

CONTINUED HIGH GROWTH AND STRONG EARNINGS IMPROVEMENT

SECOND QUARTER OF 2011

- **NET SALES** totalled MSEK 24.0 (16.0).
- **EBIT** amounted to MSEK 6.3 (2.7).
- **PROFIT AFTER TAX** amounted to MSEK 4.9 (2.1).
- **EARNINGS PER SHARE** amounted to SEK 0.53 (0.23).
- **TOTAL CASH FLOW** amounted to MSEK -7.9 (3.1). Probi paid dividends of MSEK 9.2.

FIRST SIX MONTHS OF 2011

- **NET SALES** totalled MSEK 47.9 (31.9).
- **EBIT** amounted to MSEK 13.0 (5.8).
- **PROFIT AFTER TAX** amounted to MSEK 10.0 (4.5).
- **EARNINGS PER SHARE** amounted to SEK 1.08 (0.48).
- **TOTAL CASH FLOW** amounted to MSEK -12.5 (4.8). Probi repurchased own shares for MSEK 6.9 and paid dividends of MSEK 9.2.

SIGNIFICANT EVENTS DURING THE SECOND QUARTER:

- Sales for Dietary Supplements rose 154 per cent, compared with the second quarter of 2010.
- The best quarter to date for Probi's dietary supplements in cooperation with Bringwell in the Nordic region.
- Royalty revenue from ProViva rose 4 per cent, compared with the year-earlier quarter.

CEO'S COMMENTS:

"Again during the second quarter sales increased 50 per cent and a significant earnings improvement was achieved compared with the year-earlier period. Our high growth continues and is based solely on revenue from Probi's current businesses. It is additionally gratifying that the Dietary Supplements business area reported the best quarter ever, both in terms of revenue and earnings. This proves that our strategy for Dietary Supplements is functioning well." says Michael Oredsson, CEO of Probi.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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The information is such that Probi AB must disclose in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act. This information was submitted for publication on 19 July 2011, at 8:45 am

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 the probiotic research and the development of efficient and well-documented probiotics. The research areas include: gastrointestinal tracts, immune system, metabolic syndrome and stress and recovery. Probi's customers are leading companies in the functional foods and dietary supplement business areas. Total income for 2010 was MSEK 81.1, of which the majority represented royalties. Probi's share is listed on the Nasdaq OMX Stockholm, Small Cap. Probi has approximately 4.200 shareholders. For more information, please visit www.probi.com.

ABOUT THE OPERATIONS

During the first half of 2011, Probi reported strong growth based solely on operating revenue from Probi's existing businesses. Net sales rose 50 per cent, or MSEK 16.0, compared with the first half of 2010, and amounted to MSEK 47.9 (31.9). Growth during the first six months of 2011 also resulted in a sharp earnings improvement. EBIT for the interim report period was MSEK 13.0 (5.8), up MSEK 7.2, year-on-year. Neither of the report periods contains any items affecting comparability.

Sales in the Dietary Supplements business area increased by MSEK 12.2, or 142 per cent, while sales in the Functional Food business area rose MSEK 3.8 or 17 per cent. Slightly more than half of the growth in Dietary Supplements was due to Probi's launch of ProbiMage and ProbiFrisk in cooperation with Bringwell in the Nordic market. ProViva demonstrated a continued positive trend and Probi's royalty revenue during the first six months of the year rose 7 per cent, compared with the year-earlier period.

A couple of years ago, Probi increased its focus on developing the Dietary Supplements business area. During the first half of 2011, the business area accounted for 43 per cent of Probi's total revenue. The corresponding portions for the full-years 2010 and 2009 were 32 and 25 per cent, respectively. This effort was implemented through distribution solutions and by establishing own brands. The latter model, in the form of the Bringwell partnership, has been highly successful and this business model will be developed further. During the first six months of 2011, Probi invested considerable resources in preparatory work to facilitate application of the model based on Probi's proprietary brands in additional markets in Europe, outside the Nordic region.

