

Studsvik

Year-end Report
January–December 2013



- On February 11 Studsvik signed an agreement to sell the main part of the waste treatment operations in the USA. The purchaser is expected to take over operations on March 1, but will be responsible for the result from January 1, 2014. Through the transaction Studsvik is eliminating a considerable financial risk.
- Fourth quarter sales in continuing operations were SEK 266.9 (261.1) million and SEK 1,001.3 (1,012.9) million for the year, in local currencies an increase of 2.5 per cent during the quarter and 13 per cent for the year.
- The fourth quarter operating result in the continuing operations was SEK –10.1 (12.6) million and SEK 16.0 (15.2) million for the year.
- Non-recurring items of SEK –28.3 (–8.7) million are recognized as an expense in the fourth quarter and of SEK –32.5 (–8.7) million for the year. The items mainly refer to measures to adapt the organization in Germany. The operations for sale are included in the Group's net results in the amount of SEK –171.6 (8.8) million for the fourth quarter and SEK –173.9 (–34.2) million for the year.
- Adjusted for non-recurring items the operating result for the fourth quarter was SEK 18.2 (21.3) million and SEK 48.5 (23.9) million for the year.
- The Board of Directors proposes that no dividend be distributed.

	October– December 2013	October– December 2012	Full year 2013	Full year 2012
Sales, SEK million	266.9	261.1	1,001.3	1,012.9
Operating profit, SEK million	–10.1	12.6	16.0	15.2
Profit after tax, SEK million	–13.4	3.7	–22.9	–13.6
Profit per share after tax, SEK	–1.63	0.45	–2.78	–1.65
Cash flow from operating activities, SEK million*	21.7	36.8	–24.6	–7.3
Cash flow after investments, SEK million*	16.7	24.1	–44.7	–56.2
Equity per share, SEK million	34.83	58.19	34.83	58.19
Net debt, SEK million	155.7	114.5	155.7	114.5
Net debt/equity ratio, %	54.4	23.9	54.4	23.9

* Refers to total operations.

Unless otherwise stated the information provided in text and figures refers to operations excluding operations for sale.

Agreement to sell the American waste operations

On February 11 Studsvik signed an agreement with the American company EnergySolutions on the sale of the Erwin and Memphis operations as well as Studsvik's holding in Semprasafe with expected closing date on March 1, 2014. The purchaser is responsible for the results of the acquired operations from January 1, 2014. Studsvik will retain the engineering and consulting operations based in the USA that employ about 10 people, as well as the part-owned company TTT. Further, Studsvik will retain the patents for the THOR technology, with the exception of the patent in China, which will be transferred to EnergySolutions. EnergySolutions will also be entitled to use the patents in the commercial market in North America. The transaction will be for a purchase price of USD 23 million and will give a positive cash flow of SEK 88 million. The transferred operations are reported as operations for sale.

Sales

Sales in the fourth quarter were SEK 266.9 (261.1) million, an increase in local currencies of 2.5 per cent. In local currencies sales increased in Sweden, the United Kingdom, USA and Global Services, while they fell in Germany. Sales for the year were SEK 1,001.3 (1,012.9) million, an increase in local currencies of 13 per cent.

Profit

The operating result for the fourth quarter was SEK -10.1 (12.6) million and for the year SEK 16.0 (15.2) million. The result improved in the fourth quarter in Sweden, the United Kingdom and Global Services, but deteriorated in Germany. The result for the fourth quarter was affected by non-recurring items both in the current and the previous year. These amounted to SEK -28.3 (-8.7) million during the quarter and for the year to SEK -32.5 (-8.7) million. The items refer to restructuring in Germany and the parent company.

The operating result for the fourth quarter, adjusted for non-recurring items, was SEK 18.2 (21.3) million and for the year SEK 48.5 (23.9) million. The operating margin in the fourth quarter, adjusted for non-recurring items, was 6.8 (8.2) per cent and 4.8 (2.4) per cent for the year.

Net financial income was SEK -4.1 (-3.9) million in the fourth quarter and SEK -18.8 (-13.8) million for the year.

The Group's tax for the fourth quarter was SEK 0.8 (-5.0) million and SEK -20.1 (-15.0) million for the year. Profit/loss after tax for the fourth quarter was SEK -13.4 (3.7) million and SEK -22.9 (-13.6) million for the year.

