Annual Report 2006

SCRIBONA

CONTENTS

ANNUAL REPORT

ANNUA GENERAL MEETING

The Annual General Meeting (AGM) of Scribona shareholders will be held on Tuesday, April 17, 2007 at 15:00 CET at Trankil Mat & Möte, Hemvärnsgatan 15, Solna, Sweden in the Birka conference room.

Shareholders who wish to participate in the AGM must:
– be entered in the share register maintained by the VPC (Swedish Securities Register Center) no later than April 11, 2007
– notify Scribona of their intention of participating either in writing to Scribona AB, Box 1374, 171 27 Solna, Sweden, by phone at +46 (8) 734 34 00, by fax at +46 (8) 82 85 71 or by e-mail at info@scribona.se no later than 16:00 CET on Friday, April 13, 2007. When registering, shareholders must provide their name, social security number/corporate ID number, address and telephone number.

To be eligible to vote at the meeting, shareholders whose shares are registered in the name of a trust department of a bank or private broker must temporarily re-register their shares in their own name. Such registration must be completed by April 11, 2007. The shareholder must inform the trustee about this in good time before the deadline.

DIVIDEND

The Board of Directors proposes that no dividend be paid to the shareholders.

CHANGE OF ADDRESS

Shareholders whose names, addresses or account numbers have changed should notify VPC AB, Box 7822, SE-103 97, or their trustee, without delay. Special forms for this purpose are available at banks.

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FINANCIAL CALENDAR 2007

Interim Report, January-March	May 4
Interim Report, January-June	July 16
Interim Report, January-September	November 9
Year-end Report, January-December	February 15 2008
Annual Report	March 2008

This document is a translation of the original published in Swedish. In the event of any discrepancies between the Swedish and English versions, or in any other context, the Swedish version shall have precedence.

THIS IS SCRIBONA

Scribona is the Nordic region's leading distributor of IT and communication products with annual sales of roughly SEK 9,000 million following the distribution and separate exchange listing of Carl Lamm in 2006 and the closure of the company's Danish operations in 2007. Scribona has business operations in Sweden, Finland and Norway and employs approximately 420 people.

BUSINESS CONCEPT

Using superior logistics, distribution and knowledge of the industry, Scribona offers the Nordic market a cost-efficient supply chain in the areas of IT and communications.

VISION

Scribona aims to be the largest distributor of IT and communication products to resellers in the Nordic region.

GOAL

Scribona's goal is to achieve sustainable profitability by:
- strengthening its position as the leading distributor in the Nordic market
- developing its role in the sales IT-channel and thereby ensuring strong margin growth.
- achieving reliable cost-effectiveness by offering the industry's best logistics and inventory solutions.

STRATEGIES

PRODUCT LINE STRATEGY

Scribona is to offer an all-round range of in-demand IT and communication products from the leading manufacturers in the market with in the following product lines:
- Personal computers, peripheral products and consumer electronics
- Servers, storage and infrastructure products
- Software

In addition, the company is to offer supplementary services within the areas of logistics and financing, for example.

SALES STRATEGY

Scribona is to maintain a high level of service and offer an all-round product offering targeting resellers of IT products and consumer electronics in the Nordic market. With sales offices in all countries where Scribona operates, customer-oriented sales teams and professional support put together customer-specific solutions and offerings for different customer groups.

SUPPLY CHAIN STRATEGY

Scribona's logistics are to be characterized by low fixed-costs, high flexibility and well-developed transportation solutions. Through Nordic co-ordination and close collaboration with market-leading logistics and transport companies, Scribona secures the optimal level of accessibility and high cost-efficiency.

ORGANIZATIONAL STRATEGY

Scribona is to achieve cost-efficiency through utilizing the synergy effects generated through the company's common Nordic group-wide functions, particularly in the areas of inventory management, logistics, product line development and administration.

GROWTH STRATEGY

Scribona's operations are to develop primarily through organic growth within the respective geographic markets and product lines. Scribona is to prioritize products and market segments with strong or stable margin development over submarkets that are exposed to more competition.

A YEAR OF SIGNIFICANT CHANGE

2006 was an eventful year for Scribona. Carl Lamm shares were distributed to Scribona shareholders and in December it was decided to wind-down operations in Denmark.

Following the distribution of shares in Carl Lamm and the decision to wind-down operations in Denmark, these operations are reported as discontinued operations.

In 2006, Scribona's net sales totaled SEK 9,016 million (9,277), which means a decrease of 3 percent compared with the previous year. Volume in terms of the number of units is estimated to be unchanged. Lower unit prices have lowered the sales value by approximately 3 percent.

Net income after tax for the year for remaining operations was SEK -172 million (15).

Net income after tax in discontinued operations was SEK -132 million (-33), of which SEK 19 million concerns Carl Lamm for the period January 1–September 30 (for the whole year 2005: SEK 27 million) and SEK -151 million (-59) concerns Scribona Denmark. The combined result for 2006, including discontinued operations, was SEK -304 million (-19).

The decrease in sales volumes is contributed to disturbances in delivery and IT services that impacted the operations in conjunction with the implementation of a new Nordic ERP system as well as problems in conjunction with the operational start of the company's new central warehouse after the summer. The drop in sales, pressed margins in order to regain sales volumes and deficient processes in conjunction with the change of systems, have had a strong negative impact on results. Furthermore, the weakening of the Norwegian krona in particular had a significant negative currency effect in 2006, which has also had a direct effect on results.

NORDIC PLATFORM

The changeover to a common Nordic platform for logistics, inventory management and administration that started two years ago, entered into its final phase during the year, following the integration of Finland in the second quarter – the last country in the group to be integrated.

In September, a changeover to a new Nordic central warehouse was also started in order to make logistics more effective and increase product availability in all markets.

In 2006, a new common function for product line management was created, Vendor Management, which is responsible for Scribona's entire product offering, from purchasing and product administration to supplier contacts and product line development.

The Nordic co-operation has brought about an increase in effectiveness and cost control and enables sales organizations in the respective countries to have a clearer focus on sales, order management and customer support. In 2007, Scribona carries out more re-organizations to leverage the synergy effects of the Nordic co-operation to a greater extent.

DISTRIBUTION OF CARL LAMM AND NEW SHARE ISSUE IN SCRIBONA

At an extraordinary meeting of Scribona shareholders on October 2, 2006, it was resolved to distribute all shares of Carl Lamm to Scribona shareholders. Trading in the Carl Lamm share started on October 10, 2006. Share price development for the Carl Lamm share from the introduction in October to the year-end has been strong. At the year-end, the share price had risen by 28 percent.

The background to the distribution of shares in Carl Lamm is that the business area, due to an expanded product offering, competed to a greater extent with Scribona's customers. The distribution of shares in Carl Lamm creates better opportunities for the continued operations of both Scribona and Carl Lamm. The separate exchange listings will also facilitate the market in being able to clearly appraise the two different businesses.

Carl Lamm generated a stable cash flow over time, which made it possible for the Scribona business area to conduct different restructuring measures. In order to strengthen the balance sheet for the remaining parts of Scribona, following the distribution of Carl Lamm AB, a resolution was passed at the extraordinary meeting of Scribona shareholders on October 2 to issue new shares with preferential rights for the shareholders, whereby each shareholder has the right to subscribe for 3 new shares of class B per 5 shares of class A or B in Scribona. The subscription period expired on November 10. The issue was fully-subscribed and provided the company with SEK 141 million after issuing costs. Most of the liquid funds from the new issue were used to amortize interest-bearing loans that had been secured with Carl Lamm AB shares.

DECISION REGARDING OPERATIONS IN DENMARK

Scribona's Danish operations have been a losing concern for many years despite the implementation of a number of restructuring programs. In the fall, Scribona's management and Board of Directors therefore actively considered and evaluated several development and wind-down options for the Danish business. Discussions regarding a sale of the operations were held at the end of 2006 and the beginning of 2007. Scribona's board decided on March 29, 2007 to close down operations as it was deemed that closure could be carried out faster and more advantageously than sale of the whole operations. It is anticipated that the liquidation will be completed during the second quarter of 2007.

Scribona was unsuccessful in establishing itself as a leading distributor in Denmark. However, the closure means that Scribona can now focus instead on further developing operations in Sweden, Finland and Norway, where the company is one of the leading players in each respective market.

NEW PRESIDENT AND CEO

President and CEO Tom Ekevall Larsen was dismissed from his position by the board of directors in November 2006 and vice president, Örjan Rebeling, was appointed as acting president.

In December, it was announced that the Board had appointed Fredrik Berglund as Scribona's new president and CEO. Previously, he was vice president of Tele2. Fredrik Berglund assumed his new position at Scribona in January 2007. In January, the new CFO and vice president Hans-Åke Gustafsson also took up his position.

"SCRIBONA MUST BECOME A MORE SALES FOCUSED COMPANY WITH AN APPROPRIATE COST STRUCTURE"

In January, Fredrik Berglund assumed the position as president and CEO of Scribona. Here, he answers a number of questions on his view of Scribona and the challenges faced by the company.

You assumed the position as president and CEO of Scribona in January 2007. What is your background and what can you contribute to the company?
"I have extensive experience of marketing and sales in the Nordic region and I believe that I can add a more offensive outlook. I worked for Tele2 for almost 11 years, where I was most recently vice president of the Nordic region. I also have previous experience within the area of IT distribution, from one of the companies that later became a part of Scribona, AB Curt Enström, where I was Marketing Director, among other positions."

Where does Scribona stand today?
"Scribona is the leading IT distributor in the Nordic market with a very strong market position. However, it is no secret that the company has had profitability problems for a number of years. The market is highly competitive and price pressure has been tough, but this is not unique for the IT industry. Scribona has not adapted quickly and effectively enough to new market conditions."

What do you see as Scribona's greatest challenge?
"Scribona must become a more sales focused company with an appropriate cost structure. Above all, we need to act faster in the market and be more dynamic when it comes to product line management. Scribona aims to create added value both for customers and suppliers through high availability, a broad product range, and by being cost-efficient and reliable – but also by taking a more active part in the sales process."

The board has decided to close down operations in Denmark. How does this affect Scribona as a Nordic company?
"Two years ago, Scribona started a process to gather the whole company on one common Nordic platform, with common functions for inventory management and logistics, among other functions. At the time being, we are making organizational changes in order to better leverage the synergy effects generated by our Nordic co-operation. We have kept strong local ties through sales offices in each country where we have operations, and our ambition is to work even closer to our customers.

Despite a number of restructuring programs during the past years, the company's Danish operations have impacted our results negatively. For this reason, we have decided to exit the Danish market. But the Nordic region is our home ground."

What is your recipe for future success?
"Simplicity and speed are of key importance in an industry where margins are low and product development is fast.

However, these have been the prevailing conditions for many years, so it is more about making adjustments and further increasing tempo.

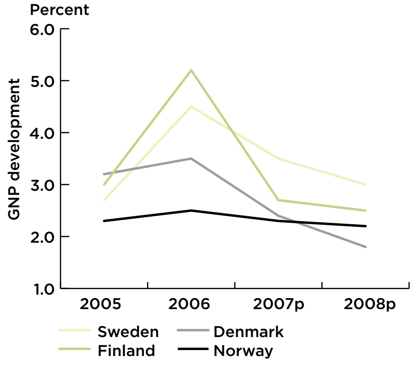
It is also important that all employees feel a part of what is going on. That both our employees and our customers understand what Scribona stands for and what our values are. This is an area where we can be much clearer and more straightforward."

What time perspective are we talking about?
"I took up my duties in January and have already implemented a number of efficiency measures and changes. This spring, work to control costs and make our internal process more efficient will proceed and at the same time we are sharpening our offering. Scribona will become a more offensive player this year, which will be noticeable in several ways."

MARKET UNDER DEVELOPMENT

The fast technical development in the IT industry is also leaving its mark in the distribution channel. The total market is growing at the same pace as all the more products are digitized. At the same time price pressure remains high, particularly in the PC segment.

In 2006, the Nordic market showed healthy growth both in terms of the general economic development and IT investments. The strongest growth in terms of GNP was reported in Finland and Sweden. Growth is expected to be somewhat lower in all Nordic submarkets in 2007–2008.



Source: Eurostat and IDC

According to a report from the market intelligence company IDC, the sales value of the Nordic IT market for hardware and software, excluding services, increased by 4 percent in 2006. IDC predicts that growth in this market will continue, with 2 percent growth forecasted for 2007 and roughly a 6 percent increase in 2008. During the year, 4.6 million personal computers (laptops, stationary computers and PC servers) were sold in the Nordic region, which is an increase of 7 percent compared to 2005. Of these personal computers, 11 percent were delivered via Scribona. Seasonal variations are relatively strong in the IT market and about a third of sales are made in the fourth quarter.

DEFINITION AND SIZE OF SCRIBONA'S MARKET

The market intelligence company IDC estimates that the sales value of the total Nordic IT market in 2007 will be just over SEK 290 billion in end-customer prices, of which SEK 156 billion concerns hardware and software. Scribona is active in the Nordic market for distribution of IT related hardware and software to resellers, who sell the products further to end customers. Scribona's addressable market is a subset of the Nordic IT market. Scribona's product line spans a broad range of products, with personal computers and digital technology as a base. The segment is constantly growing, with new products for both home and office. Today, the offering includes everything from digital consumer products to advanced server, communication and document management systems. Nowadays, Information technology (IT) is as much about graphics and audio as it is about data and telecom.

Defining the IT distributors' market exact size is difficult, both because of constant change in the IT channel, but also because of difficulties categorizing what products are included in the market. In the publication IT-Branschen, Distributors' guide 2006, the IT distributor market in Sweden was estimated at just over SEK 26 billion, equivalent to approximately 60 percent of hardware and software sales in the Swedish IT market. If the same assumption can be made for the Nordic market, the market for IT distributors totaled roughly SEK 80–90 billion in 2006.

Earlier assumptions on the size of the distributor market were based on the share of personal computers sold through the distributor channel (approximately 35 percent). Today, the PC segment is not believed to be representative of the whole distributor market, as direct sales by PC manufacturers has accelerated in recent years at the same time as the market share of other products has increased in size. New digital IT products such as multifunctional products (MFPs), data projectors, flat computer and TV screens as well as new graphics and audio products for both home and office, are driving the market forward at a higher pace of growth than personal computers.

COMPUTER POWER GOES MOBILE AND PERSONAL COMPUTERS ARE SOLD AT CONSUMER WAREHOUSES

The share of laptop computers continues to grow strongly. In 2006, more laptops than stationary computers were sold for the first time in the Nordic market. The difference in price has basically been eradicated and sales are driven to a greater extent by area of use – with more people choosing laptops. Sales of laptop computers increased by 26 percent, while stationary computers sales decreased by 7 percent and sales

HARDWARE AND SOFTWARE SALES IN THE NORDIC IT MARKET (END CUSTOMER PRICES)

SEK M.	2004	2005	2006	p2007	p2008
Computers	46,317	49,510	48,357	43,979	43,679
Storage	4,692	5,358	5,278	5,274	5,248
Peripheral products	15,464	19,355	21,712	25,117	29,874
Network & communication	13,846	15,036	15,776	16,113	16,084
Software	44,906	55,576	59,705	64,063	68,436
Total	**125,225**	**144,835**	**150,828**	**154,546**	**163,320**

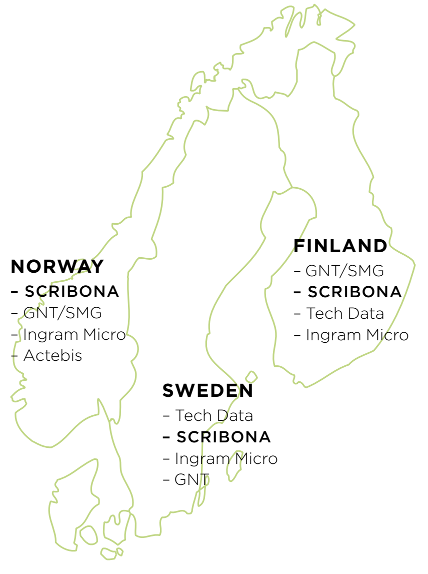
Source: IDC, Feb 2007

PC MARKET 2006

Number of units sold	Total market	Scribona	Share
Laptops	2,373,500	277,208	12%
Stationary computers	2,097,681	200,321	10%
Servers	163,210	29,306	18%
Total	**4,634,391**	**506,837**	**11%**

Source: Context Information Services (www.contextworld.com) and Scribona AB, March 2007.

THE LARGEST IT DISTRIBUTORS IN THE NORDIC MARKET



of servers increased by 2 percent. The market continues to be characterized by fast change, both when it comes to demand and the competitive situation. On the manufacturer side, the borders were erased a long time ago and Asia, spearheaded by China, is responsible for the majority of all production.

In the past two years, the competitive situation has further intensified between PC manufacturers.

The market leaders, HP and Dell, continue to compete for first place, and Lenovo's takeover of IBM's PC products has created a new player on the supplier side. Acer has grown robustly through aggressive pricing in the laptop segment, while Fujitsu Siemens, LG, Sony, Toshiba and other established suppliers try to defend their market positions.

In response to increasing competition, manufacturers are now trying to increase leverage over end-customers by moving their position further out and closer to the end-customer in the sales channel and selling directly to large retail chains and consumer electronics warehouses. At the same time, they are entering directly into price agreements with major end-customers to a greater extent, which affects the overall price picture and reduces market share for IT distributors, particularly in the PC segment.

At the same time as price pressure continues, both the rate of turnover of goods and the range of products is increasing. More and more digital products are available and are sold at an increasing number of locations and via new sales channels. This indicates that effective distribution will be an even greater requirement in the future

THE NORDIC DISTRIBUTION MARKET

There are over 300 distributors and wholesalers in the area of IT in the Nordic market, of which most are small niche players. The competitive situation varies from country to country, but generally speaking the competition is substantial and market is over-established. This has resulted in significant price pressure in the market and profitability is generally low for most market players.

Scribona's main competitors are international broadline distributors such as Tech Data, Ingram Micro and GNT, as well as smaller local niche distributors such as Four Leaf, Magirius, Pedab/BBSoft and AKS.

The largest event in the distributor sector in 2006 was the acquisition of the Finnish company GNT by the Swiss ALSO Group, thereby becoming the fourth largest distributor in Europe after Ingram Micro, Tech Data and Actebis.

SCRIBONA'S CUSTOMERS

Scribona sells its products and services to IT resellers on the Nordic market. The reseller segment is fragmented with many different players of varying sizes and focus – and thereby with different needs. Large consumer electronic stores with in-house warehouses demand effective transaction management, while traditional computer resellers and system suppliers have a greater need for product competence, configuration solutions and delivery services.

In 2006, Scribona's sales were divided between the different sales channels as follows:

– 20 percent via retail (resellers with a consumer sales focus)
– 35% via small and midsized resellers and system integrators
– 45% via large resellers, system integrators and retail chains.

In recent years, the market has seen consolidation at the reseller level. In 2005, the Swedish supplier SYSteam acquired Implementa in Karlstad and Office in Borås. Atea acquired Martinsson in March 2005, thereby becoming the largest reseller in the Swedish and Nordic markets. Denmark's biggest IT reseller, Topnordic established itself in earnest in Sweden by acquiring Office Data in Stockholm and Nord-Net IT in Göteborg. In March 2006, Topnordic merged with Ementor and in June Topnordic/Ementor's acquisition of Atea was announced.

A COMPLETE IT DISTRIBUTOR

Scribona is the leading distributor of IT products to resellers in the Nordic market. A strong offering, both in terms of cost-effective volume distribution and value-added activities, is the core of the business.

Scribona is the link between hundreds of world-leading suppliers and thousands of resellers in the Nordic market. With effective routines and well-developed processes for order flows, business support, information flows and contact flows, we are able to manage both the total deals of large manufacturers and individual deliveries to small retailers. Our offering includes pure distribution services such as inventory management and logistics as well as value-added wholesaler services such as financing, sales support and development of attractive end customer offerings.

The role as distributor and wholesaler takes on different forms depending on the complexity of the products and the customer's needs. The right product, at the right price, in the right place and at the right time is the core of Scribona's offering.

Scribona's offering and business is best described according to the following market segments:

– Personal computers, peripheral products and consumer electronics
– Servers, storage and infrastructure products
– Software

PERSONAL COMPUTERS, PERIPHERAL PRODUCTS AND CONSUMER ELECTRONICS

Two-thirds of Scribona's sales come from the distribution of volume sale products such as personal computers, basic servers and network products, monitors, MFPs, digital audio and graphics products, as well as peripheral products and supplies.

Our offering includes products for professional use and use at home, with the common denominators being that they are standardized, easy to purchase, distribute, install and use.

There is a clear trend when it comes to increased user-friendliness and compatibility in the computer and IT products of today, which naturally impacts the way the products are distributed and sold. Moreover, technology development is continuing at an ever-increasing pace – computer monitors may also contain TV receptors today, and a laptop computer is the same price as a stationary computer, which is the same price as a TV. The copying machine has disappeared and has been replaced by printers with built-in scanners, etc. The sales channel continues to develop and the most popular IT products are sold almost everywhere.

Scribona's offering in this segment is based on leading brands, a broad range of products (one-stop shopping for resellers), effective logistics and a high level of service.

As one of the leading players in the Nordic market, Scribona is able to offer effective routines and well-developed processes that simplify the customers day-to-day product purchasing, regardless if the reseller is countrywide electronic warehouse chain with its own warehouse requiring effective transaction management and inventory management, or a local computer sales company that uses Scribona's warehouse as "its own" in order to optimize capital management and increase the range of products they offer. Scribona's asortment include products from most of the leading manufacturers as Apple, Canon, D-Link, Fujitsu Siemens, HP, IBM, Lenovo, Lexmark, Logitech, OKI, Philips, Samsung, Sony, Targus, Toshiba and Xerox.

Key factors for Scribona's customers are that:

– the products are available as warehouse goods (or ordered goods)
– the price is right thanks to large purchasing volumes and full control of campaigns and any bid prices, amongst other things
– deliveries are seamless and freight solutions are competitive.
– information is available via mail, internet or email
– it is easy and simple to place an order, which can be done via telephone, internet or XML/EDI and that personal contact with customer service, the account manager and product specialist functions well.

Scribona's offering is also supplemented with leasing and financing options for the resellers' end customers, delivery and logistics services as well as Home-PC packages and e-commerce solutions.

SERVERS, STORAGE AND INFRASTRUCTURE PRODUCTS

Processing power, storage capacity, security, wireless, optimization, consolidation and virtualization are the key words in today's complex IT environment. Roughly a fifth of Scribona's sales are from sales of products that help companies and organizations with more or less advanced solutions for the server room and IT infrastructure.

Servers, disc systems, storage robots, switches, firewalls and other high-tech products work together with the right applications to provide the support that the business demands.

Our product range also includes everything from relatively simple PC servers to advanced server and system solutions, with products from companies such as HP, IBM, Fujitsu Siemens and Cisco. Every fifth server sold in the Nordic market is delivered through Scribona.

These types of products and solutions are often sold via system-focused resellers and system integrators, which puts further demands on Scribona's offering. A complete product line and a well-functioning logistics system are the basic components of our offering, supplemented with niched product knowledge and a well-developed business support process. Consequently, distributor role often develops into more of a partnership collaboration and network between the supplier, reseller and end-customer than a traditional wholesaler function.

The added value that Scribona contributes to this kind of deal includes:

– sales and marketing support with, for example, leads generation for both the supplier and the reseller
– product packaging and solution proposals
– bid and configuration support
– technical support for complex system solutions (in the area of server virtualization, communication and data security, for example) from certified product specialists
– advanced test and lab environment (Lab showroom) for Server & Storage
– Seminars and training targeting both resellers and their end customers
– paid support services and consultancy services

SOFTWARE

Sales of different types of software represent approximately 15 percent of Scribona's sales. The range includes everything from store-packaged consumer products to software licenses from the leading software companies in the industry. Scribona's product range includes operating systems, office applications, specialized graphics programs, e-mail and communication programs, virtualization programs, development and surveillance tools, as well as security, storage and anti-virus programs, games, server and business system applications from companies such as Adobe, CA, IBM, McAfee, Microsoft, Novell, RedHat and Symantec.

In its most simple form a store-packaged software program is just as easily distributed and sold via large and small resellers as any IT product. But the large volumes are on the company side, where software is sold through different license systems of varying complexities in order to create attractive solutions for organizations with many users. The price and choice of the optimal license program is influenced strongly by the type of application, the number of users, upgrade rights, validity periods, and service and support contracts.

This requires Scribona to have in-depth knowledge about the different supplier's products and programs, both when it comes to new sales as well as renewal and upgrading of existing license agreements. Depending on the type of application, the license system may contain solutions for five users at a local office or thousands of users at an international corporation. Scribona's license group assists both niched resellers specialized, for example, in sales of volume licenses, development tools and consulting, to large resellers that supply multinational companies and organizations. Here, the solution proposal, based on an understanding of the customer's needs in combination with in-depth knowledge of the various solutions offered by software suppliers, makes up the foundation of both new sales and contract extensions.

OFFERING ENHANCED BY NORDIC FUNCTION

In order to secure our position as the leading distributor in the Nordic market, we have to develop our offering and range of products on an ongoing basis. A Nordic Vendor Management function is now responsible for Scribona's product offering, from purchasing and product administration to supplier contact and product line development.

High availability and a broad product range are just two of the prerequisites of our business, and together with product specialists and sales people in the respective product area the offering is developed continually. In pace with the expansion of the IT market, our product range is broadened with new products and new suppliers are added and others developed – in what is a continuous process of renewal in order to offer the Nordic market the best from manufacturers of IT products all over the world.

FINANCING SOLUTIONS ENHANCE CUSTOMER BENEFIT

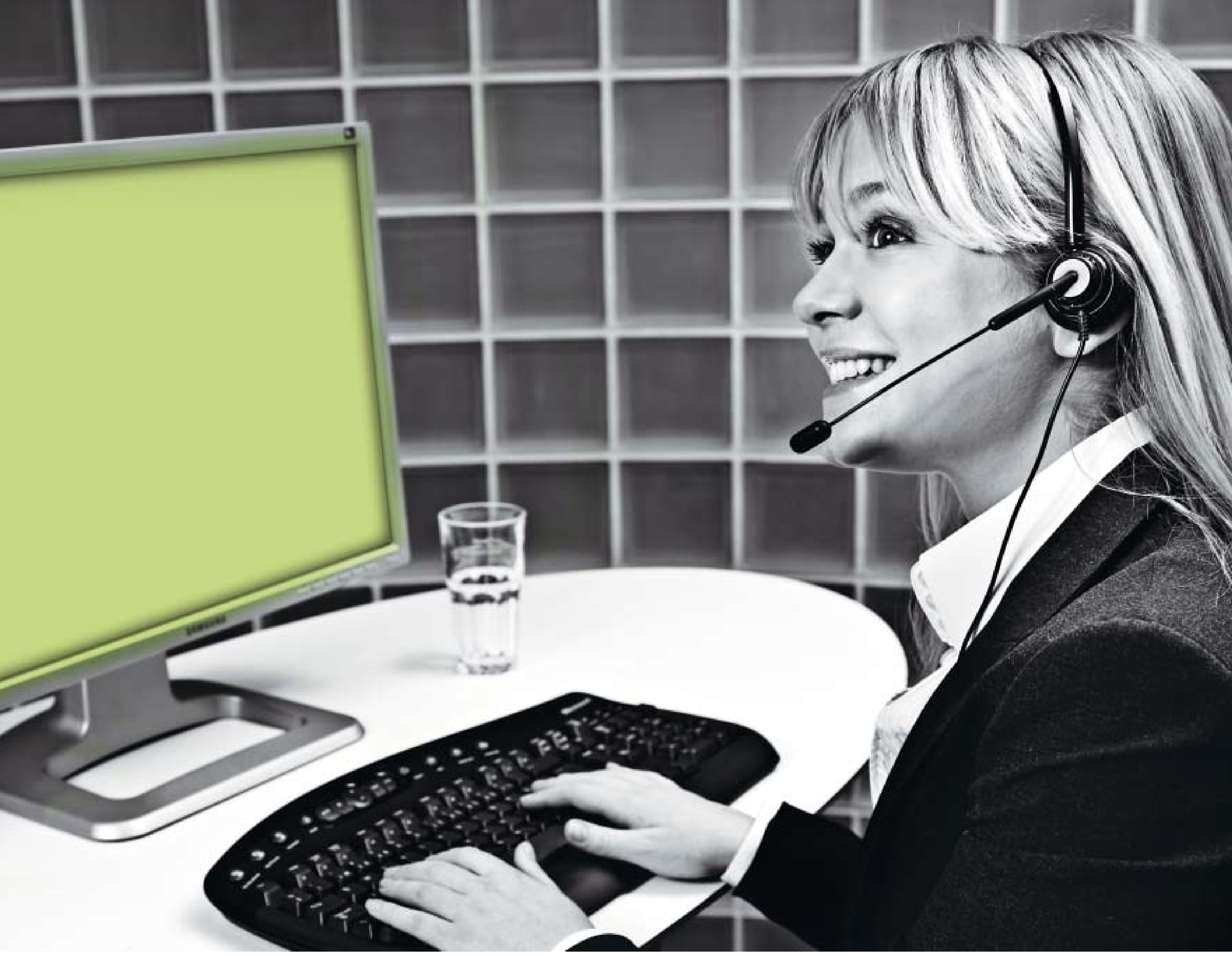
Scribona is also creating new financing options to enhance customer benefit in response to an increased need for financing at a reseller level. Under normal circumstances the utilized credit leeway for Scribona's customers amounts to SEK 1–2 billion. A correct and well-balanced credit offering is important both from a competitive and risk management perspective. In order to reduce credit exposure and create alternative options in the reseller channel Scribona also offers:

– mortgaging of invoices
– sales agent set-ups where Scribona invoices the end customer on behalf of the reseller
– financing services such as rental or leasing or Home PC financing that release credit leeway for the reseller and provide the end customer with an advantageous financing solution

In response to increasingly intense competition, manufacturers are offering bid prices or pricing agreements directly to end customers, thereby altering the price picture throughout the entire value chain. A settlement of account or claim procedure is carried out with the manufacturer after a sale so that distributors and resellers can make their margins. This means that Scribona receives a large part of its margin afterwards from the manufacturer, while tied-up capital and administration costs are rising.

E-COMMERCE SPEEDS UP BUSINESS

Electronic commerce is now a prerequisite for doing business in the IT sector. Scribona has been working since the mid-1990s to develop its e-commerce solutions. Today, more than half of all Scribona's business transactions take place electronically and Internet



has become one of the primary sources of information for product, price and availability information for both resellers and end customers.

