

August 12, 2005



**Interim Report 1 January – 30 June 2005  
Boss Media AB (publ)**

---

- **Net sales increased by 5 percent to SEK 109.2 (103.7) million.**
- **Profit after financial items was SEK 21.1 (38.5) million.**
- **Net profit was SEK 21.9 (27.6) million.**
- **Earnings per share were SEK 0.38 (0.50).**
- **Royalty revenues amounted to SEK 86.7 (53.3) million, an increase by 63 percent. The growth is expected to continue during 2005.**
- **Peter Bertilsson will resign from his position as CEO. He will remain until a new CEO is appointed, which is expected to take place during the autumn.**

*The Group **Boss Media AB (publ)** is one of the world's leading suppliers of systems for digitally distributed gaming entertainment. Boss Media develops gaming system solutions for such distribution channels as personal computers, interactive video terminals, mobile phones and digital TV. Licensees are offered a customized gaming system, an integrated payment system as well as related services. The Boss Media-share is listed on the O-list (Attract 40) of Stockholmsbörsen (Stockholm Stock Exchange). More information about Boss Media is available at [www.bossmedia.se](http://www.bossmedia.se).*

*Unless otherwise stated, the following information is for the Group as a whole.*

---

Mail address:  
Boss Media AB (publ)  
Box 3243  
SE-350 53 Växjö

Corp. id. number 556400-0353  
Telephone: +46 (0)470 70 30 00  
Fax: +46 (0)470 70 30 50  
<http://www.bossmedia.se>

### **Business activities during the second quarter 2005**

During the second quarter Boss Media signed a strategic partnership agreement with Svenska Spel. Svenska Spel will sell its expertise and Boss Media's technical platform to members of the World Lottery Association ([www.world-lotteries.org](http://www.world-lotteries.org)) with a focus on Europe. Currently the WLA has about 140 members, of which there are some 60 in Europe that are potential customers.

Boss Media signed an agreement with Princess Group ([www.worldofprincess.com](http://www.worldofprincess.com)) during the second quarter. Princess Group ([www.worldofprincess.com](http://www.worldofprincess.com)), with more than 85 companies and 6,000 employees, has selected Boss Media to supply their online casino and poker solution. The contract is a 10-year exclusive deal and marks an important milestone in the emerging trend of land-based casino operators entering the online marketplace. Boss Media also signed an agreement for the delivery of a poker system to one of the world's leading online casino operator, Gaming VC Holdings.

Boss Media's primary customer group consists of WLA members plus major, established gaming companies. During the past six months, investments in product development increased relatively sharply. During the spring, the company also implemented new process and quality tools throughout the entire organization.

After the close of the reporting period, Boss Media announced that the partnership with EssNet AB regarding the development and sale of VLT systems to lottery operators via the jointly owned company EssNet Interactive AB is being terminated. The convergence currently taking place in different parts of the gaming market makes it increasingly difficult for the parties not to have full control themselves over such an important part of the product offering. EssNet Interactive was established in the summer of 2003 as a joint venture between EssNet, Boss Media and Australia's Tattersall's.

The transaction, which took place on June 30, consisted of the following components:

- EssNet purchased Boss Media's 35-percent holding in EssNet Interactive for an initial sum of SEK 25,000,000 plus a supplementary purchase sum. The capital gain for tax purposes from the initial payment amounted to SEK 24,965,000. The supplementary purchase sum is linked to the future financial outcome of the Norsk Tipping contract.
- Boss Media purchased the version of the VLT system delivered to Synot Lotto and other customers for SEK 40 million. Payment was effected through a corresponding reduction of Boss Media's accounts receivable from EssNet Interactive.
- Boss Media will continue to develop the customer relation with Synot Lotto (Czech Republic) as its own business. The hardware in place in the Czech Republic was leased to the customer. Boss Media purchased the hardware for a total of SEK 4.9 million and took over the leasing contract. Payment was effected through a corresponding reduction of Boss Media's accounts receivable from EssNet Interactive.
- Boss Media and EssNet Interactive entered a partnership agreement regarding delivery of games and hardware to their respective customers.

