maturity of accounts receivable is short, recognition occurs in the amount expected to flow in based on an individual assessment of doubtful receivables and without discounting, according to the method for recognising accrued cost. Any impairment losses on accounts receivable are recognised in operating profit.

Cash and cash equivalents

Cash and cash equivalents consist of cash at financial institutions and short-term investments with an original maturity of less than three months. Cash and cash equivalents are recognised at nominal amount.

Financial assets held for sale

Financial assets held for sale are assets that are not derivatives and where the assets have been identified as being held for sale or have not been classified in any other category. The assets form part of non-current assets unless management intends to divest the asset within 12 months of the end of the reporting period.

Financial assets at fair value through profit or loss

This category includes assets intended to be sold in the short term. Derivatives with a positive market value are included in this category if they are not subject to hedge accounting. The assets in this category are measured continuously at fair value and the changes in value are recognised in profit or loss. During the year, no financial derivatives were classified in this category.

Financial liabilities measured at fair value through profit or loss

This category includes derivative instruments with a negative market value if they are not subject to hedge accounting. Similarly, it includes financial liabilities held for sale. The liabilities in this category are measured continuously at fair value and the changes in value are recognised in profit or loss. During the year, no financial derivatives were classified in this category.

Recognition of derivatives used in hedge accounting

All derivatives are measured initially and then continuously at fair value in the Balance Sheet. Gains (loss)es arising from the re-measurement of derivatives are used for hedging purposes as follows. Changes in value pertaining to cash flow hedges are recognised in other comprehensive income and entered in profit or loss at the pace at which the hedged cash flow impacts profit or loss. Any ineffective component is recognised directly in profit or loss. Gains (loss)es arising from the re-measurement of derivatives intended as fair value hedges are recognised in profit or loss together with changes in the fair value of the receivable or liability that is exposed to the hedged risk. To qualify for hedge accounting, certain documentation is required concerning the hedging instrument and its relationship to the hedged item. The group also documents objectives and strategies for risk management and hedging measures together with an assessment of how effective the hedging relationship is in terms of evening out changes in fair value or cash flow for hedged items, both when the hedge is initiated and in continuous recognition.

Financial liabilities measured at amortised cost

This category includes financial liabilities that are not held for trading, such as accounts payable and loan liabilities. These are initially recognised at fair value, net, after transaction costs and subsequently at amortised cost, applying the effective-interest rate method.

Accounts payable

The measurement policy used for accounts payable is accrued cost. Since the expected maturity of accounts payable is short, such liabilities are recognised at a nominal amount without discounting.

FINANCIAL INSTRUMENTS BY CATEGORY

SEK 000	Loan receivables and accounts receivable	Assets at fair value through profit or loss	Derivative instruments used for hedging purposes	Financial assets held for sale	Total
31 Dec. 2014					
Assets in the Balance Sheet					
Accounts receivable and other receivables excluding interim receivables	126,837	–	–	–	126,837
Financial assets held for sale	–	–	–	34,915	34,915
Cash and cash equivalents	180,408	–	–	–	180,408
	307,245	**–**	**–**	**34,915**	**342,160**
31 Dec. 2013					
Assets in the Balance Sheet					
Accounts receivable and other receivables excluding interim receivables	119,407	–	–	–	119,407
Cash and cash equivalents	163,591	–	–	–	163,591
	282,998	**–**	**–**	**–**	**282,998**

SEK 000	Liabilities measured at fair value through profit or loss	Derivative instruments used for hedging purposes	Other financial liabilities	Total
31 Dec. 2014				
Liabilities in the Balance Sheet				
Derivative instruments		2,083	–	2,083
Accounts payable and other liabilities excluding financial liabilities	–	–	18,895	18,895
	–	**2,083**	**18,895**	**20,978**
31 Dec. 2013				
Liabilities in the Balance Sheet				
Derivative instruments	–	109	–	109
Accounts payable and other liabilities excluding financial liabilities	–	–	19,377	19,377
	–	**109**	**19,377**	**19,486**

Intangible assets

Goodwill

Goodwill represents the difference between the cost of an acquired business operation and the fair value of the acquired assets, assumed liabilities and contingent liabilities. Goodwill is measured at cost less any accumulated impairment. Goodwill is divided between cash-generating units and is impairment tested at least annually.

Research and development

Research expenses aimed at obtaining new scientific or technical knowledge are recognised as an expense when they arise.

Development expenditure, where the research results are aimed at achieving new or improved products or processes, is recognised as an asset in the Balance Sheet when the following criteria have been fulfilled:

- it is technically feasible to complete the asset,
- the company intends to complete the asset and use or sell it,
- the company has sufficient resources to complete development ,
- the asset is expected to generate future financial benefits,
- it is possible to measure the expenditure required to complete the asset reliably.

The carrying amount includes expenditure for materials, direct expenditure for salaries and indirect expenditure attributable to the asset in a reasonable and consistent manner. Other development costs are recognised as expenses in profit or loss when they arise. The development expenditure recognised in the Balance Sheet is booked at cost, less accumulated amortisation and impairment losses.

Other intangible assets

These consist mainly of trademarks and brands, licenses and contractual customer relations arising through business combinations. The assets are recognised at fair value on the acquisition date less accumulated amortisation.

Amortisation policies

Amortisation is recognised on a straight-line basis in profit or loss over the estimated useful life of the intangible assets, assuming that useful life is not indeterminable. Goodwill is impairment tested on a quarterly basis or as soon as there are indications that the asset in question has declined in value. Amortisable intangible assets are amortised as of the date on which they become available for use. The estimated useful life of capitalised development expenditure is between three and five years. Acquired trademarks and licenses are amortised over five years, while acquired contractual customer relations are amortised over three years.

Property, plant and equipment

Owned assets

Property, plant and equipment are recognised as assets in the Balance Sheet when it is probable that the future economic benefits associated with the holding will accrue to the company and that the cost of the asset can be measured reliably. Property, plant and equipment are recognised at cost in the group less accumulated depreciation and any impairment losses. Cost includes the purchase price and expenses directly attributable to bringing the asset to the site and condition required for it to be used in accordance with the aim of the purchase. Examples of directly attributable expenses included in cost are expenses for delivery and handling, installation, consultancy services and legal services.

Leased assets

IAS 17 is applied in respect of leased assets. In the consolidated accounts, leases are classified either as finance or operating leases. With no significant exceptions, all leases are operating and relate mainly to cars and rent for premises. For operating leases, the lease fee is expensed over the duration of the lease based on useful life, which can differ from the actual payment made to cover the leasing fee during the year. The cost of leasing is recognised on a straight-line basis over the useful life.

Depreciation policies

Depreciation is conducted on a straight-line basis over the asset's estimated useful life. The estimated useful life for property, plant and equipment such as equipment, tools and installations is five years. The useful life and residual value of assets are tested annually.

Impairment

The carrying amounts of the group's assets, with the exception of deferred tax assets and financial assets, are impairment tested at each reporting date. If there is any indication of impairment, the recoverable amount of the asset is calculated. For the exempted assets as stated above, the carrying amounts are tested in accordance with the relevant standard. For goodwill and intangible assets, which are not yet ready for use, the recoverable amount is estimated annually.

If it is not possible to determine essentially independent cash flows for an individual asset, the assets are to be grouped at the lowest level at which it is possible to identify essentially independent cash flows (known as a cash-generating unit). An impairment loss is recognised when the carrying amount of an asset or cash-generating unit exceeds the recoverable amount. Impairment is recognised as an expense in profit or loss.

Impairment of assets identified for a cash-generating unit (group of units) is allocated initially to goodwill. Subsequently, proportional impairment of other assets included in the unit (group of units) is conducted.