Scribona's web solution can also handle more complex processes such as ordering custom-configured products, software licenses, order and billing histories and goods tracking. Scribona also offers resellers e-commerce solutions that target their own end customers, so called shop-in-shop functionality. For resellers with their own web solution or purchasing portal, this functionality can be delivered via an EDI or XML connection that is linked directly into the Scribona system.

EFFECTIVE SUPPLY CHAIN AND LOGISTICS

Scribona's logistics function covers processes within inventory management, logistics services and deliveries. Our focus is on further enhancing supply chain management through increased efficiency while reducing costs.

The strategy builds on shifting the focus from inventory management to information and processes. Instead of handling the supply chain via warehouses in each country, Scribona is successively switching over to a more flexible inventory management process involving a combination of central warehouses, local warehouses and hub-warehouses at shippers.

All warehouse and delivery management is still handled in Scribona's own systems, but through integration with companies such as DHL, we can obtain precise information in our systems as to which products are en route to our warehouse, and in what quantities, even as the truck is leaving the loading dock at the manufacturer. Back-ordered products are delivered directly to customers through our shipper's logistics hubs, so called Cross-Docking, without the need to travel to our warehouse, while warehouse goods can be co-delivered with ordered goods, so called Merge-In-Transit.

For the customer this means better information, greater availability and short delivery times. For Scribona, this new working method enables us to bill more quickly and reduce the amount of tied-up capital.

By taking a new approach to warehouse management, Scribona can half its permanent warehouse area by renting the space we need in huge ultramodern warehousing facilities at our shippers. The advantages are many. Flexibility in response to seasonal variations is increased in terms of both staffing and warehouse space, flows are optimized through improved integration between warehouses and shippers, and heavy investments in ultramodern warehouse management equipment are shared.

We are also enhancing our offering with different logistics and delivery services. These are add on services that simplify handling for both the reseller and the end customers, for example different types of configuration services (hardware and software installation, and anti-theft and inventory markings on personal computers and servers).

We also offer logistics services, for example storage hotels and ancillary delivery services such as unpacking services and packaging recycling, installation and start-up of computers at the customer's workplace as well as delivery in secure containers.


PHILIPS

SWEDEN

Sales for the first half of 2006 were strong, with an increase of 8 percent compared with the same period last year. We strengthened our market share both overall and at many of our larger suppliers.

HP's right sizing strategy, which aimed to decrease the number of distributors per country, gave rise to strong price competition at a distributor level during the first half of the year.

In the second half of the year sales were affected negatively by disruptions in conjunction with the operational start of the new Nordic central warehouse. In the latter part of the fourth quarter, deliveries functioned normally again, and volume growth during the final months of the year was good.

According to IDC the sales value of the Swedish market increased by 2 percent for hardware and software, which means that Scribona, despite its delivery problems in the fall, defended its market share and grew at the same pace as the market.

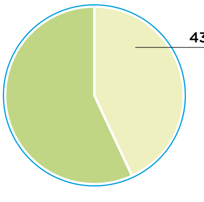
PC sales in terms of sold units were at the same level as the year before. In total, approximately 1.6 million laptop computers, stationary computers and servers were sold in the Swedish market. Scribona sold approximately 167,000 units and defended its market share of 11 percent of the total market.

The earlier home PC reform in Sweden that was successful from a sales perspective was changed at the turn of the year 2006/2007. The expected home PC boom at the end of 2006 did not materialize because the new rules contain a standardized tax that is also applicable to existing home PC agreements. The new conditions are expected to decrease the demand for home PCs in 2007. However, the fast drop in prices for IT products means that computer investments are no longer regarded by households as a major investment and are in line with purchasing a TV. In other words, the computerization of households in Sweden is continuing, with or without the home PC reform.

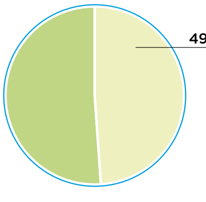
Margins continued to shrink during the year, with some recovery noted in the fourth quarter. Operations in Sweden were burdened with costs beyond plan from logistics and IT of SEK 22 million.

During the year, Scribona distributed IT products to many of the largest resellers including Atea, Dustin, Koneo, Office, Siba and SYSteam. There is a large number of small and midsize resellers in the market and in 2006 Scribona sold IT products to over 2,000 resellers. Scribona's ten largest customers in the Swedish market represented just over 40 percent of sales.

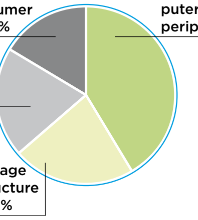
SHARE OF SCRIBONA'S SALES



SHARE OF SCRIBONA'S PERSONNEL



SALES DISTRIBUTED BY PRODUCT AREA



Sweden	2006	2005	2004
Net sales/earnings, SEK m.	3,933	3,872	3,776
Operating profit, SEK m.	-6	28	3
Operating margin, %	-0.2	0.7	0.1
Number of employees at year-end	205	216	255

FACTS
Country Manager: Mats Säfström
Office in Solna/Stockholm

FINLAND

Scribona has secured its strong position as the second largest IT distributor in the Finnish market. Increasingly intense competition, shrinking margins, operational disturbances in conjunction with the change over of systems and unforeseen costs had a negative effect on results in 2006.

In April, Finland was the last country to be integrated into Scribona's common Nordic web and ERP system and this created disturbances in the third and fourth quarter. Operational disturbances in conjunction with the start up of the new Nordic central warehouse after the summer also had a negative effect on sales, particularly in the third quarter. The year ended with a strong fourth quarter and an increase in sales compared with the previous year.

According to IDC, the sales value of the Finnish market for hardware and software increased by 5 percent in 2006, which means that Scribona did not fully capture market growth.

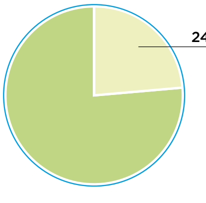
According to Context, sales of PCs in Finland in terms of the number of sold units increased by 5 percent in 2006. In total, over 850,000 laptops, stationary computers and servers were sold in the Finnish market. Scribona sold approximately 125,000 units, thus defending its market share of 15 percent of the total market.

Scribona's product range and customer structure differs in Finland from operations in other countries, through a greater focus on digital consumer products and sales via retail channels, which represented 36 percent of sales in 2006.

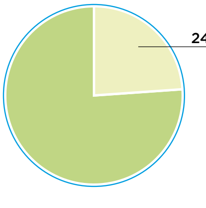
Operations in Finland were burdened with costs beyond plan for logistics and IT, as well as currency effects on sales margins, totaling SEK 18 million. Goodwill write-downs of SEK 12 million were made following write-down assessments.

During the year, Scribona distributed IT products to many of the large resellers including Anttila, DataInfo, Expert, Fujitsu Services, MustaPörssi and Tekniset. There is a large number of small and midsize resellers in the market and in 2006 Scribona sold IT products to more than 1,100 resellers. Scribona's ten largest customers in the Finnish market represent just over 40 percent of sales.

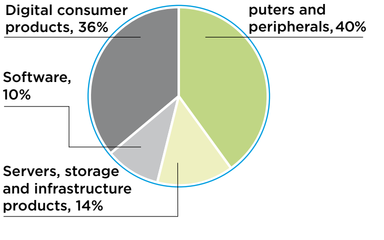
SHARE OF SCRIBONA'S SALES



SHARE OF SCRIBONA'S PERSONNEL



SALES DISTRIBUTED BY PRODUCT AREA



Finland	2006	2005	2004
Net sales/earnings, SEK m.	2,130	2,229	2,242
Operating profit, SEK m.	-41	-7	7
Operating margin, %	-1.9	-0.3	0.3
Number of employees at year-end	99	120	133

FACTS
Country Manager: Peter Johansson
Office in Espoo/Helsinki

NORWAY

Scribona is Norway's largest IT distributor. During recent years, competition on a distributor level has increased considerably, which has had a negative effect on Scribona's margins, even if margins in the Norwegian market are still somewhat larger than in other countries.

During the fourth quarter of 2005, Scribona's new Nordic ERP system was implemented in Norway. New working methods in combination with start up problems lead to inadequate margin control, which were not reflected in the books for the first quarter of 2006. This was corrected in the second quarter at the same time as a management plan was introduced with measures to improve working processes, stabilize margins and reduce costs.

During the summer a new country manager was appointed for the Norwegian operations. Margins improved in the third and fourth quarter, but sales were negatively affected by operational disturbances in conjunction with the start up of the new Nordic central warehouse. The year ended with a strong fourth quarter and an increase in sales compared to the previous year.

Scribona's market position strengthened toward the end of the year, particularly in system and infrastructure products, due to increased inventory availability, which was a positive result of an increase in centralized inventory management.

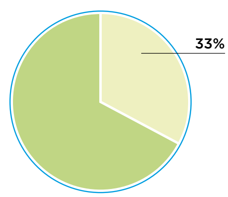
According to IDC the sales value of the Norwegian market for hardware and software increased by 6 percent in 2006, which means that Scribona did not fully capture market growth.

According to Context, PC sales in Norway in 2006 in terms of sold units increased by 12 percent. In total over one million laptops, stationary computers and servers were sold in the Norwegian market. Scribona sold approximately 120,000 units, representing a market share of 11 percent of the total market.

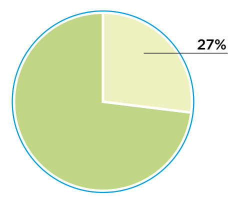
Operations in Norway were burdened by costs beyond plan for logistics and IT, as well as currency effects on sales margins, totaling SEK 28 million.

During the year Scribona distributed IT products to many of the large resellers, including Ementor, ErgoGroup, Informatikk, Itet, Itum and Umoe IKT. There is a large number of small and midsize resellers and in 2006 Scribona sold IT products to over 1,600 resellers. Scribona's ten largest customers in the Norwegian market represented close to 50 percent of sales.

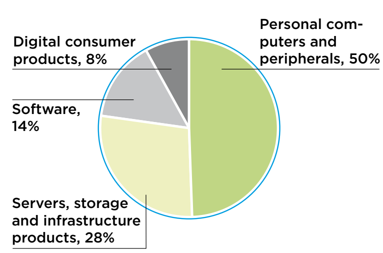
SHARE OF SCRIBONA'S SALES



SHARE OF SCRIBONA'S PERSONNEL



SALES DISTRIBUTED BY PRODUCT AREA



Norway	2006	2005	2004
Net sales/earnings, SEK m.	2,999	3,158	3,316
Operating profit, SEK m.	-28	41	82
Operating margin, %	-0.9	1.3	2.5
Number of employees at year-end	114	134	131

FACTS
Country Manager: Tore Løveid
Office in Oslo

RESPONSIBILITY FOR THE WORLD AROUND US

Scribona has very little direct impact on the environment. Nevertheless, we strive to contribute to sustainable development in those areas were we can make a difference. This applies to our choice of partners and suppliers as well as the requirements we place on quality assurance and business ethics both internally and externally.

Scribona works actively to reduce the environmental impact of its operations. Well-developed waste management routines for recycling the company's own office material, packaging and equipment is a small but important part of this work. From a greater perspective, the primary concerns are exhaust emissions related to the transportation of goods and the environmental impact of producing and recycling products where Scribona in its role as importer has manufacturer responsibility.

Scribona's has chosen to work with DHL and Schenker as its main transportation suppliers. Both companies work actively to protect the environment on an international basis.

DHL, among other things, has signed the UN's Global Compact, which emphasizes the importance of safety measures, taking environmental initiatives and using environmentally friendly technology. DHL's Nordic operations are 100 percent environmentally certified in accordance with ISO 14001, as are all of Schenker's operations in the Nordic region. Schenker has also signed the International Chamber of Commerce's Business Charter for Sustainable Development, which means that the company has committed itself to act for sustainable development from an environmental perspective.

IMPORTER AND MANUFACTURER RESPONSIBILITY

On July 1, 2006, the RoHS directive was implement throughout the entire EU, prohibiting the use of mercury, cadmium, lead, hexavalent chromium and the flame protection agents PBB and PBDE in new electric and electronic products being launched on the market. Responsibility for ensuring that the directive is followed falls on the company that makes the product available on the market, which for the majority of the products handled by Scribona means the manufacturer. In cases where Scribona acts as the importer and therefore has this responsibility, the group requires the manufacturer to provide written guarantees that RoHS directive are followed.

Importer and manufacturer responsibility is also regulated in the EU's WEEE directive (Waste Electrical and Electronical Equipment) that was implemented in August 2005 and which is a minimum requirement for all EU nations (including Norway). The directive is based on manufacturer responsibility, which means that the company that sells a product on the market (importer or manufacturer) is responsible for collecting and recycling its relative market share of discarded products within the same category. Public collection depots and resellers are responsible under the directive to accept discarded products for recycling in accordance with set guidelines.

All manufacturers/importers must be affiliated with a collecting depot or have their own routines for recycling. With respect to the limited part of Scribona's range of products that are subject to importer liability, Scribona is affiliated with Elkretsen in Sweden, Elker in Finland and Eurovironment in Norway. The WEEE responsibility for the bulk of Scribona's products is handled by the manufacturer.

QUALITY ASSURANCE PROCESSES

Scribona is a member of SCC (Supply Chain Council) a global interest group dedicated to developing supply chain management in terms of quality and processes. The supply chain comprises all the steps from supplier to customer, along with the associated processes.

The SCC has prepared a reference model that shows how to define the various processes and measure qualitative goals from a competitive perspective. In this way, we can ensure that we achieve a quality level that is on par with or better than what our competitors are offering their customers.

The model is based on regular customer surveys and internal 'Balanced Score Cards', and is known as the SCOR (Supply Chain Operation Reference Model).

Scribona's Nordic ERP system supports the SCOR model. The system enables us to continuously track our ability to live up to our metrics and remain on par with or better than our competitors. This ensures that Scribona always has a good idea of the processes that need to be developed to meet customer requirements in a competitive market.

CORPORATE SOCIAL RESPONSIBILITY AND BUSINESS ETHICS

Scribona strives to be a good employer and corporate citizen and emphasizes solid ethics, mutual respect, cooperation and openness in all relations both external and internal. Scribona supports the UN's Global Impact, ILO's declaration of basic work principles and rights as well as OECD guidelines for multinational companies. Scribona sees it as a matter of course that the same applies to our suppliers and partners. Naturally, local laws regarding working conditions, working environment, environmental management and product safety are also applied by Scribona.

Scribona's board has adopted a code of conduct for the group. It covers ethical regulations that all employees must adhere to. The code formalizes the principles the group must apply in relationships with customers, suppliers, employees, competitors, shareholders, society as a whole and other interested parties.


SCANIA

BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

Henry Guy, born 1968. Board member since 2006.
President and CEO in Modern Holdings Inc.
Board member in Metro International S.A., Pergo AB, Basset Labs AB, Basset Group AB, Tailormade AB, Xpeedio Support Solutions AB, Search Value Partners Ltd., Lors Studios Inc. and Blackbook Inc.
Shareholding: 0 shares in Scribona AB.

Johan Hessius, born 1958. Board member since 2005.
Attorney and partner of Advokatfirman Lindahl KB.
Chairman of Bullandö Marina AB and Scandinavian Clinical Nutrition i Sverige AB.
Board member of Carl Lamm AB, Howden Insurance Brokers AB, Holm and Co AB, Johavid Invest AB, Catella Real Estate AB and Catella Corporate Finance AB.
Shareholding: 20,358 class A shares and 23,294 class B shares in Scribona AB via companies.

Lorenzo Garcia, born 1952. Board Member since 2007.
Chairman of Greenfield International AB, Caperio AB and Rolsta Kvarn AB.
Shareholding: 0 shares in Scribona AB

Mark Keough, born 1954. Board member since 2007.
Chairman of Nordic Supply Holdings ApS.
Board member of Nordic Supply Holding ApS, Supplies Team Sverige AB, Santech Micro Group Denmark A/S.
Shareholding: 0 shares in Scribona AB

David E. Marcus, born 1965. Board member since 2005.
Managing member of MarCap Investors LLC., Marcstone Properties LLC., Ridgeview Group LLC. and MarCap Group Partners LLC.
Chairman of Modern Holdings Inc. and Great Universal Inc.
Board member of AB Novestra, Pergo AB, Carl Lamm AB and Modern Times Group MTG AB.
Not an independent member as managing member of MarCap Investors, LLC., which manages MarCap Special Opportunities Master L.P., a major Scribona shareholder.

From left to right: Henry Guy, Johan Hessius, Lorenzo Garcia, Mark Keough and David E. Marcus.

Shareholding: 0 shares in Scribona AB. (MarCap Special Opportunities Master L.P. 93,000 class A shares and 15,018,890 class B shares).

Bruno Amico, born 1958. Deputy board member since 2005. Employed at Scribona Nordic AB since 1999. Union representative (SIF).
Shareholding: 0 shares in Scribona AB

Eva Elsnert, born 1944. Board member since 2004. Employed at Scribona Nordic AB since 1998. Union representative (SIF).
Shareholding: 0 shares in Scribona AB

Theodor Dalenson, born 1959. Chairman of the board since 2005. He has declined re-election prior to the 2007 AGM.
Chairman of AB Novestra, Nove Capital Management AB, Carl Lamm AB and WeRock AB.
Board member in ASF Inc., Pergo AB, Bytek Systems AB, MyPublisher Inc., Nove Capital Fund LLC., and Nordic Strategies Management AB.
Not independent member as chairman of Nove Capital Management AB, which manages Nove Capital Master Fund Ltd., a major Scribona shareholder.
Shareholding: 0 shares in Scribona AB. (Nove Capital Master Fund Ltd.: 39,500 class A shares and 10,339,443 class B shares.)

Fredrik Berglund, born 1961, president and CEO of Scribona since January 2007.
Shareholding: 40,000 class B shares in Scribona AB.

Hans-Åke Gustafsson, born 1962, CFO and vice president of Scribona since January 2007.
Shareholding: 0 shares in Scribona AB.

Detailed information about the composition of the Board and the Executive management during 2006 is provided in the Corporate Governance Report, page 62.

From left to right:
Bruno Amico, Eva Elsnert, Theodor Dalenson, Fredrik Berglund och Hans-Åke Gustafsson.

SCRIBONA SHARE DATA

TRADING

Scribona is listed on the Nordic List of the Stockholm Stock Exchange, Small Cap section under the ticker symbol SCRI.

In 2006, a total of 1,217,736 class A shares and 60,165,539 class B shares were traded, corresponding to a total turnover rate of 1.12. The average value of shares traded per day in 2006 was SEK 3,317,000. A round lot is 2,000 shares.

DIVIDEND

At the extraordinary meeting of Scribona shareholders on October 2, 2006, it was resolved to distribute all shares in Carl Lamm AB to Scribona shareholders. Trading of the Carl Lamm share commenced on the Nordic List on October 10, 2006.

NEW ISSUE OF SHARES

At the extraordinary meeting of Scribona shareholders on October 2, 2006, it was resolved to issue new shares with preferential rights for shareholders of not more than 30,636,964 shares of class B. Each Scribona shareholder was entitled to subscribe for 3 new shares of class B per 5 shares of class A or B. The new share issue was fully-subscribed, which increased the number of shares from 51,061,608 to 81,698,572.

SHARE PRICE TREND

In 2006, the price of the Scribona share was significantly affected by distribution of the subsidiary Carl Lamm AB. The last day for trading with class B shares in Scribona AB with the right to distribution of Carl Lamm AB shares was October 3, 2006. The lowest quotation on that day was SEK 14.55. The first day for trading class B shares without the right to distribution was on October 4, with SEK 8.85 as the lowest quotation on that day.

At year-end, the price of Scribona's class A share was SEK 7.20 (SEK 20.50). The class B share was priced at SEK 6.45 (20.50). The OMX index, which consists of the thirty most heavily traded shares on the Stockholm Stock Exchange, rose by 19.5% in 2006. The highest and lowest quotation in 2006 for the Scribona class A share was SEK 22.35 on March 23 and SEK 5.55 on November 1, and for class B shares, SEK 22.50 on February 21 and SEK 5.35 on November 7. Market value, calculated at the 2006 year-end share price, was SEK 529 million (1,047). The closing price for class B shares on March 23, 2007 was SEK 5.20.

SHARE CAPITAL

Scribona's share capital amounted to SEK 163.4 million on December 31, 2006, distributed over 81,698,572 shares. Each share has a par value of SEK 2.00. The share capital is distributed over 2 classes of shares carrying different voting rights. Class A shares, totaling 2,530,555, carry 5 votes each and class B shares, totaling 79,168,017, carry one vote each.

The company's Articles of Association give holders of class A shares the right to convert their shares into an equal number of class B shares. In 2006, holders of class A shares converted 82,744 of their shares into class B shares.

SHAREHOLDERS

Scribona's largest shareholder at the end of the financial year was MarCap Special Opportunities Master L.P. with 18.5% of share capital and 16.9% of votes.

The number of shareholders decreased in 2006 and totaled 9,304 (10,368) at the year-end. The ten largest owners hold 63.7% (64.9) of total shares and 61.1% (56.9) of the voting rights. Institutional owners are estimated to hold 82.5% (76.4) of total votes. Foreign owners hold 69.1% (60.9) of the shares and 64.8 (52.5) of the votes.

LIQUIDITY PROVIDER

To increase liquidity in the Scribona share under the liquidity provider system of the Stockholm Stock Exchange, Remium Securities is serving as a liquidity provider for the company's shares

FINANCIAL INFORMATION FOR SHAREHOLDERS

Internet

Scribona's financial reports and press releases are published on www.Scribona.se as soon as they are released. Investors can subscribe to Scribona's financial reports and press releases via email on Scribona's website.

Printed Reports

Keeping shareholders informed about the company's performance is a priority at Scribona. At the same time, Scribona feels it is important, both from an environmental and cost-efficiency perspective, not to produce more printed material than is necessary. The Annual Report can be ordered at www.scribona.com, by emailing info@scribona.com or by phoning +46 8 734 3400. The Annual Report is produced in Swedish and English in PDF format.

Notice Of The Annual General Meeting

Scribona notifies shareholders of the Annual General Meeting to the extent and in the manner required by the company's Articles of Association and in accordance with the regulations of the Stockholm Stock Exchange. The notice of the meeting is published through advertisements in Post- och inrikes Tidningar and Svenska Dagbladet, as well as via press release. The notice is also published on www.Scribona.com. No separate notice is sent to shareholders.

Share data at December 31

	2006	2005	2004	2003	2002
Earnings/share, SEK	-5.54	-0,37	1.18	0.02	-0.65
Cash flow/share, SEK	-5.99	-0.16	1.70	-2.70	-5.76
Equity/share, SEK	9.12	18.53	18.43	17.25	18.74
Dividend per share (proposed 2006)	-	-	-	-	-
Market price of B-share:					
Average price, SEK	15.80	15.70	14.73	11.03	14.46
Year-end price, SEK	6.45	20.50	14.55	14.30	11.40
Direct yield,%	0.0	0.0	0.0	0.0	0.0
P/E ratio,%	neg	neg	12.3	517	neg
Number of shares	81,698,572	51,061,608	51,061,608	51,061,608	51,061,608
Newly issued shares	30,636,964	-	-	-	-
Average weighted no. of shares	54,891,229	51,061,608	51,061,608	51,061,608	51,061,608

Share classes at December 31, 2006

Share class	No. of shares	%	No. of shares	%
A-shares:	2,530,555	3.1%	12,652,775	13.8%
B-shares:	79,168,017	96.9%	79,168,017	86.2%
Total	**81,698,572**	**100.0%**	**91,820,792**	**100.0%**

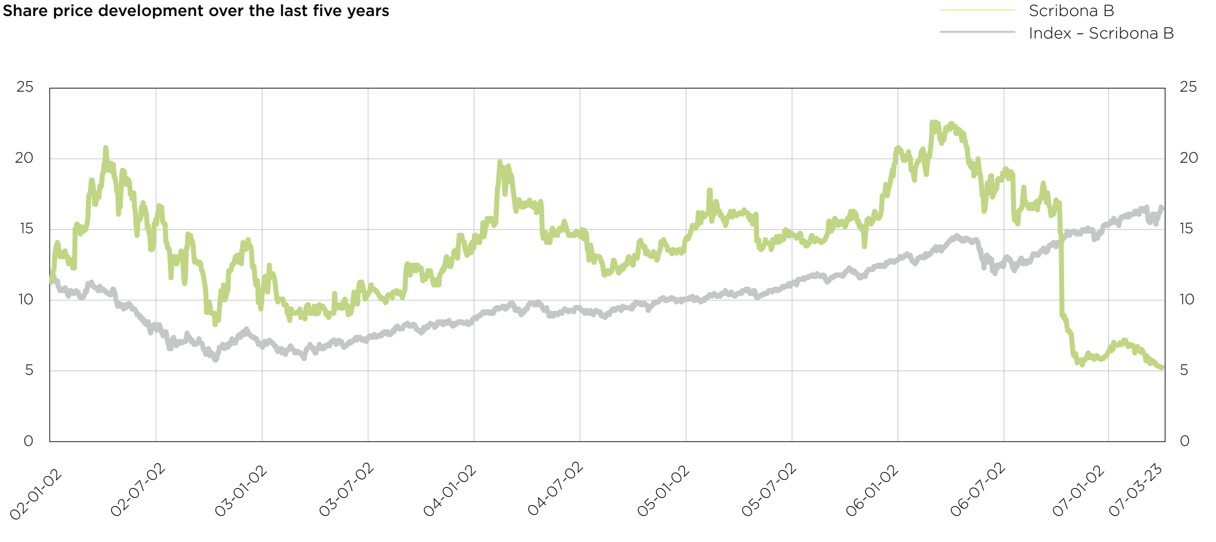
Shareholder statistics at December 31, 2006

Shareholding	No. of owners	%	No. of shares	%
1 - 500	6,405	68.8%	965,984	1.2%
501 - 1,000	1,060	11.4%	820,184	1.0%
1,001 - 10,000	1,563	16.8%	4,993,016	6.1%
10,001 - 50,000	197	2.1%	4,617,923	5.7%
50,001 - 100,000	36	0.4%	2,699,368	3.3%
100,001 -	43	0.5%	67,622,097	82.8%
Total	**9,304**	**100.0%**	**81,698,572**	**100.0%**

Largest shareholders at December 31, 2006

Shareholders	No. class A shares	No. class B shares	% of shares	% of votes
MarCap Special Opportunities Master L.P.	93,000	15,018,890	18.5%	16.9%
Nove Capital Master Fund Ltd.	39,500	10,339,443	12.7%	11.5%
QVT Fund L.P.	–	8,728,070	10.7%	9.5%
Bronsstädet	423,600	4,784,600	6.4%	7.5%
Johan Claesson	–	3,896,000	4.8%	4.2%
SIF	–	3,200,560	3.9%	3.5%
Östersjöstiftelsen	348,500	2,409,400	3.4%	4.5%
Skandia Liv	111,084	1,447,338	1.9%	2.2%
Sector Hedge	–	724,400	0.9%	0.8%
Thomas Andersson	–	500,121	0.6%	0.5%
Total, ten largest owners	**1,015,684**	**51,048,822**	**63.7%**	**61.1%**
Foreign owners	755,890	55,710,993	69.1%	64.8%

Share price development over the last five years



ANNUAL REPORT

BOARD OF DIRECTORS' REPORT AND FINANCIAL REVIEW

The Board of Directors and President of Scribona AB (publ), corporate identity number 556079-1419, hereby present their report on operations for the financial year 2006. The financial performance of the parent company and group are reported in the following income statements, balance sheets, cash flow statements, statements of changes in shareholders' equity, and notes to the financial statements.

OWNERSHIP

Scribona AB, with registered offices in Solna, Sweden, is listed on the Nordic List of the Stockholm Stock Exchange, Small Cap section. Scribona's largest shareholder at the end of the financial year was MarCap Special Opportunities Master L.P. with 18.5% of share capital and 16.9% of votes. Scribona's ten largest shareholders together own 64% (65) of the share capital and 61% (57) of the votes.

ORGANIZATION AND OPERATIONS

Scribona is one of the Nordic Region's leading distributors of IT products. Scribona offers effective volume distribution and high accessibility to a broad range of leading brands in personal computers, servers, printers, monitors, software, network products, storage solutions, data projectors, computer accessories and supplies as well as consumer products in the area of IT. In addition to this, resellers in Sweden are offered the possibility to sell end-customer financing of IT equipment through leasing via external financing companies.

Following a resolution passed at an extraordinary meeting of Scribona shareholders on October 2, 2006, all shares of Carl Lamm AB were distributed to Scribona shareholders. Carl Lamm is reported in Discontinued operations. Following the dividend, the company comprises only the parent company and the Scribona business area.

Scribona's Danish operations have been a losing concern for many years and Scribona's management and Board of Directors actively considered and evaluated several options for the operations. Discussions regarding a sale of the operations have been ongoing since December 2006 and in February 2007, resulted in a preliminary sales agreement and final negotiations were initiated. Scribona's board decided on March 29, 2007 to close the Danish operations as it was deemed that closure of the operations could be carried out faster and more advantageously than sale of the whole operations. It is anticipated that the liquidation will be completed during the second quarter of 2007. Operations in Denmark are reported as Discontinued operations.

The company's legal organization at December 31, 2006 consisted of 4 (5) operating subsidiaries with activities in Sweden, Denmark, Finland and Norway. The total number of subsidiaries was 7 (8).

The Nordic market for Scribona's products has been characterized by stiff price competition in recent years, which has had a negative effect on the company's results, in particular in Denmark. A number of restructuring programs have been carried out in order to strengthen the company's competitiveness and increase profitability. The Nordic coordination and efficiency program has continued through the development of common back-office functions, a new infrastructure platform and a more flexible and competitive logistics solution. In 2005, the Danish and Norwegian operations were acquired by Scribona Nordic AB and the Finnish operations were acquired in 2006. These local companies will continue to function as agencies that serve customers in the local markets on behalf of Scribona Nordic AB. Scribona Nordic AB manages the entire flow of goods – including purchasing, logistics and sales – in the entire Nordic region.

MARKET OVERVIEW

According to a report from the market intelligence company IDC, the sales value of the Nordic IT market for hardware and software, excluding services, increased by 4% in 2006 compared to 2005. IDC predicts that growth in this market is expected to continue, with 2% growth forecasted for 2007. In 2006, 4.6 million PCs were sold in the Nordic Region, which is an increase of 7% compared to 2005.

IDC estimates the total sales value of hardware and software in 2007 at SEK 156 billion in end-customer prices. Scribona is active in the Nordic market in the distribution of IT related hardware and software to resellers, companies that then resell the product to end-customers. Scribona's addressable market is a subset of the Nordic IT market. The size of the IT distribution market is hard to define due to constant change in the IT channel and difficulties categorizing what products are included in the market. Scribona believes that the IT distribution market is approximately half of the total hardware and software market, or approximately SEK 80 billion.

