BTS Group AB (publ)

Interim report January 1 – June 30, 2009

Uneven performance development; stronger position in a weak market

- Net turnover increased by 6 percent during the first half year and amounted to MSEK 286.6 (270.5). Adjusted for changes in exchange rates, growth was -14 percent.
- Operating profit before amortization of intangible assets (EBITA) decreased by 16 percent to MSEK 34.4 (41.1).
- Profit before tax for the first half year decreased by 19 percent and amounted to MSEK 28.4 (35.1).
- Profit after tax for the first half year decreased by 21 percent and amounted to MSEK 18.6 (23.6).
- Earnings per share decreased by 21 percent to SEK 1.03 (1.31)

The second quarter 2009

- Net turnover increased slightly during the second quarter and amounted to MSEK 149.2 (148.2). Adjusted for changes in exchange rates, growth was -19 percent.
- Operating profit before amortization of intangible assets (EBITA) decreased by 27 percent to MSEK 20.3 (27.6).
- Profit after tax decreased by 32 percent to MSEK 11.4 (16.9).
- Earnings per share decreased by 32 percent to SEK 0.63 (0.93)

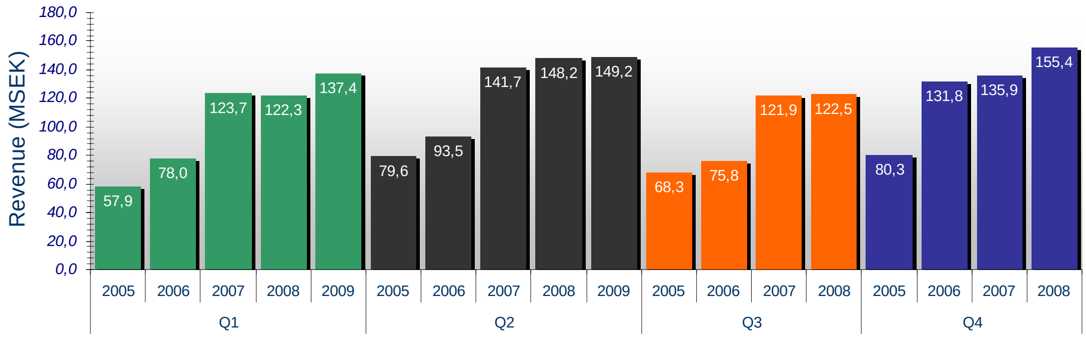
Summary of the first half year

- Demand for training and consultancy services weakened during the first half year compared to the previous year. Demand for BTS' services has been better than the market as a whole, apart from APG which continued to develop negatively during the first quarter. More positive trends were noted on the US market during the second quarter, whereas the market in Europe continued to develop negatively.
- Earnings were positively affected by improved performance in BTS North America, BTS Other markets, parts of BTS Europe and changes in exchange rates. The result has been significantly affected negatively by the performance decreases in two offices in BTS Europe.
- New clients secured during the first half year included Burger King, Deloitte, DSM, Huhtamaki, HSBC, Indra, LRF, McDonalds, MetLife, Munters, SingTel, Sodexo, Vestas and Woolworths Ltd.

BTS Group AB is an international consultancy and training company active in the field of business acumen. BTS uses tailor-made simulation models to support company managers in implementing change and improving profitability. BTS solutions and services train the entire organization to analyze and to take decisions centered on the factors that promote growth and profitability. This generates increased emphasis on profitability and market focus, and supports day-to-day decision-making, which in turn leads to tangible, sustainable improvements in profits. BTS customers are often leading major companies.

Turnover

BTS' net turnover increased by 6 percent during the first half year and amounted to MSEK 286.6 (270.5). Adjusted for changes in exchange rates, growth was -14 percent. Growth varied significantly among the units: BTS Other markets 16 percent, BTS Europe -17 percent, BTS USA -8 percent and APG -31 percent (growth figure calculated in local currencies).