Measurement of recoverable amounts

The recoverable amount is the highest of the fair value less selling expenses and value in use. When calculating the value in use, future cash flow is discounted using a discount rate that takes into account risk-free interest and the risk associated with the specific asset. For an asset that does not generate cash flows that are significantly independent of other assets, the recoverable amount is calculated for the cash-generating unit to which the asset belongs.

Reversal of impairment losses

Goodwill impairments are not reversed. Impairment losses on other assets are reversed if a change occurs in the assumptions that formed the basis for the measurement of the recoverable amount. A reversal is only conducted to the extent that the asset's carrying amount after reversal does not exceed the carrying amount that would have been recognised, less the depreciation that would then have been applied, if no impairment loss had been recognised.

Employee benefits

Pensions

Obligations regarding fees for defined-contribution plans are recognised as expenses in profit or loss when they arise. All pension solutions in foreign subsidiaries are classified and recognised as defined-contribution plans, which means that the group's profit (loss) is charged with pension expenses in pace with the vesting of benefits.

Salaried employees in Sweden are covered by the ITP plan, which is recognised as a defined-contribution pension plan. Commitments for retirement pensions and survivors' pensions for salaried employees in Sweden are assured through an insurance policy with Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10, this is a multi-employer defined-benefit plan. Alecta is unable to provide Enea or other Swedish companies with sufficient information to determine an individual company's share of the total commitment and its plan assets. Accordingly, ITP pension plans covered by insurance with Alecta are recognised as defined-contribution. This plan is being financed on an ongoing basis through pension insurance policies. Alecta's surplus can be distributed to the policyholders and/or the insured. The collective consolidation ratio consists of the market value of Alecta's assets as a percentage of its insurance obligations, calculated in accordance with Alecta's actuarial accounting assumptions, which do not comply with IAS 19.

Severance pay

In conjunction with notice of employment termination, a provision is posted only if the company is contractually obligated to terminate an employment position before the normal time, or when payments are made as an offering to encourage voluntary termination. For cases in which the company implements personnel cutbacks, a detailed plan is prepared that covers at least the workplace concerned, positions, and the approximate number of affected employees and disbursements for every personnel category or position, as well as a time schedule for the plan's implementation.

Remuneration of senior executives
The guidelines for remuneration of senior executives are adopted by the Annual General Meeting. For group management, salaries and other employment conditions are applied based on market conditions. In addition to basic annual salaries, members of the group's Executive Management Team receive variable remuneration based on earnings performance in relation to predetermined targets. Remuneration of certain senior executives within the Enea group can also be paid in the form of share-based payment.

Share-based payment
The group has two outstanding Share Savings Programmes from which payments are made in the form of shares, with the company receiving services from employees as payment for the group's equity instruments (shares). The fair value of the service that provides the employees with entitlement to an allotment of equity instruments is expensed over the vesting period. The Share Savings Programme is measured using conventional models. For more information about the Share Savings Programme, also refer to Note 22.

Provisions
A provision is recognised in the Balance Sheet when the group has an existing legal or informal commitment resulting from an event that has occurred, and it is probable that an outflow of resources will be required to settle the commitment and the amount concerned can be reliably estimated. If the effect of when payment is made is significant, the provision is measured by means of discounting of the anticipated future cash flow at a pre-tax interest rate that reflects current market assessments of the time value of money and, where applicable, the risks associated with the liability.

Restructuring
A provision for restructuring is recognised when the group has established a detailed and formal restructuring plan, and restructuring has either been commenced or announced publicly. No provisions are made for future operating expenses.

Onerous contracts
A provision for onerous contracts is recognised when the expected benefits that the group is expecting to obtain from a contract are lower than the unavoidable costs for fulfilling the terms of the contract.

Taxes
Income taxes comprise current tax and deferred tax. Income tax is recognised in profit or loss, except when the underlying transaction is recognised directly against equity, in which case the related tax effect is recognised in equity. Current tax is tax to be paid or recovered for the current year using the tax rates already enacted or substantively enacted at the reporting date, including adjustments of current tax attributable to earlier periods.

Deferred tax is calculated in accordance with the balance sheet method, based on temporary differences between carrying amounts and tax bases of assets and liabilities. The following temporary differences are not taken into account: temporary differences arising upon initial recognition of goodwill; initial recognition of assets and liabilities that are not business combinations and which at the time of the transaction did not affect either recognised or taxable gains. Temporary differences attributable to participations in subsidiaries that are not expected to be reversed in the foreseeable future are not taken into account. Measurement of deferred tax is based on how the carrying amount of underlying assets or liabilities is expected to be recovered or settled. Deferred tax is measured using the tax rates and regulations enacted or substantively enacted at the reporting date.

Deferred tax assets pertaining to deductible temporary differences and tax loss carry-forwards are only recognised insofar as they are likely to be utilised in the future. The value of deferred tax assets is reduced when it is no longer probable that the assets can be utilised. Any additional income tax relating to dividends is recognised at the same date as the dividend is recognised as a liability.

Financial risks
The greatest financial risk is currency risk. Enea has a financial policy established by the Board, which forms a framework of guidelines for managing financial risks. A detailed description of the financial risks is presented in the Directors' Report.

Earnings per share
The measurement of earnings per share is based on consolidated profit for the year attributable to the parent company's shareholders and on the weighted average number of shares outstanding during the year. When measuring earnings per share after dilution, earnings and the average number of shares is restated to take into account the diluting effects of potential common shares, which arise during reported periods from convertible debentures and warrants issued to employees. Dilution occurs only when the share price is lower than the market price. The share price is adjusted by means of a supplement for the value of future services linked to an equity-settled stock option programme recognised as share-based payments in accordance with IFRS 2.

Contingent liabilities
A contingent liability is recognised when there is a possible commitment deriving from events that have occurred whose existence can only be confirmed if one or more uncertain future events occur or when there is a commitment that has not been recognised as a liability or entered as a provision because it is not certain that an outflow of resources will be required.

Parent company's accounting policies
The parent company has prepared its annual accounts in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Accounting Standards Council's recommendation RFR 2 Accounting for Legal Entities. According to RFR 2, the parent company, as the legal entity, must apply all of the EU-approved IFRS and statements insofar as this is possible within the framework of the Swedish Annual Accounts Act and taking into account the relationship between accounting and taxation. The recommendation indicates the exceptions and supplements that are to be made compared with IFRS. The differences between the group's and parent company's accounting policies are described below.

Differences between the group's and parent company's accounting policies
The differences between the group's and parent company's accounting policies are described below. The accounting policies stated below for the parent company were applied consistently in all periods presented in the parent company's financial statements.

Subsidiaries
Participations in subsidiaries are recognised in the parent company in accordance with the cost method. Dividends received are only recognised as revenue if they are derived from profits earned after acquisition. Dividends in excess of such earnings are regarded as repayment of the investment and reduce the carrying amount of the participating interest.

Dividends
Dividends to the parent company's shareholders are recognised as liabilities in the consolidated financial statements for the period in which the dividend is approved by the parent company's shareholders. Anticipated dividends from subsidiaries are recognised if the parent company has sole entitlement to decide on the size of the dividend and the parent company has made a decision on the size of the dividend before the parent company has published its financial statements.

Taxes
The parent company recognises untaxed reserves including deferred tax liabilities. In the consolidated financial statements, however, untaxed reserves are divided into deferred tax liabilities and equity.

Group and shareholder contributions for legal entities
Shareholder contributions are entered directly in the equity of the recipient and are capitalised in shares and participations by the donor, to the extent that impairment is not required. Due to the correlation between recognition and taxation, group contributions paid by the parent company to subsidiaries are recognised as a financial cost in profit or loss. Group contributions received are recognised as appropriations. The tax effect is recognised in accordance with IAS 12.

NOTE 2 – Nature of income and operating segment reporting

Operating segments are recognised in accordance with how financial information is presented internally to the chief operating decision-maker. The chief operating decision-maker is the function responsible for allocating resources and evaluating the performance of segments.