The market share of laptop computers continues to grow strongly and in 2006 more laptop than stationary computers were sold for the first time in the Nordic region. The market continues to be characterized by fast change with regard to demand and competition. The market leaders, HP and Dell, continue to compete for first place, and Lenovo's takeover of IBM's PC products has created a new player on the supplier side. Acer has grown robustly through aggressive pricing in the laptop segment, while Fujitsu Siemens, LG, Sony, Toshiba and other suppliers try to defend their market positions. In response to the increasing competition, manufacturers are now trying to increase leverage over end-customers by moving their position further out and closer to the end-customer in the channel and selling directly to large retail chains and consumer electronics warehouses. At the same time, they are entering directly into price agreements with major end-customers, which affects the overall price picture and reduces market share for IT distributors, particularly in the PC segment.

At the same time as price pressure continues and IT products are, to a greater extent, becoming consumer products, the variety of products in the IT industry has increased with new digital products. These products are sold at an increasing number of locations and via new sales channels. This indicates that effective distribution will be an even greater requirement in the future.

The IT distributor market in the Nordic region is over-established and competition is substantial. There is significant price pressure in the market and profitability is generally low. Scribona's main competitors are international IT distributors such as Tech Data, Ingram Micro and GNT, as well as smaller local niche distributors.

Scribona functions as a link between the supplier and thousands of resellers on the Nordic market. Scribona's offering includes products from suppliers such as HP, IBM, Fujitsu Siemens, Lenovo, Xerox, Microsoft, Cisco, Apple. Samsung, Toshiba and others.

Scribona sells its products and services to IT resellers on the Nordic market. The reseller segment is fragmented with many different players of varying sizes and focus – and thereby with different needs. Large consumer electronic stores with in-house warehouses demand effective transaction management, while traditional computer resellers and system suppliers have a greater need for product competence, configuration solutions and delivery services.

FIVE-YEAR SUMMARY

No conversion has been made for figures relating to Discontinued operations before 2005.

The following significant individual events should be taken into account when comparing year-on-year data:

2002 Serious profitability problems in the Danish operations result in operating income of SEK -68 million.

2003 Good profitability in Norway. Continued serious profitability problems in the Danish business result in operating income of SEK -59 million. Toshiba Digital Media is wound up in the fall, posting operating income of SEK -20 million. Changed payment terms from the group's largest supplier, HP, reduced accounts payable/ increased the amount of capital tied up, resulting in a lower capital turnover rate.

2004 Profitability remains good in Norway and in Carl Lamm. The Danish business continues to report losses, amounting to SEK -43 million. The net proceed from the sale of Toshiba Document Solutions, SEK 46 million, is reported in the operating income. Goodwill is written down by SEK 39 million.

2005 The year has seen comprehensive restructuring and investments in business systems and IT infrastructure aimed at improving the competitiveness of the Scribona business area. Continued strong profitability in Norway, but disruptions associated with a change of IT platforms during the last quarter produced negative one-time effects.

2006 During the year, Scribona took another important step in its restructuring process by integrating Finland, the last part of the business to be integrated, with the company's common infrastructure platform in the second quarter. Disruptions in the operational start of

	Remaining business areas**		Including Discontinued operations***		
FIVE YEAR SUMMARY	**2006**	**2005**	**2004**	**2003***	**2002***
Sales, income and cash flow					
Total earnings, SEK m	9,016	9,277	12,014	11,857	12,808
Operating income, SEK m	-135	25	104	20	7
Income before tax, SEK m	-168	10	88	10	-20
Net income for the year, SEK m	-172	15	60	1	-33
Operating margin,%	-1.5	0.3	0.9	0.2	0.1
Net margin,%	-1.9	0.2	0.5	0.0	-0.3
Net cash flow for the year, SEK m	-219	108	87	-138	-294
Capital employed					
Return on capital employed,%	-13	3	11	2	1
Capital turnover rate, times/year	8.8	9.2	12.6	11.6	13.5
Average capital employed, SEK m	1,027	1,003	956	1,022	946
Personnel					
Average number of employees	437	481	1,050	1,376	1,505
Number of employees at December 31	418	470	1,023	1,310	1,469
Sales per employee, SEK m	20.6	19.3	11.4	8.6	8.5
Including Discontinued operations* **					
Shareholders' equity					
Return on shareholders' equity,%	-36	-2	7	0	-3
Average shareholders' equity, SEK m	841	948	912	865	964
Shareholders' equity at December 31	745	946	941	881	957
Equity/assets ratio,%	22	22	25	24	24
Share data					
Price of class B share at year-end, SEK	6.45	20.50	14.55	14.30	11.40
Shareholders' equity per share, SEK	9.12	18.53	18.43	17.25	18.74
Earnings per share, SEK	-5.54	-0.37	1.18	0.02	-0.65
Cash flow per share, SEK	-5.99	-0.16	1.70	-2.70	-5.76
Dividend per share (proposed 2006), SEK	-	-	-	-	-

* 2002–2003 are not restated at IFRS. 2002 figures related to the effect of change of accounting principles in respect of accumulated actuarial losses on defined benefit pension plans have not been restated.
**Excluding Carl Lamm and Scribona Denmark.
***Including Carl Lamm, Scribona Denmark, Toshiba Document Solutions and Toshiba Digital Media.

the new central warehouse during the implementation of Scribona's new Nordic logistics solution in the fall has had a negative impact on profitability. Sales volumes were also negatively impacted during the second half of the year due to low levels of service and delivery quality following the warehouse relocation in September. The market share for distributors in the IT industry is decreasing due to an increase in direct sales of products, in particular PCs, by manufacturers. Scribona's share of the distribution market is unchanged, however.

For definitions of financial concepts, see Note 41, Definitions.

COMMENTS TO THE INCOME STATEMENT

After the distribution of shares in Carl Lamm and the decision to sell the Danish business, these operations are reported as Discontinued operations separately in the income statement on the row Net income after tax for Discontinued operations. The comments below, including comparative figures, are therefore only related to the remaining business.

The Scribona group's net sales totaled SEK 9,016 million (9,227), a decrease of 3% compared to last year. The volume, in terms of numbers of units, is estimated to be unchanged. Lower unit prices reduced the total value of sales by approximately 3%. Structural changes, primarily due to additional/discontinued product areas, account for a net increase of approximately 1% and currency effects did not have a significant effect on sales.

Net sales outside Sweden totaled SEK 5,125 million (5,378), corresponding to 57% (58) of total net sales. Geographically, net sales increased by 1% in Sweden and fell by 5% in Finland and Norway. In local currencies, the decrease was 4% in both Finland and Norway.

Other operating income, SEK 45 million (32), primarily includes invoiced services and premises rentals to other subtenants.

The gross profit margins were 5.3% (6.7). Competition continues to be tough with shrinking in profit margins in all countries. The exchange rate effect as a result of the operations in Finland and Norway having been incorporated into the Swedish subsidiary Scribona Nordic AB, with Swedish kronor as the accounting currency while purchases and sales are primarily made in local currencies, has had a negative effect on gross profit of SEK 32 million or 0.4%.

Other external costs totaled SEK 308 million (287). To reduce costs and convert fixed costs into variable costs, the group has outsourced certain activities to external providers. In 2004 and 2005, this involved certain parts of logistics and administrative activities, and the process continued in 2006. Outsourcing and freight costs increased due to an increase in products from the central warehouse being delivered to Finland and Norway. IT costs increased due to cost provisions for an operational management agreement covering several years with Scribona's main supplier of IT services. Bad-debt losses totaled 0.05% of total sales (in 2005 the bad-debt reserve was dissolved resulting in net proceeds of SEK 0.05%).

Personnel costs totaled SEK 295 million (303), a decrease of 3%. The number of employees at the year-end was 418 (470). The number of employees was reduced by 52 people or 11%. In 2006, severance pay costs of SEK 12 million have been reported related to the severance of the president, vice president, country manager Norway and the logistics manager.

Depreciations/write-downs totaled SEK 41 million (37). Goodwill write-downs totaled SEK 16 million (10). The write-downs refer to residual value of goodwill items in the Swedish and Finnish operations. Depreciation of other intangible fixed assets amount to SEK 13 million (13) and relate to the company's business system. Depreciation of machines and equipment amounted to SEK 12 million (14).

Other operating costs of SEK 15 million (2) consist of net exchange rate losses on operating receivables and liabilities. The increase in exchange rate losses are a result of the Finnish and Norwegian operations having been incorporated into the Swedish subsidiary Scribona Nordic AB, with Swedish kronor as the accounting currency while purchases and sales occur in the local currencies, which have weakened against the Swedish kronor. From the fall 2006, forward contracts were used to hedge the net value of goods purchased and sold in non-matching currencies, which is why the effects of currency fluctuations on the balance sheet will be reduced.

Operating income amounted to SEK -135 million (25). In 2006, the operating margin was -1.5% (0.3).

Net financial items totaled SEK -33 million (-15). The weighted interest rate on the company's loan at December 31, 2006 was 4.7% (3.2). The revaluation of liquid assets in foreign currencies in the group's cash-pool totaled SEK -9 million and after the amortization of loans in NOK a currency exchange rate difference of SEK 4 million has been reported. The group had a net penalty interest of SEK 0 million (2).

Income before tax was SEK -168 million (10).

Tax expenses for the year were SEK -4 million (5). The group's tax expense was affected by a fiscal deficit for which a deferred tax claim was not reported, corrections from previous years, non-deductible goodwill write-downs and non-deductible costs.

Income for the year for remaining operations totaled SEK -172 million (15).

Earnings per share for remaining operations totaled SEK -3.13 (0.27).

Income after tax in Discontinued operations was SEK -132 million (-33), with SEK 19 million related to Carl Lamm for the period January 1 – September 30 (SEK 27 million for the whole year 2005) and SEK -151 (-59) related to Scribona Denmark.

Earnings per share from Discontinued operations was SEK -2.41 (-0.64).

Net income for the year was SEK -304 million (-19).

Earnings per share were SEK -5.54 (-0.37).

EARNINGS TREND BY COUNTRY

For information regarding figures related to the comments below, see Note 4, Segment reporting.

Net sales in **Sweden** amounted to SEK 3,933 million (3,872). Major disturbances in conjunction with the start of the new Nordic central warehouse in the fall had a negative effect on sales during the second half of the year. Margins have continued to fall in a highly competitive market. Operations in Sweden have been burdened with logistics and IT costs in excess of plan of SEK 22 million. Operating income amounted to SEK -6 million (28).

Net sales in **Finland** amounted to SEK 2,130 million (2,229). In 2006, sales decreased in the local currency by 4% compared with 2005 primarily due to reduced unit prices. Sales volumes were negatively affected by inadequate service capacity in the new central warehouse. Margins have continued to decrease in a highly competitive market. Goodwill write-downs of SEK 12 million have been made following write-down assessments. Furthermore, Finland was burdened with costs in excess of plan of SEK

18 million for exchange rate effects on sales margins as well as logistics and IT costs. Operating income amounted to SEK -41 million (-7).

Net sales in **Norway** totaled SEK 2,999 million (3,159). In 2006, sales decreased in the local currency by 4% compared with 2005. It is estimated that half of the decrease in sales can be attributed to a decrease in number of units and half to a decrease in unit prices. Sales volumes were negatively affected by inadequate service capacity in the new central warehouse. The previously high gross profit margins fell in a highly competitive market, but are still higher than margins in the other countries where Scribona is active. Norway was burdened with costs of SEK 28 million in excess of plan due to currency effects on sales margins and from logistics and IT costs. Operating income amounted to SEK -28 million (41).

In total, Scribona's local operations in Sweden, Finland and Norway were burdened with cost overdrafts of SEK 33 million for logistics and SEK 16 million for IT. Logistics related cost overdrafts are primarily associated with the new Nordic central warehouse. IT related costs overdrafts of SEK 19 million are related to cost provisions for an operational management agreement covering several years.

Overall operating income for group-wide functions was SEK -54 million (SEK -30). The larger expense items consist of management, unallocated exchange rate losses and unallocated exchange rate effects on sales margins. Management costs totaled SEK -27 million (-19) of which SEK 8 million comprised severance costs for the president and vice president. Unallocated exchange rate effects on product margins were SEK -12 million (-3) and unallocated currency losses on operative receivables and liabilities were SEK -15 million (7). In 2005, a deficit of SEK -15 million from the logistics and financial functions was not distributed per country.

Parent company costs comprise costs for the Board of Directors and listing costs of SEK 7 million (7).

DISCONTINUED OPERATIONS

For figures related to the commentary below see Note 13, Discontinued operations. Following a resolution passed at an extraordinary meeting of Scribona shareholders on October 2, all shares in Carl Lamm AB were distributed to Scribona shareholders. Carl Lamm is therefore reported in Discontinued operations. Carl Lamm's income statement data is included in Scribona's until the time of the distribution. Carl Lamm's revenues totaled SEK 599 million (703 for the full year 2005). Net income after tax totaled SEK 19 million (27 for the full year 2005).

In December 2006, Scribona's Board of Directors decided to sell the group's Danish operations. Scribona Denmark is therefore reported in Discontinued operations and assets are reported as a Disposal group for sale. Net sales totaled SEK 1,453 million (1,682) with income after tax of SEK -151 million (-59). The results included write-downs of SEK 49 million to the actual value of assets and liabilities being sold, and write-downs of SEK 10 million related to intangible assets.

COMMENTS TO THE BALANCE SHEET

Assets

Goodwill, SEK 4 million (22), was reduced through write-downs of SEK 16 million (-10).

The write-downs primarily concern residual value of goodwill items in the Swedish and Finnish operations. Remaining goodwill in the balance sheet is the unamortized portion of goodwill in the Norwegian operations.

Other intangible fixes assets, SEK 39 million (44), are primarily related to development of the group's logistics and business systems. The year's capital investments totaled SEK 21 million (35).

Tangible fixed assets totaled SEK 17 million (35). Investments in tangible fixed assets amounted to SEK 7 million (22).

Deferred tax receivables, SEK 76 million (44), are reported only to the extent that they are estimated to most likely result in lower tax payments in the future. The increase is primarily due to fiscal deficit deductions in Sweden.

Inventories amounted to SEK 751 million (1,091), corresponding to 8.8% (12.6) of the cost of goods for resale in operating costs. The decrease in inventories between the years is due to the fact that the inventory level at the year-end 2006 was normal compared to the large inventory level at year-end 2005.

Trade accounts receivable totaled SEK 1,644 million (2,145), corresponding to 18.2% (23.1) of net sales for the year. The securitization program for accounts receivable had no effect on the accounting of such receivables. Because the credit risk remains with Scribona, the number of sold accounts receivable is reported as accounts receivable in the consolidated balance sheet.

Other receivables, totaling SEK 130 million (186), includes SEK 100 million (132) in customer payments received through the securitization program and which became available as liquid funds immediately after the end of the year.

Prepaid expenses and accrued income amounted to SEK 375 million (382). The balance sheet item consists mainly of accrued compensation from suppliers that is outstanding from sales made to customers.

Liabilities

Long-term provisions in 2006 of SEK 10 million concern cost provisions for an IT-service related operational management agreement covering several years. The short-term portion of SEK 10 million is included in short-term provisions.

Deferred tax liabilities of SEK 28 million (-) relate to an untaxed reserve in Norway following the internal sale in 2005 of operations to Scribona Nordic AB.

Loans, totaling SEK 537 million (841), partly include financing via the securitization program of SEK 537 (694) and partly the parent company's bank loan of NOK 125 million from the previous year, which is also used to hedge a part of shareholders' equity in Norway. This loan was amortized in November 2006.

Trade accounts payable totaled SEK 1,530 million (2,026), corresponding to 17.0% (21.8) of net sales. The decrease in Trade accounts payable is due to significantly lower purchase of goods at the end of 2006, compared to the same period in 2005.

Disposal group for sale

Assets for sale in the group's Danish operations total SEK 368 million. The Danish operations liabilities total SEK 279 million. Net assets total SEK 89 million.

COMMENTS TO THE CASH FLOW STATEMENT

Cash flow from operations in 2006 totaled SEK -32 million (-53).

Cash flow from investing activities totaled SEK -21 million (-46). Investments in intangible fixed assets was SEK -21 million (-28), where the greater part concerns development of the group's logistics and business system. Investments in equipment amounted to SEK -8 million (-19).

Cash flow from financing activities was SEK -166 million (207). The effect of distribution of Carl Lamm shares on the group's liquid assets was SEK -34 million. The new share issue provided a net of SEK 146 million in liquid funds. Amortization of bank loans totaled SEK 138 million and a decrease in borrowing via the securitization program totaled SEK 157 million.

Cash flow from remaining operations totals SEK -219 million (108).

Cash flow from Discontinued operations

Cash flow from Discontinued operations totaled SEK -110 million (-116).

Cash flow for the year

The year's cash flow was SEK -329 million (-8).

FINANCING AND LIQUIDITY

The group's primary source of financing is the securitization program, which runs until June 2010. The financing facility totals a maximum of SEK 330 million plus EUR 16 million and NOK 200 million, or approximately SEK 700 million, and refers to the ongoing sale of trade accounts receivable in operations in Sweden, Finland and Norway. The effective financing is lower than the accounts receivable that are sold, since there is a reduction for a risk reserve relating to doubtful receivables, credits, etc. The securitization thus provides about 70% of the accounts payable total, although this is limited to the maximum amount stated above. At December 31, all conditions of the securitization program had not been fulfilled. Afterwards, acceptance has been received from creditors and new conditions have been agreed upon.

In addition to securitization, the parent company has raised a bank loan of NOK 125 million, which is also used to hedge a part of shareholders' equity in Norway. This loan was amortized in November 2006 with liquid funds from the new share issue.

Current financial assets, including liquid funds at December 31, amounted to SEK 106 million (490). Liquid funds totaled SEK 4 million (348) and customer payments received via the securitization program, which have not yet become available to Scribona, totaled SEK 100 million (132).

Current financial liabilities totaled SEK 537 million (843), of which SEK 537 million (696) was received via the securitization program and SEK 0 million (147) through bank loans. At the year-end, the group had unutilized credit facilities of SEK 80 million (140).

Financial net capital at year-end was SEK -429 million (-353).

Capital employed for remaining operations at December 31 was SEK 1,086 million (1,192). Total capital employed was SEK 1,175 million (1,299). Shareholders' equity for the group was SEK 745 million (946), corresponding to an equity/assets ratio of 22% (22).

Financial risk management is described in Note 36.

PLEDGED ASSETS

Pledged assets at December 31, 2006 totaled SEK 478 million (478). These assets are pledged as chattel mortgages for the group's financing.

CAPITAL EXPENDITURES, DEPRECIATION AND AMORTIZATION

The group's capital expenditures in fixed assets amounted to SEK 28 million (57) during the financial year. Most of the investment refers to development of the group's logistics and business system. Depreciation was SEK 25 million (27) for the year, of which goodwill amortization comprised SEK 16 million (10).

DIVIDEND

The extraordinary meeting of Scribona shareholders on October 2, 2006 resolved to distribute all shares in Carl Lamm AB to Scribona shareholders. Trading in the Carl Lamm share commenced on the Nordic List of the Stockholm Stock Exchange on October 10, 2006. The distribution, including transaction costs, decreased shareholders' equity by SEK 46 million.

A driving force behind the distribution of shares in Carl Lamm AB, was that Carl Lamm, having broadened its product offering, competed to a greater extent with the Scribona business area's customers. A clear separation of the two business areas was necessary in order for the Scribona business area and Carl Lamm to be able to develop and act on the market. The distribution of shares in Carl Lamm AB marked a clear separation and creates better opportunities for the continued operations of both the Scribona business area and Carl Lamm. The separate exchange listings of Scribona and Carl Lamm will also facilitate the market in being able to clearly appraise the two different businesses.

NEW SHARE ISSUE

Carl Lamm has generated a stabile cash flow over time, which has made it possible for the Scribona business area to conduct different restructuring measures. In order to strengthen the balance sheet for the remaining parts of Scribona following the distribution of Carl Lamm AB, a resolution was passed at the extraordinary meeting of Scribona shareholders on October 2 to issue new shares with preferential rights for the shareholders, whereby each shareholder has the right to subscribe for 3 new shares of class B per 5 shares of class A or B in Scribona. The subscription period expired on November 10. The issue was fully-subscribed and provided the company with SEK 141 million after issuing costs. Most of the liquid funds from the new issue were used to amortize interest-bearing loans that had been secured with Carl Lamm AB shares.

DISMISSAL OF THE PRESIDENT

The president Tom Ekevall Larsen was dismissed from his position by the Board of Directors in November 2006. Vice president, Örjan Rebeling, was appointed as acting president. In December, it was announced that the Board had appointed Fredrik Berglund as Scribona's new president. Fredrik Berglund previously held a number of positions at Tele2, including director of the Nordic Region, president of the Swedish company and marketing director. Fredrik Berglund assumed his new position at Scribona in January 2007.

PERSONNEL

The average number of employees in the group in 2006 were 833 (952), a decrease of 13%. The percentage of women employees was 31% (29). At the year-end, the group had the equivalent of 482 (556; 927 including Carl Lamm) full-time employees. Salaries and compensation totaled SEK 370 (421). Statutory and contract regulated social security costs totaled SEK 134 million (141).

In the remaining operations the number of full-time employee equivalents at the year-end was 418 (470). The decrease of 52 positions is related to the substantial rationalization process and outsourcing mainly in logistics. Averages sales per employee in the remaining operations rose to SEK 20.6 million (19.3).

Scribona is an equal opportunity employer and carries out work to create equal opportunities for all employees. During 2007, salaries will be mapped out to expose any gender-related salary differences. Scribona also works proactively to minimize sickness and ill-health at work, through corporate healthcare programs that secure a healthy physical work environment through safety rounds and regular ergonomic evaluations and by offering personnel free healthcare examinations, influenza vaccinations and massage at the workplace. Scribona received top marks in the Folksam Health Index 2006 for companies in the private sector.

The Scribona Academy leadership development program started in 2005 to increase leadership competence in the company. The program targets all mangers in the Swedish operations. To date all managers – from senior executives to line managers – have participated in the program.

RESEARCH AND DEVELOPMENT

Scribona does not conduct R&D activities.

ENVIRONMENT

Scribona does not conduct operations requiring environmental permits or reporting in accordance with Swedish environmental law. Due to the nature of Scribona's work, the company has no environmental liabilities. Scribona activities have no significant impact on the environment, however the company works to contribute to sustainable development through its choice of partners and suppliers as well as fulfilling quality assurance and business ethic requirements, both internally and externally.

Scribona works actively to reduce the environmental impact of its operations, where the primary concern is exhaust emissions related to the transportation of goods and the environmental impact of producing and recycling products where Scribona in its role as importer has manufacturer responsibility.

Scribona's main transportation suppliers, DHL and Schenker, both work actively to protect the environment on an international basis.

Importer and producer responsibility is regulated by the EU's WEEE directive (Waste Electrical and Electronical Equipment). For the limited part of Scribona's range of products that fall under the importer responsibility category, Scribona is affiliated with Elkretsen in Sweden, Elker in Finland and Eurovironment in Norway. WEEE responsibility for the majority of Scribona's products falls on the producer. In 2006, the RoHS directive was introduced throughout the entire EU, prohibiting the use of mercury, cadmium, lead, hexavalent chromium and the flame protection agents PBB and PBDE in new electric and electronic products being launched on the market. Responsibility for ensuring that the directive is followed falls on the company that makes the product available on the market, which for the majority of the products that Scribona handles falls on the manufacturer. In cases where Scribona acts as the importer and therefore has this responsibility, the group requires the manufacturer to provide written guarantees that the RoHS directive is followed.

DISPUTES

The group is involved with legal proceedings over the cost of unused facilities related to Scribona Denmark, reported under Discontinued operations. The group has set aside funds that it believes will cover the probably outcome of these negotiations.
The company is involved in legal proceedings with a reseller regarding responsibility for certain delivery defaults since the bankruptcy of a supplier. Scribona believes that it is unlikely that the company can be held responsible for the supplier's commitments. The group is not involved in any other significant disputes.

LIQUIDITY PROVIDERS FOR SCRIBONA'S SHARES

To increase liquidity in the Scribona share under the liquidity provider system of the Stockholm Stock Exchange, Scribona AB has appointed AB Remium Securities as liquidity provider for the company's shares.

IMPORTANT EVENTS AFTER THE BALANCE SHEET DATE

On January 1, after the end of the financial year, Scribona's new president, Fredrik Berglund, assumed his position.

At the beginning of January 2007, the CFO and vice president Örjan Rebeling left Scribona. The new CFO and vice president Hans-Åke Gustafsson assumed his position later in January.

At an extraordinary meeting of Scribona shareholders on January 22, 2007 Lorenzo Garcia, Peter Gyllenhammar and Mark Keough were elected as new members of the Board of Directors of Scribona AB. At the same time, Peter Eklund and Conny Karlsson left the Board. On February 16, 2007, Peter Gyllenhammar announced that he wished to leave the Board of Directors because of other commitments.

In February, the company's bank overdraft facilities was reduced from SEK 80 million to SEK 25 million.

In March, new conditions for the securitization programme where agreed upon with creditors.

EXPECTED FUTURE GROWTH

After a year of strong growth in 2006, the market intelligence company IDC predicts that the sales value of hardware and software in the Nordic IT markets will continue to rise in 2007. In the next few years, the market for IT products will continue expanding toward the consumer market as a result of the ongoing convergence of products and digitalization of audio and video. Scribona's business plan is to capture a share of growth in the market both in the traditional IT market sectors and in these new areas.

In 2006, Scribona has implemented extensive changes internally to improve cost-efficiency. This work will continue in 2007 to improve profitability. The objective is to lay the foundation for Scribona to become an efficient and profitable IT distribution company in 2007.

RISKS AND UNCERTAINTY

Scribona's operations and profitability are affected by a number of external and internal factors. Areas where the group is exposed to risks include: dependency on the market, dependency on suppliers, the risk for computer downtime and financial risk, which predominantly comprises liquidity risks and currency risks. Risks and Uncertainty is described in Note 35, Risk and Sensitivity Analysis and in Note 36, Financial Risks

In 2006, Scribona reported major losses and a negative cash flow. Credit framework conditions with creditors have not been fulfilled. At the start of 2007, new conditions were agreed upon with creditors. Deviation from the negotiated limit controles could mean that the creditors may call in existing loans.

PARENT COMPANY

Scribona AB is the parent company of the Scribona group. The parent company rents out premises to the subsidiaries.

No personnel are employed by the parent company.

Earnings in the parent company totaled SEK 7 million (16), of which SEK 7 million (13) are related to rental income from subsidiaries. Subsequently, 100% (83) of earnings were from subsidiaries and 0% (0) of purchases were from subsidiaries in 2006. Operating income was SEK -7 million (-7). The result after financial items was SEK -188 million (13).

Dividends of SEK 205 (89) million were received from the subsidiaries. The parent company's result has been charged with write-downs of shares/receivables from subsidiaries of SEK 381 million (49).

Total assets were SEK 1,325 million (1,401) at the year-end.

Liquid funds at the year-end were SEK 1 million (2). No capital investments in fixed assets were made in 2006 (SEK 1 million in 2005). The financial net capital at the year-end was SEK 387 million (358). Cash flow for the year totaled SEK -1 million (-186).

GROUP MANAGEMENT

Scribona is governed in accordance with Swedish law, in particular Swedish legislation covering publicly traded companies, the listing agreement with the Stockholm Stock Exchange and Scribona's Articles of Association. Scribona also applies the Swedish Code of Corporate Governance.

Annual General Meeting

The AGM (Annual General Meeting) decides whether the current income statement and balance sheet are adopted, and on distribution of earnings, discharge from liability for the board and the president, fees for the board and auditors and the election of the board and choice of auditors. New auditors were elected for a period of four years at the 2004 AGM. Shareholders representing 36% of the share capital and 33% of the votes took part in the 2006 AGM, held in March.

The board called an extraordinary meeting of Scribona shareholders on October 2, 2006. The main purpose of this meeting was to make a decision regarding amendments to the company's Articles of Association regarding the distribution of all shares in Carl Lamm AB and regarding a preferential rights issue. The shareholders adopted proposals made by the Board of Directors regarding:

- an amendment to the Articles of Association that class A shares and class B shares should not total more than 120 million each.
- Distribution of all shares in the subsidiary Carl Lamm AB
- Issuance of at the most 30,636,964 new shares of class B with preferential right for shareholders

  Nine shareholders representing 44 percent of share capital and 37% of votes participated in the meeting.

The board called another extraordinary meeting of Scribona shareholders on January 22, 2007 so that shareholders could make a decision regarding the nominating committee's proposal for changes in the make up of the Board of Directors. The reason was that there had been changes in the company's largest shareholders and new larger shareholders' had shown interest in being a part of the board. Furthermore, principal shareholders wished to contribute additional industry expertise to the board. The shareholders adopted the proposals made by the board regarding the election of the following new board members:

- Lorenzo Garcia
- Peter Gyllenhammar (left the board on February 16, 2007 because of other commitments).
- Mark Keough

At the same time, Peter Ekelund and Conny Karlsson requested to leave the board in conjunction with the extraordinary meeting of shareholders because of other commitments.

Four shareholders representing 20% of share capital 20% of votes participated in the meeting.

Nominating committee

A decision on how the nominating committee was to be appointed was taken at the 2005 AGM. According to this decision, the nominating committee for the 2007 AGM will consist of representatives from four of the largest shareholders:

- Salvatore Di Franco, as a representative of MarCap Special Opportunities Master L.P.
- Johan Heijbel, as a representative of Nove Capital Master Fund Ltd.
- Alexander R. Gildingers, as a representative of Savannah-Baltimore Capital
- Lars Bader, as a representative of QVT Fund

Following ownership changes Savannah-Baltimore Capital is no longer a part of the nominating committee and has not been replaced.

Board of Directors

The main job of the board is to take overall responsibility for the company on behalf of its shareholders and to manage the company's affairs such that the owners' interest in strong, long-term capital returns is protected in the best way.

The company's Articles of Association state that Scribona's board is to be elected annually, and should consist of between five and ten regular members and no more than two deputy members. The board that was appointed by the shareholders at the 2006 AGM to serve for one year up to and including the next AGM consists of seven regular members. New board members were Peter Ekelund and Henry Guy. Ole Oftedal declined re-election.

In conjunction with an extraordinary meeting of Scribona shareholders on October 2, 2006, Fredrik Danielsson announced his resignation from the board. In addition to board members appointed by the AGM, the board consists of one board member and one deputy member appointed by trade unions representing employees in Sweden. None of the board members were in the company management.

