

# PROBI AB INTERIM REPORT

## 1 January 2012 – 31 March 2012

## 28% GROWTH IN FIRST QUARTER

### FIRST QUARTER 2012

- **NET SALES** amounted to MSEK 30.6 (23.9).
- **OPERATING PROFIT** totalled MSEK 8.5 (6.8).
- **PROFIT AFTER TAX** amounted to MSEK 6.4 (5.1).
- **PROFIT AFTER TAX PER SHARE** was 0.71 SEK (0.55).
- **TOTAL CASH FLOW** was MSEK 9.7 (-4.7).

### SIGNIFICANT EVENTS DURING THE FIRST QUARTER:

- Probi signed a distribution agreement with USV Limited of India pertaining to the launch of stomach capsules based on ProbiDigestis, Probi's product platform for gastrointestinal health.
- Income in Functional Food increased 6% to MSEK 16.6 (15.7).
- Income in Consumer Healthcare increased 73% to MSEK 14.4 (8.3).

### SIGNIFICANT EVENTS AFTER THE CLOSE OF THE PERIOD:

- Probi signed an agreement with H.J. Heinz of Australia for the launch of probiotic juice based on ProbiDefendum, Probi's product platform for the immune system.

### CEO'S COMMENTS:

"Q1 income of slightly more than MSEK 30 represents the highest level to date in a single quarter. Our continued strong growth in Consumer Healthcare demonstrates that our strategy to focus resources on developing this market is correct. Our new agreement in the major and expanding Indian market will generate additional opportunities. Combined with this, we are focusing on strengthening our organisation to cope with continued international expansion. We are also very proud of our agreement with Heinz, entailing the launch of a completely new product category in the Australian juice market," says Michael Oredsson, CEO of Probi.

### FOR FURTHER INFORMATION, PLEASE CONTACT:

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*This type of information is such that Probi AB must disclose in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication on 26 April 2012 at 11:30 a.m.*

*This is a translation of the Swedish version of the interim report. When in doubt, the Swedish wording prevails.*

### ABOUT PROBI

Probi is a leading player in probiotic research and development of effective and well-documented probiotics. The research areas are: the gastrointestinal tract, immune system, metabolic syndrome, as well as stress and recovery. Probi's customers are leading companies in the Functional Food and Consumer Healthcare segments. Total income for 2011 was MSEK 95.0. Probi's share is listed on Nasdaq OMX Stockholm, Small Cap. Probi has approximately 4,500 shareholders, Read more on [www.probi.se](http://www.probi.se).



## ABOUT THE OPERATIONS

Probi continues to display healthy growth. Net sales in the first quarter of 2012 rose MSEK 6.7, or 28%, to MSEK 30.6 (23.9). Consumer Healthcare accounted for most of the increase.

Operating profit in the first quarter rose MSEK 1.7, or 25%, to MSEK 8.5 (6.8).

During the first quarter, Probi signed a distribution agreement with USV Limited, which will strengthen Probi's position in the Indian market. During the fourth quarter of 2012, USV will launch Vibact IBS, which is based on Probi's product platform for gastrointestinal health, ProbiDigestis.

Following the close of the report period, an agreement was signed with H. J. Heinz of Australia for the launch of probiotic juice in Australia. The product range is based on ProbiDefendum, Probi's product platform for the immune system. The launch in Australia is scheduled for the second quarter of 2012.

As a step in Probi's growth strategy, the organisation is being strengthened in 2012. During the first quarter, Probi recruited Gun-Britt Fransson as Vice President Research and Development and member of the executive management team. A Product Developer was also recruited. The marketing and sales organisation will be expanded during the year to facilitate broader market cultivation, primarily markets with major growth potential in Consumer Healthcare.

## SALES AND COSTS

Probi's net sales in the first quarter amounted to MSEK 30.6 (23.9). The total increase was MSEK 6.7 (15.6), or 28%. Net sales in the Functional Food business area amounted to MSEK 16.5 (15.6), while net sales in the Consumer Healthcare business area rose MSEK 5.9, or 72%, to MSEK 14.1 (8.2).

Royalties from ProViva amounted to MSEK 11.7 (11.9), on par with the first quarter of 2011, which was the best quarter to date since ProViva's launch. Compared with the fourth quarter of 2011, the increase was 11%. Income for the first quarter also included royalties of MSEK 3.8 (2.9) from NextFoods, according to the applicable agreement for retaining the licensing rights for *Lp299v* in the North American market.