In the group, this function has been identified as the CEO and Enea reports the whole operation as a single segment.

Sales by type of income	2014	2013
Time-based developer licenses including support and maintenance	136,354	139,329
Non-time-based developer licenses	5,395	7,700
Production licenses (Royalties)	145,348	141,005
Services	133,098	111,283
Other	9,103	9,201
	429,298	**408,518**

Sales by product group	2014	2013
RTOS including tools	252,663	252,436
Middleware	33,584	29,960
Services	133,411	111,283
Other	9,640	14,839
	429,298	**408,518**

Sales by geography	2014	2013
Sweden	184,955	192,460
Americas	113,097	112,392
Rest of Europe and Asia	131,246	103,666
	429,298	**408,518**

Fixed assets by geography	2014	2013
Sweden	70,321	73,731
Americas	33,700	28,038
Rest of Europe and Asia	31,741	29,835
	135,762	**131,604**

Enea has a few major customers that account for a large portion of the company's sales. Two of the company's customers each account for 10 percent or more of the company's sales, with a share of 40 (43) percent and 14 (15) percent respectively of the company's sales.

NOTE 3 – Exchange rate gains and losses

	2014	2013
GROUP		
Exchange rate gains on operating receivables/liabilities	1,847	2,617
Exchange rate losses on operating receivables/liabilities	–1,448	–2,871

	2014	2013
PARENT COMPANY		
Exchange rate gains on operating receivables/liabilities	1	–
Exchange rate losses on operating receivables/liabilities	–1	–1

NOTE 4 – Employees and other senior executives

Average number of employees	2014 Total	2014 Of which men, %	2013 Total	2013 Of which men, %
Parent company	13	52	13	59
Subsidiaries	379	77	371	79
Group total	**392**	**77**	**384**	**78**
Of which:				
Sweden	88	78	97	79
US	56	82	52	77
Romania	228	74	209	77
China	4	75	9	71
Japan	4	100	4	100
France	3	100	5	83
Germany	4	75	4	75
United Kingdom	5	100	5	100
Group total	**392**	**77**	**384**	**78**

Division between sexes, group management				
Board of Directors	6	83	6	83
Other senior executives	8	100	7	86

Salary, other benefits and social security expenses	2014	2013
GROUP		
Salary and benefits*	170,284	174,580
Share-based payment*	5,706	3,262
* of which to the Board, CEO and other senior executives [1]	25,229	23,389
Pension expenses [2]	14,809	14,490
of which defined-benefit pension plans	–	–
of which defined-contribution pension plans	14,809	14,490
Other social security expenses	40,879	41,670
Total	**225,972**	**230,740**

Salary, other benefits and social security expenses	2014	2013
PARENT COMPANY		
Salary and benefits*	14,300	15,658
Share-based payment*	2,037	1,702
* of which to the Board, CEO and other senior executives [3]	10,094	11,313
Pension expenses [4]	3,612	2,952
of which defined-benefit pension plans	–	–
of which defined-contribution pension plans	3,612	2,952
Other social security expenses	4,950	5,358
Total	**22,862**	**23,968**

[1] Of the group's salary and benefits, SEK 1,779,000 (2,359,000) pertains to variable remuneration to the group comprising the Board of Directors and the CEO (including Presidents and Boards of subsidiaries).
[2] Of the group's pension expenses, SEK 2,144,000 (1,470,000) pertains to the group comprising the Board and CEO.
[3] Of the parent company's salary and benefits, SEK 771,000 (433,000) pertains to variable remuneration for the group comprising the Board and CEO.
[4] Of the parent company's pension expenses, SEK 1,902,000 (1,042,000) pertains to the group comprising the Board and CEO.

In accordance with the resolution by the Annual General Meeting, Board members appointed by the AGM who are not employed by the company received the following remuneration in 2014.

	Directors' fees	Audit Committee fees	Remuneration Committee fees	Extraordinary initiatives	Total
Anders Skarin (Chairman)	420	–	40	–	460
Kjell Duveblad	200	–	20	–	220
Åsa Landén Ericsson	200	60	–	–	260
Mats Lindoff	200	–	–	–	200
Robert W Andersson	200	30	–	–	230
Torbjörn Nilsson	200	30	–	–	230
Total 2014	**1,420**	**120**	**60**	**–**	**1,600**

In accordance with the resolution by the Annual General Meeting, Board members appointed by the AGM who are not employed by the company received the following remuneration in 2013.

	Directors' fees	Audit Committee fees	Remuneration Committee fees	Extraordinary initiatives	Total
Anders Skarin (Chairman)	420	–	40	–	460
Kjell Duveblad	200	–	20	–	220
Åsa Landén Ericsson	200	60	–	–	260
Mats Lindoff	200	–	–	–	200
Robert W Andersson	200	30	–	–	230
Torbjörn Nilsson	200	30	–	–	230
Total 2013	**1,420**	**120**	**60**	**–**	**1,600**

Summary of remuneration and other benefits in 2014.

	Fixed salary	Variable remuneration	Other benefits	Share-based payment	Total	Pension expense
CEO Anders Lidbeck	3,548	771	–	1,218	5,537	1,511
Other senior executives (7)	10,935	3,195	355	2,623	17,108	2,064
Total 2014	**14,483**	**3,966**	**355**	**3,841**	**22,645**	**3,575**

Summary of remuneration and other benefits in 2013.

	Fixed salary	Variable remuneration	Other benefits	Share-based payment	Total	Pension expense
CEO Anders Lidbeck	3,122	433	–	555	4,110	1,042
Other senior executives (6)	7,443	1,804	246	2,597	12,090	1,798
Total 2013	**10,565**	**2,237**	**246**	**3,152**	**16,200**	**2,840**

Remuneration to senior executives

Principles

The Chairman of the Board and Board members receive remuneration in accordance with the Annual General Meeting resolution. Employee representatives do not receive Directors' fees. Remuneration to the CEO is decided by the Chairman of the Board and Board members appointed by the Annual General Meeting following a proposal by the Remuneration Committee. The guidelines for remuneration to senior executives are adopted by the Annual General Meeting. For group management, salaries and other employment terms are on market basis. In addition to fixed annual salaries, group management also receives variable remuneration. The variable remuneration is based on earnings performance compared with predetermined targets and is capped at amounts fixed annually on an individual basis.

Remuneration of certain senior executives within the Enea group can also take the form of share-based payment. For more information, see Note 22.

Pension agreements

Other senior executives in Sweden have pension agreements within the framework of the ITP scheme, with a pensionable age of 65 and pension provisions are related to employee salaries. The ITP plan is essentially a defined benefit plan. The ITP plan is assured through an insurance policy with Alecta. Pension premiums are paid continuously.

Severance pay

Should notice of termination of employment of the CEO be initiated by either the company or the CEO, the term of notice will be six months. In addition, severance pay will be paid corresponding to six months' basic salary should employment be terminated by the Board. Should the ownership structure change in such a manner that results in a new majority shareholder in the company, the CEO is entitled to severance pay of six months' salary. All dismissal and severance pay are deducted from any other earned income. For other senior executives, a period of notice of three to 12 months is applied.

NOTE 5 – Fees and reimbursement to Auditors

Auditing assignments are defined as examinations of the Annual Report and financial statements, as well as of the administration of the Board of Directors and CEO, other duties that the company's Auditors are obliged to conduct and advice or other assistance required due to observations made during such reviews or during the performance of such other duties. All other work is defined as other assignments.