The board's procedural plan

Every year at the statutory board meeting after the AGM, the board's procedural plan is established to regulate authorization to sign for the firm, board meetings, matters to be dealt with at the board meetings, distribution of work between the board, the chairman and the president and certain other matters.

The president is appointed and instructions to the president regulating tasks and reporting obligations to the board are set, as are rules for deciding on investments. Instructions for the remuneration and audit committees are established and committee members are appointed. The audit committee consists of all members of the board except for the president, in accordance with rules adopted at the 2004 AGM.

The company's auditors are required to take part in at least two board meetings and discuss their planning and audit focus, as well as their observations, conclusions and any proposed measures following the completion of the audit.

The board's work follows an annual meeting plan with a fixed agenda for every board meeting. Other employees of the company also present reports at the meetings. The secretary of the board is the group's CFO. In accordance with the procedural plan at least five board meetings and one statutory meeting must be held every year. In addition the board can meet whenever circumstances so require.

The board's meetings in February, May, July and November are devoted chiefly to the financial report. In August, the board deals with strategic matters and in December the financial plan for the following year.

The board's work mainly concerns strategic matters such as business focus, organization, budget, major investments, result and financial position, and information on the financial statements. The chairman of the board leads the board's work and monitors business progress. Within the framework established by the board, the president manages business and keeps the chairman of the board continuously informed about significant business events. Every month the board receives a report on the company's income and financial position. The report includes comments on competitors, manufacturers/products, channels/customers and analyses of the income statement and balance sheet subdivided according to country.

In 2006, the board held eleven (11) meetings (12). Average attendance at the meetings was 83% (91). Key board decisions and assignments during the year included:

- a decision on the year-end report for 2005
- a decision on the annual report for 2005
- a decision on the proposal to the AGM about share distribution for 2005 business activities
- a decision on the proposal to the AGM on the approval of Carl Lamm AB's employee option program
- preparations for and decision regarding the proposal of the separate exchange listing of Carl Lamm and distribution of assets of same and a new share issue in Scribona AB
- a decision on a revised budget for 2006
- participated in and analyzed reports by auditors
- a decision on the dismissal of the president
- recruitment and decision regarding the appointment of a new president
- a decision on the sale of the group's Danish operations
- regular monitoring of the group's operations and financial position
- a decision regarding the 2007 financial plan

Remuneration to the Board

The chairman and members of the board are paid a fee in accordance with a decision by the AGM. At the 2006 AGM it was decided that the fee for the board members would be SEK 1,500,000, distributed such that the chairman receives SEK 300,000 and the other members receive SEK 200,000 each. It was also decided that an extra fee of SEK 50,000 should be paid to each of the three members of the remuneration committee. Employee representatives are not entitled to receive remuneration for serving on the board. For more details see Note 7, Personnel and Note 39, Transactions with affiliated parties.

Remuneration committee

The remuneration committee's instructions are set by the board. In 2006, the committee consisted of chairman of the board Theodor Dalenson and the two regular board members Johan Hessius and Conny Karlsson. The remuneration committee met once during 2006. The most important issues addressed at the meeting were:

– principles of remuneration and other terms of employment for the company's senior executives.
– the definite variable remunerations for 2005 for the company's senior executives
– the variable remuneration for 2006 for the company's senior executives
– the employee options program for executives in Carl Lamm AB.

The committee submitted proposals to the board regarding principles for remuneration and other terms of employment for the company's executives, which in turn were proposed by the board to the AGM. These principles were adopted by the AGM (see below).
The remuneration committee has proposed criteria for assessment of bonus outcomes. The board has discussed the remuneration committee's proposals and made decisions guided by the committee's recommendations. Remuneration for the president for 2006 was established by the board, including remuneration for the dismissed president. Remuneration for the new president and vice president was decided by the chairman of the board.

Audit committee

The audit committee's instructions are set by the board. It was decided at the 2004 AGM that audit issues are to be dealt with by the entire board. The audit committee therefore consists of the entire board. The chairman of the board, Theodor Dalenson, also chairs the committee. The Audit Committee's tasks are to:

– prepare for the board's work by ensuring the quality of the company's financial reporting,
– hold regular meetings with the auditors to stay informed on the focus and scope of the audit, and opinion of risks to the company,
– establish guidelines for determining what services other than audit the external auditors are to provide for the company,
– assess the audit work,
– assist preparations for board appointments by proposing auditors and remuneration for audit work.

In 2006, the committee held five meetings that were part of the board meetings. In February, the year-end report and the annual report was addressed. In May and July, the three and six month interim reports were taken up. In August, auditors reported their risk assessment and planning of the year's auditing, and in November, the group's nine month interim report was addressed. The company's auditors participated in the meetings in February, August and November. The minutes of the board meetings describe the issues taken up by the audit committee.

Management

The president is responsible for the company's strategic and business development, and manages and coordinates day-to-day business. The president has instructions compiled by the board that regulate the president's tasks and reporting obligations to the board. The president appoints managers for the country units and group functions.

The president controls work in the group. Management meetings are held every week in an operative management group, which in addition to the president and vice president, also include the country managers and Vendor Management and Logistics managers. Every fourth week, the meeting is also attended by the other functional area managers. Each month, reviews of the respective countries are conducted and each quarter individual reviews of each country's and functional area's accounts are made. Corresponding reviews of the quarterly budgets are conducted prior to each quarter. Prior to the start of a new financial year, annual budgets presented by the units are reviewed and approved.

Until November 2006, the group's management consisted of president Tom Ekevall Larsen and CFO and vice president Örjan Rebeling and until the end of the year only the acting president Örjan Rebeling.

Tom Ekevall Larsen, born 1962. president and CEO. Employed at Scribona since 1988 with many years' experience of various management positions in the company. Ekevall Larsen was dismissed from his position as president and CEO on November 10, 2006. While employed as president and CEO, Ekevall Larsen had no assignments in other companies. He had no significant shareholding or ownership in companies with which Scribona has business relations.

Örjan Rebeling was appointed as acting president on November 10, 2006.

At the beginning of January, Fredrik Berglund assumed the position of president of Scribona AB. Berglund was previously vice president of Tele2. Rebeling's employment at Scribona ceased when Berglund took up his duties as president.

The new CFO, Hans-Åke Gustafsson, assumed his position in the middle of January 2007.

Gustafsson has an MBA and prior to joining Scribona was director of finance for Tech Data, where he was responsible for the finance department in the Nordic regionalization process.

The principles adopted at the AGM 2006 for remuneration and other terms of employment for the company's management:

The company's executive management consists of the president and the vice president.

The principle behind remuneration for executive management comprises basic salary, variable remuneration, certain taxable benefits and a pension. The distribution between basic salary and variable remuneration will be in proportion to the employee's responsibility and authorization.

For executive management, the maximum variable remuneration is 100% of basic salary. The variable remuneration is based in its entirety on the company's income before tax. Benefits include a company car, mobile telephone, food benefits, a broadband connection for the employee's home, health insurance and, for one executive, travel. Pension benefits for executive management consist of defined contribution plans with a premium of no more than 33% of the pensionable salary. An extra pension is offered in addition through salary exchange, whereby surrender of 5% of the salary, but no more than SEK 60,000 per annum, means that Scribona pays an amount equal to that which the employee contributes. In addition, Scribona pays a supplement comprising the difference between employer contributions and special employment tax on this extra pension premium.

Dismissal compensation, including severance pay, is not to exceed 24 months' salary.

In special cases, the board may deviate from these guidelines.

The Board's proposal to the 2007 AGM for guidelines for remuneration and other terms of employment for the executive management

The proposal is equivalent to the 2006 AGM with the exception that variable salary will not be applicable in 2007.

Auditors

The auditors are appointed at the AGM and entrusted with auditing the company's financial reporting and the board's and the president's administration of the company. At the 2004 AGM, the registered audit company Ernst & Young AB was selected as the audit company for a period of four years, up to and including the 2008 AGM. The authorized public accountant Bertel Enlund was declared the auditor in charge. It was decided that the auditors will be remunerated according to invoice.

Auditor in charge Bertel Enlund

Ernst & Young AB was selected as the audit company in 1996, with Bertel Enlund as auditor in charge as of the same year. During the period 1996– 2004 Arthur Andersen AB (replaced in the last year by Deloitte & Touche AB) were co-auditors. Bertel Enlund's current audit assignments in other listed companies include: New Wave Group AB, Rörvik Timber AB, Artimplant AB and Kontakt East Holding AB. Bertel Enlund is a member of FARS SRS.

Auditors' presentations to the board

To ensure that the board's/audit committee's need for information is met, the company's auditors personally present their observations at several board meetings. The auditors present at a board meeting their risk assessment and planning of the year's audit. At two later meetings they present their observations on the basis of the audit and their assessment of the company's internal control procedures, as well as proposed measures, partly following the completed audit of the nine-month report in the fall and partly at the meeting at which the consolidated year-end financial statements are discussed. At one of these meetings, the board meets the auditors in the absence of the president and other employees.

Financial reporting

The board is responsible for ensuring that the organization is set up to be able to monitor bookkeeping, funds management and the company's other financial matters in a satisfactory manner. The board therefore provides the president with written instructions regarding when and how financial reporting is to be carried out.

The group's financial and reporting policies provide the framework for financial management, follow-up and reporting principles. The group has a reporting system that is used by the entire group.

Every year a detailed schedule for budget and outcome reporting, including the group management's budget and outcome reviews, is agreed on with the operational units. In the fall, the budget process for the coming financial year is implemented. Outcome reports are issued to group management every month by the operational units, including income statements and balance sheets supplemented with written comments and analysis.

Every month the board receives a written report on the company's income and financial position. A legal report is issued every quarter. In the quarterly financial statement, the report to the board is more extensive in preparation of the board meeting that precedes the press release on the interim report and the press release concerning the year-end report. The audit committee provides an assessment of the financial reporting at these meetings. The nine-month financial statement and the annual figures are assessed at the meeting with the auditors.

SCRIBONA'S CODE OF CONDUCT

In 2004, the board adopted the group's code of conduct. It covers ethical regulations to which all employees must adhere. The code formalizes the principles the group must apply in relationships with customers, suppliers, employees, competitors, shareholders, society as a whole and other interested parties.

Scribona strives to be a good employer and corporate citizen and emphasizes solid ethics, mutual respect, cooperation and openness in all relations both external and internal. Scribona supports the UN's Global Impact, ILO's declaration of basic work principles and rights as well as OECD guidelines for multinational companies. Naturally, local laws regarding working conditions, working environment, environmental management and product safety are also applied by Scribona.

DIVIDEND POLICY

The board proposes in view of the negative results reported by the company that no dividend be paid out for 2006. The dividend policy will be retained, meaning that over time about a third of the group's result after tax will be distributed.

PROPOSED DISTRIBUTION OF EARNINGS

The following distributable funds and earnings in the parent company are at the AGM's disposal:

Share premium reserve:	SEK 80.102.265
Unappropriated earnings carried forward:	SEK 438.131.382
Plus net income for the year:	SEK -185.877.250
	SEK 332.356.397

The board proposes that earnings of SEK 252,254,132 and a share premium reserve of SEK 80,102,25 be carried forward.

ASSURANCE FROM THE BOARD AND PRESIDENT

The board and the president give their assurance that, to the best of their knowledge, this Annual Report was prepared in accordance with good accounting practices for publicly traded companies, the data presented corresponds to the actual facts, and nothing of significance has been omitted that could influence the picture of the company presented in the Annual Report.

Solna March 30, 2007

Theodor Dalenson
Chairman of the Board

Lorenzo Garcia

Henry Guy

Johan Hessius

Mark Keough

David E. Marcus

Eva Elsnert

Fredrik Berglund
President and CEO

Our audit report was submitted on March 30, 2007

Ernst & Young AB
Bertel Enlund
Authorized Public Accountant

CONSOLIDATED INCOME STATEMENT

SEK m.	Note	2006	2005
Net sales	2, 4	9,016	9,277
Other operating income	3	45	32
		9,061	**9,309**
OPERATING EXPENSES			
Goods for resale	5	-8,537	-8,655
Other external costs	6	-308	-287
Personnel costs	7	-295	-303
Depreciation and write-downs of intangible and tangible fixed assets	4, 8	-41	-37
Other operating expenses	9	-15	-2
OPERATING INCOME	4	**-135**	**25**
RESULT FROM FINANCIAL INVESTMENTS			
Interest income and similar income statement items	10	9	11
Interest expenses and similar income statement items	11	-42	-26
RESULT AFTER FINANCIAL ITEMS		**-168**	**10**
Tax	12	-4	5
NET INCOME FOR THE YEAR FOR REMAINING OPERATIONS		**-172**	**15**
Net income after tax for Discontinued operations	13	-132	-33
NET INCOME FOR THE YEAR		**-304**	**-19**
Earnings per share before dilution, SEK			
from remaining operations		-3.13	0.27
from Discontinued operations		-2.41	-0.64
total		-5.54	-0.37
Number of shares, December 31		81,698,572	51,061,608
Number of shares, December 31 after full dilution		81,698,572	51,061,608
Average weighted number of shares after full dilution		54,891,229	51,061,608
Proposed, but not approved, dividend per share		None	None

For comments, see Board of Directors' Report and Financial Review, page 28.

CONSOLIDATED BALANCE SHEET

SEK m.	Note	06-12-31	05-12-31
ASSETS			
Goodwill	14	4	22
Other intangible fixed assets	15	39	44
Tangible fixed assets	16	17	35
Long-term receivables	17	5	8
Deferred tax receivables	12	76	44
Total fixed assets		**141**	**153**
Inventories	18	751	1,091
Trade accounts receivable	19	1,644	2,145
Tax receivables		3	7
Other receivables	20	130	186
Prepaid expenses and accrued income	21	375	382
Liquid funds		4	348
Total current assets		**2,907**	**4,159**
Disposal group for sale	13	368	–
TOTAL ASSETS		**3,415**	**4,312**
EQUITY AND LIABILITIES			
Shareholders' equity	22	**745**	**946**
Liabilities			
Long-term liabilities	23	–	1
Provisions	24	12	16
Deferred tax liabilities	12	28	–
Total long-term liabilities		**41**	**17**
Loans	25	537	841
Trade accounts payable		1,530	2,026
Tax liabilities		16	0
Other liabilities		96	241
Accrued expenses and deferred income	26	161	238
Provisions	27	10	3
Total current liabilities		**2,350**	**3,349**
Liabilities related to disposal group for sale	13	279	–
TOTAL EQUITY AND LIABILITIES		**3,415**	**4,312**
Capital employed by remaining operations	4	1,086	1,192
Total capital employed		1,175	1,299
Financial net capital		-429	-353
Pledged assets	28	478	478
Contingent liabilities	29	59	79

For comments, see Board of Directors' Report and Financial Review, page 29.

CONSOLIDATED CASH FLOW STATEMENT

SEK m.	Note	2006	2005
OPERATING ACTIVITIES			
Result after financial items	30	-168	9
Adjustments for items not included in cash flow, etc.			
Depreciation and write-downs	8	41	37
Other	31	30	-8
Paid tax		0	4
Cash flow from operations before changes to operating capital		**-97**	**42**
Cash flow from changes to operating capital			
Changes to inventories		152	-231
Changes to operating receivables		56	-161
Changes to operating liabilities		-143	297
Cash flow from operating activities		**-32**	**-53**
INVESTMENT ACTIVITIES			
Sale of businesses	32	4	1
Acquisitions of fixed assets	14, 15, 16	-28	-47
Sales of fixed assets		3	0
Cash flow from investment activities		**-21**	**-46**
FINANCING ACTIVITIES			
Dividend		-34	-
New share issue		146	-
Change in loans		-278	207
Cash flow from financing activities		**-166**	**207**
Cash flow from remaining operations		**-219**	**108**
Cash flow from discontinued operations			
Cash flow from operating activities		-84	-99
Cash flow from investing activities		-35	-10
Cash flow from financing activities		10	-7
Cash flow from discontinued operations	13	**-110**	**-116**
Cash flow for the year		**-329**	**-8**
Liquid funds at the start of the year		**348**	**355**
Cash flow for the year		-329	-8
Exchange rate difference in liquid funds		-15	1
Liquid funds at the year-end		**4**	**348**

The cash flow statement has been prepared in accordance with the indirect method.
The reported cash flow covers transactions resulting in cash receipts and payments.

For comments, see Board of Directors' Report and Financial Review, page 29.

CONSOLIDATED CHANGES IN EQUITY

		Related to the parent company shareholders				
SEK m.	Note	Share-capital	Other restricted equity	Reserves (note 22)	Non-restricted funds	Total equity
Equity, December 31 2004		**102**	**236**	**-34**	**637**	**941**
Exchange-rate differences				24		24
Net income for the year					-19	-19
Equity, December 31 2005	22	**102**	**236**	**-10**	**618**	**946**
Exchange-rate differences				8		8
Dividend					-46*	-46
New share issue		61	80**			141
Net income for the year					-304	-304
Equity, December 31 2006	22	**163**	**316**	**-2**	**268**	**745**

*Carl Lamm including transaction costs of SEK 8 million
**After transaction costs of SEK 12 million

GROUP NOTES

Note 1 COMPANY INFORMATION AND GENERAL REPORTING PRINCIPLES

The consolidated financial statements for Scribona AB for the financial year that ends on December 31, 2006 have been approved for publication by the board on March 30, 2007, and will be presented for approval at the 2007 AGM. The parent company is a Swedish publicly traded company with headquarters in Solna, Sweden. The company's shares are listed on the Nordic List of the Stockholm Stock Exchange, Small Cap section.

The group's primary business
Scribona is one of the leading distributors of IT products in the Nordic market, with a complete distribution offering of hardware and software and IT infrastructure solutions. Scribona offers volume distribution and access to a broad range of leading brands in PCs, servers, printer devices, monitors, software, network products, storage solutions, data projectors, computer accessories and supplies as well as IT consumer products and end customer financing of IT equipment.
The range includes products from a number of vendors, including HP, IBM, Fujitsu Siemens, Lenovo, Xerox, Microsoft, Cisco, Apple, Samsung, Toshiba, and others.

From October 2, 2006 the company comprises only the parent company and the Scribona business area. Following a resolution made by shareholders at the extraordinary meeting on October 2, all shares in Carl Lamm AB were distributed to Scribona shareholders. Carl Lamm is reported as Discontinued operations. See Note 13, Discontinued operations.

In December, the Scribona Board decided to sell the company's Danish operations. Therefore, Scribona Denmark is classified as Discontinued operations and related assets and liabilities are reported under Disposal group for sale. See Note 13, Discontinued operations.

Statement concerning compliance with new regulations
The group consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), published by the International Accounting Standards Board (IASB) and interpretive statements from the International Financial Reporting Interpretations Committee (IFRIC), which have been approved by the EU Commission for the European Union. Furthermore, in compliance with Swedish law, the Swedish Financial Accounting Standards Council's recommendation RR 30:05, Supplementary reporting rules for groups, has been used.

A more detailed description of the principles applied is provided in the relevant subsequent note.

Basis for preparing the annual report
The group consolidated financial statements are based on historical acquisition values, except for derivative financial instruments valued at actual value in the income statement. The reported value of assets and liabilities that are hedged and that are normally reported at their purchase value have been adjusted for changes in their actual value that refer to the risks that are hedged.

The parent company's functional currency is Swedish kronor and financial reporting is also done in Swedish kronor. Amounts are shown in SEK million unless stipulated otherwise. Differences as a result of rounding-off may occur. Income statement-related items are for the period January 1 to December 31 and balance sheet-related items are for December 31. Amounts in parentheses indicate the previous year's figures.

Presentation of the income statement
The income statement is divided into types of expense.

Balance-sheet classification
Receivables with an expected term of less than 12 months are reported as current assets. Receivables with an expected term of more than 12 months are reported as fixed assets. Liabilities with an expected term of less than 12 months are reported as current liabilities. Liabilities with an expected term of more than 12 months are reported as long-term liabilities.

Consolidated financial statements
The consolidated financial statements comprise the accounts of the parent company Scribona AB and all subsidiaries. Subsidiaries are companies in which the parent company has the right to exercise, or actually exercises, direct control on its own.

The consolidated year-end financial statements are based on accounts prepared for all group companies as of December 31.

The consolidated financial statements are prepared in accordance with the purchase method, whereby the parent company's acquisition values for shares in subsidiaries are eliminated against adjusted equity in the subsidiaries at the acquisition date. Adjusted equity is equity and the equity portion of untaxed reserves. Consolidated equity, therefore, only includes the financial results of subsidiaries after the acquisition date.

Companies that are acquired or sold during the year are included in the group income statement with income and costs for the period extending from the acquisition or until the sale. Assets and liabilities in acquired companies are taken into the group at market value at the exchange rate on the transaction day. If there is a difference between the acquisition price and the net market value of acquired assets and liabilities, including deferred tax, this difference is recorded as goodwill.

When the parent company has taken out loans in foreign currency with the aim of protecting itself against exchange-rate differences on a net investment in a subsidiary, the exchange-rate difference on the foreign loan is directly transferred to the group's equity after deductions for tax, to the extent equivalent to translation differences.

Earnings and expenses, receivables and liabilities and internal profits within the group are eliminated in their entirety in the consolidated financial statements.

Financial instruments
Financial instruments reported in the balance sheet include, as assets, customer receivables and liquid funds. Loan liabilities and trade accounts payable can be found under equity and liabilities. The group also conducts transactions with derivatives in the form of foreign exchange contracts with the aim of managing currency risks involved in purchasing and selling goods in foreign currencies.

A financial asset or liability is included in the balance sheet when the company becomes a party to the instrument's contractual conditions. Trade accounts receivable are entered in the balance sheet once the invoice has been sent. Liabilities are entered once the other party has performed and the agreed debt is due for payment, even if no invoice has been received. Trade accounts payable are entered once the invoice has been received or a delivery has been made.

A financial asset is removed from the balance sheet when the rights specified in the agreement have been honored, fallen due, or the company looses control over them. The same applies to part of a financial asset. A financial liability is removed from the balance sheet when the obligation specified in the agreement is fulfilled or met in some other way. The same applies to part of a financial liability.

Acquisitions and sales of financial assets are reported on the transaction day, which is the day the company commits to acquiring or selling the asset.

With each report, the company assesses whether there are objective indications that a financial asset or group of financial assets needs to be written down.

Usually the reported value coincides with the actual value for the group's financial instruments.

The group's financial assets are receivables attributable to deliveries of goods and services and liquid funds. The acquisition value of trade accounts receivable is equivalent to the actual value, as the payment terms only in exceptional cases exceed 30 days and the time value until payment thus does not need to be taken into consideration. The actual value of liquid funds in the bank is made up of the nominal amount on the closing day, since these funds are immediately available.

The acquisition value of trade accounts payable is equivalent to the actual value, since the payment terms only in exceptional cases exceed 45 days and there is no agreed interest. The acquisition value of loans via the securitization program is equivalent to the actual value, since the borrowing is set at the end of every month at the maximum amount, and interest is set for only a month in advance.

Liquid funds
Liquid funds comprise ready cash and immediately available funds at banks and equivalent institutions.

Translation regarding foreign subsidiaries
Income statements and balance sheets for foreign subsidiaries are translated into SEK using the current method, which means the balance sheets are translated at balance-sheet day exchange rates, and the income statements are translated at the average exchange rate for the year. The exchange-rate differences arising hereby are directly transferred to consolidated equity. Measures for hedging of foreign net investments are undertaken for a subsidiary. Parent company loans to foreign subsidiaries are hedged.

Transactions in foreign currencies in Swedish consolidated companies
Transactions in foreign currencies are converted to Swedish kronor at the exchange rate that applied on the transaction date. Parent company loans to foreign subsidiaries are hedged, see Note 36, Financial risk management. Transactions with foreign subsidiaries are valued at the closing-day exchange rate. Financial instruments are valued at their actual value. Operating receivables and liabilities in foreign currencies do not normally receive forward cover. The net flow of payments, both incoming and outgoing, is hedged from fall 2006. Both realized and unrealized exchange-rate differences are thus recorded in the income statement. Exchange rate differences regarding operating receivables and liabilities are reported in operating income, while exchange rate differences attributable to financial assets and liabilities are reported as results of financial investments.

Changes in accounting principles
The same accounting principles and calculation methods were used in this report that were used in the 2005 annual report, except with respect to the reporting of exchange rate differences in operating income and net sales per business area.

In the previous annual report exchange rate differences were reported as gross figures in Other operating income at SEK 61 million and Other operating expenses at SEK -63 million. In this annual report exchange rate differences for the previous year are reported as net figures in Other operating expenses at SEK -2 million. The comparative figures have been restated.

Net sales has replaced the previous reporting of earnings. Comparative figures have been restated.

In accordance with IFRS 5, 'the assets and liabilities of controlled entities that are considered as being held for sale' the period's result for the distributed shares in Carl Lamm and for the Danish operations being held for sale are reported in the income statement in the item "Result after tax for Discontinued operations". This means that earnings and expenses for Carl Lamm and Scribona Denmark are excluded from all items in the income statement for the reporting period and 2005. At December 31, 2006 all assets and liabilities related to Scribona Denmark have been excluded from all items in the balance sheet and are reported separately as a Disposal group for sale and Liabilities related to Disposal group for sale. Likewise, Carl Lamm and Scribona Denmark are reported in the cash flow statement in the item "Cash flow from discontinued operations", see also Note 13, Discontinued operations.

An amendment has been made in IAS 19 regarding the reporting of actuarial gains and losses as well as certain disclosures. The new rules make it possible for the company to report actuarial gains and losses immediately against equity. Scribona has chosen not to apply these rules in these financial reports.

EU's directives on the use of hazardous waste that is made of or contains electrical or electronic products regulates collection, treatment, recycling and environmentally friendly disposal of such waste. IFRIC has clarified in IFRIC 6 when certain producers of electrical goods are required to recognize a liability under IAS 37 for the cost of waste management relating to the decommissioning of waste electrical and electronic equipment. IFRIC 6 has not affected Scribona's income statement and balance sheet.

In the company's 2007 reporting, Scribona will apply IFRS 7 Financial instruments, Information and related amendments in IAS 1, Presentation of financial reports. The new rules require an increase on information about capital, as well as financial instruments and financial risks, but have no effect on the results and financial position.

IASB has published IFRS 8 Operating Segments, which has been adopted by the EU, and is applicable from the 2009 financial year. IFRS 8 requires that operating segments and applied accounting principles to be identified on the basis of internal reports about components of the entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. Scribona's initial assessment is that the application of IFRS 8 will not involve any significant differences compared to the requirements of IAS 14, Segment reporting.

Significant accounting issues, estimates and evaluations
In order to prepare the financial statements, executive management and the board make estimates and assessments that have an effect on items reported in the year-end closing regarding assets and liabilities, revenues and costs, plus other information provided. The actual outcome may differ from these assessments. The effect of changes in estimates and assessments is reported in the income statement for the period during which the changes were carried out and with unchanged classification of these items.

The management has discussed the developments, choice and information regarding the group's critical accounting principles and estimates, and the application of these, with the board.

Significant evaluations in applying the group's accounting principles
Valuation of intangible fixed assets
The group capitalizes the development of logistics and business systems that is expected to increase productivity. Depreciation is carried out over the assessed periods of utilization. The principles for capitalization and depreciation are set forth in the group's accounting manual. Depreciation of part of the logistics and business system in Denmark has been made, at an amount of SEK 10 million and is reported in Note 15, Other intangible fixed assets.

Valuation of goodwill
Assessments as to whether there is a need for write-downs in goodwill have been conducted. These write-down assessments showed that the entered value of goodwill related to the Finnish operations and goodwill related to the business system business in Sweden cannot be defended. Write-downs of SEK 16 million have subsequently been made and are reported in Note 14, Goodwill.

Obsolescence of inventories
The group uses a method in which all articles older than 120 days are written down to zero if returns, price protection or existing orders do not justify other action. Obsolescence reserves include supernumerary quantities based on comparison of stock values against historical sales. The principle is fair, as it is supported by history and experience.

Provision for uncertain trade receivables
The group is required by its accounting methods to reserve all trade receivables that are overdue more than 90 days. Reserving is based on age analysis and the identified specific balance with reference to previous experience and current developments. The method is fair, as it is supported by history and experience.

Reserves for accrued remuneration from suppliers
The group is required by its accounting methods to reserve all accrued remunerations from suppliers that are overdue more than 90 days. Reserving is based on age analysis and the identified specific balance with reference to previous experience and current developments. The method is fair, as it is supported by history and experience.

Changes in estimates and evaluations
A change in the evaluation of an operational management agreement covering several years with Scribona's main supplier of IT services has entailed a change in how these leasing payments shall be allocated over time. As a result of this change in evaluation Scribona has reserved SEK 19 million of which SEK 3 million concerns Discontinued operations.

Significant sources of uncertainty in estimates
Certain assumptions about the future and certain estimates and assessments on the closing day are especially important for the valuation of assets and liabilities in the balance sheet. Areas where the risk for changes in value during the following year are greatest, due to a need to alter assumptions or estimates, are discussed below.

Discontinued operations
The valuation of the Danish operations that has been reported as a disposal group for sale is reported at the lowest either the reported value or the actual value after deductions for sales costs. The valuation resulted in that fixed assets have been written down and that a provision has been reported. See also Note 13, Discontinued operations. Significant evaluations and estimations have been applied when valuating the disposal group for sale. It is primarily the actual value that has been a significant assessment item in the closing of the books. The actual value represents the board's and the executive management's best assessment of the actual value.

Write-down assessment of goodwill
In calculating the cash-generating units' recoverable value for evaluating any need for write-down of goodwill, a number of assumptions regarding future circumstances and estimates of variables have been made. An account of these is found in Note 14, Goodwill.

Deferred tax receivables
Deferred tax receivables in deductible temporary differences and deductions for losses are reported only to the extent they are estimated to most likely result in lower tax payments in the future. In these assessments, a number of assumptions regarding future circumstances and estimates of variables have been made, of which the most important is an assessment of the units' future profitability.

Provisions
Group provision for taxes and non-utilized premises is based on estimates of the most likely result of settling the undertaking. In these assessments, a number of assumptions regarding future circumstances and estimates of variables have been made, of which the most important is an assessment of decisions and actions of external parties.

GROUP NOTES

Note 2 NET SALES

Net sales are entered at the sale value plus invoiced freight costs and after deductions for discounts, bonuses, returns and VAT, and after deductions for internal group sales. Net sales comprises product sales in its entirety. Net sales are reported at the point when practically all risks and rewards of ownership are transferred to the purchaser, and when the group no longer possesses or controls the products, and when the income from sales can be measured reliably and it is probable that the group can reap the financial advantages of the transaction.