## Net sales

The Group's net sales amounted to SEK 109.2 (103.7) million, an increase by 5 percent compared with the same period last year.

Revenues from license sales amounted to SEK 13.9 (40.6) million. The reduction is attributable in its entirety to a decline in the sale of development hours to EssNet Interactive. Sales have successively declined over the past two quarters as the degree of completion has increased. The software project related to Norsk Tipping was concluded/delivered during the second quarter of 2005. Sales related to EssNet Interactive amounted to SEK 6.5 (30.6) million.

Royalty revenues increased by SEK 33.4 million to SEK 86.7 (53.3) million, which is largely attributable to the strong market growth for casino and poker gaming on the Internet. Of the total increase, more than half was related to the poker product.

Service revenues related to operations and maintenance and payment management amounted to SEK 8.6 (8.5) million.

### *Changes compared with the immediately preceding quarter*

Net sales decreased by 5 percent compared with the first quarter 2005. License sales decreased by 38 percent, which is attributable in its entirety to a decline in the sale of development hours to EssNet Interactive. Royalty revenues increased by 4 percent. Royalty income from the poker product increased by 58 percent.

The distribution and change in the Group's net sales is shown below.

SEK million	Apr-Jun 2005		Apr-Jun 2004		Jan-Jun 2005		Jan-Jun 2004	
		%		%		%		%
License sales	5.3	10	22.8	41	13.9	13	40.6	39
Royalty	44.2	82	28.7	51	86.7	79	53.3	52
Service & support	4.2	8	4.4	8	8.6	8	8.5	8
Other	-	-	0.3	0	-	-	1.3	1
<b>Total</b>	<b>53.7</b>	<b>100</b>	<b>56.2</b>	<b>100</b>	<b>109.2</b>	<b>100</b>	<b>103.7</b>	<b>100</b>

SEK million	2005				2004				2003	2002	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
License sales	5.3	8.6	14.8	16.3	22.8	17.8	3.0	6.8	5.9	6.1	8.1
Royalty	44.2	42.5	37.0	32.9	28.7	24.6	23.7	20.2	21.3	18.4	12.5
Service & support	4.2	4.4	4.0	4.2	4.4	4.1	3.7	3.9	4.5	4.6	4.1
Other	-	-	-	0.1	0.3	1.0	2.1	2.8	2.5	2.9	3.5
<b>Total</b>	<b>53.7</b>	<b>55.5</b>	<b>55.8</b>	<b>53.5</b>	<b>56.2</b>	<b>47.5</b>	<b>32.5</b>	<b>33.7</b>	<b>34.2</b>	<b>32.0</b>	<b>28.2</b>

SEK million	0407	0404	0401	0310	0307	0304	0301	0210
	- 0506	- 0503	- 0412	- 0409	- 0406	- 0403	- 0312	- 0309
License sales	45.0	62.5	71.7	59.9	50.4	33.5	21.8	26.9
Royalty	156.6	141.1	123.2	109.9	97.2	89.8	83.6	72.4
Service & support	16.8	17.0	16.7	16.4	16.1	16.2	16.7	17.1
Other	0.1	0.4	1.4	3.5	6.2	8.4	10.3	11.7
<b>Total</b>	<b>218.5</b>	<b>221.0</b>	<b>213.0</b>	<b>189.7</b>	<b>169.9</b>	<b>147.9</b>	<b>132.4</b>	<b>128.1</b>

## Result

Profit after financial items amounted to SEK 21.1 (38.5) million. If no hedging had taken place and exchange rates had remained unchanged during period, the profit after financial items, all else being equal, would have been about SEK 12 million higher. Earnings for the six-month period included net income of some SEK 17 million related to the divestment of the shares in EssNet Interactive. During the same period in the preceding year, earnings included income of SEK 10.5 million related to the sale of the company's own gaming operations. Profit after tax for the period amounted to SEK 21.9 (27.6) million.

Other external costs increased by some SEK 15 million and amounted to SEK 37.1 (22.3) million. Costs for daily operations and the monitoring of the poker network to which Boss Media's customers are connected amounted to some SEK 8 million. The proportion of consultants was relatively high, compared with the year-earlier period, which increased other external costs by about SEK 5 million.