Sweden

Sales in the fourth quarter increased to SEK 67.5 (66.2) million and were SEK 211.1 (191.6) million for the year. The operating result in the fourth quarter increased to SEK 18.6 (16.7) million and to SEK 45.3 (20.2) million for the year. The operating margin for the year was 21.5 (10.6) per cent.

The incineration facility operations developed well in the fourth quarter with high capacity utilization and sound profitability. The production volume for the full year was at the same level as the previous year. Production and profitability increased in the fourth quarter and for the full year in the metal treatment facility. During the year Studsvik volume reduced, decontaminated and recycled five heat exchangers from the Berkeley facility in the United Kingdom, among other things, and finished the treatment of steam generators from Ringhals nuclear power plant in Sweden. Productivity enhancing activities took place in 2013 in both operational areas, which meant increased capacity for the incineration facility of about 10 per cent and eliminated some bottlenecks for the metal treatment operations, increasing output in 2013 by 4 per cent.

The order book was sound at the close of 2013, which will create the conditions for good capacity utilization in 2014.

United Kingdom

Sales in the fourth quarter amounted to SEK 74.1 (52.0) million, an increase of 44 per cent in local currency. For the year sales were SEK 265.6 (219.3) million, an increase of 27 per cent in local currency. The operating result for the fourth quarter increased to SEK 3.7 (1.4) million and to SEK 21.3 (8.5) million for the year. The operating margin for the year amounted to 8.0 (3.9) per cent.

Production at the MRF decreased in the fourth quarter due to a number of unplanned stoppages, keeping the production volume for the year at the previous year's level. The capacity utilization of the consulting operations was good and the earnings of UK Nuclear Waste Management, in which Studsvik holds a 15 per cent stake, improved. In 2013 Nuclear Waste Management contributed a share in earnings of SEK 7.6 (5.1) million. In April 2013 the Nuclear Decommissioning Authority extended the contract for UK Nuclear Waste Management's operating responsibility for LLWR Ltd for a further five years.

The order book was strong both for waste management and the consulting operations at the close of 2013.

Germany

Sales in the fourth quarter amounted to SEK 61.3 (80.5) million, a decrease of 24 per cent in local currency. For the year sales were SEK 271.4 (331.1) million, a decrease of 11 per cent in local currency. The operating result for the fourth quarter was SEK -19.5 (-4.9) million and SEK -23.5 (-6.7) million for the year. The operating result includes non-recurring items of SEK -18.8 (-8.7) million in the fourth quarter and of SEK -23.0 (-8.7) million for the year. The operating margin, adjusted for non-recurring items, was -0.2 (2.1) per cent for the year.

A vigorous restructuring program was implemented during the year, reducing the number of employees in service and maintenance and administration by more than 80. The operations have been successively adapted from the shrinking maintenance market to the growing and more profitable market in engineering services and decommissioning. The action program implemented has had an effect in the form of lower costs.

Both for the fourth quarter and the full year engineering services had satisfactory capacity utilization and decommissioning in Germany, Belgium, the Netherlands and Switzerland continued as planned with good capacity utilization.

The order book was thinner at the close of 2013 than at the close of 2012, but is expected to enable satisfactory utilization of resources in 2014.

USA

Sales for the continuing operations in the fourth quarter amounted to SEK 5.4 (0.8) million. During the year sales were SEK 11.5 (13.0) million, a decrease of 9.3 per cent in local currency. The operating result for the fourth quarter was SEK -6.2 (-1.5) million and SEK -9.9 (-8.9) million for the year.

The capacity utilization of the consulting operations, which mainly target customers in the USA, France and Japan with technology and license sales based on THOR technology, improved in the fourth quarter.

The Board has investigated the possibility of winding up substantial parts of the operations and on February 11, 2014 signed an agreement with EnergySolutions, selling the waste treatment parts of the operations, i.e. the Erwin and Memphis facilities. In parallel with this an action program was initiated in early 2013 to adapt the operations and improve profitability in the USA segment. The program included reducing overheads, adapting the organization and product portfolio, production efficiency measures and price increases. The engineering and consulting operations are assessed to have a stable and predictable development. The Board's assessment is that EnergySolutions is in a better position

than Studsvik to develop Erwin and Memphis in close interaction with its already established disposal and waste treatment operations, while through the transaction, Studsvik is eliminating a considerable financial risk.