The distribution of the change in sales in the group between 2005 and 2006 has been calculated as follows with regard to effects of volume, price, structure and currency:

SEK m.	2006	%	2005	%
Net sales for the previous year	9,277		9,225	
volume changes	0	0%	188	2 %
price changes	–300	–3%	–750	–8%
structural changes	68	1%	367	4%
currency effects	-29	0%	247	3%
Net sales this year	**9.016**	**–3%**	**9.277**	**1%**

Structural changes primarily refer to the net value of additional and discontinuing product areas/suppliers during the financial year.

Note 3 OTHER OPERATING INCOME

Earnings from secondary activities within normal operations and positive net exchange-rate profits and losses regarding operating receivables and operating liabilities are reported as 'Other operating income'. Other operating income is reported at the time the service is delivered.

SEK m.	2006	2005
Invoiced services and premises rental	45	32
Total	**45**	**32**

Other operating income in the group includes invoiced services to Toshiba Document Solutions which was sold in 2004 and premises rental to other subtenants. For information on how the group's operating income is affected by exchange rate differences, see Note 9, Other operating expenses.

Note 4 SEGMENT REPORTING

Countries	Sweden		Finland		Norway		Group wide		Parent company		Elimination		Group	
Mkr	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Net sales														
External	3,919	3,863	2,126	2,229	2,999	3,149	–	–	–	–	-24	35	9,016	9,277
Internal	14	9	4	0	3	9	–	–	–	–	-21	-18	–	-
Total net sales	**3,933**	**3,872**	**2,130**	**2,229**	**2,999**	**3,158**	**–**	**–**	**–**	**–**	**-45**	**17**	**9,016**	**9,277**
Result														
Operating income	-6	28	-41	-7	-28	41	-54	-30	-7	-7	–	–	-135	25
Operating margin, %	-0,2	0,7	-1,9	-0,3	-0,9	1,3	–	–	–	–	–	–	-1.5	0.3
Other information														
Assets, December 31	872	1.210	443	547	611	878	1.008	515	3	5	–	–	2,937	3,155
Liabilities, December 31	-425	-925	-224	-240	-258	-393	-934	-392	-10	-13	–	–	-1,851	-1,963
Capital employed, December 31	**447**	**285**	**219**	**307**	**353**	**485**	**74**	**123**	**-7**	**-8**	**–**	**–**	**1,086**	**1,192**
Investments	1	1	0	0	1	1	26	45	–	–	–	–	28	47
Depreciation	-2	-2	-1	-1	-1	-2	-21	-22	0	0	–	–	-25	-27
Write-down of goodwill	-4	-4	-12	-6	–	–	–	–	–	–	–	–	-16	-10
Income not eliminated by payments	–	–	–	–	–	–	1	9	–	–	–	–	1	9
Expenses beyond depreciation, not-eliminated by payments	–	–	–	–	–	–	-38	1	–	–	–	–	-38	1
Number of employees, December 31	205	216	99	120	114	134	–	–	–	–	–	–	418	470

Scribona's operations comprise distribution of IT products in Sweden, Finland and Norway. The group is managed and organized per geographic market. Following the distribution of Carl Lamm, the geographic markets make up primary segments. The segments are consolidated in accordance with the same principles as for the group as a whole.

Countries
Net sales are attributable to the countries on the basis of where the customers are situated. External sales are primarily in the local currency.

Group-wide functions
Expenses for group-wide functions such as IT, logistics, etc., are allocated per country according to degree of utilization and are included in operating income. Unallocated costs concern management, unallocated exchange rate losses and unallocated currency effects on sales margins.

Capital employed
The operating assets included in the country in question include all operating assets used in the country, chiefly intangible fixed assets, tangible fixed assets, local inventories and trade accounts receivable. Through the centralization of purchasing and warehousing a greater share of inventories have become group wide. The operating liabilities attributable to the country in question include all operating liabilities used in the country, chiefly trade accounts payable, other liabilities and accrued expenses and prepaid income. Through the centralization of purchasing and warehousing a greater share of trade accounts payable have become group wide. Deferred tax is not included in the respective country's capital employed.

Discontinued operations
The distribution of Carl Lamm and the sale of the Danish operations in 2006 are disclosed in Note 13, Discontinued operations.

Note 5 GOODS FOR RESALE

Scribona's distributor agreements with suppliers include the terms normally occurring in the industry. In addition to the purchase cost in accordance with the invoice from the supplier, the cost of goods for resale also includes a number of different types of adjustments. These are in part made up of remuneration from the supplier in the form of remuneration for targets achieved, consolidation of the margin on individual deals, remuneration for price decreases related to this, discounts on goods, etc., and in part they arise internally in the form of obsolescence and inventory differences. The cost of goods for resale is reported at the same time as the net income from product sales in accordance with Note 2.

Remuneration for targets achieved is received from the supplier afterwards for various value-added services such as logistics services, availability, volume and quality targets achieved etc., and are reported as these targets are achieved. Margin consolidation is obtained from the supplier afterwards to consolidate the gross profit on such sales as have been implemented with extra discounts for the customer, and is reported as performance is achieved/income from the sale of goods is reported. Price decrease expenses arise when products in stock are written down after the supplier has reduced its sales price. Price decrease compensation is obtained from the supplier to compensate for the write-down cost for products purchased within a fixed period of time before the price reduction. Price decrease costs and price-decrease compensation are reported in conjunction with the product in stock being written down. Upon payment of the supplier's invoice within a stipulated brief credit period, cash discounts are obtained from certain suppliers. These discounts are of such a size that they are seen as goods discounts by Scribona, and the discounts are reported when the sale has been reported. Obsolescence relates to the expenses arising when products in stock are written down at net-sale value including inventory differences. Obsolescence and inventory differences are reported as soon as they are established.

Scribona uses current futures to reduce the effect of exchange rate fluctuations in purchasing and sales. The contracts are valued at their actual value on the balance sheet date.

Hedging of the operative currency flow for sales and purchasing in other currencies than SEK has reduced negative exchange rate differences by SEK 5 million and decreased the costs of the goods. This hedging started during the last quarter of the year. See Notes 36 and 37 for more information.

Note 6 OTHER EXTERNAL COSTS

Fees to auditors

SEK m.		Group 2006	Group 2005
Ernst & Young	Audit	2	3
	Other assignments	3	2
Total		**5**	**5**

Audit is a review of the annual report and the accounting records and the board's and the president's administration, other tasks incumbent upon the company's auditor and advice or other assistance as a result of observations upon such audit or implementation of such other tasks. Everything else falls under other assignments. Other assignments have primarily been related to audit in conjunction with the distribution and new share issue.

Note 7 PERSONNEL

Salaries, other remuneration and social security expenses, SEK m
This section has been prepared in accordance with the Swedish Accounting Standards Board's recommendation R4.

	2006		2005	
Board and president/vice president	**Salaries and other remunerations (of which bonus, etc.)**	**Social security costs (of which pension costs)**	**Salaries and other remunerations (of which bonus, etc.)**	**Social security costs (of which pension costs)**
Sweden	11 (0)	6 (3)	5 (1)	3 (1)
Denmark	1 (0)	0 (0)	1 (0)	0 (0)
Finland	1 (0)	0 (0)	1 (0)	0 (0)
Norway	3 (0)	0 (0)	1 (0)	0 (0)
Total	**16 (1)**	**6 (4)**	**8 (1)**	**4 (2)**

	2006		2005	
Other employees	**Salaries and other remunerations**	**Social security costs (of which pension costs)**	**Salaries and other remunerations**	**Social security costs (of which pension costs)**
Sweden	200	97 (21)	231	103 (24)
Denmark	46	4 (1)	61	5 (4)
Finland	41	10 (7)	49	12 (9)
Norway	67	17 (7)	72	17 (4)
Total	**354**	**128 (36)**	**413**	**137 (41)**

Salaries, other remuneration and social security costs are the amounts expensed during the year, including accrued expenses at the year-end. The subsidiary Carl Lamm AB and its subsidiaries, which were distributed to Scribona shareholders in October 2006, are included until the end of the third quarter 2006 and 2005 for the whole year. Operations in Denmark are included for the whole year 2006.

Average number employees (converted into full-time positions)
This section has been prepared in accordance with the Swedish Accounting Standards Board's recommendation R4.

		2006 Total	2006 Of which women	2005 Total	2005 Of which women
Sweden	Parent company	-	-	-	-
	Subsidiary	536	157	600	168
Denmark		68	26	93	27
Finland		106	34	128	40
Norway		123	39	131	40
Total		**833**	**256**	**952**	**275**

The average number of employees is calculated as an average of the four quarters of the year. The subsidiary Carl Lamm AB and its subsidiaries are included until the end of the third quarter 2006 and 2005 for the whole year. Operations in Denmark are included for the whole year 2006.

Full-time positions in the group
At the year-end Scribona had 482 (927) full time employees converted into full-time positions. Of these, 205 (587) or full-time equivalents of 43% (63) were in Sweden. The number of places of employment was 3 (26).

Gender distribution in all group management December 31

	2006 Total	2006 Of which women	2005 Total	2005 Of which women
Board (excl. the president)	19	1	21	1
President	4	-	6	-
Other (excl. the president)	43	9	46	12
Total	**66**	**10**	**73**	**13**

Gender distribution calculations include Discontinued operations.

Remuneration for employees following completion of employment
In the group there are both contribution-related and defined-benefit pension plans. In contribution-related pension plans Scribona pays set contributions to a separate legal unit and has no commitment to pay further contributions. The group's result is debited with expenses as the benefits are earned. In defined-benefit pension plans remuneration is paid to employees and former employees based on the salary upon retirement and the number of years' employment. The group bears the risk of payment of the set remuneration.

In the group, only the Norwegian pensions are reported as defined benefit pensions. The pensions in other countries are reported as contribution- related pensions.

In the balance sheet, the net value of the calculated present value of commitments and the actual value of management assets is reported either as a provision or as a long-term receivable.

The pension cost and the pension commitment for defined-benefit pension plans is calculated in accordance with the so-called Projected Unit Credit Method. This method distributes costs of pensions as the employees perform services for the company that increase their right to future remuneration. Scribona's undertaking is calculated annually by independent actuaries. The undertaking comprises the current value of expected future payments. The discount rate used is equivalent to the interest for the average term of commitments. The most important actuarial undertakings are stipulated below in this Note.

Upon ascertainment of the commitment's current value and the actual value of management assets, actuarial profits and losses may arise. They occur either through the actual outcome deviating from the assumption previously made, or through assumptions changing. The part of the accumulated actuarial profits and losses at the end of the preceding year in excess of 10% of the greater of the commitments' current value and the management assets' actual value is reported in the local report in Norway in the result of the expected average remaining period of employment for those employees covered by the plan. The same method is used in the consolidated financial statements.

In Sweden, senior executives' (in 2006) pensions are contribution-related. Undertakings for retirement pensions and family pensions for salaried employees in Sweden are secured through insurance in Alecta. In accordance with a report from the Swedish Financial Accounting Standards Council's Emergency Group, URA 42, this is a defined-benefit plan covering several employers. For the financial years 2005 and 2006 Scribona has not had access to such information as makes it possible to report this plan as a defined-benefit plan. The pension plan in accordance with ITP, which is secured through insurance with Alecta, is thus reported as a defined-contribution plan. The year's contributions for pension insurances signed with Alecta total SEK 6 million (14). Alecta's surplus can be distributed among the policyholders and/or the insured. At the end of 2006 Alecta's

Note 7 PERSONNEL – cont.

surplus in the form of the collective consolidation level was 143% (129). The collective consolidation level comprises the market value of Alecta's assets as a percentage of insurance undertakings calculated in accordance with Alecta's technical insurance calculation assumptions, which are not in line with IAS 19. The collective consolidation level above 100% is a buffer for Alecta's insurance activities against fluctuations in capital returns and insurance risks.

The defined-benefit pension plans in Scribona are funded. The management assets can only be used to pay remuneration in accordance with the pension agreement.

In Denmark and Finland the pension plans are entirely contribution related.

Defined-benefit plan commitments and the value of management assets

The defined-benefit plans in Norway

SEK m.	2006	2005
Current value of defined-benefit commitments	39	37
Management assets' actual value	-26	-23
Accumulated unreported actuarial profits (+)/losses	-13	-16
Net funded commitments	**0**	**-2**
Net amount in balance sheet (commitment +, asset -)	0	-2
Net amount is reported under 'Other long-term receivables'		

Pension costs

SEK m.	2006	2005
The defined-benefit pension plan in Norway		
Cost of pensions for which credit has been earned during the year	6	5
Cost of interest	1	1
Expected return on management assets	-1	-1
Actuarial profits (–)/losses (+) reported during the year	1	0
Total cost of the defined-benefit pension plan in Norway	**7**	**5**
Total cost of contribution-related plans in other countries	22	39
Employment tax and tax on return	3	8
Total cost of remuneration after completion of employment	**32**	**52**
This cost is reported under 'Personnel costs'		

Reconciliation of current value of defined-benefit commitments

SEK m.	2006	2005
Balance brought forward on current value of defined-benefit commitments	37	23
Pensions for which credit has been earned during the year	6	5
Cost of interest	1	3
Actuarial profits (-)/losses (+) reported during the year	-3	4
Currency differences for foreign plans	-2	2
Closing balance of current value of defined-benefit commitments	**39**	**37**

Management assets' actual value

SEK m.	2006	2005
Balance brought forward on management assets' actual value	-23	-25
Return on management assets	-1	8
Fees	-6	-5
Pensions paid	2	1
Exchange rate differences on foreign plans	2	-2
Closing balance of management assets' actual value	**-26**	**-23**

Return on management assets in the Norwegian pension plan

SEK m.	2006	2005
Actual return on management assets	1	-8
Expected return on management assets	-2	1
Actuarial return on management assets for the period	**-1**	**-7**

Management assets in the Norwegian pension plan	2006	2005
Equity instruments, %	23	24
Financial instruments, including liquid funds, %	64	66
Real estate, %	13	10
Total, %	100	100
Management assets do not include Scribona's equity instruments or assets owned by Scribona.		

Actuarial assumptions for the Norwegian pension plan	2006	2005
Discount rate, %	4.4	4.5
Expected return on management assets, %	5.4	5.5
Future salary increases, %	4.5	3.0
Future increases in pensions, %	1.6	2.5
Expected remaining period of employment, years	19	19

Remuneration upon notice of dismissal

A provision is only reported in conjunction with dismissal of personnel if the company has been proven to be obliged to terminate an employment before the normal time or when remuneration is supplied as an offer to encourage voluntary severance. In instances where the company dismisses personnel, a detailed plan is prepared that includes a minimum of workplace, positions, the approximate number of persons affected, the remuneration for each personnel category or position and the time of implementation of the plan.

Share-related remuneration

There is no share-related remuneration in the group.

Remuneration for executive management

Principles

The chairman and members of the board are paid a fee for board work and work on the Remuneration committee in accordance with a resolution by the AGM. Employee representatives are not entitled to receive remuneration for serving on the board.

Principles for remuneration and other terms of employment for the company's executive management adopted at the 2006 AGM:

The company's executive management consists of the president and the vice president.

Remuneration for executive management comprises basic salary, variable remuneration, certain taxable benefits and a pension. The distribution between basic salary and variable remuneration will be in proportion to the employee's responsibility and authorization.

The maximum variable remuneration for the company's management is 100% of basic salary. The variable salary is based in its entirety on the group's income before tax. Benefits include a company car, mobile telephone, food benefits, a broadband connection for the employee's home, medical insurance and, for one executive, travel benefits. Pension benefits for senior executives consist of defined-benefit pension with a premium of no more than 33% of the pension-based salary. An extra pension is offered in addition through salary exchange, whereby surrender of 5% of the salary, but no more than SEK 60,000 per annum, means that Scribona pays an amount equal to that which the employee contributes. In addition, Scribona pays a supplement comprising the difference between employer contributions and special employment tax on this extra pension premium.

Dismissal compensation, including severance pay, is not to exceed 24 months' salary.

For special reasons in individual cases the board may deviate from these guidelines.

Remuneration and other benefits during the year:

Kkr	Basic salary/ Board fees	Variable salary	Other benefits	Pension costs	Fin. instruments etc.	Other remuneration	Total
Chairman of the board							
Theodor Dalenson	463	-	-	-	-	-	463
Other board member							
Fredrik Danielsson	200	-	-	-	-	-	200
Peter Ekelund	150	-	-	-	-	-	150
Henry Guy	150	-	-	-	-	-	150
Johan Hessius	288	-	-	-	-	-	288
Conny Karlsson	288	-	-	-	-	-	288
David E. Marcus	250	-	-	-	-	-	250
Ole Oftedal	100	-	-	-	-	-	100
The board's combined fee	**1,888**	**-**	**-**	**-**	**-**	**-**	**1,888**
President							
Tom Ekevall Larsen	3,938	-	231	1,577	-	2,160	7,905
Vice president							
Örjan Rebeling	2,430	-	176	949	-	-	3.554
Total	**8,256**	**-**	**406**	**2,526**	**-**	**2,160**	**13,347**

See also Note 39, Transactions with affiliated parties.

Comments to the table

- Basic salary is the fixed monthly salary minus deductions for sickness plus additions for vacation supplements. Included is severance pay for the president for the period December 2006 to November 2007. Also included is severance pay for the vice president for the period January 2007 to June 2007.
- Variable remuneration is the expensed bonus for the financial year 2006, which is paid during 2007. For information on the way variable remuneration is calculated, see below.
- Other benefits are taxable benefits: company car including fuel, food benefits and, for one senior executive, travel benefits. These benefits are also paid to the president and the vice president during severance periods.

- The pension plans are contribution-related. The cost of the pension is the cost that has affected net income for the year. For further information on pension terms, see below.
- No benefits in the form of financial instruments or other remuneration have been paid during 2006.
- Other remuneration refers to severance pay.

Variable remuneration

For the president, the 2006 bonus is based in its entirety on the group's income before tax. The maximum variable remuneration for 2006 was 100% (50) of basic salary. The actual bonus amount for 2006 was equivalent to 0% (8) of basic salary.

For the vice president, the bonus for 2006 was also based in its entirety on the group's income before tax. The maximum variable remuneration for 2006 was 100% (50) of basic salary. The actual bonus amount for 2006 was equivalent to 0% (8) of basic salary.

Share-related incentive programs for the board and senior management

The company has not offered any share-related incentive programs to the board and executive management.

Pensions

The retirement age for the president is 60. The cost of the pension comprises a Defined-contribution pension plan, with a premium of no more than 33% of pensionable salary. The pensionable salary is the basic salary for as long as that president remains as an employee of the company.

Dismissal compensation is pensionable. Pension costs consist of defined contribution plans with a premium of no more than 33% of the pensionable salary. An extra pension is offered in addition through salary exchange, whereby surrender of 5% of the salary, but no more than SEK 60,000 per annum, means that Scribona pays an amount equal to that which the employee contributes. In addition, Scribona pays a supplement comprising the difference between employer contributions and special employment tax on this extra pension premium. The actual cost of the pension on salary paid, after salary exchange, is 40%.

The retirement age for the vice president is 65. The cost of the pension comprises a defined-contribution pension, with a premium of 30% of the pension-based salary. The pensionable salary is the basic salary for as long as that vice-president remains an employee of the company. Dismissal compensation is pensionable. An extra pension is offered in addition through salary exchange, whereby surrender of 5% of the salary, but no more than SEK 60,000 per annum, means that Scribona pays an amount equal to that which the employee contributes. In addition, Scribona pays a supplement comprising the difference between employer contributions and special employment tax on this extra pension premium. The actual cost of the pension on salary paid, after salary exchange, is 39%.

Vacation

The president and vice president are entitled to 30 days vacation a year.

Sickness pay

The president and vice president are entitled to 100% of their salary for a maximum of 90 days during a period of 12 months without any qualifying day.

Other employment benefits

In addition to the taxable benefits described above, other employment benefits include mobile phone, broadband connection for the employee's home address and medical insurance.

Termination and severance pay

Between the company and the president there is a period of notice of 12 months if the termination is on the part of the company and 6 months if the termination is on the part of the president. In the event of termination on the part of the company, additional severance pay amounting to 12 monthly salaries will be paid. The severance pay is not set against other income. In the event of termination on the part of the president, no severance pay will be paid.

Dismissal compensation related to the dismissal of the president Tom Ekevall Larsen has been expensed in 2006 at an amount of SEK 2,032,000 in basic salary, SEK 152,000 for other benefits and SEK 841,000 in pension. The period of notice started in December 2006. Severance pay of SEK 2,160,000 was expensed in 2006 and will be paid out at the end of the severance period.

Between the company and the vice president there is a mutual period of notice of 6 months. In the event that the termination is on the part of the company, additional severance pay amounting to 12 monthly salaries will be paid. The severance pay is not set against other income. In the event of termination on the part of the vice president, no severance pay will be paid.

Dismissal compensation for the vice president Örjan Rebeling has been expensed in 2006 at the amount of SEK 883,000 in basic salary, SEK 53,000 for other benefits and SEK 317,000 in pension. The period of notice started in January 2007.

Preparatory and decision-making process

The remuneration committee's instructions are set by the board. The remuneration committee is appointed by the board. In 2006 the remuneration committee consisted of the chairman of the board, Theodore Dalenson, and the regular members Johan Hessius and Conny Karlsson. The remuneration committee met once in 2006. The committee has given the board recommendations regarding principles of remuneration and other terms of employment for executive management. The board has submitted these recommendations as proposals for the AGM. These principles were adopted by the AGM. The remuneration committee has proposed criteria for assessment of bonus outcomes. The board has discussed the remuneration committee's proposals and made decisions with the guidance of the committee's recommendations. The president's remuneration package for the financial year 2006 was set by the board. The remuneration committee set the remuneration package for the vice president.

New executive management after the end of the financial year

In January 2007, Fredrik Berglund assumed his position as president and CEO of Scribona. His basic salary is SEK 2,880,000. Variable salary is based in its entirety on the group's operating income and is a maximum of 100% of basic salary. It has been decided that there will be no variable salary for 2007. Other benefits include a company car and work tools. The pension follows the ITP plan and the retirement age is 65. An extra pension is offered in addition through salary exchange, whereby surrender of 5% of the salary, but no more than SEK 60,000 per annum, means that Scribona pays an amount equal to that which the employee contributes. In addition, Scribona pays a supplement comprising the difference between employer contributions and special employment tax on this extra pension premium. The president is entitled to 30 days vacation per year. The president is entitled to 100% of his salary in sickness pay for a maximum of 90 days during a period of 12 months without any qualifying day.

Between the company and the president there is a period of notice of 12 months if the termination is on the part of the company and 6 months if the termination is on the part of the president. In the event of termination on the part of the company, an additional dismissal compensation salary will be paid for a period of 12 months after the termination of the period of notice, which is set against other income. In the event of termination on the part of the company, additional severance pay amounting to 12 monthly salaries will be paid. For dismissals during the period January-June 2007, severance pay amounts to nine monthly salaries. Severance pay is not set against other income. In the event of termination on the part of the president, no severance pay will be paid. If Scribona is de-listed from the exchange following a bid for the company, a lump sum payment amounting to 24 monthly salaries will be paid.

In January, Hans-Åke Gustafsson assumed his position of CFO and vice president of Scribona. His basic salary totals SEK 1,440,000. Variable salary is based in its entirety on the group's operating income and is a maximum of 100% of basic salary. It has been decided that there will be no variable salary for 2007. Other benefits include a company car and work tools. The pension follows the ITP plan and the retirement age is 65. An extra pension is offered in addition through salary exchange, whereby surrender of 5% of the salary, but no more than SEK 60,000 per annum, means that Scribona pays an amount equal to that which the employee contributes. In addition, Scribona pays a supplement comprising the difference between employer contributions and special employment tax on this extra pension premium. The vice president is entitled to 30 days vacation per year. The vice president is entitled to 100% of his salary in sickness pay for a maximum of 90 days during a period of 12 months without any qualifying day. Between the company and the vice president there is a mutual period of notice of 6 months. In the event of termination on the part of the company, an additional dismissal compensation salary will be paid for a period of 12 months after the termination of the period of notice, which is set against other income.

Note 8 DEPRECIATION AND WRITE-DOWN OF INTANGIBLE AND TANGIBLE FIXED ASSETS

Depreciation of intangible and tangible fixed assets is based on historical acquisition values and assessed periods of utilization for various groups of facilities. Residual values are deemed to be negligible and have not been taken into consideration when depreciable amounts have been set. No changes in periods of utilization were implemented during 2006 and 2005. On assets acquired during the year, depreciation is calculated from the time of acquisition. Depreciation is linear, with the following periods of utilization:

Note 8 DEPRECIATION AND WRITE-DOWN OF INTANGIBLE AND TANGIBLE FIXED ASSETS – cont.

Intangible assets	3 years
Tangible assets, equipment	
Computers	3 years, which is deemed to be the average period of utilization
Office equipment and furniture	5 years, which is deemed to be the average period of utilization
Vehicles	5 years, which is deemed to be be the average period of utilization
Conversions in rented premises	5 years, but no longer than the duration of the contractual period.

Book values for fixed assets are assessed to ascertain any write-down requirement. If at the time of year-end closing there is an indication that a fixed asset has decreased in value there will be a calculation of the asset's recoverable value. The recoverable value is the higher of the asset's net sale value and its utilization value. The net sale value comprises the price that it is estimated can be achieved upon sale of the asset, with deductions for sales costs. The utilization value is calculated using an estimate of the future payments received and paid to which the asset gives rise in operations and in conjunction with its sale and discounting of future payments by an interest rate, before tax, that is intended to take into account the market's assessment of risk-free interest and risk associated with the specific asset. If the calculated recoverable value is less than the recorded value, there will be a write-down at the asset's recoverable value.

To the extent that fiscal legislation permits higher depreciation, this will be reported in the individual group companies as appropriations and untaxed reserves.

SEK m.	2006	2005
Goodwill	-16	-10
Other intangible fixed assets	-13	-13
Tangible fixed assets	-12	-14
Total	**-41**	**-37**

The year's amortization of goodwill is described in Note 14, Goodwill. In conjunction with Scribona Denmark being reported as a Disposal Group for sale, write-downs of intangible assets that are associated with Denmark have been made, see Note 15, Other intangible fixed assets.

Depreciation and write-downs per business area are reported in Note 4, Segment reporting.

Note 9 OTHER OPERATING INCOME

Costs of secondary activities within normal operations and exchange rate losses regarding operating receivables and operating liabilities are reported as 'Other operating costs'.

SEK m.	2006	2005
Realized exchange-rate losses	-6	-3
Unrealized exchange-rate losses	-9	1
Total	**-15**	**-2**

The group's operating income has been affected by net exchange-rate differences at an amount of SEK -15 million (-2).

Note 10 INTEREST INCOME AND SIMILAR INCOME STATEMENT ITEMS

Interest income is reported in pace with the earning of the same.

Mkr	2006	2005
Penalty interest received	3	3
External financial interest income	6	8
Total	**9**	**11**

On bank balances the group receives interest in accordance with a variable rate based on the banks' daily investment interest.

For information on how the group's net financial items have been affected by exchange-rate differences, see Note 11, 'Interest expenses and other income statement items'.

Note 11 INTEREST EXPENSES AND SIMILAR INCOME STATEMENT ITEMS

Interest expenses are reported as they arise.

SEK m.	2006	2005
Penalty interest paid	-3	-1
External financial interest expense	-26	-22
Net exchange-rate losses	-13	-3
Total	**-42**	**-26**

External financial interest expenses include loan-related charges. The SEK 13 million set-up expenses for the securitization program were activated and periodized linearly as an external financial interest expense in 2003 during the program's 5-year term.

The balanced interest rate, including the above-mentioned periodized set-up expenses, on the group's loans as of December 31 was 4.7% (3.2).

External interest expenses in 2005 also included charges for company mortgages, totaling SEK 2 million.

Net exchange rate differences of SEK -13 million (-3) have affected the group's net financial items. Hedging has reduced negative exchange rate differences by SEK 3 million (positive exchange rate differences were reduced by SEK 16 million).

Note 12 TAX

Current and deferred income tax is reported in the income statement item Tax.

The companies in the group are liable for tax in accordance with current legislation in the country in question. The income tax is calculated on the basis of the book result, with supplements for non-deductible items and with deductions for non-taxable earnings, i.e. the taxable result for the year. Current tax is tax calculated on the taxable result for the year.

This also includes any adjustment of current tax attributable to previous periods.

Fiscal legislation in the countries in which Scribona carries out business has regulations other than what follows from generally accepted accounting practice regarding the time of taxation of certain business events. Deferred tax is reported on differences that arise hereby between the fiscal value and the reported value of assets and liabilities, so-called temporary differences, as well as on fiscal deficit deductions. The amounts are calculated on the basis of the way the temporary differences are expected to be utilized, and by applying the tax rates and tax regulations that have been decided on or advised on the balance sheet date. Deferred tax receivables in deductible temporary differences and deficit deductions are only reported in as far as it is deemed probable that they will bring lower future tax payments.

SEK m.	2006	2005
Current tax	-16	10
Deferred tax	12	-5
Total	**-4**	**5**

Summary of the group's balanced average tax based on the national tax rates compared with the effective tax:

SEK m.	2006	2005
Income before tax	-168	10
Balanced average tax based on national tax rates	48	-3
Tax effect of:		
Non-deductible goodwill depreciation	-3	-2
Other non-deductible expenses	-1	-1
Corrections from previous years	3	–
Fiscal deficit for which no deferred tax claim has been reported	-50	–
Revaluations of previous fiscal deficits	–	9
Other	-1	2
Reported tax	**-4**	**5**
Effective tax rate	-2%	50%

Fiscal deficits for which no deferred tax claim has been reported are for operations in Sweden.

The exchange-rate effect attributable to the parent company's loans in foreign currencies for hedging of equity is taxable/deductible. The tax effect is SEK 1 million (2).

Deferred tax receivables and income tax liabilities in the group are attributable to:

	2006			2005		
SEK m.	Assets	Liabilities	Net Balance	Assets	Liabilitie	Net Balance
Intangible fixed assets	39	–	39	–	–	–
Tangible fixed assets	6	–	6	7	–	7
Inventories	–	–	–	1	–	1
Current receivables	1	–	1	2	–	2
Fiscal deficit deductions	35	–	35	34	–	34
Untaxed reserves	–	33	-33	-	-	–
Other	0	–	0	1	1	0
Deferred tax receivables/liabilities	**81**	**33**	**48**	**45**	**1**	**44**
Net assets/liabilities	-5	-5	0	-1	-1	0
Deferred net tax claims	**76**	**28**	**48**	**44**	**-**	**44**

At year-end the group had total fiscal deficit deductions and temporary differences of SEK 565 million, equivalent to deferred tax receivables of SEK 158 million. Of the latter, SEK 76 million has been reported as a claim as it has been deemed probable that there will be future fiscal surpluses against which these deficits/temporary differences can be set.