Earnings from shares in associated companies amounted to SEK 17.0 (0) million for the period and were attributable in their entirety to the divestment of shares in EssNet Interactive.

Net financial items amounted to SEK -2.6 (4.4) million. Capital gains from sales of short-term investments amounted to SEK 3.7 million. Changes in the fair value of short-term investments, which are included in financial items, amounted to SEK 1.0 million. Changes in the fair value of unexpired forward exchange agreements, which are included in financial items, amounted to SEK -9.6 million.

Tax on income for the period showed a positive difference of some SEK 7 million, which was due to the fact that the capital gain from the sale of shares in EssNet Interactive was tax exempt.

Exchange rate differences arising from translations of operating receivables and liabilities in foreign currencies included in other operating income and expenses amounted to SEK -4.5 (0.4) million. Exchange rate differences arising from the translation of liquid funds included in financial items, amounted to SEK 1.7 (2.5) million.

Exchange rate differences on forward exchange agreements that matured during the period, which are included under financial items, amounted to SEK 0.5 (-0.3) million. Unrealized effects of forward exchange agreements that had not reached maturity amounted to SEK -6.3 (0.8) million.

Values of signed but not due forward exchange agreements (sell) at June 30, 2005, are shown below.

Millions	2005		2006				Total		SEK		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2			
Currency	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate	SEK
EUR	1.05	9.07	1.05	8.98	1.50	9.06	1.50	9.26	5.10	9.09	46.4
USD	0.60	7.45	0.60	6.69	1.50	6.84	1.50	7.24	4.20	7.06	29.7
GBP	0.60	13.02	0.60	12.64	0.60	12.76	0.60	13.21	2.40	12.91	31.0

#### *Changes compared with the immediately preceding quarter*

Compared with the first quarter, other external costs increased by SEK 5.1 million during the second quarter, which was primarily a result of additional process costs related to the divestment of shares in EssNet Interactive and a higher proportion of consultants, who during the second quarter worked with the implementation of process and quality tools.

#### **New accounting principles in accordance with IFRS**

As of January 1, 2005, the Group complies with IFRS accounting principles. For more information, see accounting principles on page 6. Transition effects of IAS 39 on shareholder's equity as of January 1, 2005, regarding the Groups financial instruments amount to SEK 2.3 million. Financial instruments had a negative effect on the income statement of SEK 9.0 million during the first six months of 2005.

#### **Investments**

Investments in equipment during the period amounted to SEK 14.4 (3.8) million and pertained mainly to purchases of gaming systems and workplace-related computer equipment. Investments in hardware related to the IVT pilot in the Czech Republic (Synot Lotto) are included in an amount of SEK 4.9 million.

Capitalized expenditure for development work, reported as intangible fixed assets, amounted to SEK 38.5 (7.4) million. The strong increase is attributable to increased development activities in existing and new product areas.

Purchase of IVT software (intangible fixed assets) from EssNet Interactive amounted to SEK 40 million.

### Cash flow and financial position

Cash flow from operating activities amounted to SEK 13.4 (10.0) million. The change in working capital was SEK 29.4 (-32.9) million. Accounts receivable decreased by SEK 49.5 million. Receivables from credit institutions decreased by SEK 7.3 million. Other short-term receivables increased by SEK 43.5 million. Accounts payable increased by SEK 14.8 million. The cash flow for the period amounted to SEK -20.9 (-1.3) million.

On the closing day liquid assets amounted to SEK 85.2 (159.1) million. Shareholders' equity amounted to SEK 256.0 (194.5) million, giving an equity/assets ratio of 62 (60) percent. Conversion of 623,000 warrants during the period raised SEK 6.6 million to the company.

At the end of the period receivables from banks and other payment processors amounted to SEK 14.5 (17.1) million. Accrued license sales and royalties amounted to SEK 16.9 (25.1) million. Receivables relating to VAT amounted to SEK 16.6 (0) million. The amount reported under other receivables includes a claim of SEK 36.1 million on EssNet Interactive, which will be paid in equal monthly instalments starting in September 2005 and continuing through December 2006.

