

	Full Year 2007	Full year 2006
Net sales, SEK million	1,314.7	1,219.6
Operating profit, SEK million	62.1	71.3
Profit after tax, SEK million	47.2	34.8
Profit per share after tax, SEK	5.65	4.24
Equity per share, SEK	69.58	67.97
Equity-assets ratio, %	42.5	41.2

Interim Report January–December 2007

- High growth – net sales up by 18 per cent.
- Sustained strong growth in the UK.
- Well filled order books in most segments at end of 2007.
- Group facility for treatment of metallic waste in the UK received environmental and nuclear permits.
- Contract signed with WCS for storage of nuclear waste – strengthens Studsvik's market position in the USA.
- The target for organic growth is being raised from 5 to 10 per cent.
- Market developments will create an environment favorable to healthy organic growth in most segments 2008.
- The Board of Directors proposes a dividend of SEK 2.00 per share.

Net Sales

Net sales for the fourth quarter amounted to SEK 370.6 million (329.2). For comparable entities, net sales increased by SEK 76.5 million, equivalent to 26 per cent. The increase is mainly attributable to the operations in the United Kingdom. Net sales for the period of January to December amounted to SEK 1,314.7 million (1,219.6). For comparable entities, net sales increased by SEK 191.8 million, equivalent to 18 per cent. All segments contributed to the increase. The foreign exchange effects on translation of foreign subsidiaries' net sales amounted to SEK –44.9 million.

Sales abroad amounted to 80 (72) per cent of net sales.

Profit

The operating profit for the fourth quarter amounted to SEK 15.3 million (21.2). For comparable entities, the operating profit decreased by SEK 3.4 million. The operating profit for the period of January to December amounted to SEK 62.1 million (71.3). For comparable entities and after adjustment for capital gains on the sale of Studsvik Stensand and costs associated with the discontinued acquisition process in the United Kingdom in the second quarter, the operating profit decreased by SEK 12.1 million.

Foreign exchange effects in connection with the translation of foreign subsidiaries' operating profit amounted to SEK –0.6 million (–0.5).

Operating Segments

The Group's business was in 2007 conducted through four Strategic Business Areas: Waste Treatment, Decommissioning, Service and Maintenance, and Operating Efficiency. Since January 1, 2008, the business has been conducted through five operating segments. This new structure will sharpen the organization's focus on specific markets, while also creating a more informative picture of the Group's business and development. The Group's new segment structure is geographical and consists of five operating segments; Sweden, United Kingdom, Germany, USA and Global Services.

The former division into Strategic Business Areas has been abolished, although the names remain, in somewhat modified form, as a unifying presentation of the Group's customer offering. Service and Maintenance's name is being changed to Engineering & Services in order to better reflect the growing importance of consulting services.

In order to correspond more closely to the new operative organization, Studsvik's business is presented in this report in accordance with the new structure. For purposes of comparison, the information is also provided in accordance with the previous structure. The new segment structure is available on the Group's website – www.studsvik.se – together with comparative figures for all quarters in 2006 and 2007.

Sweden

This segment comprises Waste Treatment performed in the Group's facilities in Sweden. The segment serves customers in Europe. The great majority of the customers are in Sweden, Germany and neighboring countries, and the United Kingdom.

Net sales for the fourth quarter amounted to SEK 43.6 million (36.0) and for the period of January to December, to SEK 135.4 million (126.2). The operating profit for the fourth quarter amounted to SEK 13.5 million (12.3) and for the period of January to December to SEK 28.2 million (26.3). The segment made a strong recovery in the fourth quarter in terms of both volume and result. Processing of large components and other metallic waste, which was adversely affected by technical disturbances to production during the third quarter, ended the year with a high level of production and healthy profitability. Studsvik's technology for the treatment of large components moved into its commercialization phase during the year when delivery was taken of six steam generators. The method used for treatment of large components weighing

between 200 and 600 tonnes has been successively improved and the lead time for a component has been shortened from the original twelve months to four. Production in the incineration unit was high during the fourth quarter, but slightly lower in 2007 than in the previous year. Both the incineration activities and the treatment of metallic waste entered 2008 with healthy order books. All facilities have the capacity to increase the volumes treated.

United Kingdom

This segment comprises the business conducted within Waste Treatment and Decommissioning in the United Kingdom.

Net sales for the fourth quarter amounted to SEK 38.9 million (13.9) and for the period of January to December, to SEK 129.1 million (30.9). The operating profit for the fourth quarter amounted to SEK 0.9 million (–2.5) and for the period of January to December to SEK 3.0 million (–11.3). The business developed very well during the year and after two years in the build-up phase, Studsvik has established a strong position on the UK market. In 2007 the Decommissioning activities tended to predominate, but Waste Treatment gradually assumed greater importance. The result improved during the fourth quarter in relation to the corresponding period in 2006 in both Decommissioning and Waste Treatment. Studsvik Alpha Engineering, which was acquired during the third quarter, has performed in line with our expectations, and reported a healthy cash flow. As the acquired order book of SEK 3 million is being written off over 12 months, the contribution to the consolidated operating profit was only marginal. A consortium, Nuclear Waste Management (NWM), in which Studsvik has a minority interest, has been selected as the preferred bidder to manage the UK Low Level Waste Repository. Studsvik has a 15 per cent interest in the consortium. The contract, currently under negotiation, has an initial term of five years with further extensions up to a total of 17 years. The initial contract value is estimated to be GBP 125 million. If all the contract extension options are executed, the potential contract value could be increased to GBP 500 million. Included in the initial contract is the development of a UK-wide low level waste strategy. After the close of the reporting period Studsvik received environmental and nuclear permits to treat metallic waste at the Group's facility in Workington.