Group management and the board are of the opinion that the previous years' efficiency programs and cost savings will mean that taxable surplus will be reported to an extent that the deficit deduction can be utilized. The valuation reserve, SEK 82 million, concerns Swedish fiscal deficits and temporary differences that have not been taken into consideration when calculating deferred tax receivables. There are no significant tax disputes.

There is an accumulated fiscal deficit deduction in Sweden amounting to SEK 417 million with an unrestricted lifespan.

Note 13 DISCONTINUED OPERATIONS

A discontinued operation is a separate line of business or geographical area of operation that either has been disposed of or is classified as assets held for sale. A company shall classify a disposal group as a disposal group for sale if its reported value will be recovered through a sale and not through ongoing use. When an operation is classified as discontinued, the net income after tax from discontinued operations and the post-tax gain or loss recognized on the measurement to fair value less costs to sell the operations are reported separately in the income statement under Net income after tax from discontinued operations. Previous reporting periods are restated according to the new classification. In the balance sheet, assets and liabilities are disclosed separately for Disposal group for sale from the period in which the operation has been classified as assets for sale. The Disposal group for sale is valued at the lowest of either the reported value or the actual value after deductions for sales costs. Previous reporting periods are not restated.

Carl Lamm

Following a resolution passed at an extraordinary meeting on October 2, 2006, all shares of Carl Lamm AB were distributed to Scribona shareholders. Carl Lamm is reported in Discontinued operations. As a result, the Carl Lamm business area has been classified as a discontinued operation from this date.

Carl Lamm is a supplier of complete system solutions for information and document management in Sweden, with its own distribution and retail operations in 25 locations in Sweden. During 2005, Carl Lamm's net sales totaled SEK 703 million, with net income after tax of SEK 27 million. During the period January-September 2006, before the distribution, Carl Lamm's net sales totaled SEK 599 million, with net income after tax of SEK 19 million. Carl Lamm's product offering includes copyprinters/MFPs, printers, voice management systems, postal meters and fax machines. At the beginning of 2006, three IT companies were acquired, adding IT infrastructure products for information management to the company's product offering. The company's service offering includes service agreements and Carl Lamm offers financing solutions for a number of its products and services. Sales take place primarily through 25 wholly owned sales and service offices, and also through independent Partners and retailers.

The distribution of Carl Lamm assets, including transaction costs of SEK 8 million, utilized SEK 46 million in unrestricted shareholders' equity.

Income statement

SEK m.	2006*	2005
Earnings	599	703
Expenses	-573	-666
Income before tax	27	37
Tax	-8	-10
Net income for the year	19	27

Cash flow statement

SEK m.	2006*	2005
From operating activities	-26	11
From investing activities	-25	-9
From financing activities	10	-7
Cash flow for the year	-42	-5

*concerns January-September 2006

Scribona Denmark

Scribona's board decided in December 2006 to sell the company's Danish operations. As a result Denmark is classified as a Discontinued operation and is reported as a Disposal group for sale. Scribona Denmark is an IT distributor on the Danish market. Negotiations regarding the sale of the Danish operations started at the end of 2006 and at the start of 2007. In February 2007, the fundamental conditions were established and final negotiations were initiated. Scribona's board decided on March 29, 2007 to close the operations as it was deemed that closure of the operations could be carried out faster and more advantageously than sale of the whole operations. It is anticipated that the liquidation will be completed during the second quarter of 2007. Net sales totaled SEK 1,453 million (1,682) with net income after tax of SEK -151 million (-59). The results include write-downs of SEK 49 million to the actual value of assets and liabilities that are being sold, as well as write-downs of intangible assets by SEK 10 million. Provisions for write-downs of SEK 49 are included in current liabilities below.

Income statement

SEK m.	2006	2005
Earnings	1,453	1,682
Expenses	-1,595	-1,750
Income before tax	-142	-68
Tax	-9	9
Net income for the year	-151	-59

Balance sheet

SEK m	2006
Inventories	57
Current receivables	310
Assets	368
Long-term liabilities	59
Current liabilities	219
Liabilities	279

Cash flow statement

SEK m	2006	2005
From operating activities	-58	-110
From investing activities	-10	-1
From financing activities	0	0
Cash flow for the year	-68	-111

Note 14 GOODWILL

In the event that the acquisition value for businesses or shares in subsidiaries exceeds the actual value of acquired assets and liabilities, goodwill arises. Goodwill is included in the balance sheet at historical acquisition values, with deductions for any accumulated write-downs.

Goodwill and other intangible assets that are not continuously written off must be examined at least once a year with regard to whether write-down requirements are necessary.

Note 14 GOODWILL – cont.

SEK m.	2006	2005
Opening acquisition value	124	132
Sale of operations	-	-9
Discontinued operations	-5	-
Exchange-rate differences	-1	1
Closing acquisition value	**118**	**124**
Opening accumulated depreciation	-74	-83
Discontinued operations	5	-
Sale of operations	-	9
Closing accumulated depreciation	**-69**	**-74**
Opening accumulated write-downs	-28	-17
Write-downs for the year	-16	-10
Closing accumulated write-downs	**-44**	**-28**
Closing reported value	**4**	**22**

Discontinued operations concern goodwill in the Danish operations

Discontinued operations do not include the acquisitions made by Carl Lamm in 2006.

No company acquisitions were made by the remaining operations in 2005 and 2006.

Write-down assessments for cash-generating units containing goodwill
Write-downs have been reported within the following cash-generating units:

SEK m.	2006	2005
Sweden, business system market	-4	-4
Finland, residual value after sale of business	–	-6
Finland, write-downs after write-down assessments	-12	–
Write-downs	**-16**	**-10**

The product distribution agreement with Intentia in the Swedish business system market was extended for one year in 2005, up to and including 2007, giving both parties the right to terminate the contract after the end of the financial year 2006. Sales in 2006 have been lower than expected, with low margins. Expected sales for 2007 are not higher, which is why the utilization value is significantly lower than the reported value. Goodwill was written-down by SEK 4 million. The reported value after write-down was SEK 0 million.

Write-down assessments of the Finnish goodwill is based on calculation of utilization value. This value is based on a discounted cash-flow prognosis with 12% interest over the next four years based on management forecasts. The calculated utilization value is considerably lower than the reported value. Goodwill was written down by SEK 12 million. The reported value after write-downs totals SEK 0 million.

In line with the budget for 2007, the Norwegian operations are expected to generate healthy profitability, with a cash flow for the year that is many times greater than reported goodwill. The reported value of goodwill in Norway totaled SEK 4 million.

Note 15 OTHER INTANGIBLE FIXED ASSETS

Other intangible fixed assets are included in the balance sheet at historical acquisition values, with deductions for accumulated depreciation and any write-downs. Depreciation starts when the asset is completed. Applied periods of utilization are shown in Note 8, 'Depreciation and write-down of intangible and tangible fixed assets'. Intangible fixed assets are written off linearly during the assessed period of utilization.

SEK m.	2006	2005
Opening acquisition value	78	36
Reclassification	-	7
Investments for the year	21	35
Discontinued operations	-8	-
Disposal	-26	-
Closing acquisition value	**65**	**78**
Opening accumulated depreciation	-34	-19
Depreciation for the year	-13	-15
Discontinued operations	-5	-
Scrapping	26	-
Closing accumulated depreciation	**-26**	**-34**
Closing reported value	**39**	**44**

Most of the investments made in 2006 involved development of the group's logistics and business systems. Discontinued operations concern Carl Lamm's intangible fixed assets at the beginning of the year and a write-down of SEK 10 million of the group's logistics and business system related to Danish operations. Discontinued operations does not include the acquisitions made by Carl Lamm in 2006.

The reported value of developments to the group's logistics and business systems totaled SEK 36 million (37), with a remaining depreciation period of 3 years.

Of which are financial leasing agreements related to the parts of the group's business systems:

SEK m.	2006	2005
Opening acquisition value	30	30
Scrapping	-26	-
Closing acquisition value	**4**	**30**
Opening accumulated depreciation	-26	-16
Depreciation for the year	-3	-10
Scrapping	26	-
Closing accumulated depreciation	**-3**	**-26**
Closing reported value	**1**	**4**

Note 16 TANGIBLE FIXED ASSETS, EQUIPMENT

Equipment is included in the balance sheet at historical acquisition values, with deductions for accumulated depreciation and any write-downs. On equipment acquired during the year, depreciation is calculated from the time of acquisition. Applied periods of utilization are shown in Note 8 'Depreciation and write-down of intangible and tangible fixed assets'. Equipment is written off linearly during the assessed period of utilization.

SEK m.	2006	2005
Opening acquisition value	200	204
Reclassification	-	-7
Investments	7	22
Sale of businesses	-17	0
Discontinued operations	-63	-
Scrapping	-37	-19
Closing acquisition value	**90**	**200**
Opening accumulated depreciation	-165	-162
Depreciation	-12	-22
Sale of businesses	17	0
Discontinued operations	50	-
Scrapping	37	19
Closing accumulated depreciation	**-73**	**-165**
Closing reported value	**17**	**35**

Discontinued operations concern Carl Lamm and the tangible fixed assets of the Danish operation at the start of the year and do not include the acquisitions made by Carl Lamm and Denmark in 2006.

Note 17 LONG-TERM RECEIVABLES

SEK m.	2006	2005
Set-up charge for the securitization program	5	6
Pension surplus	0	2
Total	**5**	**8**

Set-up charge for the securitization program refers to the long-term part for the years 2008–2010 of the initial prepaid set-up charge for the securitization program (see description in Note 25, 'Loans'). The short-term part is covered in Note 21.

Pension surplus is the difference between the actual value of the pension capital and the actuarially calculated pension undertaking for the defined-benefit pension plans in the Norwegian subsidiary calculated in accordance with IAS 19, 'Remuneration for employees', see Note 7, Personnel, Defined-benefit plans and the value of management assets.

Note 18 INVENTORIES

Inventories are valued at the lowest of the acquisition value in accordance with the first-in/first-out method and the actual value (net sale value). The net sale value is equivalent to the estimated sale price with deductions for estimated expenses required to implement the sale. The requisite reserves take place for obsolescence, partly through individual valuation and partly through collective valuation. When assessing obsolescence, the articles' age and turnover rate are taken into consideration. The change between the year's opening and closing obsolescence reserves affects the operating income in its entirety. Internal profits within the group are eliminated.

SEK m.	2006	2005
Acquisition value	761	1.118
Obsolescence reserve	-10	-27
Reported value	**751**	**1.091**

The group's inventories consist entirely of finished products.
The obsolescence reserve is 1.3% (2.5) of the acquisition value.

Note 19 TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable, normally due within 30 days, are valued at invoice amounts, with deductions for reserve for uncertain receivables. Provision for uncertain trade accounts receivable is based on individual assessment of the risk of loss per customer plus template methods for overdue invoices and historically confirmed risk of loss. The expected term on trade accounts receivable is short, which is why the value is reported at the nominal amount with no discount.

SEK m.	2006	2005
Invoiced receivables	1,658	2,161
Reserve for uncertain receivables	-14	-16
Reported value	**1,644**	**2,145**

Sold trade accounts receivable in the securitization program are reported in the group's balance sheet as trade accounts receivable (see description in Note 25, 'Loans').

Note 20 OTHER RECEIVABLES

SEK m.	2006	2005
Cash from customers	100	132
Other	30	54
Total	**130**	**186**

Cash from customers refers to such payments from customers into the securitization program that later become available to Scribona.

Note 21 PREPAID EXPENSES AND ACCRUED INCOME

SEK m.	2006	2005
Prepaid rents	2	5
Set-up charge for the securitization program	2	3
Other prepaid expenses	25	22
Remuneration due from suppliers	346	351
Other accrued income	0	1
Total	**375**	**382**

Remuneration due from suppliers chiefly includes the following earned but not yet received remuneration: remuneration for targets achieved, consolidation of the margin on individual deals and remuneration for price decreases hitherto.

Set-up charge for the securitization program refers to the short-term part for 2007 of the initial prepaid set-up charge for the securitization program (see description in Note 25, 'Loans'). The long-term part is covered in Note 17.

Note 22 SHAREHOLDERS' EQUITY

Share capital

In accordance with the Articles of Association for Scribona AB, the minimum share capital must be SEK 60,000,000 and the maximum SEK 240,000,000. At an extraordinary meeting of Scribona shareholders on October 2, 2006, it was resolved to issue new shares with preferential rights for shareholders of not more than 30,636,964 shares of class B. The new share issue increased the number of shares from 51,061,608 to 81,698,572. Scribona's share capital increased by SEK 61 million. All shares, 81,698,572, with a value of SEK 2, are fully paid and give entitlement to equal portions of the company's assets.

Class A shares, of which there are 2,530,555, give entitlement to 5 votes/share. Class B shares, of which there are 79,168,017, give entitlement to 1 vote/share.

The company's Articles of Association give holders of class A shares the right to convert their shares into an equal number of class B shares. In 2006, holders of class A shares converted 82,744 of their shares into class B shares.

There are no outstanding convertibles or options in the group. The board has not been authorized to buy back or issue shares, options or similar. No shares are held by the company itself or by its subsidiaries.

Other restricted equity

Other restricted equity consists of the parent company's premium funds generated through the new issuing in connection with the acquisition of PC LAN ASA 2001, SEK 236 million and through a new share issue in 2006, SEK 80 million.

Reserves

Reserves reported in the group consist of exchange rate differences arising from translation of subsidiaries that operate with currencies other than the Swedish krona. The group's accumulated exchange-rate difference is SEK -2 million (-10). The change for the year, SEK 8 million, is the overall effect of the Swedish krona's change in value against DKK, EUR and NOK in translation of equity in foreign operations. NOK 125 million of equity in Norway is hedged as of January 2004 through the parent company's borrowing of the equivalent amount in NOK. This loan was amortized in its entirety after the new share issue in November 2006, with expensed exchange rate differences of SEK 4 million. In addition to this, NOK 144 million in shareholders' equity was hedged through debts in Scribona Nordic AB concerning the acquisition of the Norwegian operations in 2005. As a result of this hedging, the exchange-rate differences have been reduced by SEK 11 million (8). Otherwise, no other hedging measures are being undertaken regarding equity in foreign subsidiaries.

Non-restricted funds

Non-restricted funds reported for the group include income for the year and previous years arising in the parent company, as well as income from previous years arising in the subsidiaries subsequent to acquisition.

Earnings per share

Net income for the year from the remaining operations in the group is SEK -172 million (15). Net income for the whole company was SEK -304 million (-19). The number of shares is 81,698,572 (51,061,608). The number of shares after full dilution is 81,698,572 (51,061,608). The average number of shares after full dilution is 54,891,229 (51,061,608). The average number of shares has been calculated on the actual number of days and is based on the settlement day for the new share issue, which was November 14, 2006. Earnings per share for remaining operations was SEK -3.13 (0.27) Earnings per share for the whole company was SEK -5.54 (-0.37).

Dividend

The dividend is reported in the parent company as a decrease in unrestricted equity at the time of payment to the shareholders.

The extraordinary meeting of Scribona shareholders on October 2, 2006 resolved to distribute all shares in Carl Lamm AB to Scribona shareholders. Trading in the Carl Lamm share commenced on the Nordic List on October 10, 2006. The distribution, including transaction costs of SEK 8 million, decreased shareholders' equity by SEK 46 million and SEK 0.90 per share.

Unrestricted equity in the parent company amounted to SEK 332 million at December 31 (485).

There are restrictions in the right of disposal regarding equity due to the company's choice of financing solution.

The dividend is proposed by the board in accordance with the stipulations in the Companies Act and is set by the AGM. The proposed dividend for 2006, which has not yet been decided on, is SEK 0.

Note 23 OTHER LONG-TERM LIABILITIES

SEK m.	2006	2005
Leasing undertaking	–	1
Total	**–**	**1**

Leasing undertaking refers to the agreements regarding parts of the group's business system that is reported in Note 15 'Other intangible fixed assets'. The short-term part is covered in Note 26.

Note 24 PROVISIONS

Commitments that pertain to the financial year, and that on the closing day are probable as to their occurrence but uncertain as to amount or time, are reported as provisions. A provision is reported when there is an undertaking as a result of an event that has occurred and it is probable that an outflow of resources will be required to regulate the undertaking and that

Note 24 PROVISIONS – cont.

a reliable estimate of the amount can be made. Provision for restructuring measures is performed when there is a detailed formal plan for the measures and well-founded expectations have been created in those who will be affected by the measures.

SEK m.	Taxes	Premises	Other	Total
Opening balance	2	14	–	16
Provisions	–	–	10	10
Discontinued operations		-14	–	-14
Closing balance	**2**	**0**	**10**	**12**

Provisions for taxes refers to marketing expenses within the division Toshiba Digital Media, liquidated in 2003, that have been questioned by the Swedish tax authorities. Scribona has appealed the Swedish tax authorities' decision and the case is currently being evaluated by the county administrative court in Stockholm.

Provisions for premises refers to assessed expenses for non-utilized premises in the Danish operations, which are reported as Discontinued operations. The payments will probably be performed in 2007.

Other provisions concern costs related to changes in the evaluation of an operational management agreement covering several years with Scribona's main supplier of IT services. Reallocations have been made of cost provisions totaling SEK 19 million, of which SEK 3 million concerns discontinued operations. The short-term part is reported in Note 27.

Note 25 LOANS

SEK m.	2006	2005
Securitization of trade account receivables	537	694
Bank loans	-	147
Total	**537**	**841**

The securitization program through the international capital market encompasses trade account receivables in Scribona Nordic AB related to Swedish, Finnish and Norwegian customers. The program runs until June 2010. The financing framework is a maximum of SEK 330 million plus EUR 16 million and NOK 200 million, or a total of about SEK 700 million. Sold trade accounts receivable are reported in the consolidated balance sheet as trade accounts receivable, since the credit risk remains with Scribona. Sales proceeds are reported as short-term loans. Payments from customers that later become available are reported as 'Other receivables', see Note 20. The set-up costs for the securitization program have been balanced and divided into long-term and short-term financial assets, see Notes 17 and 20. This is expensed during the program' lifetime of 5 years, and is reported as a financial cost. The variable interest rate for loans consists of the basic interest rate for STIBOR (1 month), EUROBOR (1 month) and NIBOR (1 month) with a margin that, as of December 31, was 0.84% (0.63), 0.75% (0.62%) and 0.86% (0.64), respectively. The contractual terms for the securitization program include the customary limit values.

Utilized financing through the securitization program as of December 31 was SEK 537 million (694), which is equal to the amount available.

Bank overdraft facilities granted as of December 31 are SEK 80 million (100). The utilized amount is SEK 0 million (0).

Other credit facilities as of December 31 were SEK 80 million (187), of which SEK 80 million (147) has been utilized.

The liquidity reserves, i.e. liquid funds and non-utilized credit facilities as of December 31, were SEK 84 million (488).

Note 26 ACCRUED EXPENSES AND DEFERRED INCOME

SEK m.	2006	2005
Vacation liabilities	34	60
Accrued personnel costs	16	36
Employment tax	3	10
Prepaid rents	44	48
Other accrued expenses	64	84
Total	**161**	**238**

Note 27 PROVISIONS

Mkr	Premises	Other	Total
Opening balance	3	–	3
Provisions	–	10	10
Discontinued operations	-3	–	-3
Closing balance	**0**	**10**	**10**

Provisions for premises refers to estimated expenses for non-utilized premises concerning the Danish operations, reported as Discontinued operations. The payments were made in 2006.

Other provisions concern costs related to changes in the evaluation of an operational management agreement covering several years with Scribona's main supplier of IT services. Reallocations have been made of cost provisions totaling SEK 19 million, of which SEK 3 million concerns discontinued operations. The short-term part is reported in Note 24.

Note 28 PLEDGED ASSETS

SEK m.	2006	2005
Company mortgages	478	478
Total	**478**	**478**

The main part of these assets are pledged for the group's bank overdraft facilities.

Note 29 CONTINGENT LIABILITIES

A contingent liability is a possible obligation dependent on past events whose occurrence is confirmed only by one or more uncertain future events, which are not completely within the company's control, occur or do not occur, or an undertaking dependent on past events which is not reported as a liability or provision because it is not probable that an outflow of resources will be required to settle the undertaking, or the size of the undertaking cannot be estimated with sufficient reliability. Information about contingent liabilities is provided unless their settlement is highly improbable.

SEK m.	2006	2005
Guarantees	0	1
Warranties	59	78
Total	**59**	**79**

Guarantees are mainly for employees' loans to buy cars.

Warranties are mainly for premises and the residual value of leasing contracts for office equipment rented through financing companies.

There was no indication at year-end that guarantees provided will involve outgoing payment.

Note 30 INTEREST PAID AND RECEIVED

After financial items, interest received and paid during the financial year is as follows:

SEK m.	2006	2005
Interest received	9	16
Interest paid	-26	-31
Total	**-17**	**-15**

Note 31 ADJUSTMENTS FOR ITEMS NOT INCLUDED IN CASH FLOW, ETC.

Other, SEK m.	2006	2005
Change in obsolescence reserves	-1	-4
Provisions	19	–
Change in bad-debt loss reserves	7	-4
Periodization of set-up charge for loans	2	1
Capital gains	-7	–
Unrealized exchange-rate profits/losses	10	-1
Total	**30**	**-8**

Note 32 SALE OF BUSINESSES

SEK m.	2006	2005
Inventories	-	1
Purchase price beyond book values	4	0
Purchase price	4	1
Purchase price paid in cash	4	1
Effect on the group's liquid funds	**4**	**1**

In 2005 and 2006, two minor parts of the Finnish operations were sold, whose operations were outside the core distribution business. The received purchase price for both sales in 2006 totaled SEK 4 million.

Note 33 GROUP COMPANIES

	Org.nr.	Registered office
Scribona Nordic AB	556064-2018	Solna
Scribona Danmark Holding A/S*	25 11 34 46	Copenhagen
Scribona Danmark A/S*	73 39 90 17	Copenhagen
Scribona Oy	FI-1437531-3	Esbo
Instru Data Latvia SIA	336189	Riga
Scribona Latvia AS	336229	Riga
Scribona AS	979 460 198	Oslo

*Discontinued operations

The consolidated financial statements comprise the parent company Scribona AB and the subsidiaries, all wholly owned, in the table above. Companies in the left margin are subsidiaries of Scribona AB. Companies that are indented are subsidiaries of subsidiaries.

Operating subsidiaries are marked in bold text.

The Latvian subsidiaries Instru Data Latvia SIA and Scribona Latvia AS are in liquidation.

In the Norwegian subsidiary Scribona AS there are fiscal-related limitations regarding dividends to the parent company. The maximum dividend for 2006 that does not entail an additional tax burden is NOK 2 million.

Note 34 LEASES

Leasing is classified in the consolidated financial statements as either financial or operational leasing. In financial leases, the risks and rewards associated with ownership are basically transferred to the lessee. Substantial assets acquired through financial leasing agreements are included in the consolidated financial statements as fixed assets as of the time the contract was entered into. Assets are valued at the current value of the leasing charges for the leasing period. Assets under finance leases are expensed over the shortest period of their estimated period of utilization and the term of the lease contract. The future obligation to the lessor is recognized as a liability in the balance sheet. Payment of the leasing charges is divided into financial expenses and amortization of the liability in such a way that a constant rate of interest is achieved for the interest expense for the reported liability. A leasing agreement that is not a financial leasing agreement is an operational leasing agreement. Operational leasing means that no item is reported in the balance sheet - the leasing charges are expensed continuously throughout the term of the agreement.

As the lessee, Scribona has entered into financial and operational leasing agreements and rental agreements. The principal assets that the group leases via financial leases are reported as other intangible fixed assets included in Note 15. The principal assets that the group leases via operational leases are mainly premises for offices and warehousing, plus vehicles, computers and other equipment. The nominal amounts of future payment commitments in the group at December 31, 2006, for non-determinable lease contracts, are distributed as follows:

SEK m.	Financial leasing	Operational leasing	of which premises
2007	1	40	22
2008	–	28	11
2009	–	10	9
2010	–	9	9
2011	–	7	7
2012 and later	–	–	–
	1	94	58

Rents and leasing charges paid over the year totaled SEK 46 million (54), of which financial leasing was SEK 3 million (11). Leasing charges for cars totaled SEK 4 million (4). Leasing income regarding objects further leased out was SEK 11 million (13).

At year-end 2006, rental agreements for premises covered approximately 24,000 square meters of space. The remaining agreement periods vary between 7 months and 4 years, with an average remaining term of about 1.5 years. The rental agreements are signed on the customary market terms.

Cars under financial leases do not involve substantial amounts and have therefore been included in operating leases.

Note 35 RISK AND SENSITIVITY ANALYSIS

Scribona's business and profitability is influenced by a number of external and internal factors. The risks to which the group is exposed include market risks, supplier risks, customer risks, risk for IT disruptions and financial risks, of which liquidity risks and currency risks are the most significant. Financial risks are described in Note 36.

Risks

Market risks

Macro-economic factors such as demand and the state of the economy affect Scribona. For many years, prices in the IT sector have been falling, and this places heavy demands on Scribona's efficiency. Changes in the market situation influence both sales volumes and gross profit margins. The distributors' share of the total volume in the industry is falling as manufacturers have increased direct selling to end customers.

Supplier risks

Scribona's business is dominated by the products and business models of a small number of suppliers. The three largest suppliers accounted for 56% of total sales in 2006. Significant changes to crucial agreements with these important suppliers can have a great effect on Scribona's profitability.

Customer risks

Scribona has a large number of customers of varying sizes. In 2006, Scribona's biggest customer made purchases totaling about SEK 960 million (including purchases from Scribona Denmark). Significant changes in the purchasing patterns of the group's largest customers can influence Scribona's profitability. For credit risks, see Note 36 Financial risk management, Credit risk.

Product related risks

Any flaws that arise in products sold by Scribona are always the responsibility of the manufacturer, and the group's risks in this area are therefore deemed to be low.

Warehousing risks

Goods in the IT industry have a relatively short lifespan and it is important for Scribona to maintain a high turnover rate of goods. If goods are stored for too long the company can incur costs for inventory obsolescence. The right to return goods counteracts the risk for obsolescence to a certain degree. Many problems arose in conjunction with the implementation of Scribona's new Nordic logistics solution, which had a negative impact on the company's profitability. Scribona's operations are continually exposed to risks in the logistics system.

Exchange-rate risks

Exchange rate risks influence Scribona's balance sheet and income statement. See Note 36 Financial risk management, Currency risks.

Employees

Scribona competes for occupational groups that are attractive in the industry, among manufacturers, other distributors and resellers. This requires the management to create workplaces that will attract highly competent employees. To reduce the risk of staff losses while also attracting new employees, Scribona strives to provide a stimulating, fulfilling working environment, as well as offering competitive salaries. All managers receive management training.

IT related risks

IT related risks comprise IT disruptions in data/information management. A significant part of Scribona's business model is the exchange and procurement of very large volumes of electronic data and information. Any disruption in electronic data and information systems is business critical. The risk of intrusion and theft of databases is countered by always using the very latest forms of physical and software-related protection available.

The risk of IT disruptions is managed via mirroring of operations and disruption- free power supply, and by providing several lines of data communication for critical parts of the business

Scribona is insured with coverage for disruptions in information management.

Disputes

Scribona is in legal proceedings over the cost of unused facilities related to Scribona Denmark (Discontinued operations). The group has set aside funds that it believes will cover the probable outcome of these negotiations. Scribona is in legal proceedings with a reseller regarding responsibility for certain delivery defaults since the bankruptcy of a supplier. Scribona believes that it is unlikely that the company can be held responsible for the supplier's commitments. Otherwise, the group is not a party in any significant dispute, lawsuit or arbitral procedure. There are no known circumstances that could be expected to lead to a dispute and that are deemed as having the potential to harm Scribona's position significantly.

Sensitivity analysis

The risks described above could result in either lower income or higher costs for Scribona. The table below presents a calculation of how Scribona's pre-tax result for 2006 could be influenced by changes in a number of major income and expense items and altered financial circumstances. The reported effects are to be seen as an indication of

Note 35 RISK AND SENSITIVITY ANALYSIS – cont.

an isolated change in the variable in question. If several factors deviate simultaneously, this can alter the influence on the result.

Change variable	Change	Income before tax SEK m.
Net sales	+/- 1%	5
Gross profit margin	+/- 1%	90
External expenses	+/- 1%	3
Personnel costs	+/- 1%	3
Exchange-rate sensitivity		
EUR/SEK	+/- 1%	4
NOK/SEK	+/- 1%	3
USD/SEK	+/- 1%	1
Market interest rate	+/- 1%	3

Note 36 FINANCIAL RISK MANAGEMENT

In its operations the group is exposed to financial risks that may cause fluctuations in the result and cash flow. These risks are chiefly credit risk, liquidity risk, interest risk and exchange-rate risk. In addition, there are risks regarding property and liability, which are insurable. The board examines the risks and decides how they are to be managed. A summary of the group's principles is provided below.

Credit risk

Credit risk is defined as the risk that a customer does not fulfill payment obligations or that a supplier does not pay Scribona's accrued remuneration, so called claim receivables. Trade account receivables totaled SEK 1,644 million (SEK 2,145) and claim receivables total SEK 346 million (351).

The biggest single customer's balance in the group's accounts receivable ledgers was SEK 233 million (149) as of December 31. If one of the group's major customers were to become insolvent or experience other payment difficulties, Scribona may suffer substantial financial damage. To reduce the risks of such events, the group's credit policy regulates the decision-making process for credit commitments, guarantees, credit insurance, terms of sale and payment, order control based on credit limits, credit monitoring, reminder routines and reporting. All customers who receive credit must undergo a credit rating check. Trade accounts receivable are continuously monitored to restrict risk exposure. The credit period is normally 30 days. At the monthly meetings the group's credit committee decides on the terms for the major customers. Provisions are continuously made to bad-debt loss reserves. Bad-debt losses during the year in relation to the group's earnings totaled 0.05% (income 0.05).

In response to increasingly tougher competition between manufacturers, the manufacturers themselves are now often selling directly to end customers, thereby changing the pricing picture throughout the entire value chain. So that distributors and resellers receive their margins, claim procedures are carried out with manufacturers after a sale is made. This means that Scribona receives a large part of its margin afterwards from the manufacturer. If Scribona's suppliers were not to pay outstanding claim receivables, this would have a significant negative impact on the company's profitability, as claim receivables add up to a considerable amount.