Revenue development by quarter

Earnings

Operating profit before amortization of intangible assets (EBITA) decreased by 16 percent during the first half year and amounted to MSEK 34.4 (41.1). Operating profit during the first half year was affected by MSEK 5.3 (4.3) for amortization of intangible assets attributable to acquisitions; the increase is due to a higher dollar rate. Operating profit (EBIT) amounted to MSEK 29.1 (36.8).

The operating margin before amortization of intangible assets (EBITA margin) was 12 (15) percent. The operating margin (EBIT margin) was 10 (14) percent.

The Group's profit before tax for the first half year decreased by 19 percent to MSEK 28.4 (35.1).

Earnings were positively impacted by a higher dollar rate, improved earnings in BTS North America and by improved net interest earnings. However, earnings were negatively impacted by a significant deterioration in earnings in BTS Europe.

The second quarter

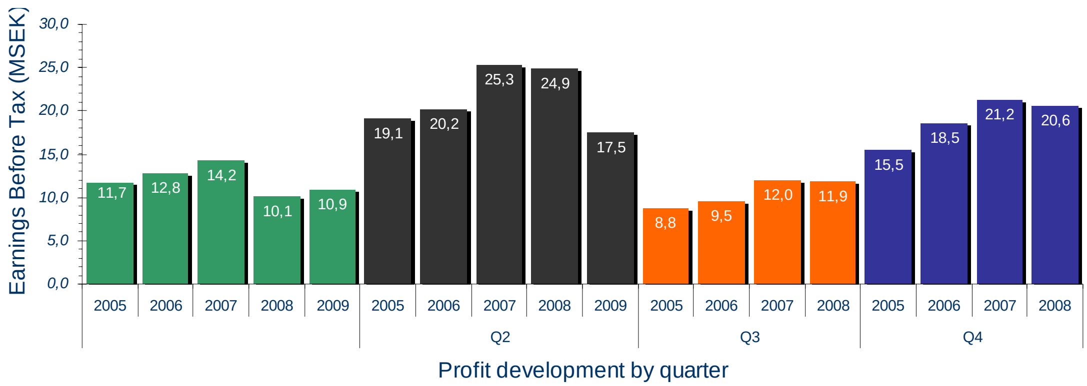
BTS' net turnover increased slightly during the second quarter and amounted to MSEK 149.2 (148.2). Adjusted for changes in exchange rates, growth was -19 percent.

Operating profit before amortization of intangible assets (EBITA) decreased by 27 percent during the second quarter and amounted to MSEK 20.3 (27.6). Operating profit during the second quarter was affected by MSEK 2.6 (2.1) for amortization of intangible assets attributable to acquisitions; the increase is due to a higher dollar rate. Operating profit (EBIT) decreased by 31 percent to MSEK 17.7 (25.5).

The operating margin before amortization of intangible assets (EBITA margin) was 14 (19) percent. The operating margin (EBIT margin) was 12 (17) percent.

Profit before tax for the second quarter decreased by 30 percent and amounted to MSEK 17.5 (24.9).

Earnings were positively impacted by a higher dollar rate, improved earnings in BTS North America and by improved net interest earnings. However, earnings were negatively impacted by a significant deterioration in earnings in BTS Europe. The deterioration in earnings in two offices BTS Europe was significantly greater than the total deterioration in earnings in BTS.



Market development and BTS' recession strategy

Demand for training and consultancy services weakened during the first half year compared to the previous year. Demand for BTS' services has been better than the market as a whole, apart from APG. APG has been more exposed to the deterioration in market conditions on account of its client and product mix.

Many of BTS' clients are significantly affected by the severe recession. However, BTS considers that it is in a significantly better position than its competitors, through a well-diversified customer base, an underweight of clients in the most exposed sectors, very competitive solutions as well as client projects of a strategic and long-term nature.

BTS has a small market share and the company sees good opportunities to increase this during the recession. BTS' recession strategy is based on:

- focusing sales resources on clients and projects that are considered to represent continued opportunities for growth during the recession
- adapting the offer to the market's partly altered demand
- raising cost efficiency.