Germany

This segment comprises the business conducted in Germany and neighboring countries within Decommissioning and Engineering & Services.

Net sales for the fourth quarter amounted to SEK 84.6 million (81.2) and for the period of January to December, to SEK 341.3 million (308.7). The operating profit for the fourth quarter amounted to SEK 4.1 million (4.4) and for the period of January to December, to SEK 25.3 million (25.8). The number of refueling and outage days in the German nuclear power industry was substantially higher in 2007 than in previous year. The capacity utilization in Engineering & Services was high well into the fourth quarter. The acquired consulting business Dr. Fary developed well, and the business has grown organically since the acquisition. The level of activity on the decommissioning market in Germany was lower also during the fourth quarter than in the previous year, although there was a slight recovery towards the end of the period.

USA

This segment comprises the Waste Treatment business carried out at the Group's facilities in the USA. The great majority of the customers are at present located in the USA, but the segment also canvasses the Canadian market.

Net sales for the fourth quarter amounted to SEK 94.3 million (106.6) and for the period of January to December, to SEK 427.7 million (364.3). Some SEK 50 million of the increase is attributable

to the business in Memphis, which was acquired in 2006 and consolidated from May of that year. The operating profit for the fourth quarter amounted to SEK –4.6 million (–5.7) and for the period of January to December, to SEK 6.3 million (11.4). The operations in Erwin made further good progress during the fourth quarter. A healthy level of capacity utilization and robust pricing for processed material helped the business, despite some production disturbances at the beginning of the year, to report its best annual result ever. The Barnwell repository for low and intermediate level radioactive waste in the USA will, as far as can be judged, be closed at the end of June 2008. In practice this means that most American nuclear power plants will lack access to final storage for their intermediate level radioactive waste, including ion-exchange resins that are processed at the Erwin facility. The co-operation agreement that was signed with Waste Control Specialists, Texas, during the third quarter, will likely enable Studsvik to offer the American nuclear power industry a competitive storage solution after Barnwell has been closed.

In the fourth quarter, the Memphis operations – waste treatment and logistical services – noted another quarter of low profitability. The year was characterized by fierce competition and depressed prices. Consequently, higher costs were incurred on defending the market position. Investments were made during the year in the Memphis facility in order to raise its capacity to process large components. The Erwin operations ended 2007 with a good backlog while the backlog for the Memphis operations is weak.

During the fourth quarter, THOR Treatment Technologies received an order worth MUSD 7.5 from the US Department of Energy to demonstrate, during the 22 months duration of the order, that the THOR technology can be applied to high level radioactive waste. TTT reported a profit and a positive cash flow for 2007.

Global Services

This segment comprises the business that is conducted within the Operating Efficiency business area, namely the activities in materials technology and fuel optimization software. As the customer base is global, the segment is engaged in business in many countries.

Net sales for the fourth quarter amounted to SEK 52.8 million (43.7) and for the period of January to December, to SEK 178.8 million (167.7). The operating profit for the fourth quarter amounted to SEK 8.8 (17.4) and for the period of January to December, to SEK 14.4 million (36.4). Fuel optimization software made encouraging progress in 2007 with robust growth in both net sales and operating profit. The year ended strongly with a large software delivery to Mitsubishi Heavy Industries (MHI) during the fourth quarter. MHI selected Studsvik's software to be used in the development of new reactor designs. Materials technology had another weak period during the fourth quarter largely due to low capacity utilization in some areas of the business. The order intake and the capacity situation improved towards the end of the quarter. During the year a development project was carried out to qualify the Norwegian materials testing reactor in Halden for ramp tests, and in December the first tests were successfully completed, which marked a milestone in the co-operation between Studsvik and the Norwegian Institute for Energy Technology. Ramp tests are carried out on reactor fuel and are normally combined with laboratory tests in Hot Cells. Studsvik can now offer a complete range of tests and analyses for reactor fuel, which has not been possible since the closure of the company's own materials testing reactor in 2005.

Investments

The Group's investments in 2007 amounted to SEK 127.3 million (344.7) and in the fourth quarter to SEK 25.4 million (28.3). The figure for the year includes investments of SEK 46.2 million in acquisitions of companies and lines of business. Expansion investments, over and above these, mainly consist of SEK 29.7 million for the extension of the waste treatment facility in Sweden and of SEK 10.2 for the waste treatment facility in Memphis. Other investments were mainly in the form of reinvestment projects.

Financial Position and Liquidity

Cash and cash equivalents, including current investments, amounted to SEK 176.9 million (247.6).