Liabilities to licensees amounted to about SEK 78.7 (63.0) million.

### Share data

Earnings per share after tax for the period were SEK 0.38 (0.50). Shareholders' equity per share at the end of the period was SEK 4.48 (3.40).

At the Extraordinary General Meeting on June 13, 2002, it was decided to issue 1,650,000 new warrants that shall expire on December 31, 2005 and give the holder the right to subscribe for one new share at a price of SEK 10.60, during the period from July 1, 2004 to December 31, 2005.

On June 30, 2005 the total number of shares amounted to 56,547,000. After full dilution, corresponding to the expected exercising of 603,000 outstanding warrants, the number of shares amounted to 57,150,000.

The Boss Media share is listed on Stockholmsbörsen's (Stockholm Stock Exchange) O-list since June 24, 1999.

### Shareholders

On June 30, 2005, the number of shareholders was 15,456 (16,935). The foreign ownership share was about 41 (30) percent. The ten largest shareholders, according to the shareholders' register and list of nominees, are presented in the table below.

Shareholder	Number of shares	Share of capital/votes, %
Medströms AB, Sweden	7,314,300	12.9
BNY Gcm Client A/C (E) ISM, Great Britain	3,772,764	6.7
Robur Funds, Sweden	3,409,227	6.0
JP Morgan Chase Bank, Great Britain	2,391,922	4.2
Abu Dhabi Invest. Authority, United Arab Emirates	1,552,800	2.8
CIC Securities, France	1,200,000	2.1
State Street Bank and Trust Co, USA	1,048,377	1.9
Gartmore Sicav, Luxembourg	947,222	1.7
SIS Segaintersettle, Switzerland	914,558	1.6
Banque Carnegie Luxembourg, S.A, Luxembourg	833,300	1.5
Others	33,162,530	58.6
<b>Total</b>	<b>56,547,000</b>	<b>100.0</b>

### The parent company

The parent company's net sales (including intra-group transactions) during the period were SEK 100.5 (91.3) million. The profit after financial items was SEK -5.0 (31.3) million. Investments in equipment amounted to SEK 14.4 (3.8) million. On the closing day the parent company's liquid assets were SEK 62.5 (104.9) million, and the total equity amounted to SEK 137.8 (138.8) million, giving an equity/assets ratio of 53 (66) percent.

## Outlook for 2005

The sharp increase in product development investments during the past six months, as well as the implementation of process and quality tools, took place with a high proportion of consultants, thus resulting in higher costs/investments. The costs/investments will gradually decrease during the second half of 2005 in consequence of that a number of projects will be completed.

The pilot project currently in progress with Synot Lotto in the Czech Republic is proceeding according to plan. During the autumn, the pilot project will double in scope and comprise some 100 terminals. The IVT pilot will begin to generate revenues during the second half of the year.

The supplementary purchase sum for the shares in EssNet Interactive is linked to the future financial outcome of the Norsk Tipping contract. The Norwegian law that grants the government exclusive right to operate slot machines similar to Sweden's Jack Vegas machines will not take effect until 2006 at the earliest. The Norwegian government is awaiting the ruling of the Court of Appeals, which previously ruled that the law should be disregarded in lieu of a final ruling on the issue, which according to the Norwegian Ministry of Culture can be expected any day now.

Interest for digital gaming platforms among state-licensed gaming companies and land-based casino companies is increasing steadily. The growth potential is very substantial. Several players have initiated the purchasing process for interactive gaming systems during the year, and demand is growing increasingly strong. There are some 140 WLA members around the world, of which about 60 in Europe, plus some 500 land-based casinos that all constitute potential customers. During the past six months, Boss Media intensified its product development of core products and implemented process and quality tools, thus enabling the company to meet increasingly strong demand among large and established gaming operators.

The partnership with Svenska Spel regarding sales of Boss Media's products will start during the autumn.