Liquidity risk

Liquidity risk is defined as the risk of being unable to carry out ongoing payments or the risk of being unable to reach business critical volumes as a result of insufficient liquidity. As Scribona has relatively sizeable and strong cyclical sales cycles, during certain periods the company is particularly dependent on liquid funds. Credit to customers and credit from suppliers and the ability to turnover inventories has an affect on liquid fund requirements to a great extent. As Scribona has few suppliers, the credit agreements with these suppliers has a great impact on the company's liquidity. Suppliers, in general, have a strong position, and the risk that contractual conditions might change to Scribona's disadvantage is not insignificant. On the other hand, Scribona has many customers and changes in payment conditions of individual customers generally does not have a significant impact on the company's liquidity. Certain customers may, however, be largely indebted to Scribona and can cause the company considerable liquidity problems upon suspension of payment.

The company's financing agreement with banks contained contractual conditions that among other things, but not limited to, covered the level of EBITDA, equity/assets ratio, and size of investments. All conditions were not fulfilled in 2006. New conditions were thereafter agreed upon with creditors. These include limit controls for shareholders' equity and cash flow. Deviations from these limit controls could mean that the creditors may call in existing loans.

Interest rate risk

The group's financing sources constitute equity and securitization of accounts receivable. The borrowing, which is interest-bearing, means the group is exposed to interest rate risk.

Changes in the level of interest rates have a direct effect on Scribona's net interest income/expense, but there is also an indirect effect on the group's operating income through the interest rate level's effect on the entire economy.

The group's financing in its entirety is at a variable rate of interest. In Scribona's opinion, variable interest rates lead to a lower cost of loans over time. The current rate of interest at year-end, including the distribution of set-up costs for the securitization program, on the group's borrowing totaled 4.7% (3.2). The group's interest-bearing liability at year-end was SEK 537 million (841), see Note 25. The average net financial liabilities totaled about SEK 276 million. A 1% change in the interest rate with constant liability means a decreased or increased cost of interest of SEK 3 million for the group.

Currency risk

Scribona's remaining business is conducted in three countries, Sweden, Finland and Norway, which, with the exception of Finland, have independent currencies. As Scribona has earnings and expenses in each of the respective country's currencies, exchange rate exposure occurs and with it changes in the company's income statement and balance sheet because of exchange rate fluctuations. Scribona's policy is to hedge loans to subsidiaries and hedge part of future projected net purchase and sales flows. Shareholders' equity in foreign currency is not hedged with the exception of those that are described in Exposure of the group's equity below.

Exchange rate risks affect Scribona mainly through translation of capital employed and net liability or so-called **Balance exposure**, translation of equity in foreign subsidiaries or so-called **Exposure of the group's equity**, translation of result in foreign subsidiaries or so-called **Exposure of the group's result**, and through flow of goods between different countries or so-called **Transaction exposure**.

Balance exposure. The effects of translation of capital employed are restricted by the fact that the financing of foreign subsidiaries takes place through the parent company and is secured at forward rates and through hedging of the group's net payment flows. This means that an individual currency's movements has a limited effect on the group's debt/ equity ratio.

Exposure of the group's equity. Net investments in foreign businesses as of December 31, translated into Swedish kronor, was SEK 395 million, made up of DKK 61 million EUR 71 million and NOK 263 million.

The change in value of the Swedish krona against these currencies in translation of equity in foreign subsidiaries affects the group's equity. Equity in foreign subsidiaries is not hedged, with the exception of NOK 125 million of equity in Norway, which has been hedged as of 2004 through the parent company's borrowing of the equivalent amount in NOK. This loan was amortized in its entirety following the new share issue in November 2006, with SEK 4 million expensed for the cost of exchange rate differences. An additional NOK 144 million of equity in Norway was hedged through debts in Scribona Nordic AB referring to the acquisition of the Norwegian business in October 2005. If the value of the Swedish krona weakens by 1% against the currencies in which Scribona has foreign net assets, the group's equity is affected positively by SEK 4 million, based on the exposure level at December 31, 2005.

Exposure of the group's result. If during the financial year the Swedish krona weakens by 1% against the other currencies in which the group carries out business, it is calculated that translation to SEK will affect the group's sales positively by about SEK 50 million, based on the average exchange rates during 2006. The group's result will be affected by less than SEK 1 million.

Transaction exposure

In pace with Scribona's change over from local to central purchasing, the affect of currency fluctuations will increase. From fall 2006, net purchasing and sales in non-matching currency is secured with forward contracts, why currency fluctuations will be reduced in the income statement.

Of the goods purchased in 2006, about 74% have been in the local currency. Goods purchases in other foreign currencies are in EUR, with 21% and USD, with 5% of the total purchase volume. The effects of exchange rates as a result of goods purchased in foreign currency are reported in operating income. In 2006, net exchange rate differences totaled SEK -15 million (-2).

Scribona uses derivative instruments to limit exposure of the company's results and cash flow to exchange rate differences. If a derivative instrument must be terminated before the end of its life or if it is managed incorrectly, these circumstances may generate unforeseen costs for the company.

Financial derivative instruments

The parent company's financial receivables with foreign subsidiaries, which as of December 31 were SEK 146 million (153), are continuously secured with forward covers. This means that neither the parent company nor the group has to assume any current exchange rate risk for inter-group financial transactions. The forward exchange contracts are valued at their actual value.

No currency derivatives are included for the purposes of speculation.

Insurable risks
The parent company manages the insurance protection for the entire group, except for personal insurance, which is managed by the relevant employer, and vehicle insurance, which in foreign subsidiaries is managed locally. The group is deemed to have satisfactory protection against traditional insurance risks such as stoppage, fire, theft, liability etc. through the insurance policies that have been taken out.

Note 37 FINANCIAL INSTRUMENTS

Forward contracts are used to hedge loans to foreign subsidiaries and the net flow of purchases and sales in different currencies. Outstanding financial instruments for sale at December 31 of DKK 120 million, EUR 19 million and NOK 240 million, are valued at their actual value based on official price quotations on the currency exchange market. The net effect before tax on the group's income was SEK 1 million (0).

Note 38 IMPORTANT EVENTS AFTER THE BALANCE SHEET DATE

In January, after the end of the financial year, Scribona's new president, Fredrik Berglund, assumed his position.

At the beginning of January 2007, the CFO and vice president Örjan Rebeling left Scribona. The new CFO and vice president Hans-Åke Gustafsson assumed his position later in January.

At an extraordinary meeting of shareholders on January 22, 2007, Lorenzo Garcia, Peter Gyllenhammar and Mark Keough were elected as new members of the Board of Directors of Scribona AB. At the same time, Peter Eklund and Conny Karlsson left the Board. On February 16, 2007, Peter Gyllenhammar announced that he wished to leave the Board of Directors because of other commitments.

In February, the company's bank overdraft facilities was reduced from SEK 80 million to SEK 25 million.

In March 2007, new conditions have been agreed upon with creditors regarding the securitization program.

Scribona's board decided on March 29, 2007 to close the Danish operations as it was deemed that closure of the operations could be carried out faster and more advantageously than sale of the whole operations. It is anticipated that the liquidation will be completed during the second quarter of 2007.

Financial reports
The financial reports were approved for issuing by the board of the parent company on March 30, 2007. The financial reports are to be approved at the AGM.

Note 39 TRANSACTIONS WITH AFFILIATED PARTIES

Group companies
Scribona Nordic AB is active in the area of IT distribution in the Nordic countries and handles the flow of goods including purchasing, logistics and sales. Scribona Danmark A/S, Scribona OY and Scribona AS act as sales agents for Scribona Nordic AB in Denmark, Finland and Norway, respectively, working to increase market share in the local market. The agent companies perform these services for compensation that is based on business terms and market pricing.

Relations with affiliated parties
Since Bure Equity AB sold its shareholding in Scribona in November 2005, there are no relations with affiliated parties with a controlling influence. Other relations with affiliated parties with a significant influence include Scribona's board members and group management, including family members, and companies in which these people have board assignments or positions as senior executives and/or have significant shareholdings. The group's transactions with other affiliated parties with a significant influence were limited to the subsidiaries and total around SEK 87 million (51) relating to sales that have taken place on market terms and around SEK 4 million (16) relating to purchases that have been on market terms. At December 31, trade accounts receivable with these affiliated parties amounted to about SEK 12 million (0) and trade accounts payable to about SEK 0 million (1) with the customary payments terms. The above includes transactions with Carl Lamm.

Scribona has purchased consultancy services related to financial issues according to market terms from Nove Capital Management AB for SEK 1.2 million. The services included preparations for the preferential share issue and the distribution of shares in Carl Lamm AB and the subsequent stock exchange listing. They also included the recruitment of the new president and vice president. Nove Capital Management AB administers the Nove Capital Master Fund Ltd., which is a large shareholder in Scribona. Scribona's chairman Theodor Dalenson is also chairman in Nove Capital Management AB.

Scribona has purchased legal services at market rates from Advokatfirman Lindahl KB, attorneys at law, for SEK 0.1 million. The services were performed by the attorney Johan Hessius and included chairmanship of Scribona's extraordinary meeting of shareholders on October 2, 2006 and support in the negotiations regarding the sale of the company's Danish operations. Hessius is a member of the Scribona board.

In conjunction with the new share issue in October 2006, Scribona received an issuance guarantee from three of the company's primary shareholders: MarCap Special Opportunities Master L.P., Nove Capital Master Fund Ltd. and QVT Fund L.P. Payment to the issuance guarantors of SEK 5 million, was made in January 2007.

After the balance sheet date, Scribona has, from February 2007, purchased consultancy services according to market rates from Greenfield international AB. The services were performed by Lorenzo Garcia. The services have comprised support to the management in conjunction with the sale of the Danish business and are expected to continue for the duration of the sales process. Fees for February 2007 amounted to SEK 0.2 million. Lorenzo Garcia is a member of the board of Scribona AB.

Note 40 EXCHANGE RATES

The exchange rates for the currencies in the group and USD, in relation to SEK in a weighted average and as of the closing day, were as follows:

	Average rate		Closing-day rate	
	2006	2005	2006	2005
DKK, Denmark	1.24	1.25	1.21	1.26
EUR, Finland	9.25	9.28	9.05	9.43
NOK, Norway	1.15	1.16	1.09	1.18
USD, USA	7.38	7.47	6.87	7.95

Note 41 DEFINITIONS

Terms and key ratios
Average number of employees: Average number of employees at the end of the four quarters of the financial year.
Number of employees: Number of employees converted into full-time positions.
Average equity: Average equity at the end of the four quarters of the financial year.
Equity per share: Equity at the end of the period divided by the number of shares at the end of the period.
Net financial capital: Financial assets minus financial liabilities.
Capital turnover rate: Total earnings divided by average capital employed.
Cash flow per share: Cash flow for the year divided by the average number of shares.
Net investments: Investments at acquisition value after deductions for sales at sale value.
Net margin: Net income for the year as a percentage of total earnings.
Sales per employee: Total earnings divided by the average number of employees.
Operating cash flow: Operating income plus change in capital employed.
P/E ratio: The closing price for the year for the class B share divided by earnings per share.
Earnings per share: Net income for the year divided by the average number of shares.
Earnings per share after full dilution: Net income for the year divided by the average weighted number of shares after full dilution.
Return on equity: Net profit for the year as a percentage of average equity.
Return on capital employed: Operating income before financial items as a percentage of average capital employed.
Operating margin: Operating income as a percentage of total earnings.
Equity/assets ratio: Equity as a percentage of total assets.
Capital employed: Operating assets minus operating liabilities.
Average capital employed: Average capital employed at the end of the four quarters of the financial year.

PARENT COMPANY INCOME STATEMENT

SEK m.	Note	2006	2005
Net sales	2	7	16
Total earnings		**7**	**16**
Other external costs	3	-12	-21
Personnel costs	4	-2	-2
Depreciation of equipment	5	0	0
Operating income		**-7**	**-7**
Result from financial items			
Result from participations in group companies	6	205	89
Write-downs of financial fixed assets	7	-381	-49
Interest income and similar items	8	9	9
Interest expenses and similar items	9	-14	-29
Result after financial items		**-188**	**13**
Appropriations	10	-	60
Income before tax		**-188**	**74**
Tax	11	2	-10
Net income for the year		**-186**	**64**

For comments, see Board of Directors' report Page 31

PARENT COMPANY BALANCE SHEET

SEK m.	Note	06-12-31	05-12-31
ASSETS			
Tangible fixed assets			
Equipment	12	0	1
Total tangible fixed assets		**0**	**1**
Financial fixed assets			
Participations in group companies	13	366	487
Receivables from group companies		146	153
Other long-term receivables	14	5	6
Deferred tax receivables		–	0
Total financial fixed assets		**517**	**646**
Total fixed assets		**517**	**647**
Current assets			
Current receivables			
Receivables from group companies		803	738
Other receivables	15	2	9
Prepaid expenses and accrued income	16	2	5
Total current receivables		**807**	**752**
Cash and bank balances		**1**	**2**
Total current assets		**808**	**754**
TOTAL ASSETS		**1,325**	**1,401**
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		163	102
Restricted reserves		250	250
Total restricted equity		**413**	**352**
Share premium reserve		80	–
Profit carried forward		438	421
Net income for the year		-186	64
Total unrestricted equity		**332**	**485**
Total equity	17	**745**	**837**
Provisions			
Long-term provisions	18	2	2
Total provisions		**2**	**2**
Current liabilities			
Interest-bearing liabilities	19	–	147
Trade accounts payable		0	3
Liabilities to group companies		570	402
Tax liabilities		0	0
Other liabilities	20	5	0
Accrued expenses and deferred income	21	3	9
Total current liabilities		**578**	**561**
TOTAL EQUITY AND LIABILITIES		**1,325**	**1,401**
Pledged assets	22	81	81
Contingent liabilities	23	636	901

For comments, see Board of Directors' report page 31.

PARENT COMPANY CASH FLOW STATEMENT

SEK m.	Note	2006	2005
Operating activities			
Result after financial items	24	-188	13
Adjustments for items not included in cash flow, etc.			
Depreciation and write-downs		381	49
Other	25	-8	12
Paid tax		0	-7
Cash flow from operations before changes in operating capital		**185**	**67**
Cash flow from changes to operating capital			
Changes to operating receivables		-39	-107
Changes to operating liabilities		-133	-146
Cash flow from operations		**13**	**-185**
Investment activities			
Acquisition of fixed assets		–	-1
Cash flow from investment activities		**0**	**-1**
Financing activities			
Dividend		-8	–
New share issue		141	–
Changes in loans		-147	–
Cash flow from financing activities		**-14**	**–**
Cash flow for the year		**-1**	**-186**
Liquid funds at beginning of year		**2**	**188**
Cash flow for the year		-1	-186
Exchange difference in liquid funds		0	0
Liquid funds at year-end		**1**	**2**

The cash flow statement has been prepared in accordance with the indirect method.
The reported cash flow includes transactions resulting in cash receipts and payments.

For comments, see Board of Directors' Report page 31.

PARENT COMPANY CHANGES IN EQUITY

		Restricted equity			Unrestricted equity			
SEK m.	Note	Share capital	Share premium reserve	Statutory reserve	Share premium reserve	Profit carried forward	Net income for the year	Total equity
Equity, December 31, 2004		**102**	**236**	**14**		**236**	**135**	**723**
Distribution of income						135	-135	0
Merger result						70		70
Group contributions, net of deferred tax						-20		-20
Net income for the year						64		64
Equity, December 31, 2005	17	**102**	**236**	**14**		**421**	**64**	**837**
Transfer			-236	236				0
Distribution of income						64	-64	0
Dividend						-47*		-47
Share new issue		61			80**			141
Net income for the year							-186	-186
Equity, December 31, 2006	17	**163**	**0**	**250**	**80**	**438**	**-186**	**745**

* Carl Lamm including transaction costs of SEK 8 million
** After transaction costs of SEK 12 million

PARENT COMPANY NOTES

Note 1 GENERAL ACCOUNTING PRINCIPLES

Amounts shown in Swedish krona million (SEK million) unless stipulated otherwise. Differences as a result of rounding-off may occur. Income statement-related items are for the period January 1 to December 31 and balance sheet-related items are for December 31. Amounts in parentheses indicate the previous year's figures.

The parent company has used the same accounting principles as the group, except for the exceptions and additions listed in the Swedish Financial Accounting Standards Council's recommendation RR 32:06, Accounting for legal entities. The deviations between the parent company's principles and those of the group result from limited options for applying IFRS in the parent company due to the Swedish Annual Accounts Act and, in some cases, tax considerations.

In accordance with the Swedish Annual Accounts Act, the income statement is subdivided into types of expense.

A more detailed description of the principles applied is provided in the relevant subsequent Note.

Balance-sheet classification
Assets and liabilities with a life in excess of one year are classified as long-term.

Operating receivables
Receivables are taken up after individual valuation at amounts whereby it is estimated they will be received.

Group-internal financial receivables and liabilities
Financial receivables with foreign subsidiaries are covered by forward contracts.

Deviation between the groups' and the parent company's accounting principles
Tax legislation in Sweden gives companies the possibility of deferring tax payments by making appropriations to untaxed reserves in the balance sheet through the income statement item 'Appropriations'. The parent company thus reports untaxed reserves in the balance sheet and appropriations in the income statement.

Other exceptions and additions in RR 32:06, Accounting for legal representatives, are, in the parent company's accounts, limited to IAS 1 Preparing financial reports and financial guarantee contracts for subsidiaries.

Note 2 NET SALES

Net sales mainly includes invoicing group companies for rents.

Note 3 OTHER EXTERNAL COSTS

Fees to auditors

SEK m.		2006	2005
Ernst & Young	Audit	1	1
	Other assignments	2	1
Total		**3**	**2**

Audit is a review of the annual report and the accounting records and the board's and the president's management, other tasks incumbent upon the company's auditor and advice or other assistance as a result of observations upon such audit or implementation of such other tasks. Everything else is other assignments. Other assignments are primarily related to audit in conjunction with the distribution of assets and new share issue.

Note 4 PERSONNEL

	2006		2005	
	Salaries and other remunerations (of which bonus etc)	Social security costs (of which pension costs)	Salaries and other remunerations (of which bonus etc)	Social security costs (of which pension costs)
Board and president /vice president	2 (–)	1	1 (–)	0
Other employees	–	–	–	–
Total	**2**	**1**	**1**	**0**

Salaries, other remuneration and social security costs are the amounts expensed during the year, including accrued expenses at year-end.
No personnel are employed by the parent company.

The president and the vice president are employed by Scribona Nordic AB.

Gender distribution in parent company management at December 31

	2006		2005	
	Total	Of which women	Total	Of which women
Board (excl. the president)	6	–	6	-
President	1	–	1	-
Other (excl. the president)	–	–	1	-
Total	**7**	**–**	**8**	**-**

Note 5 DEPRECIATION OF EQUIPMENT

Depreciation of equipment is based on historical acquisition values and assessed periods of utilization. No changes to utilization periods were made in 2006 or 2005. On assets acquired during the year, depreciation is calculated from the time of acquisition. Depreciation is calculated linearly over 3–5 years.

Note 6 RESULT FROM PARTICIPATIONS GROUP COMPANIES

During the year, the parent company has received dividends from subsidiaries amounting to SEK 205 million (89). The year's dividends were received from the Scribona AS subsidiary and from the former subsidiary Carl Lamm AB.

Note 7 WRITE-DOWNS OF FINANCIAL FIXED ASSETS

Book values for shares in subsidiaries are constantly assessed in order to ascertain any need for write-down. Write-down is performed in instances when there is deemed to be a drop in value.

During the year, after write-down assessments, the parent company wrote down the value of the shares of the subsidiary Scribona Nordic AB by SEK 300 million and Scribona AS by SEK 81 million. The write-downs were made as a result of internal group transactions.

In 2005, the parent company wrote down the value of receivables in the subsidiary Scribona Danmark Holding A/S by SEK 49 million.

Note 8 INTEREST INCOME AND SIMILAR INCOME STATEMENT ITEMS

Interest income is reported in pace with the earning of the same.

SEK m.	2006	2005
External financial interest income	0	1
Internal interest income	–	5
Exchange rate gains	9	3
Total	**9**	**9**

Note 9 INTEREST EXPENSES AND OTHER SIMILAR INCOME STATEMENT ITEMS

Interest expenses are reported as they arise.

SEK m.	2006	2005
External financial interest expenses	-13	-14
Internal financial interest expenses	–	0
Other financial earnings/expenses	0	0
Exchange rate losses	-1	-15
Total	**-14**	**-29**

External financial interest expenses include loan-related charges. The SEK 13 million set-up expenses for the securitization program were activated in 2003 and are periodized linearly as an external financial interest expense over the program's 5-year term.

Note 10 APPROPRIATIONS AND UNTAXED RESERVES

Tax legislation in Sweden gives companies the possibility of deferring tax payments by making appropriations to untaxed reserves in the balance sheet through the income statement item 'Appropriations'.

Appropriations, SEK m.	2006	2005
Winding up of periodization funds	–	60
Total	**–**	**60**

Note 11 TAX

Current and deferred income tax is reported in the income statement item Tax.

SEK m.	2006	2005
Current tax	2	-9
Deferred tax	0	-1
Total	**2**	**-10**

The parent company's effective tax is -1% (14). The difference from the tax rate in Sweden, 28%, is primarily due to the fact that write-downs on shares in subsidiaries are not tax deductible, and because dividends from subsidiaries are not taxable.

Note 12 EQUIPMENT

SEK m.	2006	2005
Opening acquisition value	3	2
Investments for the year	–	1
Closing acquisition value	**3**	**3**
Opening accumulated depreciation	-2	-2
Depreciation for the year	0	0
Closing accumulated depreciation	**-3**	**-2**
Closing reported value	**0**	**1**

Equipment is included in the balance sheet at historical acquisition values, with deductions for accumulated depreciation and any write-downs. On equipment acquired during the year, depreciation is calculated from the time of acquisition. Applied periods of utilization are described in Note 5, 'Depreciation of equipment'. Equipment is written off linearly during the assessed period of utilization.

Note 13 PARTICIPATIONS IN GROUP COMPANIES

Participations in group companies are valued at their acquisition value. Write-down assessments are performed in accordance with Note 7.

Companies in the left margin are subsidiaries of Scribona AB. Companies that are indented are subsidiaries of subsidiaries. Operating subsidiaries are marked in bold text.

In 2006, the subsidiary Carl Lamm AB was distributed to the shareholders of Scribona AB. The subsidiaries Instru Data Latvia SIA and Scribona Latvia AS are in liquidation.

SEK m.	Org. reg. no.	Registred office	Number of shares	Equity share	Value in resp. currency x 1,000	Value in parent company
Scribona Nordic AB	556064-2018	Solna	1,000	100	10,000	109
Scribona Danmark Holding A/S	25 11 34 46	Copenhagen	2	100	DKK 27,500	0
Scribona Danmark A/S	73 39 90 17	Copenhagen	3	100	DKK 31,500	
Scribona Oy	FI-1437531-3	Esbo	10	100	EUR 10	7
Instru Data Latvia SIA	336189	Riga	20	100	LVL 2	
Scribona Latvia AS	336229	Riga	10	100	LVL 2	
Scribona AS	979 460 198	Oslo	5,067	100	NOK 5,067	250
Total						**366**

Note 14 OTHER LONG-TERM RECEIVABLES

Refers to the long-term part for the years 2008–2010 of the initial prepaid set-up charge for the securitization program (see description in Note 25, 'Loans' in the group Notes).

Note 15 OTHER RECEIVABLES

SEK m.	2006	2005
Cash from customers	-	5
Other	2	4
Total	**2**	**9**

Cash from customers refers to such payments from customers into the securitization program that will later become available to Scribona.

Note 16 PREPAID EXPENSES AND ACCRUED INCOME

SEK m.	2006	2005
Set-up charge for the securitization program	2	3
Other prepaid expenses	0	2
Total	**2**	**5**

Note 17 EQUITY

Share capital
In accordance with the Articles of Association for Scribona AB, the minimum share capital must be SEK 60,000,000 and the maximum SEK 240,000,000. At an extraordinary meeting of Scribona shareholders on October 2, 2006, it was resolved to issue new shares with preferential rights for shareholders of not more than 30,636,964 shares of class B. The new share issue increased the number of shares from 51,061,608 to 81,698,572. Scribona's share capital increased by SEK 61 million. All shares, 81,698,572, with a par value of SEK 2, are fully paid and give entitlement to equal portions of the company's assets.

Class A shares, of which there are 2,530,555, give entitlement to 5 votes/share. Class B shares, of which there are 79,168,017, give entitlement to 1 vote/share.

The company's Articles of Association give holders of class A shares the right to convert their shares into an equal number of class B shares. In 2006, holders of class A shares converted 82,744 of their shares into class B shares.

There are no outstanding convertibles or options in the group. The board has not been authorized to buy back or issue shares, options or similar. No shares are held by the company itself or by its subsidiaries.

Restricted and unrestricted equity
In accordance with Swedish law, equity must be divided into non-distributable (restricted) and distributable (non-restricted) funds.

Group contributions and the tax effect on them for Swedish subsidiaries are reported in the parent company according to their financial substance, which involves reporting directly against equity and thus does not affect net income for the year.

Following a deduction of SEK 12 million in transaction costs, the new share issue described above generated SEK 141 million, of which SEK 61 million was added to share capital and SEK 80 million was added to the share premium reserve.

Dividend

The dividend is only reported as a decrease in unrestricted equity at the time of payment to the shareholders.

The extraordinary meeting of Scribona shareholders on October 2, 2006 resolved to distribute all shares in Carl Lamm AB to Scribona shareholders. The Carl Lamm AB Dividend, including transaction costs of SEK 8 million, decreased shareholders' equity by SEK 47 million.

Unrestricted equity in the parent company amounted to SEK 332 million (485) at December 31.

There are restrictions in the right of disposal regarding equity due to the company's choice of financing solution.

The dividend is proposed by the board in accordance with the stipulations in the Swedish Companies Act and is set by the AGM. The proposed dividend for 2006, which has not yet been decided on, is SEK 0.

Note 18 LONG-TERM PROVISIONS

SEK m.	Taxes
Opening balance	2
Provisions	-
Utilization	-
Closing balance	**2**

Provisions for taxes refers to marketing expenses within the Scribona TPC AB subsidiary, merged with the parent company in 2005, that have been questioned by the Swedish tax authorities. Scribona has appealed the Swedish tax authorities' decision and the case is currently being evaluated by the county administrative court in Stockholm.

Note 19 INTEREST BEARING LIABILITIES

SEK m.	2006	2005
Bank loans	-	147
Total	**0**	**147**

Parent company bank overdraft facilities granted as of December 31 are SEK 0 million (187), of which SEK 0 (147) has been utilized. The parent company loan of NOK 125 million has been amortized in its entirety following the new share issue described above.

Note 20 OTHER LIABILITIES

In conjunction with the new share issue in October 2006, Scribona received an issuance guarantee from three of the company's primary shareholders: MarCap Special Opportunities Master L.P., Nove Capital Master Fund Ltd. and QVT Fund L.P. Payment to the issuance guarantors of SEK 5 million, was made in January 2007.

Note 21 ACCRUED EXPENSES AND DEFERRED INCOME

SEK m.	2006	2005
Accrued board fees	1	0
Employment tax	0	2
Interest	-	1
Other accrued expenses	2	6
Total	**3**	**9**

Note 22 PLEDGED ASSETS

SEK m.	2006	2005
Company mortgages	81	81
Total	**81**	**81**

These assets are pledged for certain supplier commitments.

Note 23 CONTINGENT LIABILITIES

A contingent liability is a possible obligation dependent on past events whose occurrence is confirmed only by one or more uncertain future events, which are not completely within the company's control, and which occur or do not occur, or an undertaking dependent on past events which is not reported as a liability or provision because it is not probable that an outflow of resources will be required to settle the undertaking, or the size of the undertaking cannot be estimated with sufficient reliability. Information about contingent liabilities is provided unless their settlement is highly improbable.

SEK m.	2006	2005
Guarantees	1	1
Warranties related to subsidiaries	635	900
Total	**636**	**901**

Guarantees are mainly for subsidiary employees' loans to buy cars.

Warranties related to subsidiaries refer to their liabilities to suppliers.

There was no indication at year-end that guarantees provided will involve outgoing payment.

Note 24 INTEREST RECEIVED AND PAID

Interest received and paid during the financial year is as follows:

SEK m.	2006	2005
Interest received	0	6
Interest paid	-13	-12
Total	**-13**	**-6**

Note 25 ADJUSTMENT FOR ITEMS NOT INCLUDED IN THE CASH FLOW, ETC.

Other, SEK m.	2006	2005
Net exchange losses	-8	12
Total	**-8**	**12**

AUDITOR'S REPORT

To the AGM of Scribona AB (publ.)

Organization registration number: 556079-1419

We have audited the annual report, the consolidated financial statements, the accounting records and administration on the part of the board and the president of Scribona AB for the year 2006. The company's annual report and consolidated financial statements are on pages 26 - 60 of this document. It is the board and the president who are responsible for the accounts and the administration of the company and for application of the Swedish Annual Accounts Act in the preparation of the annual report, and for the application of the IFRS International Accounting Standards as these have been adopted by the EU and the Swedish Annual Accounts Act in the preparation of the consolidated financial statements. Our responsibility is to express an opinion of the annual report, the consolidated financial statements and the administration based on our audit.

The audit has been performed in accordance with generally accepted audit standards in Sweden. This means we have planned and performed the audit to obtain reasonable assurance that the annual report and the consolidated financial statements are free of material misstatement. An audit includes examining a selection of documentation supporting the amounts and other information in the financial statements. An audit also includes assessing the accounting principles and the board's and the president's application of them as well as assessing the important estimations on the part of the board and the president when preparing the annual report and the consolidated financial statements and evaluating the collected information in the annual report and the consolidated financial statements. As a basis for our opinion concerning discharge from liability we have examined significant decisions, measures and circumstances in the company to facilitate assessment of whether any board member or the president has any liability towards the company. We have also examined whether any board member or the president has otherwise acted in contravention of the Swedish Companies Act, the Swedish Annual Accounts Act or the Articles of Association. We consider that our audit gives us reasonable grounds for our opinions, as set out below.

The annual report and the consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act and thus provide a true picture of the company's result and financial position in accordance with generally accepted accounting principles in Sweden. The consolidated financial statements have been prepared in accordance with the IFRS International Accounting Standards as they have been adopted by the EU and the Swedish Annual Accounts Act and thus provide a true picture of the group's result and financial position. The Board of Directors' report is consistent with the other parts of the annual report and the consolidated financial statements.