Equity amounted to SEK 571.8 million (558.7).

The equity-assets ratio was 42.5 (41.2) per cent. Interest-bearing liabilities amounted to SEK 318.7 million (347.2). The Group's total borrowings was conducted entirely in foreign currencies and relates to investments and business acquisitions in the USA, Germany and the United Kingdom.

Cash Flow

Cash flow from operating activities before working capital changes amounted to SEK 76.7 million (105.5). Changes in working capital amounted to SEK –37.7 million (–1.4). Cash flow from operating activities after investments amounted to SEK –83.4 million (–240.6). Other changes from investing activities, SEK 47.0 million, relate to the sale of Studsvik Stensand AB on January 1.

Financial Targets

The Board of Directors has reviewed the Group's financial targets and has decided to raise the target for organic growth to 10 per cent as a yearly average during a three year period. The target for the operating margin will remain unchanged at 8 per cent and the target for the equity-assets ratio till be no lower than 40 per cent.

Personnel

The average number of employees during 2007 was 1,141 (1,279).

Parent Company

The Parent company's operations comprise coordination of the Group, and assets mainly consist of shares in subsidiaries. The Parent Company's net sales for the year amounted to SEK 5.6 million (8.0) and for the fourth quarter, to SEK 1.5 million (2.0). The year's operating profit amounted to SEK –38.3 million (–27.3) and for the fourth quarter, to SEK –8.1 million (–7.4). The result for the year as a whole includes capital gains of SEK 35.0 million on the sale of Studsvik Stensand AB and costs associated with the discontinued acquisition process in the UK, MSEK 10.5. Profit after net financial items amounted to SEK –2.6 million (–1.3). The Parent Company's investments amounted to SEK 0.5 million (2.3). Cash and cash equivalents amounted to SEK 91.2 million (149.7) and interest-bearing liabilities to SEK 154.2 million (182.9).

Dividend, Annual General Meeting and Annual Report

The Board proposes that a dividend of SEK 2.00 (2.00) per share should be paid for the 2007 financial year. The Annual General Meeting of Shareholders will be held at 4.00 pm on Tuesday April 22, 2008 in the World Trade Center, Klarabergsviadukten 70/Kungsbron 1, Stockholm. The Annual Report will be distributed and made available on the company's website in the week beginning March 31, 2008.

Risks and Uncertainties

Studsvik operates on an international market that is exposed to competition. With operations in seven countries Studsvik is exposed to both business and financial risks and uncertainties. The business uncertainties include the fact that Studsvik handles radioactive material and waste, which means that some of the operations must be licensed and are subject to decisions by government agencies, official regulations and supervision. Studsvik considers that it fulfils the requirements imposed by such regulations. The Group's high security culture means that it has a high capacity for adjustment to new rules and terms of reference. The business uncertainties also include the fact that issues concerning nuclear technology may be subject to various expressions of opinion and debate. In such a context it cannot be ruled out that opinion may emerge on matters that directly or indirectly restrict Studsvik's scope of business action. Studsvik works consistently to maintain a high level of public confidence. Its approach to the world around is characterized by dialogue and the principle of the greatest possible transparency.

Financial risks and uncertainties mainly include fluctuations in exchange rates and interest rates, and counterparty risk, i.e. that the Group is exposed to losses due to a counterparty's insolvency.

The responsibility for assessing risk lies with the respective subsidiary, but is examined and followed up by the Parent Company. An overall analysis of the Group's risks and how they are dealt with is given in the 2006 Annual Report, which is also available on the company's website. Apart from these risks, no further significant risks are estimated to have arisen.

Outlook for 2008

The overall assessment of the nuclear power market suggests that it is an expanding market. Modernization and upgrading/expansion programmes are underway in several countries. Within the framework of such projects, services of the type provided by Studsvik are in demand, including waste treatment, materials testing, and consulting services. Decommissioning activities are expected to continue growing in scope and size in the UK market and to increase slightly in Germany. It is estimated that the number of outage days in the German nuclear power industry will be fewer in 2008 than in 2007, which was characterized by unplanned and long outages in several plants. The fierce competition on the American waste treatment market is expected to persist and leave its mark on some parts of the business. Market developments will create an environment favorable to healthy organic growth in most segments of the business in 2008.

Accounting policies

This interim report has been prepared in accordance with IAS 34, the Swedish Financial Accounting Standards Council's recommendations RR 31 and RR 32:06. The new recommendations that apply as of January 1, 2007 have not affected the Group's financial performance.