During the first six months of the year, Boss Media sold five gaming systems and expects to sell five or six additional systems to new and existing customers during the second half of 2005,

Growth in Boss Media's partner-based poker network continued at an undiminished rate. During the first six months, the number of players increased by about 100 percent to some 14,000 players per day. Global growth with respect to active Internet poker players was about 27 percent during the same period (source: [www.pokerpulse.com](http://www.pokerpulse.com)). During the second quarter, growth was about 20 percent, with global growth estimated at 5 percent. The company's previously announced target of achieving about 20,000 players per day by the end of the year remains valid.

Royalty revenues deriving from the poker product currently account for the strongest growth. This will continue in pace with the addition of more customers. Growth in other royalty revenues, however, will also accelerate further in pace with the addition of new customers and the newly developed products/games to be delivered during the coming quarter.

A higher proportion of consultants than forecast, negative adjustments in the value of financial instruments through application of the IFRS valuation principles and additional process costs relating to the divestment of shares in EssNet Interactive contributed, as previously announced, to Boss Media not achieving the same profitability in 2005 as in the preceding year.

Peter Bertilsson will resign from his position as CEO for Boss Media for family reasons. He will remain until a new CEO is appointed, which is expected to take place during the autumn. The recruitment process has begun.

### **Accounting principles**

The interim report was prepared in accordance with IAS 34, Interim Financial Reporting, and also includes IFRS 1, First-time adoption of International Financial Reporting Standards, since the report was prepared according to IFRS for the first time. The interim report was prepared in accordance with prevailing IFRS standards and IFRIC interpretations as of the end of March 2005. What standards and interpretations will apply at the end of 2005 is not currently known.

Boss Media's consolidated accounts were prepared in accordance with Swedish GAAP until the end of 2004. Previously applied Swedish GAAP differs from IFRS in certain areas. In preparing this report, management therefore supplemented previously applied valuation and accounting principles and the principles for preparing the consolidated accounts to comply with IFRS. The most significant difference is that, effective January 1, 2005, Boss Media reports a large amount of its assets and liabilities at fair value, instead of the earlier method of reporting the lower of acquisition and fair values. Comparative figures will not be recalculated in accordance with IAS 39, but transitional effects will be reported as an adjustment of the opening balance for 2005. Otherwise, there were no significant differences in the transition from the accounting principles applied previously to the new IFRS principles.

IFRS 1 offers opportunities to apply ten exceptions during the introduction of IFRS. Boss Media has decided to use two of the exceptions:

- Comparison figures concerning financial instruments will not be recalculated in accordance with IAS 39.
- Accumulated differences arising from translations of foreign operations in the Group will be zeroed out in the transition to IFRS.

The application of IFRS did not result in any other significant changes in the consolidated accounting principles. For a description of the Group's other accounting principles, see the Annual Report for 2004.

In other respects, the parent company applies the Swedish Financial Accounting Standards Council's new recommendation 32 from January 1, 2005. Its application had no effect with respect to the income statement or the balance sheet.

## CONSOLIDATED INCOME STATEMENT SUMMARY

SEK million	Apr-June 2005	Apr-June 2004	Jan-June 2005	Jan-June 2004	July-June 2004/2005	Jan-Dec 2004
Net sales	53.7	56.2	109.2	103.7	218.5	213.0
Other operating income	0.2	0.3	0.4	10.9	3.1	13.6
External services	-5.9	-8.0	-12.0	-12.5	-21.9	-22.4
Other external costs	-21.1	-10.4	-37.1	-22.3	-63.6	-48.7
Personnel costs	-21.9	-18.2	-39.6	-35.4	-74.0	-69.8
Depreciations according to plan	-6.7	-4.5	-12.3	-9.5	-22.2	-19.5
Other operating expenses	-0.2	-0.2	-1.9	-0.8	-1.9	-0.8
<b>Operating profit/loss</b>	<b>-1.9</b>	<b>15.2</b>	<b>6.7</b>	<b>34.1</b>	<b>38.0</b>	<b>65.4</b>
Result from ass. companies	17.0	-	17.0	-	24.4	7.4
Financial items	-4.6	0.2	-2.6	4.4	-2.2	4.8
<b>Profit/loss after financial items</b>	<b>10.5</b>	<b>15.4</b>	<b>21.1</b>	<b>38.5</b>	<b>60.2</b>	<b>77.6</b>
Tax on profit for the period	3.9	-4.3	0.8	-10.9	-10.3	-22.1
<b>Net profit/loss for the period</b>	<b>14.4</b>	<b>11.1</b>	<b>21.9</b>	<b>27.6</b>	<b>49.9</b>	<b>55.5</b>
<b>Earnings per share (SEK)</b>						
Before dilution	0.26	0.20	0.39	0.50	0.88	0.99
After full dilution	0.25	0.19	0.38	0.48	0.87	0.97
<b>Total number of shares (thousands)</b>						
Before dilution, end of period	56,547	55,500	56,547	55,500	56,547	55,924
After full dilution, end of period	57,150	57,150	57,150	57,150	57,150	57,150
Average before dilution	56,429	55,500	56,239	55,500	55,978	55,619
Average after full dilution	57,150	57,150	57,150	57,150	57,150	57,150