SALES AND COSTS

Report period, January-June 2011

Probi's net sales during the first six months of the year amounted to MSEK 47.9 (31.9). The total increase was MSEK 16.0, or 50 per cent, of which MSEK 12.2 pertained to Dietary Supplements and the remaining MSEK 3.8 to Functional Food.

The increase in Dietary Supplements was primarily attributable to the positive sales trend for ProbiMage and ProbiFrisk. The total revenue from the Bringwell partnership amounted to MSEK 8.6 (1.2) during the first half year. These products generated only minor revenue during the first six months of 2010, since the launch was implemented in late March. The remaining portion of the increase in Dietary Supplements was based on the positive volume trend for several of Probi's other business partners.

The largest portion of the increase in Functional Food derived from the payment of royalty revenue totalling MSEK 2.9 in March from NextFoods for retaining licensing rights in the North American market. In addition, the sales trend for ProViva remained positive during the first six months of the year and Probi's royalty revenue rose 7 per cent to MSEK 23.0 (21.5), compared with the year-earlier period.

Operating expenses amounted to MSEK 35.1 (26.1). The increase resulted from the Dietary Supplements business area and was primarily attributable to goods and media costs for ProbiMage and ProbiFrisk. Also during the first half year, Probi reported expenses in connection with preparatory work prior to the possible launch of dietary supplements in additional European markets outside the Nordic region.

Second quarter, April-June, 2011

Probi's net sales during the second quarter amounted to MSEK 24.0 (16.0). The total increase was MSEK 8.0, or 51 per cent, of which MSEK 7.5 pertained to Dietary Supplements and the remaining MSEK 0.5 pertained to Functional Food.

Net sales in Dietary Supplements amounted to MSEK 12.5 (4.9) and it is the first time in a single quarter that Dietary Supplements reported higher net sales than Functional Food. The increase in Dietary Supplements during the second quarter largely derived from revenue from ProbiMage and ProbiFrisk.

The increase in Functional Food resulted from the 4-per cent year-on-year increase in Probi's royalty revenue from ProViva to MSEK 11.2 (10.7).

Operating expenses amounted to MSEK 17.9 (13.3). The increase was due to the Dietary Supplements business area and mainly to goods and media expenses for ProbiMage and ProbiFrisk. In addition, costs connected to preparatory work prior to the possible launch of dietary supplements in additional European markets outside the Nordic region were also charged against the second quarter.

Distribution of operating revenue:

KSEK	Q2 2011	Q2 2010	Q1 – Q2 2011	Q1 – Q2 2010	Full-year 2010
Goods	9 476	2 975	15 057	5 704	18 479
Royalty, licenses, etc.	14 550	12 988	32 830	26 152	61 902
Net Sales	24 026	15 963	47 887	31 856	80 381
Other operating income	108	49	228	94	746
Total operating revenue	24 134	16 012	48 115	31 950	81 127

Profit after tax

Profit after tax amounted to MSEK 10.0 (4.5) for the first six months and to MSEK 4.9 (2.1) for the second quarter.

Tax expenses amounted to MSEK 3.7 (1.7) for the first half of 2011. This had no effect on liquidity since the year's taxable revenue was deductible against prior-year tax-loss carry-forwards.

Comprehensive income per share

Comprehensive income per share for the first six months of the year amounted to SEK 1.08 (0.48), up 125 per cent, and for the second quarter to SEK 0.53 (0.23).

Buyback of own shares

During the first quarter of 2011, Probi implemented a buyback of own shares in accordance with the authorisation from the Annual General Meeting on 22 April 2010. A total of 150,000 shares were acquired, corresponding to 1.6 per cent of the total number of shares outstanding, at a total value of MSEK 6.9. At the end of the report period, Probi had 150,000 treasury shares, with a quotient value of SEK 5 per share.

Cash flow

Total cash flow for the first six months of the year was a negative MSEK 12 (positive: 4.8) and cash and cash equivalents at the end of the report period amounted to MSEK 77.2 (76.5). During the first quarter, Probi implemented a buyback of own shares for a total of MSEK 6.9. During the second quarter, Probi paid dividends to shareholders amounting to MSEK 9.2 in accordance with the resolution passed at the Annual General Meeting in April 2011.