Nyköping, February 14, 2008

On behalf of the Board of Directors

Magnus Groth
President

Review Report

We have reviewed this report for the period of January 1, 2007 to December 31, 2007 for Studsvik AB (publ). The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden, RS, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, February 14, 2008

PricewaterhouseCoopers AB

Magnus Brändström Göran Tidström
Authorized Public Accountant Authorized Public Accountant
Auditor in charge

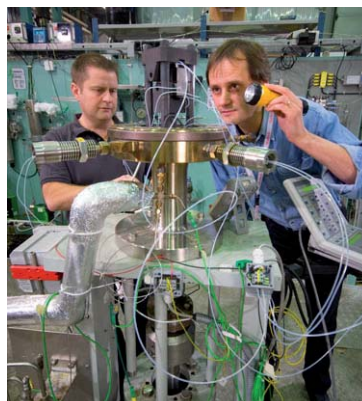
Time Schedule for Financial Information

Interim Report January-March 2008	April 22, 2008
Interim Report January-June 2008	July 22, 2008
Interim Report January-September 2008	October 29, 2008

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See also www.studsvik.se



Consolidated Income Statement

Amounts in SEK million

	October- December 2007	October- December 2006	Full Year 2007	Full Year 2006
Net sales	370.6	329.2	1,314.7	1,219.6
Cost of services sold	–283.1	–235.6	–1,000.1	–906.5
Gross profit	87.5	93.6	314.6	313.1
Other operating income	–6.8	15.5	25.1	14.3
Selling and marketing expenses	–9.0	–11.4	–53.8	–44.6
Administrative expenses	–48.8	–56.3	–180.4	–164.2
Research and development costs	–13.3	–10.5	–41.8	–39.8
Other operating expenses	5.7	–9.7	–1.6	–7.5
Operating profit	15.3	21.2	62.1	71.3
Financial income	1.2	5.9	8.7	23.1
Financial expenses	–6.5	–2.9	–24.8	–37.3
Profit after financial items	10.0	24.2	46.0	57.1
Income tax ¹⁾	3.0	–10.9	1.2	–22.3
Profit for the period	13.0	13.3	47.2	34.8
Attributable to				
– Parent company's shareholders	12.4	13.3	46.5	34.8
– Minority interest	0.6	-	0.7	-
Earnings per share, SEK				
– Before dilution	1.58	1.62	5.65	4.24
– After dilution	1.58	1.62	5.65	4.24

¹⁾The Group's deferred tax liabilities have been revalued in response to a reduction in corporation tax in Germany from 2008. The revaluation has been reported in the Group's tax expense. The low tax rate for the period January to December 2007 is explained by, over and above that, to the fact that the reported pre-tax earnings include non-taxable capital gains from the sale of Studsvik Stensand.

Condensed Consolidated Balance Sheet

Amounts in SEK million

	December 2007	December 2006
Assets		
Goodwill	311.7	304.7
Other intangible fixed assets	57.0	50.8
Tangible fixed assets	406.6	400.7
Financial fixed assets	67.3	72.1
Total fixed assets	842.6	828.3
Inventories	22.5	6.9
Receivables – trade	206.0	189.2
Other current receivables	98.0	85.4
Liquid assets	176.9	247.6
Total current assets	503.4	529.1
Total assets	1,346.0	1,357.4
Equity and liabilities		
Equity attributable to parent company's shareholders	568.4	558.7
Minority interest	3.4	-
Borrowings	196.4	307.4
Provisions	102.2	105.7
Other non-current liabilities	8.0	4.0
Total non-current liabilities	306.6	417.1
Trade payables	63.3	41.8
Borrowings	122.2	39.8
Other current liabilities	282.1	300.0
Total current liabilities	467.6	381.6
Total equity and liabilities	1,346.0	1,357.4
Pledged assets	181.5	151.9
Contingent liabilities	93.3	35.3

Changes in Equity

Amounts in SEK million

	December 2007	December 2006
Equity at the beginning of the period	558.7	566.6
Dividend to shareholders	–16.4	–16.4
Net result for the period	47.2	34.8
Change in translation differences	–17.7	–26.3
Equity at the end of the period	571.8	558.7

Condensed Consolidated Cash Flow Statement

Amounts in SEK million

	Full Year 2007	Full Year 2006
Operating activities		
Operating profit	62.1	71.3
Depreciations	60.1	53.8
Other non-cash items	–22.6	–3.1
	99.6	122.0
Financial items, net	–16.1	–14.1
Income tax paid	–6.8	–2.4
Cash flow from operating activities before changes in working capital	76.7	105.5
Changes in working capital	–37.7	–1.4
Cash flow from operating activities	39.0	104.1
Investing activities		
Investments	–122.4	–344.7
Other changes from investing activities	47.0	19.6
Cash flow from investing activities	–75.4	–325.1
Financing activities		
Change, borrowings	–19.1	168.2
Dividend to shareholders	–16.4	–16.4
Cash flow from financing activities	–35.5	151.8
Change in liquid assets	–71.9	–69.2
Liquid assets at the beginning of the year	247.6	323.4
Translation difference in liquid assets	1.2	–6.6
Translation difference	–	–
Liquid assets at the end of the period	176.9	247.6

Company Acquisitions

Company Acquisitions in 2007

Date

- Dr. Fary GmbH Delta Phi 2007-04-01
- Dr. Fary Ing Büro GmbH Co. KG 2007-04-01
- Alpha Engineering 2007-08-01

The acquired operations contributed net sales of SEK 22.9 million and an operating profit of SEK 2.4 million for the period of April 1 to December 31, 2007. If the acquisitions had been included from January 1, the Group's net sales would have been SEK 1,344.0 million and the operating profit would have been SEK 66.3 million.