We recommend that the AGM adopt the income statement and the balance sheet for the parent company and the group, deal with the profit for the parent company in accordance with the proposal in the directors' report and grant the board's members and the president discharge from liability for the financial year.

Solna, March 30, 2007

Ernst & Young AB
Bertel Enlund
Authorized Public Accountant

CORPORATE GOVERNANCE REPORT 2006

Scribona is governed in accordance with Swedish law, in particular Swedish legislation covering publicly traded companies, the listing agreement with the Stockholm Stock Exchange and Scribona's Articles of Association. The company also applies the Swedish Code of Corporate Governance. Deviations from the rules laid out in the Code in 2006 are described and explained at the end of this report under 'Deviations from the rules of the Code'.

This Corporate Governance Report is not a part of the formal annual accounts. The report has not been reviewed by the company's auditors.

ANNUAL GENERAL MEETING

The Annual General Meeting (AGM) is the company's supreme decision-making body, where the owners exercise their right to influence. Scribona holds its AGM in accordance with Swedish legislation covering publicly traded companies and the Articles of Association.

Scribona notifies shareholders of the AGM to the extent and in the way required by the company's Articles of Association and in accordance with the regulations of the Stockholm Stock Exchange. The notice of the meeting is published through advertisements in Post och Inrikes Tidningar and Svenska Dagbladet and a press release. The notice is also published on www.scribona.com. No separate notice is sent to shareholders.

The AGM decides whether the current income statement and balance sheet are adopted, and on dividends to the shareholders, discharge from liability for the board and the president, fees for the board and auditors and the election of the board and choice of auditors. The board elected at the 2006 AGM is described under 'The Board of Directors' below. New auditors were elected for a period of four years at the 2004 AGM.

Decisions taken at the AGM are announced immediately after the meeting via a press release.

Annual General Meeting 2006

15 shareholders representing 36% of the share capital and 33% of the votes took part in the AGM, held in March, 2006 at Scribona's offices in Solna.

Extraordinary meeting of shareholders, October 2006

The board called an extraordinary meeting held in Scribona's offices in Solna on October 2, 2006. The main purpose of this meeting make a decision regarding amendments to the company's Articles of Association, regarding the distribution of all shares in Carl Lamm AB and regarding a preferential rights issue. The shareholders adopted proposals made by the Board of Directors regarding:

- an amendment to the Articles of Association that class A shares and class B shares should not total more than 120 million each.
- Distribution of all shares in the subsidiary Carl Lamm AB.
- Issuance of at the most 30,636,964 new shares of class B with preferential right for shareholders.

Nine shareholders representing 44 percent of share capital and 37% of votes participated in the meeting.

Extraordinary meeting of shareholders, January 2007

The board called another extraordinary meeting of shareholders on January 22, 2007 so that shareholders could make a decision regarding the nominating committee's proposal for changes in the make up of the board of directors. Changes were being made as there were changes in the company's largest shareholders and new larger shareholders' had shown interest in being a part of the board. Furthermore, principal shareholders wished to contribute additional industry expertise to the board. The shareholders adopted the proposals made by the board regarding the election of the following new board members:

- Lorenzo Garcia
- Peter Gyllenhammar (left the board on February 16, 2007 because of other commitments)
- Mark Keough

At the same time, Peter Ekelund and Conny Karlsson requested to leave the board in conjunction with the extraordinary meeting because of other commitments.

Four shareholders representing 20% of share capital 20% of votes participated in the meeting.

Annual General Meeting 2007

The 2007 AGM will take place at Trankil Mat och Möte, Hemvärnsgatan 15, Solna in the Birka conference room, on Tuesday, April 17, 2007.

APPOINTMENT OF THE BOARD AND AUDITORS

AGM decisions 2005:

There is to be a nominating committee for preparing and presenting proposals for the company's shareholders regarding the election of the AGM's presiding officer, board members, the chairman of the board and, if needed, auditors, and decisions regarding board fees, divided between the chairman of the board, other board members and, if any, remuneration for committee work, and the auditors' fee.

The nominating committee is to consist of four members representing the four largest shareholders in terms of voting rights as of August 31. As soon as possible after the end of August, the chairman of the board is to summon the four largest shareholders in the company, who each should appoint a committee member who should not be a member of the company's board, to the nominating committee. If any of the four largest shareholders abstains from appointing a member to the nominating committee, the next largest shareholder should be given the opportunity to appoint a nominating committee member. If several shareholders should abstain from appointing nominating committee members, no more than the eight largest shareholders need to be asked, if this is not needed for the committee to consist of at least three members. If ownership changes by the end of the fourth quarter, the composition of the committee should, if possible, be adjusted to reflect the new ownership. After this point, ownership changes should not occasion changes in the composition of the nominating committee. If a vacancy should arise on the nominating committee, a new member should be appointed quickly in accordance with the principles stated above.

The chairman of the nominating committee is to be appointed by and from within the committee and should, if possible, not also be a member of the board.

The nominating committee's mandate extends until a new nominating committee is appointed. In carrying out its work, the nominating committee is to follow the guidelines for the committee's work set forth in the corporate governance code.

Individual shareholders in the company shall be able to submit proposals to the nominating committee for further evaluation in the course of the committee's work.

Information regarding the composition of the nominating committee (consisting of the names of the members and the shareholders they represent) is to be announced as soon as the nominating committee has been appointed, but no later than six months prior to the company's AGM.

The above rules concerning the company's nominating committee are to apply until the AGM decides otherwise.

Nominating committee

The members of the nominating committee for the 2007 AGM were published on September 29, 2006.

Scribona's four largest shareholders appointed the following representatives:

- Salvatore Di Franco, representing MarCap Special Opportunities Master L.P.
- Johan Heijbel, representing Nove Capital Master Fund Ltd.
- Alexander R. Gildingers, representing Savannah-Baltimore Capital

– Lars Bader, representing QVT Fund

Following ownership changes Savannah-Baltimore Capital is no longer a part of the nominating committee and has not been replaced.

Information on how shareholders can submit board nomination proposals is provided alongside AGM information on the website.

The nominating committee has conducted an evaluation of the board's work, which resulted in the proposal to the extraordinary meeting of shareholders to elect new board members with industry competence. The nominating committiee's proposal to the board is presented in the AGM Notice on the company's website.

The nominating committee's proposals to the 2007 AGM for election of the board chairman and other members

Shareholders at the extraordinary meeting of shareholders on January 22, 2007 resolved to elect new board members, bringing additional industry expertise to the board. The board represents the largest owners but also independent members with wide and varied expertise, experience and backgrounds in the IT industry. The chairman declined re-election. The nominating committee proposes election of a new board member Marcus Söderblom, who represents Nove Capital Master Fund Ltd. The nominating committee believes that the board fulfils the requirements place on the board by the company's present situation and future objectives.

The nominating committee proposes the following for Scribona's board:
David E. Marcus, Chairman (re-election)
Lorenzo Garcia (re-election)
Henry Guy (re-election)
Johan Hessius (re-election)
Mark Keough (re-election)
Marcus Söderblom (new)

Theodor Dalenson declined re-election

As the board fee, the nominating committee proposes SEK 300,000 per year for the chairman and SEK 200,000 each per year for each board member. For work in the remuneration committee, an additional fee of SEK 50,000 each per year is proposed.

AUDITORS

The auditors are appointed at the AGM to audit the company's financial reporting and the board's and the president's administration of the company. The auditors are selected by the shareholders and report to them. At the 2004 AGM, the registered audit company Ernst & Young AB was selected as the audit company for a period of four years, up to and including the 2008 AGM. The authorized public accountant Bertel Enlund was declared the auditor in charge. It was decided that the auditors will be remunerated according to invoice.

BOARD OF DIRECTORS

The main job of the board is to take overall responsibility for the company on behalf of its shareholders and to manage the company's affairs in such a manner that the owners' interest in strong, long-term capital returns is protected in the best way.

The company's Articles of Association state that Scribona's board is to be elected annually, and should consist of between five and ten regular members and no more than two deputy members. In addition to the members elected by the AGM, the board also includes one regular member and one deputy member appointed by the trade unions that represent employees in Sweden.

The board in 2006

Board members elected until the AGM March 30, 2006 were Theodor Dalenson, chairman, Fredrik Danielsson, Johan Hessius, Conny Karlsson, David E. Marcus and Ole Oftedal.

Board members elected by the AGM on March 30, 2006 for one year, up to and including the next AGM were: re-election of Theodor Dalenson, Fredrik Danielsson, Johan Hessius, Conny Karlsson, and David E. Marcus. Ole Oftedal declined re-election. New members were Peter Ekelund and Henry Guy.

In conjunction with an extraordinary meeting of shareholders on October 2, 2006, Fredrik Danielsson announced his resignation from the board.

Scribona's elected board members at December 31, 2006:

Theodor Dalenson, born 1959. Chairman of the board since 2005. Chairman of AB Novestra, Nove Capital Management AB and Carl Lamm AB. Board member in ASF Inc., Pergo AB and Bytek Systems AB, MyPublisher Inc., Nove Capital Fund LL.C., and Nordic Strategic Management AB.
Previous positions: Board member in a number of listed and unlisted companies in Sweden and the U.S. Many years' experience in top positions within strategic planning and business development in companies in Sweden and abroad.
Not an independent member as chairman of Nove Capital Management AB, which manages Nove Capital Master Fund Ltd., a major Scribona shareholder.
Shareholding: 0 shares in Scribona AB (Nove Capital Master Fund Ltd., has 39,500 class A shares and 10,339,443 class B shares.)

Peter Ekelund, born 1954. Board member since 2006. CEO in Bytek Systems AB. Chairman of Bjäre Hembygd AB and Private Brands AB. Board member of Inwarehouse AB, Aldata Oy, Strax Inc., MyPublisher Inc., Explorica Inc., C More Entertainment AB, Helt Investment AB, Bytek Systems AB, Nove Capital Management AB, Novestra Financial Services AB, Netsurvey Bolinder AB and Parsifal International AB as well as a deputy board member of Nordic Strategics Management AB.
Previous positions: CEO of AB Novestra
Education: MBA from the Stockholm School of Economics.
Shareholding: 0 shares in Scribona AB.

Henry Guy, born 1968. Board member since 2006.
President and CEO in Modern Holdings Inc. Board member in Metro International S.A., Pergo AB, Basset Labs AB, Basset Group AB, Tailormade AB, Xpeedio Support Solutions AB, Search Value Partners Ltd., Lors Studios Inc. and Blackbook Inc.
Previous positions: CFO of the software program company ISIS.
Education: MBA from Vanderbilt University.
Shareholding: 0 shares in Scribona AB.

Johan Hessius, born 1958. Board member since 2005.
Attorney and partner of Advokatfirman Lindahl KB. Chairman of Bullandö Marina AB and Scandinavian Clinical Nutrition i Sverige AB.
Board member of Carl Lamm AB, Howden Insurance Brokers AB, Holm and Co AB, Johavid Invest AB, Catella Real Estate AB and Catella Corporate Finance AB.
Previous positions: Attorney, Johnsson & Johnson Advokatbyrå
Education: Bachelor's degree in law from the University of Stockholm.
Shareholding: 20,358 class A shares and 23,294 class B shares in Scribona AB via companies.

Conny Karlsson, born 1955. Board member since 2005.
Management and Strategy consultant. Chairman of Zodiak Television AB, SEB Investment Management AB, Cariel Spirits AB, Inflight Service Interessenter AB, Inflight Service Europe AB, Inflight Service Logistics Nordic AB and Kungsåra Bilskrot AB.
Board member of AB Lindex, Carl Lamm AB, OF Office Factory AB, Netgiro International AB, AB Dagens Nyheter, Sydsvenska Dagbladet AB, Swedish Match AB and Secura AB.
Previous positions: President of Duni AB and a number of positions at Procter & Gamble.
Education: MBA from the Stockholm School of Economics
Shareholding : 20,357 A class shares and 23,295 B class shares in Scribona AB via companies

David E. Marcus, born 1965. Board member since 2005.
Managing member of MarCap Investors LLC., Marcstone Properties LLC., Ridgeview Group LLC. and MarCap Group Partners LLC.
Chairman of Modern Holdings Inc. and Great Universal Inc.
Board member of AB Novestra, Pergo AB, Carl Lamm AB and Modern Times Group MTG AB.
Previous positions: Founder and part owner of Marcstone Capital Management, L.P. Many years' experience in top positions at Franklin Mutual European Fund, Franklin Mutual Shares, Franklin Mutual Discovery Funds and Franklin Mutual Advisers, LLC.
Education: Bachelor's Degree of Finance from Northeastern University.
Not an independent member as managing member of MarCap Investors, LLC., which manages MarCap Special Opportunities Master L.P., a major Scribona shareholder.
Shareholding: 0 shares in Scribona AB. (MarCap Special Opportunities Master L.P. 93,000 class A shares and 15,018,890 class B shares).

All of the board members elected by the AGM in 2006 are independent in relation to the company and in relation to the company's major shareholders, Peter Ekelund, Henry Guy, Johan Hessius and Conny Andersson are independent.

At an extraordinary meeting of shareholders on January 22, 2007, Lorenzo Garcia, Peter Gyllenhammar and Mark Keough were elected as new Scribona board members. Peter Ekelund and Conny Karlsson announced, in conjunction with the meeting, that they wished to resign as board members because of other commitments. On February 16, 2007, Peter Gyllenhammar announced that he wished to resign as board member because of other commitments.

Lorenzo Garcia, born 1952. Board Member since 2007
Chairman of Greenfield International AB, Caperio AB and Rolsta Kvarn AB.
Previous positions: For the past 10 years he has been employed at Tech Data, where he was director of finance for the Nordic Region and president, responsible for Nordic operations, among other positions. He has close to 30 years' experience in the IT industry.
Education: Bachelor's degree in Business Administration and MBA
Shareholding: 0 shares in Scribona AB

Mark Keough, born 1954. Board member since 2007
Chairman of Nordic Supply Holdings ApS.
Board member of Nordic Supply Holding ApS, Supplies Team Sverige AB, Santech Micro Group Denmark A/S.
Previous positions: Keough has worked in the distribution and logistics sector for the past 15 years, at McKinsey & Co, from 1982-94 in the U.K. as Partner and Chief for the global Purchase and Supply Management operations, among other companies. From 1994-98 as Vice President of Wesco International, a large electronic goods distributor in the U.S. From 1999, Keough was responsible for the restructuring of CHS Electronics Inc.'s European operations, which among other things, included an active role in the Nordic IT distributor SMG (Santech Micro Group).
Education: MBA from Harvard Business School and two degrees from M.I.T.
Shareholding: 0 shares in Scribona AB

Employee members:

Eva Elsnert, born 1944. Board member since 2004. Employed at Scribona Nordic AB since 1998. Union representative (SIF).

Bruno Amico, born 1958. Deputy board member since 2005. Employed at Scribona Nordic AB since 1999. Union representative (SIF).

None of the employee members are shareholders in Scribona.

Procedural plan

Every year at the statutory board meeting after the AGM, the board's procedural plan is established to regulate authorization to sign for the firm, board meetings, matters to be dealt with at the board meetings, distribution of work between the board, the chairman and the president and certain other matters. The president is appointed and instructions to the president regulating tasks and reporting obligations to the board are set, as are rules for deciding on investments. Instructions for the remuneration and audit committees are established and committee members are appointed. The audit committee consists of all members of the board except for the president, in accordance with rules adopted at the 2004 AGM.

The company's auditors are required to take part in at least two board meetings and discuss their planning and audit focus, as well as their observations, conclusions and any proposed measures following the completion of the audit.

The board's work follows an annual meetings schedule with a fixed agenda for every board meeting. Other employees of the company also present reports at the meetings. The secretary of the board is the group's CFO. In accordance with the procedural plan at least five board meetings and one statutory meeting must be held every year. In addition the board can meet whenever circumstances so require.

The board's meetings in February, May, July and November are devoted chiefly to the financial report. In August, the board deals with strategic matters and in December the financial plan for the following year.

The board's work mainly concerns strategic matters such as business approach, organization, budget, major investments, result and financial position, and information on the financial statements. The chairman of the board leads the board's work and monitors business progress. Within the framework established by the board, the president manages business and keeps the chairman of the board continuously informed about significant business events.

The board has not conducted an evaluation of its work in 2006. In 2006, the board met 11 times (12), with an average attendance of 83% (91).

Key board decisions and assignments during the year included:

- a decision on the year-end report for 2005
- a decision on the annual report for 2005
- a decision on the proposal to the AGM about share distribution for 2005 business activities
- a decision on the proposal to the AGM on the approval of Carl Lamm AB's employee option program
- preparations for and decision regarding the proposal of the separate exchange listing of Carl Lamm and distribution of assets of same and a new share issue in Scribona AB
- a decision on a revised budget for 2006
- participated in and analyzed reports by auditors

- a decision on the dismissal of the president
- recruitment and decision regarding the appointment of a new president
- a decision on the sale of the group's Danish operations
- regular monitoring of the group's operations and financial position
- a decision regarding the 2007 financial plan

Remuneration to the Board
The chairman and members of the board are paid a fee in accordance with a decision by the AGM. At the 2006 AGM it was decided that the fee for the board up until the next AGM would be SEK 1,500,000, distributed such that the chairman receives SEK 300,000 and the other members receive SEK 200,000 each. It was also decided that an extra fee of SEK 50,000 should be paid to each of the three members of the Remuneration committee. Employee representatives are not entitled to receive remuneration for serving on the board.

Share-related incentive programs for the board and senior management
The company has not offered a share-related incentive program for the board and senior management. At Scribona's AGM on March 30, 2006, an employee stock option for the senior management and key employees at Carl Lamm was approved.

Remuneration committee
The remuneration committee's instructions are set by the board. The remuneration committee is appointed by the board. In 2006, the committee consisted of chairman of the board Theodor Dalenson and board members Johan Hessius and Conny Karlsson. The remuneration committee met once during 2006. The most important issues addressed at the meeting were:
- principles of remuneration and other terms of employment for the company's executives.
- Definite variable remunerations for 2005 for the company's executives
- the employee options program for executives in Carl Lamm AB.

The committee submitted proposals to the board regarding principles for remuneration and other terms of employment for the company's executives, which in turn were proposed by the board to the AGM. These principles were adopted by the AGM (see below). The remuneration committee has proposed criteria for assessment of bonus outcomes. The board has discussed the remuneration committee's proposals and made decisions with the guidance of the committee's recommendations. Remuneration for the president for 2006 was set by the board, including remuneration for the dismissed president. Remuneration for the new president and the new vice president was decided by the chairman of the board.

Audit committee
The audit committee's instructions are set by the board. It was decided at the 2004 AGM that audit issues are to be dealt with by the entire board. The audit committee therefore consists of the entire board. The chairman of the board, Theodor Dalenson, also chaired the committee. The Audit Committee's tasks are to:
- prepare for the board's work by ensuring the quality of the company's financial reporting,
- hold regular meetings with the auditors to keep informed about the focus and scope of the audit, and opinion of risks to the company,
- establish guidelines for determining what services other than audit the external auditors are to provide for the company,
- assess the audit work,
- assist preparations for board appointments by proposing auditors and remuneration for audit work.

In 2006, the committee held five meetings, which were part of the board meetings. In February, the year-end report and the annual report was addressed. In May and July, the three and six month interim reports were taken up. In August, auditors reported their risk assessment and planning of the year's auditing. And in November, the group's nine month interim report was addressed. The company's auditors participated in the meetings in February, August and November. The minutes of the board meetings describe the issues taken up by the audit committee.

Presence at board and committee meetings
The respective board member's presence in 2006 (present/possible)

	Board	Remuneration committee	Audit committee
Theodor Dalenson	11/11	1/1	5/5
Fredrik Danielsson	6/9	-	3/4
Peter Ekelund	5/7	-	3/4
Henry Guy	4/7	-	1/4
Johan Hessius	11/11	1/1	5/5
Conny Karlsson	9/11	1/1	3/5
David E. Marcus	9/11	-	4/5
Ole Oftedal	4/4	-	1/1

MANAGEMENT
The president is responsible for the company's strategic and business development, and manages and coordinates day-to-day business. The president has instructions adopted by the board that regulate the president's tasks and reporting obligations to the board. The president appoints managers for the country units and group functions.

The president controls work in the group. Management meetings are held every week in an operative management group, which in addition to the president and vice president also include the country managers and Vendor management and Logistics managers. Every fourth week, the meeting is also attended by the other functional area managers. Each month reviews of the respective countries are conducted and each quarter individual reviews of each country's and functional area's accounts are made. Corresponding reviews of the quarterly budgets are conducted prior to each quarter. Prior to the start of a new financial year, annual budgets presented by the units are reviewed and approved.

Until November 2006, the group executive management consisted of president Tom Ekevall Larsen and CFO and vice president Örjan Rebeling and until the end of the year only the acting president Örjan Rebeling.

Tom Ekevall Larsen, born 1962. president and CEO. Employed at Scribona since 1988 with many years' experience of various management positions in the company. Ekevall Larsen was dismissed from his position as president and CEO on November 10, 2006. While employed as president and CEO, he had no assignments in other companies or organizations. He had no significant shareholding or ownership in companies with which Scribona has business relations.

Örjan Rebeling was appointed as acting president and CEO on November 10, 2006.

At the beginning of January, Fredrik Berglund, born 1961, assumed the position of president of Scribona AB. Berglund previously was vice president at Tele2. In conjunction with assuming his position, Berglund purchased 40,000 class B shares in Scribona AB.

Örjan Rebeling's employment at Scribona ceased when Berglund took up his duties as president. The new CFO and vice president, Hans-Åke Gustafsson, born 1962, assumed his position in the middle of January 2007.

Gustafsson has an MBA and prior to joining Scribona was Director of Finance for Tech Data, where he was responsible for the finance department in the Nordic regionalization process, among other things. Hans-Åke Gustafsson has solid experience from the Nordic distribution market and worked at Tech Data for more than 10 years. Gustafsson has no shareholding in Scribona.

The principles adopted at the AGM 2006 for remuneration and other terms of employment for the company's management:
The company's executive management consists of the president and the vice president. The principle behind remuneration for senior executives comprises basic salary, variable remuneration, certain taxable benefits and a pension. The distribution between basic salary and variable remuneration will be in proportion to the employee's responsibility and authorization. For senior management, the maximum variable remuneration is 100% of basic salary. The variable remuneration is based in its entirety on the company's income before tax. Benefits include a company car, mobile telephone, food benefits, a broadband connection for the employee's home, health insurance and, for one executive, travel. Pension benefits for senior executives consist of defined-contribution plans with a premium of no more than 33% of the pensionable salary. An extra pension is offered in addition through salary exchange, whereby surrender of 5% of the salary, but no more than SEK 60,000 per annum, means that Scribona pays an amount equal to that which the employee contributes. In addition, Scribona pays a supplement comprising the difference between employer contributions and special employment tax on this extra pension premium.

Dismissal compensation, including severance pay, is not to exceed 24 months' salary.

In special cases, the board may deviate from these guidelines.

AUDITORS

The auditors are appointed at the AGM and entrusted with auditing the company's financial reporting and the board's and the president's administration of the company. At the 2004 AGM, the registered audit company Ernst & Young AB (Ernst & Young AB, Box 7850, 103 99 Stockholm) was selected as the audit company for a period of four years, i.e. up to and including the 2008 AGM. The authorized public accountant Bertel Enlund was declared the auditor in charge. It was decided that the auditors will be remunerated according to invoice.

Auditor in charge Bertel Enlund
Ernst & Young AB was selected as the audit company in 1996, with Bertel Enlund as auditor in charge as of the same year. During the period 1996–2004 Arthur Andersen AB (replaced in the last year by Deloitte & Touche AB) were co-auditors. Bertel Enlund's current audit assignments in other listed companies include: New Wave Group AB, Rörvik Timber AB, Artimplant AB and Kontakt East Holding AB. Bertel Enlund is a board member of FARS SRS.

Auditors' presentations to the board
To ensure that the board's/audit committee's need for information is met, the company's auditors will personally present their observations at several board meetings. The auditors will present at a board meeting their risk assessment and planning of the year's audit. At two later meetings they will present their observations on the basis of the audit and their assessment of the company's internal control procedures, as well as proposed measures, partly following the completed audit of the nine-month report in the fall and partly at the meeting at which the consolidated year-end financial statements are discussed. At one of these meetings, the board meets the auditors in the absence of the president and other employees.

Internal audit
The company conducts no internal audit in-house but via external resources has performed an internal control survey of key processes relating to reporting of the costs of goods and margins. Measures to amend the weaknesses found in the internal control processes have been implemented.

FINANCIAL REPORTING

The board is responsible for ensuring that the organization is set up to be able to monitor bookkeeping, funds management and the company's other financial matters in a satisfactory manner. The board therefore provides the president with written instructions regarding when and how financial reporting is to be carried out.

The group's financial and reporting policies provide the framework for financial management, follow-up and reporting principles. The group has a reporting system that is used by the entire group.

Every year a detailed schedule for budget and outcome reporting, including the group management's budget and outcome reviews, is agreed on with the operational units. In the fall, the budget process for the coming financial year is implemented. Before each new quarter, a new updated budget is set for that quarter. Outcome reports are issued to group management every month by the operational units, including income statements and balance sheets supplemented with written comments and analysis.

Every month the board receives a written report on the company's income and financial position. A legal report is issued every quarter. In the quarterly financial statement, the report to the board is more extensive in preparation of the board meeting that precedes the press release on the interim report and the press release concerning the year-end report. The audit committee provides an assessment of the financial reporting at these meetings. The nine-month financial statement and the annual figures are assessed at the meeting with the auditors.

BOARD'S REPORT ON INTERNAL CONTROL OF FINANCIAL REPORTING FOR FINANCIAL YEAR 2006

Introduction
Swedish legislation governing publicly traded companies and the Swedish Code of Corporate Governance (the Code) state that the board is responsible for internal control. This report explains how internal control of Scribona's financial reporting is conducted in accordance with paragraph 3.7.2 of the Code.

Regarding paragraph 3.7.3 of the Code, it can be stated that Scribona did not have an internal auditor during 2006. The company, supported by external resources, mapped out the company's key processes and risks that impact internal control.

The documentation of processes required by the Code and intended to allow the board to produce a report on how internal control of financial reporting is organized was started in 2006. This report has therefore been prepared with these processes only documented in part.

In 2005 and 2006, Scribona conducted extensive restructuring of its operations. Consequently, the Swedish company, Scribona Nordic AB, manages the entire flow of goods, including purchasing, warehousing and sales in all Nordic countries. Accordingly, Scribona Nordic AB has taken over inventories and the flow of goods from Scribona Danmark A/S (Denmark), Scribona AS (Norway) and Scribona Oy (Finland).

The existing companies in each respective country continue to act as sales agents for Scribona Nordic AB. This realignment has involved extensive changes in the organization, systems, processes and internal control. Work to make the company more efficient will continue in 2007, as will internal changes. Organizing and documenting internal control is therefore an ongoing process.

Control environment (definition of basis for effective internal control)
The basis for internal control of financial reporting is the control environment. This comprises the framework of the organization, decision paths, authorizations and responsibilities being decided, documented and communicated.

Examples of such documents at Scribona include:
- The board's procedural plan, which details the division of labor among the board, audit committee, chairman and president.
- Instructions to the president detailing his tasks and reporting obligations etc. to the board.
- Code of conduct containing ethical considerations, etc.
- Organization chart showing division of responsibilities and authorizations.
- Finance manual containing rules for authorization and responsibilities, instructions for certification, accounting and reporting, and different policies, such as credit and financial policy.
- Instructions for authorization, including decision paths, authorizations and responsibilities and monetary limits.
- Management's follow-up processes, including predetermined year-end and budget overviews and regular reviews of operations.

Risk evaluation (identifying potential events)

The board's risk evaluation regarding internal control is based on legislation for publicly traded companies. The board has therefore maintained regular dialog with the auditors, but also based its risk evaluation on other issues dealt with by the board. For the management, risk evaluation is always on the agenda in planned follow-up work concerning the different operations. These evaluations are conducted regularly regarding all aspects of the business.

Risk evaluation of the financial reporting has identified the income statement and balance sheet items for which there is an increased risk of significant error. For Scribona, these risks lie primarily in the flow of goods, with the risk of incorrect valuation of gross profits and stocks due to obsolescence, and the large, ongoing remuneration from suppliers for the consolidation of margin on individual deals and related price decreases.

The company's finance manual contains accounting and valuation principles for all important income statement and balance sheet items.

Control activities (ensuring optimal handling of events)

The company's control activities are design to systematically handle significant risks concerning financial reporting, including important accounting issues that are identified during risk evaluation. Control activities aim at prevention or early detection of errors in financial reporting, so as to minimize the consequences thereof.

The risks concerning financial reporting that have been identified are managed via Scribona's control activities, which consist of policies and routines that describe the control measure and how it should be carried out. Examples of such activities are budget follow-up, division of responsibilities and authorization routines, inventories and checks. Documentation of the company's internal control environment is updated on a regular basis in the organizations day-to-day work in the form of routine and process changes.

Information and communication (continual information about status and outcome)

Effective information and communication paths enable reporting and contact between the company and the board and management. It is important that the right people have the information needed to be able to understand the implications of guidelines and internal policies, and understand the consequences of failing to adhere to them.

Scribona has information and communication paths that aim to promote completeness and accuracy of financial reporting, for example by making governing documents such as codes, manuals and policies concerning financial reporting accessible and known to the appropriate employees. Throughout the company, regular internal meetings are held, which enable dialog between managers and others, including dialog concerning issues relating to financial reporting.

Follow-up (the board's and the management's follow-up on the functioning of internal control)

Follow-up on compliance with internal policies, guidelines and manuals, as well as on the appropriateness and functioning of established control activities, takes place on a regular basis. An evaluation of how internal control of financial reporting is organized is conducted annually. This work involves the board/audit committee, internal auditors and the group finance department.

SCRIBONA'S CODE OF CONDUCT

In 2004, the board adopted the group's code of conduct. It covers ethical regulations that all employees must adhere to. The code formalizes the principles the group must apply in relationships with customers, suppliers, employees, competitors, shareholders, society as a whole and other interested parties.

INFORMATION ABOUT CORPORATE GOVERNANCE

The company's website features a special section devoted to corporate governance. The information published there is updated within one week of changes becoming known to the company.

DEVIATIONS FROM THE RULES OF THE CODE

Deviations from the rules of the Code with the following motives:

3.1.2 Evaluation of the board of directors

In 2006 and at the start of 2007 major changes have been made to the make up of the board. An evaluation should be carried out after the board has worked together for a significant period of time.

Solna, March 30, 2007

The Board of Directors

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