	2014	2013
GROUP		
Öhrlings PricewaterhouseCoopers		
Auditing	650	853
Audit in addition to the audit assignment	40	74
Tax consultancy	–	–
Other assignments	68	207
Other Auditors		
Auditing	–	189
Tax consultancy	–	150
Other assignments	–	340
	758	**1,813**

	2014	2013
PARENT COMPANY		
Öhrlings PricewaterhouseCoopers		
Auditing assignments	490	575
Audit in addition to the audit assignment	40	74
Tax consultancy	–	–
Other assignments	68	207
	598	**856**

NOTE 6 – Operating costs divided by type

	2014	2013
Consumables and subcontracting consultants	8,509	14,457
Other external costs	46,402	51,582
Personnel costs	261,979	242,166
Depreciation/amortisation and impairment losses	18,593	18,197
	335,483	**326,402**

Depreciation/amortisation and impairment losses for the year are allocated between cost of sold products and services totalling SEK 15.7 (13.6) million, sales and marketing expenses totalling SEK 0.1 (0.2) million, product development costs totalling SEK 1.1 (1.3) million and administrative costs totalling SEK 1.7 (3.1) million.

NOTE 7 – Leasing fees pertaining to operating leases

Operating leasing pertains mainly to vehicles and rents for premises.

	2014	2013
GROUP		
Leasing fee, current year	10,366	8,879
Contractual future minimum leasing fee within 1 year	8,810	7,502
Contractual future minimum leasing fee within 2–5 years	20,626	19,778

The group has no contractual future leasing fee with a term that exceeds five years.

	2014	2013
PARENT COMPANY		
Leasing fee, current year	6,051	6,037
Contractual future minimum leasing fee within 1 year	5,942	6,045
Contractual future minimum leasing fee within 2–5 years	12,961	18,835

The parent company has no contractual future leasing fee with a term that exceeds five years.

NOTE 8 – Financial net

	2014	2013
GROUP		
Interest income	1,985	1,920
Other financial income	708	–
Exchange rate gains	2,847	5,121
Financial income	**5,540**	**7,041**
Interest expenses	–88	–159
Exchange rate losses	–3,977	–5,192
Financial expenses	**–4,065**	**–5,351**
Financial net	**1,475**	**1,690**

	2014	2013
PARENT COMPANY		
Interest income, other	1,713	1,883
Interest income, group companies	–	1,179
Other financial income	708	–
Exchange rate gains	119	266
Interest income and similar income items	**2,540**	**3,328**
Interest expenses, other	–77	–153
Interest expenses, group companies	–182	–156
Exchange rate losses	–59	–311
Interest expenses and similar expense items	**–318**	**–620**
Financial net	**2,222**	**2,708**

NOTE 9 – Taxes

	2014	2013
GROUP		
Current tax expense		
Tax expense for the period	–15,401	–13,362
	–15,401	**–13,362**
Deferred tax		
- tax expense in loss carry-forwards utilised in the year	–1,194	–3,207
- tax expense/income pertaining to temporary differences	–4,189	–4,062
	–5,383	**–7,269**
Total tax expense recognised, group	**–20,784**	**–20,631**

Reconciliation of effective tax	**2014**	**2013**
GROUP		
Profit before tax	95,290	83,806
Standard rate tax 22.0%	–20,964	–18,437
Tax effect of		
- other tax rates in foreign subsidiaries	–152	–1,521
- utilisation of previously non-capitalised loss carry-forwards	223	145
- taxable loss carry-forwards for which no deferred tax assets were recognised	734	–477
- non-deductible costs	–615	–754
- non-taxable revenues	9	506
Other taxes	–11	408
Adjustment of tax for previous years	–8	–501
Total tax expense recognised, group	**–20,784**	**–20,631**
	22%	**25%**

	2014	2013
PARENT COMPANY		
Current tax		
Tax for the period	–397	–577
	–397	**–577**

Reconciliation of effective tax	**2014**	**2013**
PARENT COMPANY		
Profit before tax	1,648	2,500
Tax 22.0%	–363	–550
Tax effect of		
- non-deductible costs	–19	–17
- non-taxable revenues	3	–
Other taxes	–18	–10
Total tax recognised, parent company	**–397**	**–577**
	24%	**23%**

Deferred tax assets and liabilities	2014	2013
GROUP		
The following components are included in deferred tax assets and tax liabilities		
Deferred tax assets:		
- loss carry-forwards	1,608	1,529
- other temporary differences	156	740
Total deferred tax assets	**1,764**	**2,269**
Deferred tax liabilities:		
- temporary differences	14,841	10,341
Total deferred tax liabilities	**14,841**	**10,341**

Deferred tax assets for loss carry-forwards pertain to subsidiaries in Germany. Management believes that the capitalised loss carry-forwards will be utilised in the coming years. Non-capitalised deferred tax assets for unutilised deficits total SEK 3.3 million, of which SEK 0.5 million pertains to the UK and SEK 2.8 million to France.

NOTE 10 – Intangible assets

2013	Goodwill	Capitalised development expenditure	Other intangible assets	Total
GROUP				
Accumulated cost				
Opening balance, 1 Jan. 2013	99,490	148,788	23,189	271,467
Acquisition for the year	–	12,554	–	12,554
Translation difference for the year	1,409	–	628	2,037
Closing balance, 31 Dec. 2013	**100,899**	**161,342**	**23,817**	**286,058**
Accumulated amortisation and impairment losses				
Opening balance, 1 Jan. 2013	–17,664	–109,618	–22,706	–149,988
Amortisation and impairment losses	–	–12,615	–431	–13,046
Translation difference for the year	–669	–	–628	–1,297
Closing balance, 31 Dec. 2013	**–18,333**	**–122,233**	**–23,765**	**–164,331**
Carrying amount as at 31 Dec. 2013	**82,566**	**39,109**	**52**	**121,727**

2014	Goodwill	Capitalised development expenditure	Other intangible assets	Total
GROUP				
Accumulated cost				
Opening balance, 1 Jan. 2014	100,899	161,342	23,817	286,058
Acquisition for the year	–	12,336	1,096	13,432
Translation difference for the year	8,719	–	1,128	9,847
Closing balance, 31 Dec. 2014	**109,618**	**173,678**	**26,041**	**309,337**
Accumulated amortisation and impairment losses				
Opening balance, 1 Jan. 2014	–18,333	–122,233	–23,765	–164,331
Amortisation and impairment losses	–	–14,541	–113	–14,654
Translation difference for the year	–1,174	–	–1,128	–2,302
Closing balance, 31 Dec. 2014	**–19,507**	**–136,774**	**–25,006**	**–181,287**
Carrying amount as at 31 Dec. 2014	**90,111**	**36,904**	**1,035**	**128,050**

Other intangible assets	2014	2013
PARENT COMPANY		
Accumulated cost		
Opening balance, 1 Jan.	6,260	6,260
Acquisitions for the year	1,096	–
Closing balance, 31 Dec.	**7,356**	**6,260**
Opening balance, 1 Jan.	–6,208	–5,777
Amortisation for the year	–113	–431
Closing balance, 31 Dec.	**–6,321**	**–6,208**
Carrying amount as at 31 Dec.	**1,035**	**52**

Capitalised development expenditure within Enea pertain primarily to internal work on the development of new products. The amortisation term for capitalised development expenditure is five years and for other intangible assets three to five years. The remaining amortisation term for intangible assets amounts to two to five years.