Acquired Net Assets and Goodwill

Amounts in SEK million

Purchase price	
• Cash payment	46.0
• Direct costs in connection with acquisitions	1.2
Total purchase price	47.2
Fair value of net assets acquired	18.3
Goodwill	28.9
Intangible assets	11.8
Deferred tax	–3.5

Goodwill is attributable to the market position of the acquired businesses and the synergies that are expected to arise from their subsequent integration with Studsvik's other companies after the acquisitions.

Financial Ratios for the Group

Amounts in SEK million

	Full Year 2007	Full Year 2006
Operating profit		
Operating profit before depreciation	122.2	125.1
Margins		
Operating margin before depreciation, %	9.3	10.3
Operating margin, %	4.7	5.8
Profit margin, %	3.5	4.7
Profitability		
Return on operating capital, %	9.0	13.0
Return on capital employed, %	7.9	11.3
Return on equity, %	8.2	6.2
Capital structure		
Operating capital	713.6	658.3
Capital employed	890.5	905.8
Equity	571.8	558.7
Interest-bearing net debt	141.8	99.6
Net debt-equity ratio	0.2	0.2
Interest cover ratio	2.9	2.5
Equity-assets ratio, %	42.5	41.2
Cash flow		
Self financing ratio	0.3	0.3
Investments	127.3	344.7
Employees		
Average number of employees	1,141	1,279
Net sales per employee	1.2	1.0

Data per Share

	October- December 2007	October- December 2006	Full Year 2007	Full Year 2006
Number of shares at the end of the period	8,218,611	8,218,611	8,218,611	8,218,611
Average number of shares	8,218,611	8,218,611	8,218,611	8,218,611
Earnings per share before dilution, SEK	1.58	1.62	5.65	4.24
Earnings per share after dilution, SEK	1.58	1.62	5.65	4.24
Equity per share, SEK	69.58	69.00	69.58	67.97

Net Sales per Geographical Segment

Amounts in SEK million

	October- December 2007	October- December 2006	Full Year 2007	Full Year 2006
Sweden	132.6	91.8	258.7	336.5
Europe, excluding Sweden	138.4	107.7	564.3	424.4
North America	92.4	126.3	463.6	433.2
Asia	7.2	3.2	25.9	20.3
Other markets	0.0	0.2	2.2	5.2
Total	370.6	329.2	1,314.7	1,219.6

Financial Data per Segment (new structure)

Amounts in SEK million

	October– December 2007	October– December 2006	Full Year 2007	Full Year 2006
Sweden				
Net sales	43.6	36.0	135.4	126.2
Operating profit	13.5	12.3	28.2	26.3
Assets	121.1	112.0	121.1	112.0
Liabilities	58.8	41.1	58.8	41.1
Investments	6.3	7.1	33.9	13.4
Depreciation and amortization	1.5	1.2	5.8	4.5
Average number of employees	80	73	78	75
United Kingdom				
Net sales	38.9	13.9	129.1	30.9
Operating profit	0.9	–2.5	3.0	–11.3
Assets	89.9	41.1	89.9	41.1
Liabilities	47.8	28.7	47.8	28.7
Investments	2.9	1.7	42.4	19.3
Depreciation and amortization	1.5	0.2	2.4	0.5
Average number of employees	88	35	65	36
Germany				
Net sales	84.6	81.2	341.3	308.7
Operating profit	4.1	4.4	25.3	25.8
Assets	244.4	206.3	244.4	206.3
Liabilities	179.1	165.7	179.1	165.7
Investments	2.9	0.0	17.6	5.9
Depreciation and amortization	1.0	0.8	5.2	4.1
Average number of employees	587	559	564	534
USA				
Net sales	94.3	106.6	427.7	364.3
Operating profit	–4.6	–5.7	6.3	11.4
Assets	624.6	695.6	624.6	695.6
Liabilities	326.3	374.9	326.3	374.9
Investments	9.4	1.7	21.4	288.8
Depreciation and amortization	7.2	8.6	35.5	33.4
Average number of employees	218	204	234	199
Global Services				
Net sales	52.8	43.7	178.8	167.7
Operating profit	8.8	17.7	14.4	36.4
Assets	183.3	215.5	183.3	215.5
Liabilities	158.7	196.1	158.7	196.1
Investments	1.0	4.4	5.3	10.3
Depreciation and amortization	2.0	1.5	8.1	7.4
Average number of employees	120	114	118	114
Other¹⁾				
Net sales	72.5	62.0	159.1	279.7
Operating profit	–7.4	–5.3	–38.3	–19.0
Assets	389.5	513.9	389.5	513.9
Liabilities	285.0	397.6	285.0	397.6
Investments	2.9	3.2	6.7	7.0
Depreciation and amortization	0.8	1.4	3.1	3.9
Average number of employees	83	336	82	321
Group eliminations				
Net sales	–16.1	–14.2	–56.7	–57.9
Operating profit	-	0.3	23.2 ²⁾	1.7
Assets	–306.8	–427.0	–306.8	–427.0
Liabilities	–281.6	–405.4	–281.6	–405.4
Investments	-	-	-	-
Depreciation and amortization	-	-	-	-

¹⁾ Other operations mainly refer to the Parent Company, AB SVAFO and for 2006 Studsvik Stensand AB. AB SVAFO is responsible for management of older state-owned research waste and decommissioning of facilities related to previous state-owned research operations. The costs of the operations are covered by the Nuclear Waste Fund.