Growth in Consumer Healthcare was largely driven by deliveries of capsules based on *Lp299v* to Pharmavite in the US, with whom Probi entered into an agreement in the third quarter of 2011, and continued positive sales trends for ProbiMage and ProbiFrisk. Total income from these products, through the Bringwell partnership in the Nordic market, increased 88% to MSEK 5.6 (3.0) in the first quarter compared with the year-earlier period.

Operating expenses amounted to MSEK 22.4 (17.2). The MSEK 5.2 increase derived primarily from costs for goods resulting from the higher sales. Personnel expenses also rose compared with the year-earlier period.

### Distribution of operating income:

KSEK	Q1 2012	Q1 2011	Full-year 2011
Sales, goods	12,143	5,581	36,399
Royalty, licenses, etc.	18,493	18,280	57,980
<b>Net sales</b>	<b>30,636</b>	<b>23,861</b>	<b>94,379</b>
Other operating income	286	120	630
<b>Total operating income</b>	<b>30,922</b>	<b>23,981</b>	<b>95,009</b>

### Profit after tax

Profit after tax for the quarter amounted to MSEK 6.4 (5.1). Tax expenses totalled MSEK 2.4 (1.9).

### Earnings per share

Earnings per share for the quarter amounted to SEK 0.71 (0.55), up 29%.

### Buyback of own shares

During 2011, Probi bought back company shares supported by authorisation received from Annual General Meetings in 2010 and 2011. A total of 250,000 shares were bought back in 2011, valued at MSEK 11.8. At the end of the period, Probi had 250,000 treasury shares, corresponding to 2.7% of the total number of shares, with a quotient value of SEK 5.00 per share.

### Cash flow

Total cash flow for the quarter amounted to MSEK 9.7 (neg: 4.7) and cash and cash equivalents at the end of the quarter to MSEK 85.9 (85.1). Compared with the year-earlier period, cash flow from operating activities during the quarter rose MSEK 8.6 to MSEK 11.8 (3.2).

### Investments

During the quarter, investments in intangible fixed assets amounted to MSEK 1.8 (0.6), of which MSEK 0.5 (0.3) pertained to patents and MSEK 1.3 (0.3) to capitalised development costs. Investments in tangible fixed assets amounted to MSEK 0.4 (0.5).

Probi invests in prioritised research and development projects to secure long-term growth. The R&D proportion of total costs, excluding goods for sale and depreciation, was 31% (34). This proportion would increase to 36% (35) if the development costs that were capitalised during the year were included.

## SEGMENT INFORMATION

### General information

Probi's business operations are organised in two business segments, each with their own operational manager: Functional Food and Consumer Healthcare, previously called Dietary Supplements. Probi decided to rename the business area as of 2012, since the new name better reflects the company's products and how they are perceived by consumers. The products' regulatory status is either food or consumer healthcare products depending on geographic market, and they are generally perceived as healthcare products by consumers.

The Functional Food segment focuses on developing food that provides positive health benefits. This is achieved in partnership with leading food companies, in order to commercialise and market products with high volume potential.

The Consumer Healthcare segment focuses on developing, marketing and selling Probi probiotics in cooperation with healthcare companies and other companies that specialise in probiotics and health and wellness products under Probi's proprietary brands or those of its partners.

There were no business transactions between the two segments.

### Operating income per segment, Q1:

KSEK	Q1 2012			Q1 2011			Full-year 2011		
	FF	CHC	Total	FF	CHC	Total	FF	CHC	Total
Operating income	16,562	14,360	30,922	15,692	8,289	<b>23,981</b>	49,694	45,315	<b>95,009</b>
Operating expense	-8,938	-13,509	-22,447	-8,777	-8,444	<b>-17,221</b>	-35,376	-41,836	<b>-77,212</b>
<b>Operating profit/loss</b>	<b>7,624</b>	<b>851</b>	<b>8,475</b>	<b>6,915</b>	<b>-155</b>	<b>6,760</b>	<b>14,318</b>	<b>3,479</b>	<b>17,797</b>

FF= Functional Food CHC= Consumer Healthcare

The largest portion of the cost increase in the Consumer Healthcare business area compared with 2011 was due to cost of goods deriving from higher sales. As part of Probi's expansion in Consumer Healthcare, some internal resources were also transferred to the business area, resulting in a corresponding decrease in costs in Functional Food.