This strategy worked during 2008 and during the first half year 2009, as BTS is considered to have developed significantly better than the overall market.

More positive trends were noted on the US market during the second quarter, whereas the market in Europe continued to develop negatively.

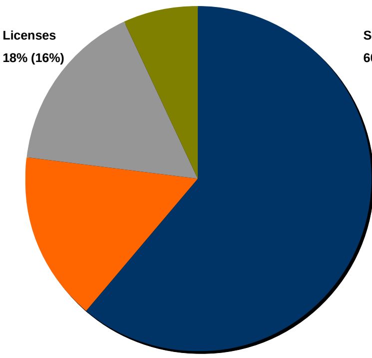
BTS offers the most comprehensive range of tailored simulation solutions on the market today, a well developed sales organisation and at the same time, is the only company in the world that can serve large international companies on a global basis within this area. BTS to a greater extent, can satisfy existing clients' needs for additional services and solutions, which generates good growth opportunities both in the near-term and long-term.

Assignments and new clients

New clients secured during the first half year included Burger King, Deloitte, DSM, Huhtamaki, HSBC, Indra, LRF, McDonalds, MetLife, Munters, SingTel, Sodexo, Vestas and Woolworths Ltd

Revenue development

Net turnover by sorce of revenue Jan 1 – Jun 30, 2009



Operative units

Net turnover per operative unit

MSEK	Apr-Jun 2009	Apr-Jun 2008	Jan-Jun 2009	Jan-Jun 2008	Rolling 12 month 2008/2009	Full-year 2008
North America*	108.2	98.8	205.3	183.7	391.0	369.4
Europe	27.6	38.1	57.8	67.2	128.8	138.2
Other markets	13.4	11.3	23.5	19.6	44.7	40.8
Total	**149.2**	**148.2**	**286.6**	**270.5**	**564.5**	**548.4**

**North America*						
BTS	*80.2*	*66.0*	*148.7*	*121.8*	*281.1*	*254.2*
APG	*28.0*	*32.8*	*56.6*	*61.9*	*109.9*	*115.2*
Total	***108.2***	***98.8***	***205.3***	***183.7***	***391.0***	***369.4***

Operating profit before amortization of intangible assets (EBITA) per operative unit

MSEK	Apr-Jun 2009	Apr-Jun 2008	Jan-Jun 2009	Jan-Jun 2008	Rolling 12 month 2008/2009	Full-year 2008
North America*	21.5	15.5	32.2	25.1	53.8	46.7
Europe	-2.9	10.3	0.3	14.2	16.6	30.5
Other markets	1.7	1.8	1.9	1.8	2.7	2.6
Total	**20.3**	**27.6**	**34.4**	**41.1**	**73.1**	**79.8**

**North America*						
BTS	*19.3*	*14.0*	*30.3*	*22.3*	*51.8*	*43.8*
APG	*2.2*	*1.5*	*1.9*	*2.8*	*2.0*	*2.9*
Total	***21.5***	***15.5***	***32.2***	***25.1***	***53.8***	***46.7***

North America

BTS

Net turnover for BTS' North American operations amounted to MSEK 148.7 (121.8) during the first half year. Adjusted for changes in exchange rates, revenue decreased by 8 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 30.3 (22.3) during the first half year. The operating margin before amortization of intangible assets (EBITA margin) was 20 (18) percent.

Net turnover amounted to MSEK 80.2 (66.0) during the second quarter. Adjusted for changes in exchange rates, revenue decreased by 8 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 19.3 (14.0) during the second quarter. The operating margin before amortization of intangible assets (EBITA margin) was 24 (21) percent.

The deterioration in US market conditions has impacted revenue in BTS USA negatively but the company is considered to have developed significantly better than the market as a whole. More positive trends were noted on the market at the end of the quarter.

The operating margin increased due to improved cost efficiency, notwithstanding the negative growth.