The order book is sound in the remaining engineering and consulting operations.

Global Services

Sales in the fourth quarter amounted to SEK 82.8 (74.2) million, an increase of 12 per cent in local currency. Sales for the year were SEK 270.7 (284.5) million, a decrease of 2 per cent in local currency. The operating result for the fourth quarter amounted to SEK 14.4 (8.2) million and SEK 22.8 (26.1) million for the year. The operating margin was 8.4 (9.2) per cent.

Substantially reduced demand from Japan after Fukushima and reduced demand in Germany in combination with low electricity prices impacted software sales negatively. Although sales increased in the fourth quarter, they decreased on a full-year basis. Despite the decline in sales, software operations had good profitability, though not on a level with 2012, which was a record year in terms of sales and earnings.

There was a weak start to the year in materials technology due to postponement of deliveries from customers. However, capacity utilization improved in the fourth quarter and sales, earnings and profitability improved both for the fourth quarter and the full year. An action program is in progress aimed at securing more even capacity utilization and improved profitability. The measures focus on increasing the order book, avoiding delays in delivery and adapting costs.

Consulting operations developed in parity with the previous year, with a good inflow of orders, satisfactory capacity utilization and profitability.

The segment's order book was sound at the close of 2013, which will enable sound capacity utilization in 2014.

Investments (total operations)

The Group's investment in the fourth quarter amounted to SEK 5.0 (12.7) million and to SEK 20.1 (48.9) million for the year.

Cash flow (total operations)

Cash flow from operating activities before working capital changes in the fourth quarter amounted to SEK -69.3 (36.3) million and SEK -43.9 (-69.1) million for the year. Working capital decreased in the fourth quarter by SEK 91.0 (decreased by 0.5) million and decreased during the year by SEK 19.3 (decreased by 61.8) million. Cash flow from operating activities after investments in the fourth quarter was SEK 16.7 (24.1) million and SEK -44.7 (-56.2) million for the year. Cash flow from operations for sale is presented in Note 1.

Financial position and liquidity

Cash and cash equivalents, including current investments, amounted to SEK 151.4 (115.8) million. The improved liquidity situation is due to the bond program issued in the first quarter and the fact that investments were kept at a low level. Interest-bearing liabilities at the end of the quarter were SEK 307.1 (230.3) million. Net interest-bearing debt was SEK 155.7 (114.5) million, which means that the net debt/equity ratio increased to 54.4 (23.9) per cent.

Equity amounted to SEK 286.3 (478.2) million.

Personnel

The average number of employees was 1,061 (1,104), of which 969 (1,012) in continuing operations. The decrease in continuing operations refers to Germany.

Transactions with related parties

During the quarter a dividend of SEK 2.4 million was received from UK Nuclear Waste Management Ltd.

Parent company

Parent company operations comprise the co-ordination of tasks for the Group and assets mainly consist of shares in subsidiaries. Parent company sales in the fourth quarter amounted to SEK 3.3 (3.5) million and to SEK 13.1 (12.8) million for the year. Operating result for the fourth quarter was SEK -18.3 (-4.8) million and SEK -38.9 (-23.7) million for the year. The operating result includes non-recurring items of SEK -9.5 (0) million in the fourth quarter and of SEK -9.5 (0) million for the year. Profit/loss after financial items in the fourth quarter was SEK -252.0 (-253.8) million and SEK -277.5 (-271.6) million for the year. An impairment loss of SEK 279.3 million on the parent company's book value of shares in and receivables from subsidiaries was recognized. The impairment loss refers to the holding in the parent company in segment USA.

Cash and cash equivalents, including current investments, amounted to SEK 56.5 (62.9) million and interest-bearing debt to SEK 269.4 (131.8) million.

Dividend

The Board of Directors proposes that no dividend be distributed in 2014.

Annual General Meeting and Annual Report

The Annual General Meeting will be held on Wednesday, April 23, 2014 at 16.00 at the World Trade Center, Klarabergsviadukten 70/Kungsbron 1, Stockholm. The Annual Report will be available on the company's website in week 12, 2014.

Risks and uncertainties

After the sale of the American operations the Group's total risk exposure has been reduced.

Studsvik operates in an international, competitive market and is thereby exposed to both business and financial risks and uncertainties.