Cash flow from operating activities during the first six months of the year amounted to MSEK 6.9 (12.9). The decrease compared with the year-earlier period was primarily due to the accumulation of stocks of ProbiMage and ProbiFrisk for future deliveries in the third quarter. In addition, accounts receivables rose as a result of higher sales.

Investments

During the first half of 2011, investments in intangible assets amounted to MSEK 2.9 (2.8), of which MSEK 0.9 (0.9) pertained to patents and MSEK 2.0 (1.9) to capitalised development expenses. Investments in tangible fixed assets were MSEK 0.7 (0.8).

Probi invests in prioritised research and development projects to secure long-term growth. The R&D proportion of overall expenses, excluding raw materials and depreciation, was 34 per cent (38). This proportion would increase to 38 per cent (43) were development expenses capitalised during the year included.

SEGMENT INFORMATION

General information

Probi's business operations are organised in two business segments: Functional Food and Dietary Supplements, with separate managers of operations. The Functional Food segment focuses on commercialising Probi's probiotics together with food companies, to market food that gives positive health benefits in addition to the product's normal nutritional value. The Dietary Supplements segment focuses on commercialising Probi's probiotics together with dietary supplement companies, to market products that are designed to supplement a normal diet. There are no business transactions between the different segments.

Operating income per segment, Q2:

KSEK	Q2 2011			Q2 2010		
	FF	DS	Total	FF	DS	Total
Operating revenue	11 563	12 571	24 134	11 067	4 945	16 012
Operating expenses	-8 326	-9 547	-17 873	-8 774	-4 559	-13 333
Operating income	3 237	3 024	6 261	2 293	386	2 679

Operating income per segment, Q1 – Q2:

KSEK	Q1 - Q2 2011			Q1 - Q2 2010			Full-year 2010		
	FF	DS	Total	FF	DS	Total	FF	DS	Total
Operating revenue	27 255	20 860	48 115	23 324	8 626	31 950	55 400	25 727	81 127
Operating expenses	-17 103	-17 991	-35 094	-18 135	-7 974	-26 109	-38 957	-24 073	-63 030
Operating income	10 152	2 869	13 021	5 189	652	5 841	16 443	1 654	18 097

FF= Functional Food DS= Dietary Supplements

Costs in the Dietary Supplements business area rose compared with the first six months of 2010 due to goods and media costs for ProbiMage and ProbiFrisk. Also during the first six months of the year, Probi implemented extensive preparatory work prior to the possible launch of dietary supplements in additional European markets outside the Nordic region.

Operating revenue distributed by geographic markets:

KSEK	Q2 2011	Q2 2010	Q1 – Q2 2011	Q1 – Q2 2010	Full-year 2010
Nordic region	17 033	11 491	32 516	23 810	62 204
Rest of Europe	2 935	2 074	3 807	3 190	9 754
North America	396	618	4 250	1 857	3 072
Rest of the world	3 770	1 829	7 542	3 093	6 097
Total	24 134	16 012	48 115	31 950	81 127

The revenue increase in the Nordic region during the first six months of the year resulted mainly from sales of ProbiMage and ProbiFrisk, and the positive trend for ProViva. The revenue increase in North America derived from royalty revenue totalling MSEK 2.9 paid by NextFoods in the first quarter to retain the license rights for the North American market. The increase in the rest of the world was primarily due to deliveries to Camox, South Africa; an agreement signed by Probi in 2010.

Functional Food

Revenue in the Functional Food business area rose 17 per cent to MSEK 27.3 (23.3) during the first half year and 4 per cent to MSEK 11.6 (11.1) during the second quarter. The increase during the second quarter was due to sales growth for ProViva in Sweden. Year-on-year volume growth for ProViva in the second quarter slightly exceeded 10 per cent. However, the net sales value to retailers for ProViva was somewhat lower than in the preceding quarter, which resulted in a 4-per cent revenue increase for Probi.

During the second quarter, Danone continued to focus on preparing for the launch of ProViva in Finland in the autumn of 2011 and after that, the launch in additional European countries outside the Nordic region.