APG

Net turnover for APG amounted to MSEK 56.6 (61.9) during the first half year. Adjusted for changes in exchange rates, revenue decreased by 31 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 1.9 (2.8) during the first half year. The operating margin before amortization of intangible assets (EBITA margin) was 3 (5) percent.

Net turnover amounted to MSEK 28.0 (32.8) during the second quarter. Adjusted for changes in exchange rates, revenue decreased by 35 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 2.2 (1.5) during the second quarter. The operating margin before amortization of intangible assets (EBITA margin) was 8 (5) percent.

The deterioration in US market conditions has had a significant adverse effect on APG on account of the company's client and product mix. An action program was carried out in order to raise the gross margin and reduce costs. The operating margin increased during the second quarter notwithstanding the significant revenue decrease.

Europe

Net turnover for Europe amounted to MSEK 57.8 (67.2) during the first half year. Adjusted for changes in exchange rates, revenue decreased by 17 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 0.3 (14.2) during the first half year. The operating margin before amortization of intangible assets (EBITA margin) was 1 (21) percent.

Net turnover amounted to MSEK 27.6 (38.1) during the second quarter. Adjusted for changes in exchange rates, revenue decreased by 31 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK -2.9 (10.3) during the second quarter. The operating margin before amortization of intangible assets (EBITA margin) was -11 (27) percent.

The very significant deterioration in earnings in BTS Europe during the second quarter is due to the fact that two offices experienced major revenue decreases compared with the previous year. BTS Europe is expected to display a better earnings trend during the second half year compared with the first half year.

<u>Other markets</u>

Net turnover for Other markets amounted to MSEK 23.5 (19.6) during the first half year. Adjusted for changes in exchange rates, revenue increased by 16 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 1.9 (1.8) during the half year. The operating margin before amortization of intangible assets (EBITA margin) was 8 (9) percent.

Net turnover amounted to MSEK 13.4 (11.3) during the second quarter. Adjusted for changes in exchange rates, revenue increased by 9 percent. Operating profit before amortization of intangible assets (EBITA) amounted to MSEK 1.7 (1.8) during the second quarter. The operating margin before amortization of intangible assets (EBITA margin) was 12 (16) percent.

The trend in all markets (Australia, South East Asia and South Africa) was positive during the first half year. The operating margin has deteriorated due to recruitments and marketing investments.

Financial position

BTS' cash flow from operating activities amounted to MSEK 19.9 (8.2) during the first half year. The cash flow from operating activities amounted to MSEK 44.0 (25.2) during the second quarter.

Cash and cash equivalents amounted to MSEK 58.9 (46.4) at the end of the period. The company's interest-bearing loans, which relate to previously completed acquisitions, amounted to MSEK 76.4 (75.5) at the end of the period.

BTS' solidity was 58 (51) percent at the end of the period.

The company had no outstanding conversion loans at the balance sheet date.

Employees

The number of employees in BTS Group AB as of June 30 was 260 (243).
The average number of employees during the first half year was 264 (240)

The Parent Company

The Company's net turnover amounted to MSEK 1.3 (0.5) and the profit after net financial items amounted to MSEK 15.0 (2.9). Cash and cash equivalents amounted to MSEK 1.3 (0).

Outlook for 2009

The current market conditions mean that the estimates for 2009 are more uncertain than normal. Profit before tax is expected to be in line with the previous year.

Risks and uncertainties

BTS is exposed to a number of risks and uncertainties in it operations, which are mentioned in the Annual Report 2008. As of June 30, 2009, it is assessed that no new significant risks or uncertainties have arisen.

Significant estimates and assessments

In order to prepare the financial statements in conformity with IFRS the Corporate Management is required make assessments and estimates and make assumptions that affect the application of the accounting principles and the recognized amounts of assets, liabilities, income and costs. The estimates and assumptions are based on historical experience and a number of other factors that are regarded as reasonable under the existing circumstances. Actual outcomes can deviate from these estimates and assessments. Estimates and assumptions are reviewed regularly.