## CONSOLIDATED BALANCE SHEET SUMMARY

SEK million	June 30, 2005	June 30, 2004	December 31, 2004
<b>Assets</b>			
Intangible fixed assets	113.7	29.0	42.6
Tangible fixed assets	29.7	10.5	19.7
Financial fixed assets	10.2	1.2	17.6
<b>Total fixed assets</b>	<b>153.6</b>	<b>40.7</b>	<b>79.9</b>
Accounts receivables	33.6	41.7	83.1
Income tax receivables	12.1	-	3.4
Other receivables	75.7	18.4	32.2
Prepaid expenses and accrued income	26.9	32.4	29.2
Investments	24.2	29.2	30.0
Cash and bank balances	85.2	159.1	104.4
<b>Total current assets</b>	<b>257.7</b>	<b>280.8</b>	<b>282.3</b>
<b>Total assets</b>	<b>411.3</b>	<b>321.5</b>	<b>362.2</b>
<b>Shareholders' equity and liabilities</b>			
Restricted equity	182.3	123.9	154.0
Non-restricted equity	73.7	70.6	70.7
<b>Total shareholders' equity</b>	<b>256.0</b>	<b>194.5</b>	<b>224.7</b>
<b>Provisions</b>			
Advance payment from customers	4.1	4.9	3.6
Accounts payable	26.3	12.3	11.5
Income tax liabilities	-	7.8	-
Other liabilities	81.2	64.9	81.0
Accrued expenses and deferred income	24.0	23.8	18.5
<b>Total non interest-bearing liabilities</b>	<b>135.6</b>	<b>113.7</b>	<b>114.6</b>
<b>Total shareholders' equity and liabilities</b>	<b>411.3</b>	<b>321.5</b>	<b>362.2</b>

## CHANGE IN SHAREHOLDERS' EQUITY

SEK million	June 30, 2005	June 30, 2004	December 31, 2004
Opening balance	224.7	166.5	166.5
Effects of transition to IFRS*	2.3	-	-
New share issue	6.6	-	4.5
Dividend	-	-	-
Translation differences	0.5	0.4	-1.8
Profit for the period	21.9	27.6	55.5
<b>Closing balance</b>	<b>256.0</b>	<b>194.5</b>	<b>224.7</b>

\* 2005 pertains to IAS 32 and IAS 39.

## CONSOLIDATED CASH FLOW STATEMENT SUMMARY

SEK million	Jan-June 2005	Jan-June 2004	Jan-Dec 2004
<b>Operating activities</b>			
Operating profit	6.7	34.1	65.4
Reversal of items not affecting cash flow	12.6	11.6	16.5
Interest received	0.2	0.6	2.8
Other financial items	3.8	1.4	2.3
Income tax	-9.9	-4.9	-17.9
<b>Cash flow from operating activities before changes in working capital</b>	<b>13.4</b>	<b>42.8</b>	<b>69.1</b>
Changes in working capital	29.4	-32.9	-73.5
<b>Cash flow from operating activities</b>	<b>42.8</b>	<b>9.9</b>	<b>-4.4</b>
<b>Cash flow from investing activities</b>	<b>-70.3</b>	<b>-11.2</b>	<b>-54.1</b>
<b>Cash flow from financing activities</b>	<b>6.6</b>	<b>-</b>	<b>4.5</b>
<b>Cash flow for the period</b>	<b>-20.9</b>	<b>-1.3</b>	<b>-54.0</b>
Liquid funds, opening balance	104.5	158.7	158.7
Exchange rate differences in liquid funds	1.6	1.7	-0.2
<b>Liquid funds, closing balance</b>	<b>85.2</b>	<b>159.1</b>	<b>104.5</b>