#### Operating income distributed by geographic markets:

KSEK	Q1 2012	Q1 2011	Full-year 2011
Nordic region	18,291	15,483	66,866
Rest of Europe	1,258	872	7,598
North America	7,208	3,854	7,304
Rest of the world	4,165	3,772	13,241
<b>Total</b>	<b>30,922</b>	<b>23,981</b>	<b>95,009</b>

The first-quarter increase in income in the Nordic region resulted from the 88% year-on-year rise in income from ProbiMage and ProbiFrisk. Income in North America rose primarily through deliveries to Pharmavite. In addition, royalties from NextFoods to retain the license rights to *Lp299v* in the North American market were MSEK 0.9 higher than in the year-earlier period.

#### Functional Food

Following the end of the report period, Probi announced that H.J. Heinz of Australia will be launching the first probiotic juice in the Australian market. This is Probi's first launch of probiotic juice outside Sweden and the juice is also the first dairy-free probiotic food in the Australian market. The launch of the product, which will be marketed under the *Golden Circle Healthy Life* brand, is scheduled for the second quarter of 2012. The product range is based on ProbiDefendum, Probi's product platform for the immune system. Probi Defendum is a probiotic platform based on a combination of two strains – *Lactobacillus plantarum* HEAL9 and *Lactobacillus paracasei* 8700:2 – which have demonstrated, in two comprehensive clinical studies, the ability to prevent colds, considerably reduce cold symptoms and shorten the duration of a cold. The ProbiDefendum ingredients brand will be clearly exposed on the front of the package. Prior to the launch, Probi and Heinz conducted a joint development effort that resulted in a technology that facilitates aseptic dosage of the bacteria in the filling line.

#### Consumer Healthcare

During the first quarter of 2012, Probi took an important step in its continued expansion of Consumer Healthcare through a distribution agreement in the Indian market, which is deemed to have significant growth potential. Probi's new business partner, USV Limited, is a leading Indian pharmaceutical company that is also active in such key markets as Europe and the US. USV is market leader in India in diabetes, cardiology and probiotics. Probi's capsules are based on the *Lactobacillus Plantarum* 299v bacteria strain and will be launched in the fourth quarter of 2012 under the Vibact IBS brand. Probi's logo and ingredients' brand, ProbiDefendum, will have a prominent position on the package. The product is directed particularly at individuals suffering from IBS-related symptoms, such as bloated stomachs, gas and constipation, which are common among the Indian population. The Rosell Institute has already signed a distribution agreement encompassing Probi's LP299v-capsule with Aristo Pharmaceutical and Ranbaxy in India. These agreements will not be affected by the new agreement and only limited overlapping is anticipated.

Following the successful launch of the Nordic partnership with Bringwell, Probi continued its work with the aim of implementing a similar business model in a few more European markets. Within the near future, Probi expects to announce the first market outside the Nordic region where products will be launched according this model.

#### RESEARCH AND DEVELOPMENT

Probi's focus on the regulatory challenges for probiotics and the company's health claims in Europe remain intense. As part of efforts in this area, Probi participates in Global Alliance for Probiotics (GAP). GAP is a non-commercial industrial organisation with a focus on the regulatory situation in the EU. The objective of the operation is to find solutions to facilitate making health claims for probiotics in the EU. The way the work is conducted includes actively searching for communication with the EFSA (European Food Safety Authority), the EU Commission, EU's member states and other relevant parties. In addition to Probi, GAP includes the

following companies active in the probiotics industry: Christian Hansen, Danisco, Lallemand/Institute Rosell, Danone, Yakult and Valio.

During the first quarter of the year, Probi's work to implement the two major clinical studies in the areas of gastrointestinal health and the immune system continued as planned. Recruitment of test subjects for the gastrointestinal health study was resumed as scheduled at the beginning of the year and the active phase of the immune system study was initiated. The aim of both studies is to supplement earlier prepared clinical documentation, which will be included in applications to the EFSA in 2012 covering health claims under Article 13.5.

Probi has also become an industrial partner in a project financed by TvärLivs (Formas), led by Professor Bengt Jeppsson, at the Institution for Clinical Sciences in Malmö, Lund University. The aim of the project is to examine potentially anti-inflammatory effects of probiotics and fruit-based food in the elderly population.

## **EMPLOYEES**

At the end of the period, Probi had 22 employees, 14 women and eight men. The average number of employees was 21 (19).