The business uncertainties include the fact that Studsvik and Studsvik's customers handle radioactive material and waste, which requires legal or regulatory licensing. Licensing is required for production facilities, but also for individual activities, such as transport and transfer of material. This means that the operations of Studsvik and Studsvik's customers are exposed to delays in these licensing processes, or the withdrawal of licenses, which may result in shifts in delivery and production plans.

In all countries storage and final disposal of nuclear waste are subject to a strict regulatory framework, which for example stipulates criteria that the waste must meet in physical and chemical terms when it is sent for final disposal. Changes in this regulatory framework could mean that the business competitiveness of some of Studsvik's services would be changed.

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 alter Studsvik's scope of business action.

The financial risks and uncertainties mainly include fluctuations in exchange rates and interest rates, and the company's ability to uphold contracts for withdrawable lines of credit.

An overall analysis of the Group's risks and how they are dealt with is given in the Annual Report, which is available on the company's website. Apart from these risks, no further significant risks are estimated to have arisen.

Outlook

The need for electricity is increasing globally. New nuclear power capacity is being planned and built in many countries, in parallel with the modernization and output increase of nuclear power plants in several of the countries where Studsvik operates. The German decision to phase out nuclear power by 2022 has reduced demand for service and maintenance. Studsvik has adapted its organization to this, but the new market situation may require further adjustment. The German nuclear power reactors already taken out of operation as well as those to be taken out of operation by 2022 will be subject to decommissioning. When this process will start is as yet not clear. Decommissioning and demolition of nuclear facilities in other markets is expected to expand in the long term. Studsvik has a strong product portfolio for decommissioning and an established market position. Nuclear power production in Japan is at present at a complete standstill, which has a negative effect in the short term on demand from Japan for services and products related to production and operation.

Accounting policies

Studsvik AB applies International Financial Reporting Standards as adopted by the European Union. Material accounting policies and valuation principles are in accordance with those of the annual accounts for the financial year ended December 31, 2012. The new and revised standards and interpretations IAS 1 "Presentation of financial statements", IAS 19 "Employee benefits" and IFRS 13 "Fair value measurement" applicable from January 1, 2013 have not had any material effects on Studsvik's financial statements. This interim report was prepared in accordance with IAS 34 and the Annual Accounts Act. The interim report for the parent company was prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board recommendation RFR 2 Accounting for legal entities.

Stockholm February 12, 2014

Michael Mononen
President

This report has not been reviewed by the company's auditors.

Time schedule for financial information

Interim Report January–March 2014	April 23, 2014
Interim Report January–June 2014	July 17, 2014
Interim Report January–September 2014	October 21, 2014

For further information please contact

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The interim report will be presented at a telephone conference to be held in English on February 12, at 11:00 CET. Further information for those interested in participating is available at www.studsvik.se.

Consolidated statement of profit or loss and other comprehensive income

Amounts in SEK million

	October– December 2013	October– December 2012	Full year 2013	Full year 2012
Continuing operations				
Net sales	266.9	261.1	1,001.3	1,012.9
Cost of services sold	–183.0	–178.7	–748.4	–771.2
Gross profit	83.9	82.4	252.9	241.7
Selling and marketing expenses	–12.3	–12.6	–43.7	–45.2
Administrative expenses	–41.1	–38.8	–142.0	–149.9
Research and development costs	–7.4	–6.8	–26.6	–25.4
Share in non-controlling interest	0.7	1.5	7.3	5.4
Other operating income	1.6	3.9	10.2	7.7
Other operating expenses	–35.5	–17.0	–42.1	–19.1
Operating profit	–10.1	12.6	16.0	15.2
Financial income	0.2	0.2	1.2	0.8
Financial expenses	–5.4	–3.3	–19.7	–14.2
Fair value gain/loss (realized and unrealized)	1.1	–0.8	–0.3	–0.4
Profit after financial items	–14.2	8.7	–2.8	1.4
Income tax	0.8	–5.0	–20.1	–15.0
Profit/loss for the period from continuing operations	–13.4	3.7	–22.9	–13.6
Operations for sale		Note 1		
Profit/loss from operations for sale	–171.6	8.8	–173.9	–34.2
Profit/loss for the period	–185.0	12.5	–196.8	–47.8
Other comprehensive income				
Items that may later be reversed in the income statement				
Translation differences on foreign subsidiaries	7.2	–0.9	4.6	–17.7
Cash flow hedges	–2.0	0.7	0.1	4.1
Income tax on items recognized in other comprehensive income	0.5	0.0	0.0	–0.9
Other comprehensive income for the period, net after tax	5.7	–0.2	4.7	–14.5
Total profit or loss and other comprehensive income for the period	–179.3	12.3	–192.1	–62.3
Income for the period attributable to				
Parent company's shareholders	–185.0	12.5	–196.8	–47.8
Non-controlling interest	–	–	–	–
Total comprehensive income attributable to				
Parent company's shareholders	–179.3	12.3	–192.1	–62.3
Non-controlling interest	0.0	0.0	0.0	0.0
Earnings per share calculated on income attributable to the parent company's shareholders during the period, SEK				
Earnings per share before dilution				
Profit/loss from continuing operations	–1.63	0.45	–2.78	–1.65
Profit/loss from operations for sale	–20.88	1.06	–21.15	–4.16
Profit/loss for the period	–22.51	1.51	–23.93	–5.81
Earnings per share after dilution				
Profit/loss from continuing operations	–1.63	0.45	–2.78	–1.65
Profit/loss from operations for sale	–20.88	1.06	–21.15	–4.16
Profit/loss for the period	–22.51	1.51	–23.93	–5.81