## KEY RATIOS\*

	Jan-June 2005	Jan-June 2004	Jan-June 2003	Jan-Dec 2004
Operating margin, %	6.1	32.9	11.7	30.7
Profit margin, %	19.3	37.1	21.3	36.4
Return on shareholders' equity, %	6.3	15.0	7.0	27.9
Return on capital employed, %	10.0	21.2	9.9	38.9
Equity/assets ratio, %	62	60	68	62
Cap. development expenditure/net sales, %	35	7	12	13
Number of employees, end of period	139	123	90	134
Earnings per share, SEK	0.38	0.5	0.1	0.97
Shareholders' equity per share, SEK	4.48	3.4	2.6	3.93
Net sales per share, SEK	1.91	1.8	1.2	3.73
Share price, end of period, SEK	27.70	20.3	6.0	23.30
Share price/shareholders' equity per share, times	6	6	2	6
Share price change during the period, %	19	-16	46	-3
Turnover rate, %	193	162	59	127
No. shares traded per trading day, thousands	430	342	123	270

\* After full dilution and tax. Key ratio definitions are presented on page 63 of Boss Medias Annual Report 2003.

## QUARTERLY FIGURES

### Consolidated Income Statement Summary

SEK million	Q2	2005				2004				2003		2002
		Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	
Net sales	53.7	55.5	55.8	53.5	56.2	47.5	32.5	33.7	34.2	32.0	28.2	
Other operating income	0.2	0.2	2.0	0.7	0.3	10.5	43.8	-	-	-	-0.1	
External services	-5.9	-6.1	-3.5	-6.4	-8.0	-4.5	-1.4	-0.8	-0.6	-1.6	-3.3	
Other external costs	-21.1	-16.0	-15.3	-11.1	-10.4	-11.8	-27.6	-9.1	-10.4	-11.0	-11.0	
Personnel costs	-21.9	-17.7	-18.1	-16.3	-18.2	-17.2	-14.7	-11.2	-13.1	-11.6	-11.6	
Depreciations according to plan	-6.7	-5.7	-5.5	-4.5	-4.5	-5.0	-7.3	-4.5	-4.6	-4.6	-4.2	
Other operating expenses	-0.2	-1.6	0.1	-0.1	-0.2	-0.6	1.6	-0.7	-0.5	-0.4	-0.6	
<b>Operating profit/loss</b>	<b>-1.9</b>	<b>8.6</b>	<b>15.5</b>	<b>15.8</b>	<b>15.2</b>	<b>18.9</b>	<b>26.9</b>	<b>7.4</b>	<b>5.0</b>	<b>2.8</b>	<b>-2.6</b>	
Result from associated companies	17.0	-	0.7	6.7	-	-	-	-	-	-	-	
Financial items	-4.6	2.0	0.2	0.2	0.2	4.2	1.0	0.8	3.1	3.2	2.7	
<b>Profit/loss after financial items</b>	<b>10.5</b>	<b>10.6</b>	<b>16.4</b>	<b>22.7</b>	<b>15.4</b>	<b>23.1</b>	<b>27.9</b>	<b>8.2</b>	<b>8.1</b>	<b>6.0</b>	<b>0.1</b>	
Tax on profit for the period	3.9	-3.1	-4.7	-6.5	-4.3	-6.6	-7.9	-2.4	-2.3	-1.8	-0.2	
<b>Net profit/loss for the period</b>	<b>14.4</b>	<b>7.5</b>	<b>11.7</b>	<b>16.2</b>	<b>11.1</b>	<b>16.5</b>	<b>20.0</b>	<b>5.8</b>	<b>5.8</b>	<b>4.2</b>	<b>-0.1</b>	