²⁾ Operating profit includes the capital gain on the sale of the shares in Studsvik Stensand AB, SEK 23.3 million.

Financial Data per SBA (previously applied structure)

Amounts in SEK million

	October– December 2007	October– December 2006	Full Year 2007	Full Year 2006
Waste Treatment				
Net sales	148.6	149.0	599.8	508.7
Operating profit	8.5	5.7	35.6	33.6
Assets	799.9	830.2	799.9	830.2
Liabilities	425.1	439.9	425.1	439.9
Investments	15.8	9.3	63.3	321.2
Depreciation and amortization	9.2	7.8	42.3	38.3
Average number of employees	324	310	335	294
Decommissioning				
Net sales	78.1	48.8	270.1	189.0
Operating profit	1.5	0.3	13.5	11.9
Assets	153.4	114.7	153.4	114.7
Liabilities	72.2	63.3	72.2	63.3
Investments	1.9	0.0	37.3	4.0
Depreciation and amortization	1.3	0.4	3.4	3.2
Average number of employees	362	329	332	321
Operating Efficiency				
Net sales	52.8	43.7	178.8	167.7
Operating profit	8.8	17.7	14.4	36.4
Assets	183.3	215.5	183.3	215.5
Liabilities	158.7	196.1	158.7	196.1
Investments	1.0	4.4	5.3	10.3
Depreciation and amortization	2.0	1.5	8.1	7.4
Average number of employees	120	114	118	114
Service and Maintenance				
Net sales	34.7	67.3	163.5	268.8
Operating profit	3.9	5.0	13.7	17.3
Assets	159.2	179.8	159.2	179.8
Liabilities	148.2	165.6	148.2	165.6
Investments	3.7	0.6	14.8	2.6
Depreciation and amortization	0.7	0.6	3.2	2.2
Average number of employees	287	490	274	473
Other¹⁾				
Net sales	72.5	31.5	159.1	143.9
Operating profit	–7.4	–7.5	–38.3	–27.9
Assets	389.5	487.0	389.5	487.0
Liabilities	285.0	388.4	285.0	388.4
Investments	2.9	3.8	6.7	6.6
Depreciation and amortization	0.8	1.1	3.1	2.7
Average number of employees	83	78	82	77
Group eliminations				
Net sales	–16.1	–11.1	–56.6	–58.5
Operating profit	-	-	23.2 ²⁾	-
Assets	–339.4	–469.8	–339.4	–469.8
Liabilities	–315.1	–454.6	–315.1	–454.6
Investments	-	-	-	-
Depreciation and amortization	-	-	-	-

¹⁾ Other operations mainly refer to the Parent Company and AB SVAFO. AB SVAFO is responsible for management of older state-owned research waste and decommissioning of facilities related to previous state-owned research operations. The costs of the operations are covered by the Nuclear Waste Fund.

²⁾ Operating profit includes the capital gain on the sale of the shares in Studsvik Stensand AB, SEK 23.3 million.

Five-year Review¹⁾

Amounts in SEK million

The financial information in this section is based on Studsvik's consolidated accounts for the financial years of 2003 to 2007. Results for companies and activities that have been disposed of are included up to the date of the disposal, while the results of acquired companies have been included from the date of acquisition. In 2005, two SBAs were discontinued. The income statements for 2005 and 2004 have been adjusted for this reason. These activities are reported in the income statements as "Profit from discontinued operations". Balance sheets and cash flow statements have not been adjusted. The financial figures and ratios which have been completely or partially derived from the income statements have been adjusted.

Condensed Income Statements	2007	2006	2005	2004	2003
Net sales	1,314.7	1,219.6	1,088.3	1,025.4	1,113.8
Cost of services sold	-1,000.1	-906.5	-802.9	-839.3	-842.5
Gross profit	314.6	313.1	285.4	186.1	271.3
Other operating income	25.1	14.3	19.8	1.7	1.5
Selling expenses	-53.8	-44.6	-41.9	-36.6	-34.8
Administrative expenses	-180.4	-164.2	-146.4	-143.4	-141.2
Research and development costs	-41.8	-39.8	-35.5	-34.6	-42.1
Other operating expenses	-1.6	-7.5	-2.6	-0.1	-0.6
Result from participations in associated companies	-	-	-	2.6	7.3
Operating profit	62.1	71.3	78.8	-24.3	61.4
Financial income	8.7	23.1	8.5	7.6	6.8
Financial expense	-24.8	-37.3	-11.1	-15.1	-15.9
Profit after financial items	46.0	57.1	76.2	-31.8	52.3
Income tax	1.2	-22.3	-28.7	56.1	-20.4
Profit from discontinued operations	-	-	13.6	-90.8	-
Profit for the period	47.2	34.8	61.1	-66.5	31.9
Attributable to					
– Parent company's shareholders	46.5	34.8	61.1	-66.5	31.9
– Minority interest	0.7	-	-	-	-