Group statement of financial position

Amounts in SEK million

		December 2013	December 2012
Assets			
Goodwill		158.8	300.9
Other intangible non-current assets		4.1	28.5
Property, plant and equipment		331.4	459.6
Financial non-current assets		112.7	119.9
Total non-current assets		607.0	908.9
Inventories		1.8	7.0
Trade receivables		151.7	169.1
Other current receivables		90.8	115.6
Liquid assets		151.4	115.8
Total current assets		395.7	407.5
Assets in disposal group held for sale	Note 1	260.7	–
Total assets		1,263.4	1,316.4
Equity and liabilities			
Equity attributable to parent company's shareholders		286.0	477.9
Non-controlling interest		0.3	0.3
Borrowings		264.8	131.0
Provisions		182.1	221.8
Other non-current liabilities		40.6	42.1
Total non-current liabilities		487.5	394.9
Trade payables		43.0	68.5
Borrowings		42.3	99.3
Other current liabilities		232.4	275.5
Total current liabilities		317.7	443.3
Liabilities in disposal group held for sale	Note 1	171.9	–
Total equity and liabilities		1,263.4	1,316.4
Pledged assets		148.9	142.4
Contingent liabilities		89.9	83.6

Changes in equity

Amounts in SEK million

	Share capital	Other contributed capital	Reserves	Retained earnings	Equity attributable to the parent company's shareholders	Non- controlling interest	Total equity
Equity at December 31, 2011	8.2	225.3	3.7	311.3	548.5	0.3	548.8
Changes January 1 – September 30, 2012							
Dividend	–	–		–8.2	–8.2	–	–8.2
Comprehensive income for the period	–	–	–14.3	–60.3	–74.6	–	–74.6
Equity at September 30, 2012	8.2	225.3	–10.6	242.8	465.7	0.3	466.0
Changes October 1 – December 31, 2012							
Comprehensive income for the period	–	–	–0.2	12.4	12.2	0.0	12.2
Equity at December 31, 2012	8.2	225.3	–10.8	255.2	477.9	0.3	478.2
Changes January 1 – September 30, 2013							
Comprehensive income for the period	–	–	–1.0	–11.7	–12.7	0.0	–12.7
Equity at September 30, 2013	8.2	225.3	–11.8	243.5	465.2	0.3	465.5
Changes October 1 – December 31, 2013							
Comprehensive income for the period	–	–	5.8	–185.0	–179.2	0.0	–179.2
Equity at December 31, 2013	8.2	225.3	–6.0	58.5	286.0	0.3	286.3

Statement of cash flow

Amounts in SEK million

Cash flow from operations for sale, see Note 1.