Accounting principles

This interim report is prepared in accordance with IAS 34, Interim Financial Reporting and the Swedish Annual Accounts Act. The accounting principles and calculation methods applied are in line with the accounting principles used in the preparation of the most recent financial statements.

Revised IAS 1 – Presentation of Financial Statements has been applied from January 1, 2009. Among other things, the amendment means that income and expenses previously recognized as changes in equity now shall be recognized in a separate statement directly after the income statement. Another change is that new names for the financial statements can be used. BTS, however, has elected to use the old names as this amendment is not mandatory.

IFRS 8 – Operating Segments is effective for annual periods starting from January 1, 2009 but BTS has early adopted the standard. The new standard means that the segment information is presented on the basis of a management approach, which means that it is presented in the way used in the internal reporting. The application of IFRS 8 does not imply any difference in relation to classification of operating segments compared with previous reporting under IAS 14.

IFRS 2 (Amendment) – Share-Based Payment is applied from January 1, 2009. The amendment of the standard has not had any material impact on the consolidated financial statements.

Future reporting dates

Interim Report Jul – Sep	November 5, 2009
Year-end Report	February, 2010

The Board of Directors and the CEO declare that the undersigned interim report provides a true and fair overview of the Company's and the Group's operations, their financial position and performance as well as describing material risks and uncertainties facing the Company and other companies in the Group.

Stockholm, August 18, 2009

Michael Grindfors Chairman of the Board	Mariana Burenstam Linder Member of the Board	Stefan Gardefjord Member of the Board
Dag Sehlin Member of the Board	Henrik Ekelund CEO Member of the Board	

This report has not been the subject of separate examination by BTS' auditor

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INCOME STATEMENT, Summary	3 months ended		6 months ended		12 months ended	
KSEK	June 30	June 30	June 30	June 30	June 30	Dec 31
	2009	2008	2009	2008	2009	2008
Revenue	149 141	148 215	286 555	270 530	564 395	548 370
Operating expenses	-128 061	-120 038	-250 553	-228 362	-488 374	-466 183
Depreciation tangible assets	-816	-538	-1 603	-1 044	-2 928	-2 369
Amortization intangible assets	-2 554	-2 136	-5 341	-4 361	-10 336	-9 356
Operating result	**17 710**	**25 503**	**29 058**	**36 763**	**62 757**	**70 462**
Financial income and expenses	-206	-576	-661	-1 702	-1 835	-2 876
Result before tax	**17 504**	**24 927**	**28 397**	**35 061**	**60 922**	**67 586**
Taxes	-6 102	-8 067	-9 819	-11 483	-20 884	-22 548
Result for the period	**11 402**	**16 860**	**18 578**	**23 578**	**40 038**	**45 038**
attributable to equity holders of the parent	11 402	16 860	18 578	23 578	40 038	45 038
Earnings per share, before dilution of shares, SEK	0,63	0,93	1,03	1,31	2,22	2,50
Number of shares at end of the period	18 048 300	18 048 300	18 048 300	18 048 300	18 048 300	18 048 300
Average number of shares before dilution of shares	18 048 300	18 048 300	18 048 300	18 048 300	18 048 300	18 048 300
Earnings per share, after dilution of shares, SEK	0,63	0,93	1,03	1,31	2,22	2,50
Average number of shares after dilution of shares	18 048 300	18 048 300	18 048 300	18 048 300	18 048 300	18 048 300
Dividend per share						1,20

GROUP STATEMENT OF COMPREHENSIVE INCOME	3 months ended		6 months ended		12 months ended	
KSEK	June 30	June 30	June 30	June 30	June 30	Dec 31
	2009	2008	2009	2008	2009	2008
Result for the period	**11 402**	**16 860**	**18 578**	**23 578**	**40 038**	**45 038**
Other comprehensive income:						
Income/expenses in shareholders' equity	-	-	-	-	-	-
Other comprehensive income for the year, net of t	-	-	-	-	-	-
Total comprehensive income for the year	**11 402**	**16 860**	**18 578**	**23 578**	**40 038**	**45 038**
attributable to equity holders of the parent	11 402	16 860	18 578	23 578	40 038	45 038