Dietary Supplements

Revenue in the Dietary Supplements business area rose 142 per cent to MSEK 20.9 (8.6) during the first six months of the year, and operating income amounted to MSEK 2.9 (0.7). Most of the revenue increase derived from sales of goods, which now account for 71 per cent (52) of revenue, while the royalty portion decreased to 29 per cent (48). This is due to Probi's efforts in the past couple of years to sign agreements directly with partners and distributors in order to increase revenue and profitability.

The positive sales trend for ProbiMage and ProbiFrisk continued during the second quarter, which was the best period to date since its launch in Sweden in 2010. During the report period, products were also launched in Finland, where they are sold via pharmacies and health food stores. Preparations for launch in Norway during the second quarter of 2011 continue as planned.

As a result of the successful launch in cooperation with Bringwell, Probi is examining the possibility of implementing a similar business model in additional European markets outside the Nordic region. This work was intensified during the first half of 2011 and included market surveys and a large number of contacts with potential cooperation partners in selected markets. During the second quarter, in-depth discussions were held with a small number of players in the markets in question.

Revenue from several of Probi's other Dietary Supplements customers was positive during the first six months. Probi has been cooperating for several years with Institute Rosell and Health World and revenues from these customers rose 37 and 25 per cent, respectively, during the period compared with the year-earlier period. In addition, several goods deliveries to Camox Pharmaceuticals in South Africa, with which Probi signed a contract in 2010, contributed to the healthy sales trend.

RESEARCH AND DEVELOPMENT

During the report period, Probi continued preparatory work prior to future clinical studies in both the gastrointestinal health and the immune defence areas. These studies are conducted to supplement earlier prepared clinical documentation and are designed to meet the criteria stipulated by EFSA (European Food Safety Authority) in 2010.

The new study on gastrointestinal health will be conducted during the second half of 2011 and Probi has cooperated with Danone on the formation of the study. The study will be conducted in a Northern European country and include an IBS (Irritable Bowel Syndrome) population of slightly more than 200 test individuals. The documentation from the study, jointly with existing documentation, will represent the basis of an EFSA application for Probi's *Lp299v* bacteria pertaining to gastrointestinal health. The purpose of the new application is to secure long-term health claims in the EU. With the transitional regulations that apply, it is anticipated that the EFSA's recommendations according to Article 13.1, which Probi previously reported on, will influence the possibility to make health claims at the earliest during the second half of 2012.

Probi is also preparing a supplement to the clinical documentation for its immune product, with the aim of submitting a 13.5 application. The date for implementation of the clinical study has not yet been established.

EMPLOYEES

At the end of the period, Probi had 20 employees, 12 women and 8 men. The average number of employees was 20 (21).

RELATED-PARTY TRANSACTIONS

Skånemejerier is Probi's second largest shareholder and owns 49 per cent of ProViva AB. Probi AB has a license and delivery agreement with Skånemejerier pertaining to Friscus and with ProViva AB pertaining to ProViva. Revenue from Skånemejerier and ProViva AB is based on long-term agreements and transactions were based on business terms and conditions and conducted at market value.

Probi's revenue from Skånemejerier during the first six months of the year amounted to MSEK 0.9 (1.3) and accounts receivables amounted to MSEK 0.2 (0.3) at the end of the report period. Probi's revenue from ProViva AB during the first six months of the year amounted to MSEK 23.0 (21.5) and accounts receivables amounted to MSEK 9.3 (4.4) at the end of the report period.

No additional significant transactions with closely related parties occurred during the report period.

SIGNIFICANT RISKS AND UNCERTAINTIES

The risks and uncertainties to which Probi's operations are exposed are described on Page 29 of the 2010 Annual Report. It has been deemed that no significant changes occurred to these risks or uncertainties as at 30 June 2011.

CALENDAR

Interim report, Q3 2011	19 October, 2011
Year-end report 2011	25 January, 2012

ACCOUNTING AND MEASUREMENT POLICIES

Group

The consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act, RFR 1, Supplementary accounting regulations for Groups – December 2010, as well as the International Financial Reporting Standards (IFRS) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), approved by the European Commission. This interim report was prepared in compliance with IAS 34 "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 stated otherwise. The complete accounting policies are found on pages 50-54 of the 2010 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 with the exceptions and supplements stipulated in RFR 2, Accounting for legal entities – December 2010. The interim report complies with the Annual Accounts Act.