Impairment testing for goodwill

Goodwill as of 31 December 2014 amounted to a book value of SEK 90.1 (82.6) million. Assets with an indefinite useful lives are tested annually for impairment. Individual assets may be subject to more frequent testing if there are indications of a decline in value. The group's measurement is based on a cash-generating unit as there is only one segment. The impairment tests are based on measurement of value in use. Value in use is measured on the basis of discounted cash flows and are based on group management's financial forecasts over a five-year period. The Gordon model has been used for calculating terminal value of cash flows. Cash flows beyond the five-year period have been forecast using a growth rate of 2 (2) percent. The cash flows forecast were based on an annual revenue growth for the group of 4 (4) percent, based on the estimated growth of existing customers and underlying markets. The cost trend for the group has been forecast at 3 (3) percent. The present value of forecast cash flows was measured by applying a discount rate of 10 (15) percent before tax. The discount rate is judged as consistent with market required returns. Sensitivity analyses have been undertaken with consideration given to the discount rate (risk) and long-term growth rate, implying a general reduction in the growth rate after five years by two percentage points and a general increase in the weighted cost of capital by three percentage points. The sensitivity analyses did not indicate any impairment. Accordingly, management considers that a reasonable potential change in assumptions would not reduce the recoverable amount below book value. Important assumptions for impairment testing are outlined below:

Variable	Assumption
Income growth	4 (4) %
Cost trend	3 (3) %
Discount interest rate	10 (15) %
Long-term stable growth	2 (2) %

NOTE 11 – Equipment, tools, fixtures and fittings

	Group		Parent company	
	2014	2013	2014	2013
Accumulated cost				
At beginning of year	55,838	59,030	17,703	17,590
Acquisition for the year	1,584	1,723	296	781
Disposals/retirements	–1,343	–5,118	–197	–668
Translation differences for the year	3,225	203	–	–
	59,304	**55,838**	**17,802**	**17,703**
Accumulated depreciation and impairment losses				
At beginning of year	–45,961	–45,352	–13,779	–12,266
Disposals/retirements	1,343	4,943	197	493
Depreciation and impairment losses for the year	–3,939	–5,417	–1,564	–2,006
Translation differences for the year	–3,035	–135	–	–
	–51,592	**–45,961**	**–15,146**	**–13,779**
Carrying amount at end of year	**7,712**	**9,877**	**2,656**	**3,924**

Depreciation is attributable to cost of sold products and services, sales and marketing expenses, production development expenses and administrative expenses.

NOTE 12 – Financial assets held for sale

Financial assets held for sale	2014	2013
GROUP		
Corporate bonds	14,300	–
Corporate bond fund	20,615	–
Total	**34,915**	**–**

Financial assets held for sale	2014	2013
PARENT COMPANY		
Corporate bonds	14,300	–
Corporate bond fund	20,615	–
Total	**34,915**	**–**

All financial assets held for sale are in SEK. None of these financial assets are due for payment or subject to impairment.

NOTE 13 – Accounts receivable

Non-overdue accounts receivable pertain to customers with good solvency and payment history. Accounts receivable with an existing impairment requirement correspond to the provision made for doubtful debt. Provisions for doubtful debt amounted to SEK 4.5 (0) million. The fair value of accounts receivable corresponds to carrying amount. Accounts receivable are predominantly denominated in SEK, EUR and USD. The age analysis of accounts receivable follows:

Age analysis of accounts receivable	2014	2013
GROUP		
Not due	106,084	74,675
Due 1–60 days	12,605	29,056
Due 61–90 days	460	936
Due 90 days	617	282
Total	**119,766**	**104,949**

NOTE 14 – Prepaid expenses and accrued income

	2014	2013
GROUP		
Prepaid insurance	236	223
Prepaid rents	2,093	2,068
Accrued income	15,781	13,468
Other prepaid expenses	5,691	5,612
	23,801	**21,371**

	2014	2013
PARENT COMPANY		
Prepaid insurance	4	160
Prepaid rents	1,491	1,491
Accrued income	307	148
Other prepaid expenses	3,096	3,132
	4,898	**4,931**

NOTE 15 – Derivative instruments

	2014		2013	
	Assets	Liabilities	Assets	Liabilities
Long-term				
Currency forwards—cash flow hedges	–	–	–	–
Current				
Currency forwards—cash flow hedges	–	2,083	–	109

NOTE 16 – Equity

GROUP

Share capital

The Annual General Meeting 2014 approved an automatic redemption process for shares in Enea AB, entailing that each Enea share will be split into two shares (2:1 share split), of which one of the shares is designated a redemption share. The redemption shares were exercised automatically in exchange for SEK 3.00 per redemption share and paid in May 2014. The share capital was then reduced by SEK 9,177,857 through the reduction of the redemption shares, i.e. a total of 17,054,478 shares to repay shareholders. Payment for each redemption share was SEK 3. Redemption treasury shares were reduced without any repayment. The share capital was restored to its original amount by increasing the share capital by SEK 9,177,857 through a bonus issue without any issue of new shares.

As of 31 December 2014, the registered share capital comprised 16,739,724 ordinary shares with a quotient value of SEK 1.10 per share. Holders of ordinary shares are entitled to dividends at amounts determined gradually and the shareholdings carry voting rights at the Annual General Meeting with one vote per share. In the year, the company purchased 253,027 treasury shares (283,018) and sold 0 (0) treasury shares.

Other paid-up capital

Refers to equity contributed by owners. This includes share premium reserves transferred to the statutory reserve as at 31 December 2005. Provisions to the share premium reserve from 1 January 2006 onwards are also recognised as paid-up capital.

Reserves

Hedging provision	2014	2013
Opening hedging reserve	–	580
Cash flow hedges		
- fair value losses in the year	–2,083	–
- tax on fair value losses	458	–
- transfers to profit or loss	940	–743
- tax on transfers to profit or loss	–207	163
Closing hedging reserve	–892	–

Translation Reserve

The translation reserve includes all exchange rate differences that arise when translating net assets from foreign operations that have compiled their financial reports in currencies other than the currency in which the group’s financial reports are presented. The parent company and group present their financial reports in Swedish kronor.

	2014	2013
Opening translation reserve	–26,116	–27,128
Translation difference for the year	14,341	1,012
Closing translation reserve	–11,775	–26,116

Retained earnings including profit (loss) for the year

Profit brought forward, including profit (loss) for the year, includes earned profits in the parent company and its subsidiaries. Earlier provisions for the statutory reserve, excluding transferred share premium reserves, are included in this equity item.

Between 12 February and 10 December 2014, the parent company repurchased 253,027 shares on NASDAQ OMX Nordic Exchange Stockholm at an average price of SEK 60.21 per share. A total of SEK 15,234,000 was paid for the shares, which reduced retained earnings.

The total holding of treasury shares as at 31 December 2014 was 606,704. The shares are held as treasury shares and were fully paid up on 31 December 2014.

NON-RESTRICTED EQUITY

Share premium reserve

When shares are issued at a premium, meaning that a higher amount is to be paid for the shares than their quotient value, an amount corresponding to the amount received in addition to the quotient value of the share is transferred to the share premium reserve.

Retained earnings

This consists of the preceding year's non-restricted equity following any statutory reserve provisions and dividends. Together with the profit (loss) for the year, this constitutes total non-restricted equity, i.e. the amount available as dividends to shareholders.

See also the Consolidated Statement of Change in Equity and Parent Company Statement of Change in Equity.

NOTE 17 – Earnings per share

	2014	2013
Earnings per share before dilution		
Profit for the year after tax	74,506	63,175
Average number of shares, thousands	16,271	16,477
Earnings per share before dilution, SEK	4,58	3,83
Earnings per share after dilution		
Profit for the year after tax	74,506	63,175
Average number of shares, thousands	16,271	16,477
Earnings per share after dilution, SEK	4.58	3.83

Earnings per share is measured by dividing earnings for the period attributable to the parent company's shareholders by the average number of shares.