BALANCE SHEET , Summary			
KSEK	06-30-09	06-30-08	12-31-08
Assets			
Goodwill	157 658	135 756	161 216
Other intangible assets	23 341	26 370	28 612
Tangible assets	10 178	5 908	8 727
Other fixed assets	5 065	4 882	5 003
Accounts receivable	116 159	121 631	147 184
Other current assets	47 676	30 948	34 904
Cash and bank	58 927	46 391	65 887
Total assets	**419 004**	**371 886**	**451 533**
Equity and liabilities			
Equity	244 681	188 969	250 908
Interest bearing - non current liabilities	392	84	450
Non interest bearing - non current liabilities	161	-	166
Interest bearing - current liabilities	79 445	75 667	81 690
Non interest bearing - current liabilities	94 325	107 166	118 319
Total equity and liabilities	**419 004**	**371 886**	**451 533**

CASH FLOW STATEMENT, Summary			
KSEK	Jan-Jun	Jan-Jun	Jan-Dec
	2009	2008	2008
Cash flow from current operations	19 890	8 181	37 506
Cash flow from investment activities	-2 669	-19 888	-28 572
Cash flow from financing operations	-26 497	-4 642	-15 967
Change in liquid funds	**-9 276**	**-16 349**	**-7 033**
Liquid funds, opening balance	65 887	67 473	67 473
Effect of exchange rate changes on cash	2 316	-4 733	5 447
Liquid funds, closing balance	**58 927**	**46 391**	**65 887**

CHANGES IN EQUITY

KSEK	Total Equity 06-30-09	Total Equity 06-30-08	Total Equity 12-31-08
Opening balance	250 908	198 603	198 603
Dividend to shareholders	-21 658	-21 658	-21 658
Conversion differences	-3 258	-11 916	28 342
Miscellaneous	111	362	583
Result for the period	18 578	23 578	45 038
Closing balance	244 681	188 969	250 908

KEY RATIOS

	3 months ended		6 months ended		12 months ended	
	June 30 2009	June 30 2008	June 30 2009	June 30 2008	June 30 2009	Dec 31 2008
Revenues, KSEK	149 141	148 215	286 555	270 530	564 395	548 370
EBITA (Earnings before interest, tax and amortisation), KSEK	20 264	27 639	34 399	41 124	73 093	79 818
EBIT (Operating result), KSEK	17 710	25 503	29 058	36 763	62 757	70 462
EBITA margin (Earnings before interest, tax and amortisation margin), %	14	19	12	15	13	15
EBIT margin (Operating margin), %	12	17	10	14	11	13
Profit margin, %	8	11	6	9	7	8
Operational capital, KSEK					265 360	266 877
Return on equity, %					18	20
Return on operational capital, %					26	31
Solidity at end of the period, %	58	51	58	51	58	56
Cash flow , KSEK	15 449	2 612	-9 276	-16 349	40	-7 033
Liquid funds at end of the period, KSEK	58 927	46 391	58 927	46 391	58 927	65 887
Average number of employees	263	243	264	240	260	249
Number of employees at end of the period	260	243	260	243	260	267
Revenues for the year per employee, KSEK					2 171	2 202

DEFINITIONS

Earnings per share
Earnings attributable to the parent company´s shareholders divided by number of shares
EBITA margin (Earnings before interest, tax and amortisation margin)
Operating result before interest, tax and amortisation as a percentage of revenues.
EBIT margin (Operating margin)
Operating result after depreciation as a percentage of revenues.
Profit margin
Result for the period as a percentage of revenues.
Operational capital
Total balance sheet reduced by liquid funds and other interest bearing assets and reduced by non-interest bearing liabilities.
Return on equity
Result for the period (converted into whole year) as a percentage of average equity.
Return on operational capital
Operating result as a percentage of average operational capital.
Solidity
Equity as a percentage of total balance sheet.
Organic growth
Growth excluding aquisition