Company management was strengthened by the appointment of Gun-Britt Fransson as Vice President Research and Development. Gun-Britt Fransson was formerly President of Alligator Bioscience AB and held senior R&D positions at Procordia and Orkla.

In addition, Malin Björklund was recruited as Product Developer at Probi. Malin Björklund had previously spent six years at ArlaFoods' Innovation centre working on product and process-related development and technology projects and joins us from a position as Product Developer at Dr. PersFood.

## **RELATED-PARTY TRANSACTIONS**

During the first quarter of 2012, Board member Jan Nilsson, via Altherioco AB, invoiced fees of SEK 60,000 (60,000) pertaining to Probi's Scientific Advisory Board.

No additional significant related-party transactions occurred during 2012.

## **EVENTS AFTER THE CLOSE OF THE REPORT PERIOD**

After the close of the report period, an agreement was concluded with H.J. Heinz of Australia covering the launch of the first probiotic juice in Australia. For additional information, reference is made to the Functional Food section on page 4.

## **SIGNIFICANT RISKS AND UNCERTAINTIES**

The risks and uncertainties to which Probi's operations are exposed are described on pages 18-19 of the 2011 Annual Report. At 31 March 2012, no significant changes are considered to have occurred to these risks or uncertainties.

## **CALENDAR**

Interim report, Q2 2012	16 August 2012
Interim report, Q3 2012	18 October 2012
Year-end report 2012	24 January 2013

## ACCOUNTING AND MEASUREMENT POLICIES

### The Group

The consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Supplementary accounting regulations for Groups – January 2012, as well as the Financial Reporting Standards (IFRS) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) approved by the EU. This interim report was prepared in accordance with IAS34 Interim Reporting and the Swedish Annual Accounts Act.

The accounting policies that were applied when these consolidated financial statements were prepared were consistent for all presented periods, unless otherwise stated. The complete accounting policies can be found on pages 54-57 of the 2011 Annual Report.

The functional currency of the Parent Company is SEK, which is also the reporting currency for both the Parent Company and the Group. All amounts stated have been rounded off to the nearest thousand SEK, unless otherwise stated.

Amounts and figures in parentheses pertain to comparative figures for the year-earlier period. Amounts are stated in Swedish kronor (SEK), thousands of Swedish kronor (KSEK) or millions of Swedish kronor (MSEK) according to what is stated.

### Parent Company

The Parent Company applies the same accounting policies as the Group, with the exceptions and supplements stipulated in RFR 2 Accounting for legal entities – January 2012. The interim report complies with the Swedish Annual Accounts Act.

## ASSURANCE BY THE BOARD OF DIRECTORS

The Board of Directors and CEO give their assurance that this interim report provides a fair and accurate view of the Parent Company's and the Group's operations, financial position and earnings, and describes the risks and uncertainties facing the Parent Company and the Group.

Lund, 26 April 2012

Per Lundin  
*Chairman of the Board*

Benedicte Fossum  
*Board member*

Mats Lidgard  
*Board member*

Jan Nilsson  
*Board member*

Eva Redhe Ridderstad  
*Board member*

Michael Oredsson *Board member*  
CEO





## AUDITORS' REVIEW REPORT

### Introduction

We have conducted a review of the financial statements for Probi AB (publ) as of 31 March 2012 and the three-month period that concluded on this date. The Board of Directors and the Chief Executive Officer are responsible for the preparation and presentation of this financial statement in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this financial statement based on our review.

### Focus and scope of the review

We conducted our review in accordance with the Standard on Review Engagements SÖG 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by FAR SRS. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and significantly less scope than an audit in accordance with International Standards on Auditing, ISA, and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that would have been identified if an audit had been conducted. Accordingly, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statement has not, in all material respects, been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act.