NOTE 18 – Accrued expenses and deferred income

	2014	2013
GROUP		
Support income	23,687	8,694
Accrued personnel expenses	29,009	18,999
Other	13,838	9,305
	66,534	**36,998**

	2014	2013
PARENT COMPANY		
Accrued personnel expenses	11,822	6,615
Other	1,979	2,425
	13,801	**9,040**

NOTE 19 – Parent company holdings in group companies

	Country	Participating interest, %
Enea Software AB	Sweden	100
Enea Zealcore AB	Sweden	100
Enea Software & Services, Inc	US	100
Enea Netbricks SAS	France	100
Enea GmbH	Germany	100
Enea Software (Beijing) Co. , Ltd.	China	100
Enea KK	Japan	100
Enea Polyhedra Ltd	UK	100
Enea Romania SRL	Romania	100

	2014	2013
Accumulated cost		
At beginning of year	330,630	330,630
Closing balance, 31 December	330,630	330,630
Accumulated impairment losses		
At beginning of year	–158,596	–158,596
Closing balance, 31 December	–158,596	–158,596
Carrying amount at end of year	**172,034**	**172,034**

			Carrying amount	
Specification of the parent company's holdings in subsidiaries	**No. of participations**	**Holding, %**	**2014**	**2013**
Subsidiary/Corp. ID. no./Reg. office				
Enea Software AB, 556183-3012, Kista	5,900	100	172,034	172,034
			172,034	**172,034**

NOTE 20 – Cash Flow Statement

Cash and cash equivalents

The subcomponents included in cash and cash equivalents are cash, bank and special deposits or commercial paper with an insignificant risk of fluctuations in value and can easily be converted into cash and cash equivalents, and which have a maturity of no more than three months from the time of acquisition.

	Group		Parent company	
Information on interest	**2014**	**2013**	**2014**	**2013**
Interest received in the period amounted to	1,975	1,919	1,713	3,062
Interest paid in the period amounted to	–78	–159	–259	–309

	Group		Parent company	
Adjustment for items not included in cash flow	**2014**	**2013**	**2014**	**2013**
Depreciation/amortisation and impairment losses	18,593	18,463	1,677	2,437
Gains (loss)es on retirement of fixed assets	–	175	–	175
Share Savings Programme	5,706	3,418	5,706	3,262
Appropriations	–	–	574	291
Provisions	–9	1,071	–	–
Value change, financial assets	–456	–	–456	–
Exchange rate differences, net	–271	135	–	–
Total	**23,563**	**23,262**	**7,501**	**6,165**

NOTE 21 – Related parties

Summary of transactions with related parties

GROUP
There were no transactions with related parties

PARENT COMPANY Related party	Year	Sales of goods and services to related parties	Purchase of goods and services from related parties	Supplementary purchase consideration for acquisition of subsidiaries from related parties	Liabilities to related parties on 31 December	Receivables from related parties on 31 December
Subsidiaries	2014	48,023			136,207	11,850
Subsidiaries	2013	48,399	1,210	–	32,306	2,781

Transactions with related parties are on and arm's length basis.

For information on remuneration of key personnel in executive positions, see Note 4, Employees and personnel expenses, and Note 22, Pensions, share-based payment, benefits to senior executives.

The parent company has a close relationship with its subsidiaries (see Note 19).

NOTE 22 – Pensions and share-based payment

Defined-contribution plans

The methods for calculating pension expenses and pension liabilities differ from country to country. Companies report according to local regulations and the reported figures are consolidated in the consolidated financial statements. All pension solutions in foreign subsidiaries are defined-contribution plans, which means that the group's profit (loss) is charged with pension expenses in pace with the vesting of benefits. Salaried employees in Sweden are assured by the ITP plan, which is reported as a defined-contribution pension plan. Obligations for retirement pension and survivors' pension for salaried employees in Sweden are secured through an insurance policy with Alecta. According to a statement from the Swedish Financial Reporting Board, UFR 10, this is a multi-employer defined-benefit plan. Alecta, which is a mutual insurance company that also administers benefits under the pension plan, is unable to provide Enea or other Swedish companies with sufficient information to determine an individual company's share of the total commitment and its assets. Accordingly, ITP pension plans that are assured through an insurance policy with Alecta are reported as defined-contribution. The cost for 2014 amounts to SEK 5,018,000 (4,361,000). The cost for 2015 is estimated to amount to an equivalent figure. Alecta's surplus can be distributed to policyholders and/or the insured.

At the end of 2014, Alecta's surplus in the form of its collective consolidation ratio amounted to 143 (148) percent. The collective consolidation ratio consists of the market value of Alecta's assets as a percentage of its insurance obligations, calculated in accordance with Alecta's actuarial accounting assumptions, which do not comply with IAS 19.

	Group		Parent company	
	2014	**2013**	**2014**	**2013**
Cost of defined-contribution plans	14,809	14,490	3,612	2,952

Share-based payment

Share Savings Programme 2014

In April 2014, the Annual General Meeting resolved to offer key employees the opportunity to participate in a Share Savings Programme. The principal objective of the Programme is to enhance the company's ability to retain and recruit key employees and, by means of a personal long-term ownership commitment of the participants, to stimulate greater commitment to operations and results, to increase motivation, as well as to enhance the sense of togetherness with the company.

The Programme involves 24 senior executives, key individuals and certain other employees.

By 10 June 2014, employees had invested in 71,800 Enea shares ("Savings Shares"). If the employee retains the shares for three years and remains employed by the Enea group, an equivalent number of shares ("Matching Shares") will be granted.

On condition that special performance requirements are met, participants are also entitled to receive, free of charge, additional Enea shares (Performance Shares) for each saving share. The allocation of Performance Shares is conditional on special performance requirements linked to the fulfilment of Enea's accumulated earnings per share in the years 2014-2016. The threshold value for earnings per share is SEK 4.21 (2014), SEK 4.63 (2015), SEK 5.10 (2016) and/or SEK 13.95 (2014–2016 accumulated).

The fair value of services rendered is based on the share price of the Matching Shares expected to be granted. The share price is determined at the time of the participants' investment, adjusted for the dividends that do not accrue to the employee during the vesting period.

The Share Savings Programme entails a financial exposure for the company as a result of changes in Enea's share price and the anticipated allocation of matching and Performance Shares. To secure the Programme, a decision was made to transfer acquired treasury shares under the Programme. Not more than 500,000 shares may be transferred to participants in the Programme, free of charge, in the form of Matching Shares and Performance Shares, including dividend remuneration. The sale of 114,000 shares is permitted on the stock market or to a third party to cover costs for social security expenses and the like.

Share Savings Programme 2012

In April 2012, the Annual General Meeting resolved to offer key employees the opportunity to participate in a Share Savings Programme. The principal objective of the Programme is to enhance the company's ability to retain and recruit key employees and, by means of a personal long-term ownership commitment of the participants, to stimulate greater commitment to operations and results, to increase motivation, as well as to enhance the sense of togetherness with the company.

The Programme involves 33 senior executives, key individuals and certain other employees.

By 8 June 2012, employees had invested in 65,335 Enea shares ("Savings Shares"). If the employee retains the shares for three years and remains employed by the Enea group, an equivalent number of shares ("Matching Shares") will be granted.

On condition that special performance requirements are met, participants are also entitled to receive, free of charge, additional Enea shares (Performance Shares) for each saving share. The allocation of Performance Shares is conditional on special performance requirements linked to the fulfilment of Enea's accumulated EBIT in the years 2012-2014. The performance requirement for the performance shares is linked to accumulated EBIT in the interval of SEK 180–220 million.

The fair value of services rendered is based on the share price of the Matching Shares expected to be granted. The share price is determined at the time of the participants' investment, adjusted for the dividends that do not accrue to the employee during the vesting period.

The Share Savings Programme entails a financial exposure for the company as a result of changes in Enea's share price and the anticipated allocation of matching and Performance Shares. To secure the Programme, a decision was made to transfer acquired treasury shares under the Programme. Not more than 541,500 shares may be transferred to participants in the Programme, free of charge, in the form of Matching Shares and Performance Shares, including dividend remuneration. The sale of 126,000 shares is permitted on the stock market or to a third party to cover costs for social security expenses and the like.

The fair value of services rendered is based on the share price of the Matching Shares expected to be granted. The share price is determined at the time of the participants' investment, adjusted for the dividends that do not accrue to the employee during the vesting period.