	October– December 2013	October– December 2012	Full year 2013	Full year 2012
Operating activities				
Operating profit	–174.7	21.2	–165.3	–19.4
Depreciation	16.5	16.3	63.5	64.0
Adjustment for non-cash items etc	94.6	5.6	89.7	–72.8
	–63.6	43.1	–12.1	–28.2
Financial items, net	–5.2	–3.1	–18.5	–13.4
Income tax paid	–0.5	–3.7	–13.3	–27.5
Cash flow from operating activities before changes in working capital	–69.3	36.3	–43.9	–69.1
Changes in working capital	91.0	0.5	19.3	61.8
Cash flow from operating activities	21.7	36.8	–24.6	–7.3
Investing activities				
Investments	–5.0	–12.7	–20.1	–48.9
Cash flow after investments	16.7	24.1	–44.7	–56.2
Other changes from investing activities	1.0	3.4	4.8	39.8
Cash flow from operating activities after investments and other changes from investing activities	17.7	27.5	–39.9	–16.4
Financing activities				
Change in borrowings	–59.9	–11.4	74.5	22.0
Dividend to shareholders	–	–	–	–8.2
Cash flow from investing activities	–59.9	–11.4	74.5	13.8
Changes in liquid assets	–42.2	16.1	34.6	–2.6
Liquid assets at the beginning of the year	192.2	99.2	115.8	122.1
Translation difference in liquid assets	1.4	0.5	1.0	–3.7
Liquid assets at the end of the period	151.4	115.8	151.4	115.8
Cash flow specification				
Adjustment for non-cash items etc.				
Utilization of provisions for waste in the USA	–	–24.9	–	–118.7
Other changes in provisions	3.4	29.6	6.2	48.5
Share in earnings from associated companies	–0.7	–1.6	–7.3	–5.4
Impairment loss on property, plant and equipment	24.0	2.1	24.0	2.3
Impairment loss on intangible assets	67.6	–	67.6	–
Other	0.3	0.4	–0.8	0.5
Total	94.6	5.6	89.7	–72.8
Other changes from investing activities				
Investment in associated companies	–	–	–	–3.3
Dividend from associated companies	2.4	4.8	11.5	8.8
Utilization of deposited funds	–	–	–	54.3
Deposit of funds	–0.9	–0.8	–5.3	–19.9
Sale of non-current assets	–0.6	–	–1.9	0.0
Other	0.1	–0.6	0.5	–0.1
Total	1.0	3.4	4.8	39.8
Change in borrowings				
Loans raised	0.5	–0.1	207.8	63.3
Repayments of loans	–60.4	–11.3	–133.3	–41.3
Total	–59.9	–11.4	74.5	22.0

Financial ratios for the Group

Amounts in SEK million

	Full year 2013	Full year 2012
Operating profit		
EBITDA, operating profit before depreciation	49.8	47.0
Margins		
Operating margin before depreciation, %	5.0	4.6
Operating margin, %	1.6	1.5
Profit margin, %	-0.3	0.1
Profitability *		
Return on operating capital, %	4.5	5.3
Return on capital employed, %	3.5	5.0
Return on equity, %	-6.0	-2.6
Capital structure		
Operating capital	353.2	287.5
Capital employed	504.6	403.3
Equity	286.3	478.2
Interest-bearing net debt	155.7	114.5
Net debt/equity ratio, %	54.4	23.9
Interest cover ratio	-0.9	1.1
Equity/assets ratio, % **	26.2	36.3
Cash flow		
Self financing ratio	0.5	0.9
Investments	19.9	45.9
EBITDA/Net financial items, rolling 12 months	2.7	3.4
Employees		
Average number of employees	969	1,012
Net sales per employee	1.0	1.0

* Calculation based on closing balance.

** Calculation based on continuing operations.

Data per share

	October– December 2013	October– December 2012	Full year 2013	Full year 2012
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				
Profit/loss from continuing operations	-1.63	0.45	-2.78	-1.65
Profit/loss from operations for sale	-20.88	1.06	-21.15	-4.16
Profit/loss for the period	-22.51	1.51	-23.93	-5.81
Earnings per share after dilution				
Profit/loss from continuing operations	-1.63	0.45	-2.78	-1.65
Profit/loss from operations for sale	-20.88	1.06	-21.15	-4.16
Profit/loss for the period	-22.51	1.51	-23.93	-5.81
Equity per share, SEK, totala verksamheten	34.83	58.19	34.83	58.19