Malmö, 26 April 2012

Deloitte AB

Per-Arne Pettersson  
Authorized Public Accountant

*This is a translation of the Swedish version of the auditors' review report. When in doubt, the Swedish wording prevails.*

**Probi AB (publ)****Statement of comprehensive income, group and parent company**

	<b>Q1</b>	<b>Q1</b>	<b>Full-year</b>
	<b>2012</b>	<b>2011</b>	<b>2011</b>
Currency: KSEK			
<b>Operating revenue</b>			
Net sales	30 636	23 861	94 379
Other revenue	<u>286</u>	<u>120</u>	<u>630</u>
<b>Total operating revenue</b>	<b>30 922</b>	<b>23 981</b>	<b>95 009</b>
<b>Operating expenses</b>			
Cost of goods sold	-5 612	-1 824	-16 833
Employee benefit expenses	-6 447	-5 136	-21 174
Other external costs	-8 841	-8 752	-30 258
Depreciation and impairment of fixed assets	<u>-1 547</u>	<u>-1 509</u>	<u>-8 947</u>
<b>Total operating expenses</b>	<b>-22 447</b>	<b>-17 221</b>	<b>-77 212</b>
<b>Operating income</b>	<b>8 475</b>	<b>6 760</b>	<b>17 797</b>
Financial income	532	419	2 138
Financial expenses	<u>-220</u>	<u>-174</u>	<u>-430</u>
<b>Profit before taxes</b>	<b>8 787</b>	<b>7 005</b>	<b>19 505</b>
Tax on profit	<u>-2 352</u>	<u>-1 906</u>	<u>-5 312</u>
<b>Net income</b>	<b>6 435</b>	<b>5 099</b>	<b>14 193</b>
Other comprehensive income	-	-	-
<b>Total comprehensive income</b>	<b>6 435</b>	<b>5 099</b>	<b>14 193</b>
No. of shares	9 115 300	9 215 300	9 115 300
No. of shares average	9 115 300	9 326 206	9 210 115
Earnings per share based on net income before and after dilution, SEK	0,71	0,55	1,54

All subsidiaries are dormant; therefore the income statements of the group and the parent company are identical. Net income and Total comprehensive income are attributable in their entirety to the Parent Company's shareholders. The company currently has no outstanding convertible loans or outstanding warrants, so no dilution effect can be recognised.



**Probi AB (publ), Group**

<b><u>Consolidated statement of financial position</u></b>	<b>2012-03-31</b>	<b>2011-03-31</b>	<b>2011-12-31</b>
<b>Assets</b>			
<b>Fixed assets</b>			
Capitalised development expenses	6 520	3 794	5 336
Patents and licenses	9 704	12 276	10 316
Goodwill	2 762	2 762	2 762
Equipment, tools and fixtures	3 223	3 806	3 265
Deferred tax assets	-	<u>2 805</u>	-
<b>Total fixed assets</b>	<b>22 209</b>	<b>25 443</b>	<b>21 679</b>
<b>Current assets</b>			
Inventories	3 631	3 015	4 404
Current receivables	25 590	18 021	27 145
Cash and cash equivalents	<u>85 918</u>	<u>85 080</u>	<u>76 202</u>
<b>Total current assets</b>	<b><u>115 139</u></b>	<b><u>106 116</u></b>	<b><u>107 751</u></b>
<b>Total assets</b>	<b>137 348</b>	<b>131 559</b>	<b>129 430</b>
<b>Equity and liabilities</b>			
Equity	122 584	121 183	116 149
Current liabilities	<u>14 764</u>	<u>10 376</u>	<u>13 281</u>
<b>Total equity and liabilities</b>	<b>137 348</b>	<b>131 559</b>	<b>129 430</b>

<b><u>Parent company statement of financial position</u></b>	<b>2012-03-31</b>	<b>2011-03-31</b>	<b>2011-12-31</b>
<b>Assets</b>			
<b>Fixed assets</b>			
Capitalised development expenses	6 520	3 794	5 336
Patents and licenses	9 704	12 276	10 316
Equipment, tools and fixtures	3 223	3 806	3 265
Participation in Group companies	4 031	4 031	4 031
Deferred tax assets	-	<u>2 805</u>	-
<b>Total fixed assets</b>	<b>23 478</b>	<b>26 712</b>	<b>22 948</b>
<b>Current assets</b>			
Inventories	3 631	3 015	4 404
Current receivables	25 590	18 021	27 145
Cash and cash equivalents	<u>85 918</u>	<u>85 080</u>	<u>76 202</u>
<b>Total current assets</b>	<b><u>115 139</u></b>	<b><u>106 116</u></b>	<b><u>107 751</u></b>
<b>Total assets</b>	<b>138 617</b>	<b>132 828</b>	<b>130 699</b>
<b>Equity and liabilities</b>			
Equity	119 817	118 416	113 382
Long-term liabilities	4 036	4 036	4 036
Current liabilities	<u>14 764</u>	<u>10 376</u>	<u>13 281</u>
<b>Total equity and liabilities</b>	<b>138 617</b>	<b>132 828</b>	<b>130 699</b>