The Share Savings Programme entails a financial exposure for the company as a result of changes in Enea's share price and the anticipated allocation of Matching and Performance shares. To secure the Programme, a decision was made to transfer acquired treasury shares under the Programme. Not more than 541,500 shares may be transferred to participants in the Programme, free of charge, in the form of Matching Shares and Performance Shares, including dividend remuneration. The sale of 126,000 shares is permitted on the stock market or to a third party to cover costs for social security expenses and the like.

Share Savings Programme 2014	**2014**	**2013**
Number of matching shares at beginning of period	–	–
Granted in the period	71,800	–
Forfeited in the period	–	–
Outstanding at end of period	71,800	–
Number of participants as at 31 December	24	–

Share Savings Programme 2012	**2014**	**2013**
Number of matching shares at beginning of period	57,285	62,835
Granted in the period	–	–
Forfeited in the period	–10,030	–5,550
Due in the period	–	–
Outstanding at end of period	47,255	57,285
Number of participants as at 31 December	26	30

Personnel expenses for share-based payment Group	**2014**	**2013**
Share Savings Programmes	9,309	5,415

NOTE 23 – Translation exposure

Enea's foreign subsidiaries are translated into Swedish kronor in accordance with the current method. This means that the Balance Sheet is translated at the closing day rate and the Income Statement at average rates of exchange for the period.

The rates used for the group's significant currencies are stated in the table below.

	Closing day rate		Average rate	
Currency	**2014**	**2013**	**2014**	**2013**
EUR	9.5155	8.9430	9.0968	8.6494
USD	7.8117	6.5084	6.8577	6.5140
GBP	12.1388	10.7329	11.2917	10.1863
JPY	0.0654	0.0618	0.0649	0.0669
RON	2.1298	1.9955	2.0450	1.9554
CNY	1.2595	1.0732	1.1135	1.0596
ILS	1.9958	1.8573	1.9150	1.8024

When translating foreign subsidiaries' balance sheets to Swedish kronor, the group is exposed to exchange rate fluctuations. The effect on equity in 2014 for the translation of foreign subsidiaries' accounts to Swedish kronor was a positive SEK 14,341,000 (1,012,000). The group's exposure in equity for exchange rate fluctuations on the reporting date was as follows:

	2014		2013	
Currency	**Amount**	**Translated into SEK at closing day rate**	**Amount**	**Translated into SEK at closing day rate**
EUR	81	771	13	116
USD	3.418	26.700	3.475	22.617
GBP	314	3.812	285	3.059
JPY	43.146	2.820	42.775	2.643
RON	13.443	28.631	8.422	16.806
CNY	2.262	2.849	2.255	2.420
ILS	0	0	69	128

NOTE 24 – Significant estimates and judgements

Estimates and judgements, which are reviewed continuously, are based on historical experience and other factors, including expectations of future events that are considered reasonable under the prevailing conditions..

Significant judgements regarding the application of the group's accounting policies

Company management has discussed with the Audit Committee the progress, choice and disclosures regarding the group's most important accounting policies and estimates, and the application of these policies and estimates. These estimates and judgements mainly include revenue recognition, the valuation of deferred tax assets on loss carry-forwards and any impairment. Some important accounting estimates made on application of the group's accounting policies are described below.

Important sources of uncertainty in estimates

Impairment testing of goodwill

When measuring the recoverable amount of cash-generating units for judging goodwill impairment, a number of assumptions have been made regarding future conditions and estimates of parameters. Enea has conducted a sensitivity analysis of key assumptions in which management found that no reasonable changes to these assumptions would result in any impairment as at 31 December 2014. They are reviewed in Note 10.

Impairment testing of capitalised development expenditure

When measuring the recoverable amount of cash-generating units for judging impairment of capitalised development expenditure, a number of assumptions have been made regarding future conditions and estimates of parameters. Enea has conducted a sensitivity analysis of key assumptions in which management found that no reasonable changes to these assumptions would result in any impairment as at 31 December 2014. They are reviewed in Note 10.

The Board and CEO declare that the consolidated accounts have been prepared in accordance with the International Financial Reporting Standards, IFRS, as endorsed by the EU, and the Swedish Annual Accounts Act, and give a true and fair view of the group's results of operations and Financial position. The Directors' Report for the group and parent company give a true and fair view of the progress of the group and parent company's operating activities, financial position and results of operations, and covers significant risks and safety factors affecting the parent company and companies within the group.

As stated above, the annual accounts and consolidated accounts were approved for issue by the Board of Directors on 26 March 2015. The Consolidated Income Statement and Consolidated Balance Sheet, and the Parent Company Income Statement and Parent Company Balance Sheet will be subject to adoption by the Annual General Meeting on 7 May 2015.

Stockholm, Sweden, 26 March 2015
Enea AB (556209-7146)

Anders Skarin
Chairman

Robert Andersson
Board member

Kjell Duveblad
Board member

Åsa Landén Ericsson
Board member

Mats Lindoff
Board member

Torbjörn Nilsson
Board member

Eva Swedberg
Employee representative

Anders Lidbeck
President and CEO

Our Audit Report was presented on 27 March 2015
Öhrlings PricewaterhouseCoopers AB

Niklas Renström
Authorized Public Accountant

Audit Report

To the Annual General Meeting of Enea AB (publ.), Corp. Reg. No 556209-7146

Report on the annual accounts and consolidated accounts

We have audited the annual accounts and consolidated accounts of Enea AB (publ) for the year 2014, except for the corporate governance statement on pages 20– 24. The annual accounts and consolidated accounts of the company are included in the printed version of this document on pages 16–54.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act and of the consolidated accounts in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2014 and of its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2014 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 20–24. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the parent company and the group.

Report on other legal and regulatory requirements

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of Enea AB (publ) for the year 2014. We have also conducted a statutory examination of the corporate governance statement.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act, and that the corporate governance statement on pages 20–24 has been prepared in accordance with the Annual Accounts Act.

Auditor's responsibility

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

As basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

We believe that the audit evidence we have obtained as above is sufficient and appropriate to provide a basis for our opinions. Furthermore, we have read the corporate governance statement and based on that reading and our knowledge of the company and the group we believe that we have sufficient basis for our opinions. This means that our statutory examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted audit standards in Sweden.

Opinions

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

A corporate governance statement has been prepared, and its statutory content is consistent with the other parts of the annual accounts and consolidated accounts.

Stockholm, Sweden, 27 March 2015
Öhrlings PricewaterhouseCoopers AB

Niklas Renström
Auktoriserad revisor

All amounts in SEK million

INCOME STATEMENT	2014	2013	2012	2011	2010
Net sales	429.3	408.5	467.8	721.5	726.1
Operating expenses	–335.5	–326.4	–395.3	–719.0	–658.7
Operating profit (loss)	93.8	82.1	72.5	2.5	67.4
Financial net	1.5	1.7	4.2	3.8	0.7
Profit (loss) before tax	95.3	83.8	76.7	6.3	68.1
Profit (loss) for the period	74.5	63.2	53.6	–6.4	46.0
Net profit (loss) from discontinued operations[1]	–	–	61.7	–	–
Total	**74.5**	**63.2**	**115.3**	**–6.4**	**46.0**

BALANCE SHEET	2014	2013	2012	2011	2010
Intangible assets	128.1	121.7	121.5	127.1	216.7
Other fixed assets	9.9	13.2	20.3	26.4	30.9
Other financial assets	–	–	28.0	–	–
Financial assets held for sale, non-current	14.3	–	–	–	–
Current receivables	150.6	140.8	143.2	147.0	236.6
Financial assets held for sale, current	20.6	–	–	–	–
Cash and cash equivalents	180.4	163.6	146.7	127.3	176.5
Assets held for sale	–	–	–	137.3	–
Total assets	**504.0**	**439.3**	**459.7**	**565.1**	**660.7**
Equity	400.3	371.2	367.2	415.9	512.6
Provisions and non-current liabilities	16.2	11.6	6.8	3.6	12.7
Current liabilities	87.5	56.5	85.8	90.0	135.4
Liabilities held for sale	–	–	–	55.6	–
Total equity and liabilities	**504.0**	**439.3**	**459.7**	**565.1**	**660.7**