Net sales per geographical segment

Amounts in SEK million

	October– December 2013	October– December 2012	Full year 2013	Full year 2012
Sweden	47.1	45.1	175.9	161.3
Europe, excluding Sweden	191.6	196.7	713.8	738.4
North America – from continuing operations	26.0	16.1	98.3	76.5
Asia	2.2	3.2	13.3	36.7
Total	266.9	261.1	1,001.3	1,012.9
North America – from operations for sale	67.1	79.1	214.7	242.0
Total	334.0	340.2	1,216.0	1,254.9

Quarterly review

Amounts in SEK million

Continuing operations	2011				2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	239.1	243.1	211.5	275.6	258.9	274.4	218.5	261.1	250.9	266.5	216.9	266.9
Operating expenses	-233.3	-237.9	-210.9	-247.6	-259.7	-265.0	-224.5	-248.5	-243.6	-253.4	-211.2	-277.0
Operating profit	5.8	5.2	0.6	28.0	-0.8	9.4	-6.0	12.6	7.3	13.1	5.7	-10.1
Financial items, net	-5.2	-2.1	-3.2	-2.1	-3.0	-3.2	-3.8	-3.9	-4.9	-9.5	-0.3	-4.1
Profit after financial items	0.6	3.1	-2.6	25.9	-3.8	6.2	-9.8	8.7	2.4	3.6	5.4	-14.2

Financial data per segment

Refers to continuing operations unless otherwise stated.

Amounts in SEK million

October–December 2013	Sweden	United Kingdom	Germany	USA	Global Services	Other	Eliminations	Group
External sales revenue	35.6	74.1	61.0	5.4	83.3	7.5	–	266.9
Revenue from segment	31.9	–	0.3	–	-0.5	5.1	-36.8	0.0
Operating profit	18.6	3.7	-19.5	-6.2	14.4	-21.1	–	-10.1
Assets	146.2	246.9	186.1	102.5	206.2	442.2	-327.4	1,002.7
Liabilities	188.1	125.5	162.5	173.5	122.3	360.7	-327.4	805.2
Investments	1.6	1.0	0.2	0.0	1.4	0.8	–	5.0
Depreciation/amortization	3.2	1.3	0.5	0.1	2.1	1.9	–	9.1
Average number of employees	105	88	510	10	160	77	–	950

October–December 2012	Sweden	United Kingdom	Germany	USA	Global Services	Other	Eliminations	Group
External sales revenue	44.5	52.0	80.1	0.8	74.2	9.5	–	261.1
Revenue from segment	21.7	–	0.4	–	0.0	3.7	-25.8	0.0
Operating profit	16.7	1.4	-4.9	-1.5	8.2	-7.3	–	12.6
Assets – total operations	135.3	222.4	195.6	456.0	192.4	357.2	-242.5	1,316.4
Liabilities – total operations	160.0	119.6	150.9	296.3	124.2	229.7	-242.5	838.2
Investments	3.1	0.8	0.2	0.0	3.2	3.3	–	10.6
Depreciation/amortization	2.1	1.3	0.6	0.2	2.2	1.9	–	8.3
Average number of employees	98	85	575	11	161	75	–	1,005

Full year 2013	Sweden	United Kingdom	Germany	USA	Global Services	Other	Eliminations	Group
External sales revenue	153.4	265.6	269.8	11.5	270.3	30.7	–	1,001.3
Revenue from segment	57.7	–	1.6	–	0.4	19.9	-79.6	0.0
Operating profit	45.3	21.3	-23.5	-9.9	22.8	-40.0	–	16.0
Assets	146.2	246.9	186.1	102.5	206.2	442.2	-327.4	1,002.7
Liabilities	188.1	125.5	162.5	173.5	122.3	360.7	-327.4	805.2
Investments	8.4	3.8	1.0	0.3	4.2	2.2	–	19.9
Depreciation/amortization	9.4	5.2	2.1	0.8	8.7	7.6	–	33.8
Average number of employees	103	88	530	10	161	77	–	969