Condensed Balance Sheets	2007	2006	2005	2004	2003
Assets					
Goodwill	311.7	304.7	127.4	120.7	123.4
Other intangible non-current assets	57.0	50.8	5.0	7.4	9.8
Property, plant and equipment	406.6	400.7	372.0	331.8	475.5
Financial non-current assets	67.3	72.1	99.0	81.5	31.3
Total non-current assets	842.6	828.3	603.4	541.4	640.0
Inventories	22.5	6.9	10.4	10.4	16.8
Receivables – trade	206.0	189.2	167.3	139.9	163.6
Other current receivables	98.0	85.4	78.8	141.2	62.1
Liquid assets	176.9	247.6	323.4	319.2	299.9
Total current assets	503.4	529.1	579.9	610.7	542.4
Total assets	1,346.0	1,357.4	1,183.3	1,152.1	1,182.4
Equity and liabilities					
Equity attributable to parent company's shareholders	568.4	558.7	566.6	443.2	531.6
Minority interest	3.4	-	-	-	-
Borrowings	196.4	307.4	192.8	186.2	213.9
Provisions	102.2	105.7	165.8	251.9	162.7
Other non-current liabilities	8.0	4.0	6.4	0.1	9.2
Total non-current liabilities	306.6	417.1	365.0	438.2	385.8
Trade payables	63.3	41.8	54.0	44.4	40.7
Borrowings	122.2	39.8	0.1	7.8	4.9
Other current liabilities	282.1	300.0	197.6	218.5	219.4
Total current liabilities	467.6	381.6	251.7	270.7	265.0
Total equity and liabilities	1,346.0	1,357.4	1,183.3	1,152.1	1,182.4

¹⁾ 2004-2007 are reported in accordance with IFRS.

Condensed Cash Flow Statements	2007	2006	2005	2004	2003
Operating profit	62.1	71.3	92.4	–119.7	61.4
Write-downs added back	60.1	53.8	47.1	78.3	95.3
Other items not affecting liquidity	–22.6	–3.1	–6.5	146.4	–0.2
	99.6	122.0	133.0	105.0	156.5
Financial items, net	–16.1	–14.1	–4.8	–8.0	–9.6
Income tax	–6.8	–2.4	–28.2	–12.5	–17.3
Cash flow before changes in working capital	76.7	105.5	100.0	84.5	129.6
Changes in working capital	–37.7	–1.4	–82.0	19.9	28.5
Cash flow before investments	39.0	104.1	18.0	104.4	158.1
Investments	–122.4	–344.7	–45.0	–52.4	–119.6
Cash flow after investments	–83.4	–240.6	–27.0	52.0	38.5

Financial Figures and Ratios	2007	2006	2005	2004	2003
Margins					
Operating margin before depreciation, %	9.3	10.3	11.6	4.7	14.1
Operating margin, %	4.7	5.8	7.2	neg	5.5
Profit margin, %	3.5	4.7	7.0	neg	4.7
Profitability					
Return on operating capital, %	9.0	13.0	20.9	neg	12.3
Return on capital employed, %	7.9	11.3	12.5	neg	9.6
Return on equity, %	8.2	6.2	12.1	neg	6.4
Capital structure					
Operating capital	713.6	658.3	436.2	318.0	450.4
Capital employed	890.5	905.8	759.5	637.2	750.4
Equity, SEK million	571.8	558.7	566.6	443.4	531.3
Interest-bearing net debt	141.8	99.6	–130.4	–125.2	–81.1
Net debt-equity ratio	0.2	0.2	–0.2	–0.3	–0.2
Interest cover ratio	2.9	2.5	7.9	neg	4.3
Equity-assets ratio, %	42.5	41.2	47.9	38.5	44.9
Cash flow					
Self financing ratio	0.3	0.3	0.4	2.1	1.3
Investments	127.3	344.7	45.0	52.4	119.6
Employees					
Average number of employees	1,141	1,279	1,278	1,353	1,313
Net sales per employee	1.2	1.0	0.9	0.8	0.8

Quarterly Review

Amounts in SEK million

	2007				2006				2005 ¹⁾			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net sales	370.6	325.1	345.8	273.2	329.2	321.3	317.5	251.6	298.1	265.8	286.6	235.7
Operating expenses	–355.3	–316.3	–330.0	–251.0	–308.0	–298.3	–290.8	–251.2	–282.6	–249.1	–261.8	–215.8
Operating profit	15.3	8.8	15.8	22.2	21.2	23.0	26.7	0.4	15.5	16.7	24.8	19.9
Financial items, net	–5.3	–4.1	–3.0	–3.7	3.0	–5.7	–6.4	–5.2	–3.0	1.7	0.1	–1.2
Profit after financial items	10.0	4.7	12.8	18.5	24.2	17.3	20.3	–4.8	12.5	18.4	24.9	18.7

¹⁾ Refers to profit from continuing operations.