CASH FLOW	2014	2013	2012	2011	2010
From operating activities	116.2	76.6	80.1	77.2	76.1
From investing activities	–48.9	–14.3	–15.7	–33.0	–19.0
From investing activities—sale of operation	10.4	18.0	115.4	–	–
From financing activities	–64.6	–63.1	–157.3	–93.4	–31.7
Cash flow for the period	**13.1**	**17.3**	**22.5**	**–49.2**	**25.4**

KEY DATA	2014	2013	2012	2011	2010
Revenue growth, %	5	–13	–35	–1	–7
Operating margin, %	21.9	20.1	15.5	0.3	9.3
Profit margin, %	22.2	20.5	16.4	0.9	9.4
Return on capital employed, %	25.7	24.1	19.2	4.5	13.9
Return on equity, %	19.3	17.1	13.7	2.5	8.9
Return on total capital, %	21.1	19.8	15.7	3.6	10.6
Interest coverage ratio, multiple	24.5	16.7	20.7	7.3	19.5
Equity ratio, %	79.4	84.5	79.9	73.6	77.6
Liquidity, %	401.8	538.9	338.1	304.8	305.1
Average number of employees	392	384	417	613	621
Net sales per employee, SEK million	1.10	1.06	1.12	1.18	1.17
Net asset value per share, SEK	24.81	22.65	22.14	24.31	29.55
Earnings per share, SEK	4.58	3.83	6.85	–0.37	2.65
Dividend per share[2]	3.60	3.00	3.00	8.00	5.00

1 Comparative figures pertaining to the divestment of Nordic Consulting have been reclassified in accordance with IFRS 5, as well as comments from NASDAQ OMX.

2 Dividend proposed to the Annual General Meeting 2015.

DEFINITIONS

CAPITAL EMPLOYED
Total assets less non-interest-bearing liabilities including deferred tax liabilities. Average capital employed has been calculated as opening capital employed plus closing capital employed divided by two.

CASH FLOW PER SHARE FROM OPERATING ACTIVITIES
Cash flow from operating activities in relation to the average number of shares.

DIRECT YIELD
The dividend as a percentage of the market price at year-end.

DIVIDEND PER SHARE
Dividend for the current financial year divided by the number of shares on the reporting date.

EARNINGS PER SHARE
Profit after tax in relation to the average number of shares.

EQUITY RATIO
Equity including minority interests in relation to total assets.

INTEREST COVERAGE RATIO
Profit after financial net plus financial costs in relation to financial costs.

LIQUIDITY
Cash and cash equivalents, including current investments and receivables, in relation to current liabilities.

NET ASSET VALUE PER SHARE
Net asset value, equivalent to equity, in relation to the total number of shares outstanding.

NET SALES PER EMPLOYEE
Net sales in relation to the average number of employees.

OPERATING MARGIN
Operating profit in relation to net sales.

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

RETURN ON CAPITAL EMPLOYED
Operating profit plus financial income in relation to average capital employed.

RETURN ON EQUITY
Profit (loss) after tax in relation to average equity.

RETURN ON TOTAL CAPITAL
Profit after financial items plus financial costs in relation to average total assets.

SHARE OF RISK-BEARING CAPITAL
Total of equity and deferred tax liabilities as a percentage of total assets.

Annual General Meeting 2015

The Annual General Meeting will be held at 4:30 p.m. CET on 7 May 2015 at Kista Science Tower, Färögatan 33, Kista, Sweden. Shareholders who wish to participate in the Annual General Meeting must be included in the share register maintained by Euroclear Sweden AB (name changed from VPC AB) by no later than 30 April 2015.

Participants must also register with Enea AB by no later than 30 April 2015, at 5:00 p.m. CET.

Registrations can be posted to

Enea AB (publ), Box 1033, SE-164 21 Kista, Sweden, by telephone: +46 (0)8 507 15005, or via e-mail: arsstamma@enea.com
Registrations must include name, personal or corporate identity number, shareholding, address, telephone numbers and details of any assistants.

Follow Enea

www.linkedin.com/company/enea-software-ab

LinkedIn is our primary social media channel for transmitting information about Enea. We publish information about the products and technology we're working on as well as the latest deals and business events. LinkedIn is also our channel for advertising vacant positions.

www.enea.com/embeddedhub

Visit Enea's hub for news and information about Enea and other industry players. Follow interesting topics on our blog, participate in a webinar or access the latest industry news.

www.facebook.com/EneaSoftware

Our Facebook page is for people who like technology. Read the latest about the embedded world alongside fun facts and events relating to Enea.

www.twitter.com/EneaAB

Our Twitter account is the right medium if you want to follow what's happening at Enea. We publish press releases, information about new blog entries and other activities.

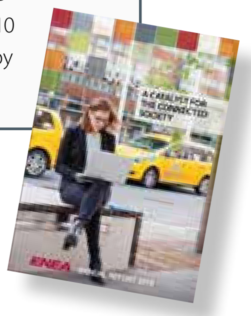
www.youtube.com/EneaSoftware

We publish videos that describe and demonstrate our product range on YouTube. Features of varying length are mixed with seminars and training programmes.

www.instagram.com/eneaab

On Instagram, you can gain an insight into our daily operations. Employees around the world publish photographs from trade fairs and customer events, but also from internal meetings and a regular day at the office.

All financial information is published on Enea's website: **www.enea.com**
Financial reports can also be ordered from Enea AB, Box 10 SE-164 21 Kista, Sweden or by e-mail: **ir@enea.com**



Reporting dates 2015

Interim Report January–March	28 April 2015
Annual General Meeting	7 May 2015
Interim Report April–June	21 July 2015
Interim Report July–September	21 October 2015
Annual Financial Statement	11 February 2016

IR work

Enea strives for investor relations that are transparent, relevant and provide accurate information to shareholders, investors and financial analysts to increase knowledge of the group's operations and share. Enea announces information in the form of interim reports, annual reports, press releases, and provides detailed information on the company's IR pages on web. Shareholders and other stakeholders can subscribe to press releases and financial reports via e-mail.

In 2014, press releases were issued in connection with major product news, key strategic transactions and contracts of significant value. General information is uploaded to the IR pages of our website, such as shareholder lists in connection with quarterly reports. In the event of major changes, the website is updated immediately.

In the three weeks prior to the publication of a financial report, Enea issues no communications with the financial markets.

This document is essentially a translation of Swedish language original thereof. If the event of any discrepancies between this translation and the original Swedish document, the later shall be deemed correct.

Enea AB is a public limited company, corp. ID. no. 556209-7146, registered office: Kista, Sweden. *Denna rapport finns också tillgänglig på svenska.*

All values are denominated in Swedish kronor. Swedish kronor is abbreviated SEK, thousands of SEK is SEK 000 and millions of SEK is SEK million. Figures in brackets relate to 2013 unless otherwise stated. All figures pertain to continuing operations unless otherwise stated.

Data on market conditions and competition are Enea's own judgements, unless a specific source is stated. These judgements are based on the most accurate and recent factual data.

The audited annual accounts are on pages 16–19 and 25–53.

This Annual Report was produced by Enea in partnership with Box Communications, Stockholm.
Images: Alexander Ruas. Translation: Turner & Turner

Enea delivers products and services to companies that develop communication-intensive products. Enea's operating systems are the backbone of the company's product portfolio and are sold as part of custom solutions for major global telecom companies.

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