ASSURANCE BY THE BOARD OF DIRECTORS

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

Lund, 19 July 2011

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
CEO



AUDITORS' REVIEW REPORT

Introduction

We have conducted a review of the interim financial statements for Probi AB (publ) as of 30 June 2011 and the six-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 interim financial statement in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim 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 Auditing Standards in Sweden, RS, 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 interim financial statement has not, in all material respects, been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act.

Malmö, 19 July 2011

Deloitte AB

Per-Arne Pettersson
Authorized Public Accountant

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

	Q2	Q2	Q1 - Q2	Q1 - Q2	Full-year
Currency: KSEK	2011	2010	2011	2010	2010
Operating revenue					
Net sales	24 026	15 963	47 887	31 856	80 381
Other revenue	<u>108</u>	<u>49</u>	<u>228</u>	<u>94</u>	<u>746</u>
Total operating revenue	24 134	16 012	48 115	31 950	81 127
Operating expenses					
Cost of goods sold	-3 949	-1 464	-5 773	-2 573	-9 858
Employee benefit expenses	-5 248	-5 045	-10 384	-10 046	-21 041
Other external costs	-7 100	-5 229	-15 852	-10 567	-23 093
Depreciation and impairment of fixed assets	<u>-1 576</u>	<u>-1 525</u>	<u>-3 085</u>	<u>-2 923</u>	<u>-9 038</u>
Total operating expenses	<u>-17 873</u>	<u>-13 333</u>	<u>-35 094</u>	<u>-26 109</u>	<u>-63 030</u>
Operating income	6 261	2 679	13 021	5 841	18 097
Financial income	522	273	941	493	866
Financial expenses	<u>-96</u>	<u>-26</u>	<u>-270</u>	<u>-93</u>	<u>-254</u>
Profit before tax	6 687	2 926	13 692	6 241	18 709
Tax on profit	<u>-1 772</u>	<u>-795</u>	<u>-3 678</u>	<u>-1 700</u>	<u>-5 048</u>
Net income	4 915	2 131	10 014	4 541	13 661
Other comprehensive income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total comprehensive income	4 915	2 131	10 014	4 541	13 661
No. of shares	9 215 300	9 365 300	9 215 300	9 365 300	9 365 300
No. of shares average	9 215 300	9 365 300	9 270 446	9 365 300	9 365 300
Earnings per share based on net income before and after dilution, SEK	0,53	0,23	1,08	0,48	1,46

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

<u>Consolidated statement of financial position</u>	2011-06-30	2010-06-30	2010-12-31
Assets			
Fixed assets			
Capitalised development expenses	5 427	6 249	3 629
Patents and licenses	11 610	14 796	13 047
Goodwill	2 762	2 762	2 762
Equipment, tools and fixtures	3 647	2 966	3 766
Deferred tax assets	<u>1 033</u>	<u>8 059</u>	<u>4 711</u>
Total fixed assets	24 479	34 832	27 915
Current assets			
Inventories	5 369	1 910	2 263
Current receivables	20 282	10 891	15 177
Cash and cash equivalents	<u>77 226</u>	<u>76 535</u>	<u>89 762</u>
Total current assets	<u>102 877</u>	<u>89 336</u>	<u>107 202</u>
Total assets	127 356	124 168	135 117
Equity and liabilities			
Equity	116 883	113 865	122 985
Current liabilities	<u>10 473</u>	<u>10 303</u>	<u>12 132</u>
Total equity and liabilities	127 356	124 168	135 117