Parent Company Income Statement

Amounts in SEK million

	October– December 2007	October– December 2006	Full Year 2007	Full Year 2006
Net sales	1.5	2.0	5.6	8.0
Cost of services sold	–1.7	–1.2	–5.4	–6.2
Gross profit	–0.2	0.8	0.2	1.8
Other operating costs	–7.9	–8.2	–38.5	–29.1
Operating profit	–8.1	–7.4	–38.3	–27.3
Financial net	–0.2	7.7	35.7	26.0
Profit before tax	–8.3	0.3	–2.6	–1.3
Appropriations	0.3	28.5	0.3	28.5
Income tax	1.1	–2.9	10.5	–0.9
Profit for the period	–6.9	25.9	8.2	26.3

Parent Company Balance Sheet

Amounts in SEK million

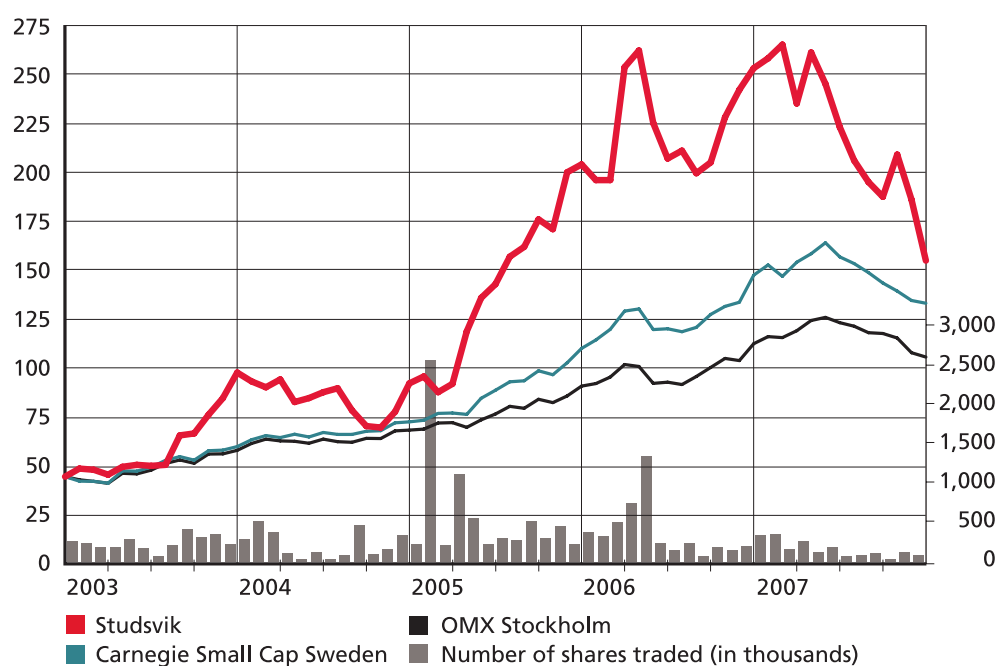
	December 2007	December 2006
Assets		
Tangible fixed assets	1.7	2.1
Financial fixed assets	947.1	977.8
Total fixed assets	948.8	979.9
Current assets	56.1	56.3
Liquid assets	91.2	149.7
Total current assets	147.3	206.0
Total assets	1,096.1	1,185.9
Equity and liabilities		
Equity	833.1	814.5
Untaxed reserves	6.9	7.2
Non-current liabilities	193.2	237.2
Current liabilities	62.9	127.0
Total liabilities	256.1	364.2
Total equity and liabilities	1,096.1	1,185.9

Major Shareholders, December 31, 2007

	Number of shares	Share, %
Karinen Family	1,589,012	19.3
Briban Invest AB	1,283,492	15.6
Allianz Global Inv	714,561	8.7
Goldman Sachs International Ltd	472,750	5.8
Invus Investment AB	184,800	2.2
SEB Sverigefond Småbolag	157,200	1.9
Citibank NA London	154,268	1.9
Morgan Stanly & Co Inc	149,750	1.8
SEB Sverige Småbolag Chans/Risk	145,500	1.8
The Northern Trust Co	133,550	1.6
Total ten largest shareholders – holdings	4,984,883	60.6
Other shareholders	3,233,728	39.4
Total	8,218,611	100.0

The Studsvik Share

During the year, the share price varied between a high of SEK 290 on January 15 and a low of SEK 150 on December 21. The opening price was SEK 253 at the beginning of the year and the closing price on December 31 was SEK 155. During 2007, 2 million shares were traded

**Facts about Studsvik**

Studsvik offers a range of advanced technical services to the international nuclear power industry in such areas as waste treatment, decommissioning, engineering & services, and operating efficiency. The company has 60 years experience of nuclear technology and radiological services. Studsvik is a leading supplier on a rapidly expanding market. The business is conducted through five segments: Sweden, United Kingdom, Germany, USA och Global Services. Studsvik has 1,200 employees. The company's shares are listed on the OMX Nordic Exchange Stockholm, MidCap.

Studsvik

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