**Probi AB (publ), Group**

Currency: KSEK

**Changes in shareholders' equity**

	Share capital	Other contributions received	Result brought forward	Total equity
<b>Reporting period 2011-01-01 – 2011-03-31</b>				
Opening balance 2011-01-01	46 827	92 607	-16 449	122 985
Total comprehensive income			5 099	5 099
Repurchase treasury shares		-6 901		-6 901
<b>Equity 2011-03-31</b>	<b>46 827</b>	<b>85 706</b>	<b>-11 350</b>	<b>121 183</b>
<b>Reporting period 2012-01-01 – 2012-03-31</b>				
Opening balance 2012-01-01	46 827	71 578	-2 256	116 149
Total comprehensive income			6 435	6 435
<b>Equity 2012-03-31</b>	<b>46 827</b>	<b>71 578</b>	<b>4 179</b>	<b>122 584</b>

**Statement of cash flows**

	Q1 2012	Q1 2011	Helår 2011
<b>Operating activities</b>			
Profit before tax	8 787	7 005	19 505
Depreciation/amortisation	1 547	1 509	8 947
Capital gains/losses from disposal of tangible fixed assets	-34	18	-35
Income tax paid	<u>-1 133</u>	<u>-171</u>	<u>-732</u>
<b>Cash flow from operating activities before changes in working capital</b>	<b>9 167</b>	<b>8 361</b>	<b>27 685</b>
Change in inventories	773	-752	-2 141
Change in operating receivables	2 081	-2 844	-11 968
Change in operating liabilities	<u>-262</u>	<u>-1 585</u>	<u>1 280</u>
<b>Cash flow from operating activities</b>	<b>11 759</b>	<b>3 180</b>	<b>14 856</b>
<b>Investing activities</b>			
Acquisition of intangible fixed assets	-1 836	-642	-6 713
Acquisition of tangible fixed assets	-368	-469	-917
Disposal of tangible fixed assets	<u>161</u>	<u>150</u>	<u>242</u>
<b>Cash flow from investing activities</b>	<b>-2 043</b>	<b>-961</b>	<b>-7 388</b>
<b>Financing activities</b>			
Repurchase treasury shares	-	-6 901	-11 813
Dividend to shareholders	=	=	<u>-9 215</u>
<b>Cash flow from financing activities</b>	<b>-</b>	<b>-6 901</b>	<b>-21 028</b>
<b>Change in cash and cash equivalents</b>	<b>9 716</b>	<b>-4 682</b>	<b>-13 560</b>
Cash and cash equivalents at the beginning of the year	76 202	89 762	89 762
Cash and cash equivalents at end of the period	85 918	85 080	76 202
<b>Interest paid and received</b>			
Interest received	-	-	1 652
Interest paid	-	-	-1

**Probi AB (publ), Group**

Currency: KSEK

<b>Key ratios</b>	<b>Def.</b>	<b>2012-03-31</b>	<b>2011-03-31</b>	<b>2011-12-31</b>
Growth, %	1	28,4	50,1	17,4
R&D expenses as part of operating income, %		15	20	18
Average no. of employees		21	19	20
Assets		137 348	131 559	129 430
Working capital	2	100 375	95 740	94 470
<b>Financial data</b>				
Liquid ratio, %	3	755	994	778
Equity ratio, %	4	89,3	92,1	89,7
Degt/equity ratio, %	5	0,0	0,0	0,0
Equity per share, SEK		13,45	13,15	12,74
Cash flow per share, SEK		1,07	-0,51	-1,49
Share price, SEK		62,00	45,30	52,50
Market cap		565 149	417 453	491 678
<b>Profitability, %</b>				
Return on total assets	6	6,7	5,3	14,7
Return on equity	7	7,4	5,7	16,3
Operating margin	8	27,7	28,3	18,9
Net margin	9	28,7	29,4	20,7

**Definitions of key ratios**

1. Change in net sales (goods, royalty, licenses etc)
2. Total current assets minus current liabilities
3. Total current assets excluding inventories as a percentage of current liabilities
4. Equity as a percentage of balance sheet total
5. Interest-bearing liabilities as a percentage of equity
6. Operating income and interest income as a percentage of average total assets
7. Profit before tax as a percentage of average equity
8. Operating income as a percentage of net sales
9. Profit before tax as a percentage of net sales