<u>Parent company statement of financial position</u>	2011-06-30	2010-06-30	2010-12-31
Assets			
Fixed assets			
Capitalised development expenses	5 427	6 249	3 629
Patents and licenses	11 610	14 796	13 047
Equipment, tools and fixtures	3 647	2 966	3 766
Participations in Group companies	4 031	4 031	4 031
Deferred tax assets	<u>1 033</u>	<u>8 059</u>	<u>4 711</u>
Total fixed assets	25 748	36 101	29 184
Current assets			
Inventories	5 369	1 910	2 263
Current receivables	20 282	10 891	15 177
Cash and cash equivalents	<u>77 226</u>	<u>76 535</u>	<u>89 762</u>
Total current assets	<u>102 877</u>	<u>89 336</u>	<u>107 202</u>
Total assets	128 625	125 437	136 386
Equity and liabilities			
Equity	114 116	111 098	120 218
Long-term liabilities	4 036	4 036	4 036
Current liabilities	<u>10 473</u>	<u>10 303</u>	<u>12 132</u>
Total equity and liabilities	128 625	125 437	136 386

Probi AB (publ), Group

Currency: KSEK

Changes in shareholders' equity

	Share capital	Other contributions received	Loss brought forward	Total equity
Reporting period 2010-01-01 – 2010-06-30				
Opening balance 2010-01-01	46 827	97 290	-30 110	114 007
Total comprehensive income			4 541	4 541
Dividend for 2009		-4 683		-4 683
Equity 2010-06-30	46 827	92 607	-25 569	113 865

	Share capital	Other contributions received	Loss brought forward	Total equity
Reporting period 2011-01-01 – 2011-06-30				
Opening balance 2011-01-01	46 827	92 607	-16 449	122 985
Total comprehensive income			10 014	10 014
Dividend for 2010		-9 215		-9 215
Repurchase treasury shares		-6 901		-6 901
Equity 2011-06-30	46 827	76 491	-6 435	116 883

Statement of cash flows

	Q1 – Q2 2011	Q1 – Q2 2010	Full-year 2010
Operating activities			
Profit before tax	13 692	6 241	18 709
Depreciation/amortisation	3 085	2 923	9 038
Capital gain/losses from disposal of tangible fixed assets	-35	4	4
Cash flow from operating activities before changes in working capital	16 742	9 168	27 751
Change in inventories	-3 106	-673	-1 025
Change in operating receivables	-5 105	1 431	-2 855
Change in operating liabilities	<u>-1 659</u>	<u>3 008</u>	<u>4 837</u>
Cash flow from operating activities	6 872	12 934	28 708
Investing activities			
Acquisition of intangible fixed assets	-2 861	-2 793	-4 077
Acquisition tangible fixed assets	-673	-775	-2 038
Disposal of tangible fixed assets	<u>242</u>	<u>145</u>	<u>145</u>
Cash flow from investing activities	-3 292	-3 423	-5 970
Financing activities			
Repurchase treasury shares	-6 901	0	0
Dividend to shareholders	<u>-9 215</u>	<u>-4 683</u>	<u>-4 683</u>
Cash flow from financing activities	-16 116	-4 683	-4 683
Change in cash and cash equivalents	-12 536	4 828	18 055
Cash and cash equivalents at the beginning of the year	89 762	71 707	71 707
Cash and cash equivalents at end of period	77 226	76 535	89 762
Interest paid and received			
Interest income according to profit and loss	1	0	430
Interest expenses according to profit and loss	-1	0	0

Probi AB (publ), Group

Currency:KSEK

Key ratios	Def.	2011-06-30	2010-06-30	2010-12-31
Growth, %	1	50,3	-10,1	22,8
R&D expenses as part of operating income, %		18	24	19
Average no. of employees		20	21	21
Assets		127 356	125 437	135 117
Working capital	2	92 404	79 033	95 070
Financial data				
Liquid ratio, %	3	931	848	865
Equity ratio, %	4	91,8	91,7	91,0
Debt/equity ratio, %	5	0,0	0,0	0,0
Equity per share, SEK		12,68	12,16	13,13
Cash flow per share, SEK		-1,36	0,52	1,93
Share price, SEK		42,30	57,50	48,70
Market cap		389 807	538 505	456 090
Profitability, %				
Return on total assets	6	10,5	4,9	14,5
Return on equity	7	11,4	5,6	15,8
Operating margin	8	27,2	18,3	22,5
Net margin	9	28,6	19,6	23,3

Defintions 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