### Consolidated Balance Sheet Summary

SEK million	06/30	2005				2004				2003		2002
		03/31	12/31	09/30	06/30	03/31	12/31	09/30	06/30	03/31	12/31	
<b>Assets</b>												
Fixed assets	153.6	92.7	80.8	60.2	40.7	39.0	39.6	39.8	38.3	35.5	36.3	
Other current assets	148.3	170.9	147.9	117.6	92.5	66.4	44.0	57.1	52.7	55.1	45.7	
Investments	24.2	34.9	29.1	29.1	29.2	28.7	27.7	27.7	27.7	30.7	29.7	
Cash and bank balances	85.2	98.6	104.4	138.6	159.1	163.5	158.7	109.3	97.6	91.4	82.3	
<b>Total assets</b>	<b>411.3</b>	<b>397.1</b>	<b>362.2</b>	<b>345.5</b>	<b>321.5</b>	<b>297.6</b>	<b>270.0</b>	<b>233.9</b>	<b>216.3</b>	<b>212.7</b>	<b>194.0</b>	
<b>Equity and liabilities</b>												
Shareholders' equity	256.0	238.9	224.7	212.8	194.5	183.5	166.5	151.9	147.0	142.7	139.4	
Non interest-bearing liabilities and provisions	155.3	158.2	137.5	132.7	127.0	114.1	103.5	82.0	69.3	70.0	54.6	
<b>Total equity and liabilities</b>	<b>411.3</b>	<b>397.1</b>	<b>362.2</b>	<b>345.5</b>	<b>321.5</b>	<b>297.6</b>	<b>270.0</b>	<b>233.9</b>	<b>216.3</b>	<b>212.7</b>	<b>194.0</b>	

### Consolidated Cash Flow Statement

SEK million	06/30	2005				2004				2003		2002
		03/31	12/31	09/30	06/30	03/31	12/31	09/30	06/30	03/31	12/31	
Operating activities	31.7	11.1	-9.5	-4.9	3.0	7.0	56.3	18.6	15.6	14.2	15.8	
Investing activities	-49.9	-20.4	-25.7	-17.2	-6.3	-4.9	-7.2	-6.3	-7.9	-4.1	-3.8	
Financing activities	3.6	3.0	2.1	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>Cash flow for the period</b>	<b>-14.6</b>	<b>-6.3</b>	<b>-33.1</b>	<b>-19.7</b>	<b>-3.3</b>	<b>2.1</b>	<b>49.1</b>	<b>12.3</b>	<b>7.7</b>	<b>10.1</b>	<b>12.0</b>	
Liquid funds, opening balance	98.7	104.5	138.6	159.1	163.5	158.7	109.3	97.6	91.4	82.3	70.6	
Exchange rate differences	1.1	0.5	-1.0	-0.8	-1.1	2.7	0.3	-0.6	-1.5	-1.0	-0.3	
<b>Liquid funds, closing balance</b>	<b>85.2</b>	<b>98.7</b>	<b>104.5</b>	<b>138.6</b>	<b>159.1</b>	<b>163.5</b>	<b>158.7</b>	<b>109.3</b>	<b>97.6</b>	<b>91.4</b>	<b>82.3</b>	

**Forthcoming financial reports**

The company will publish financial information for 2005 in accordance with the following schedule:

- Interim Report 9 months, October 26, 2005
- Year-end Report 2005, February 10, 2006

Boss Media AB (publ)  
Växjö, August 12, 2005

Peter Bertilsson  
President and CEO

**For more information, contact:**

Peter Bertilsson, President and CEO  
Phone: +46 (0)709 93 25 54 or + 46 (0)470 70 30 00  
E-mail: pbe@bossmedia.se

**For questions of financial character, contact:**

Markus Holm, Vice President and CFO  
Phone: +46 (0)709 53 05 85 or + 46 (0)470 70 30 00  
E-mail: mh@bossmedia.se

*This report has not been the subject of a comprehensive auditor's examination.*