Full year 2012	Sweden	United Kingdom	Germany	USA	Global Services	Other	Eliminations	Group
External sales revenue	132.9	219.3	330.0	13.0	284.4	33.3	–	1,012.9
Revenue from segment	58.7	–	1.3	–	0.1	13.5	-73.6	0.0
Operating profit	20.2	8.5	-6.7	-8.9	26.1	-24.0	–	15.2
Assets – total operations	135.3	222.4	195.6	456.0	192.4	357.2	-242.5	1,316.4
Liabilities – total operations	160.0	119.6	150.9	296.3	124.2	229.7	-242.5	838.2
Investments	19.2	2.0	3.6	0.1	11.0	10.0	–	45.9
Depreciation/amortization	8.2	5.3	2.8	1.0	7.2	7.3	–	31.8
Average number of employees	97	82	584	14	160	75	–	1,012

Parent company income statement

Amounts in SEK million

	October– December 2013	October– December 2012	Full year 2013	Full year 2012
Net sales	3.3	3.5	13.1	12.8
Cost of services sold	–0.7	–0.4	–2.8	–2.6
Gross profit	2.6	3.1	10.3	10.2
Other operating costs	–20.9	–7.9	–49.2	–33.9
Operating profit	–18.3	–4.8	–38.9	–23.7
Dividends from subsidiaries	–233.3	–248.6	–233.3	–248.6
Financial net	–0.4	–0.4	–5.3	0.7
Profit before tax	–252.0	–253.8	–277.5	–271.6
Income tax	–5.4	–5.8	0.4	–1.3
Profit for the period	–257.4	–259.6	–277.1	–272.9

Parent company balance sheet

Amounts in SEK million

	December 2013	December 2012
Assets		
Property plant and equipment	0.0	0.0
Financial non-current assets	608.1	763.3
Total non-current assets	608.1	763.3
Current assets	62.0	33.7
Liquid assets	56.5	62.9
Total current assets	118.5	96.6
Total assets	726.6	859.9
Equity and liabilities		
Equity	290.2	567.3
Provisions	0.4	0.4
Non-current liabilities	310.4	169.2
Current liabilities	125.6	123.0
Total liabilities	436.0	292.2
Total equity and liabilities	726.6	859.9

Note 1 Operations for sale

The assets and liabilities referring to Studsvik Processing Facility Erwin, LLC, Studsvik Processing Facility Memphis, LLC, and Semprasafe, LLC, which are all part of segment USA, have been reported as held for sale after a Board resolution on February 11, 2014 to sell these operations. The transaction is expected to be completed as at March 1, 2014.

	2013	2012
Cash flow from operating activities	–33.7	–48.8
Cash flow from investing activities	–0.3	–2.9
Cash flow from financing activities	–	–1.2
Total cash flow	–34.0	–52.9
Assets in operations for sale		
Property, plant and equipment	76.5	–
Goodwill	98.9	–
Current assets	85.3	–
Total assets	260.7	–
Liabilities in operations for sale		
Trade and other payables	119.4	–
Provisions	52.5	–
Total liabilities	171.9	–

Note 1 cont.

In accordance with IFRS 5 assets and liabilities held for sale have been written down to fair value after deduction for selling expenses, SEK 5,491 thousand. This is a non-recurring fair value measurement, using observable input data, indicated through the bidding. The measurement is therefore at level 2 of the fair value hierarchy.

Accumulated income or expense reported in other comprehensive income referring to operations for sale

	2013	2012
Currency translation reserve	2.6	2.3

Analysis of profit from operations for sale and accounting profit on revaluation of assets

	2013	2012
Income	215.7	243.0
Expenses	-329.0	-277.5
Profit/loss from operations for sale – before tax	-113.3	-34.5
Income tax	0.5	0.3
Profit/loss from operations for sale – after tax	-112.8	-34.2
Profit/loss on revaluation of assets in operations for sale – before tax	-68.1	–
Income tax	7.0	–
Profit/loss on revaluation of assets in operations for sale – after tax	-61.1	–
Profit/loss from operations for sale for the period – after tax	-173.9	-34.2

Note 2 Fair value estimation

The tables below show financial instruments at fair value on the basis of their classification in the fair value hierarchy. The definition of the various levels can be found in the Annual Report, Note 2.3.

The Group's assets and liabilities measured at fair value as at December 31, 2013

Assets	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss	–	21,747	9,635
Derivatives used for hedging	–	5,555	–
Liabilities			
Derivatives used for hedging	–	865	–

The Group's assets and liabilities measured at fair value as at December 31, 2012

Assets	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss	–	14,925	8,287
Derivatives used for hedging	–	3,017	–
Liabilities			
Derivatives used for hedging	–	2,560	–

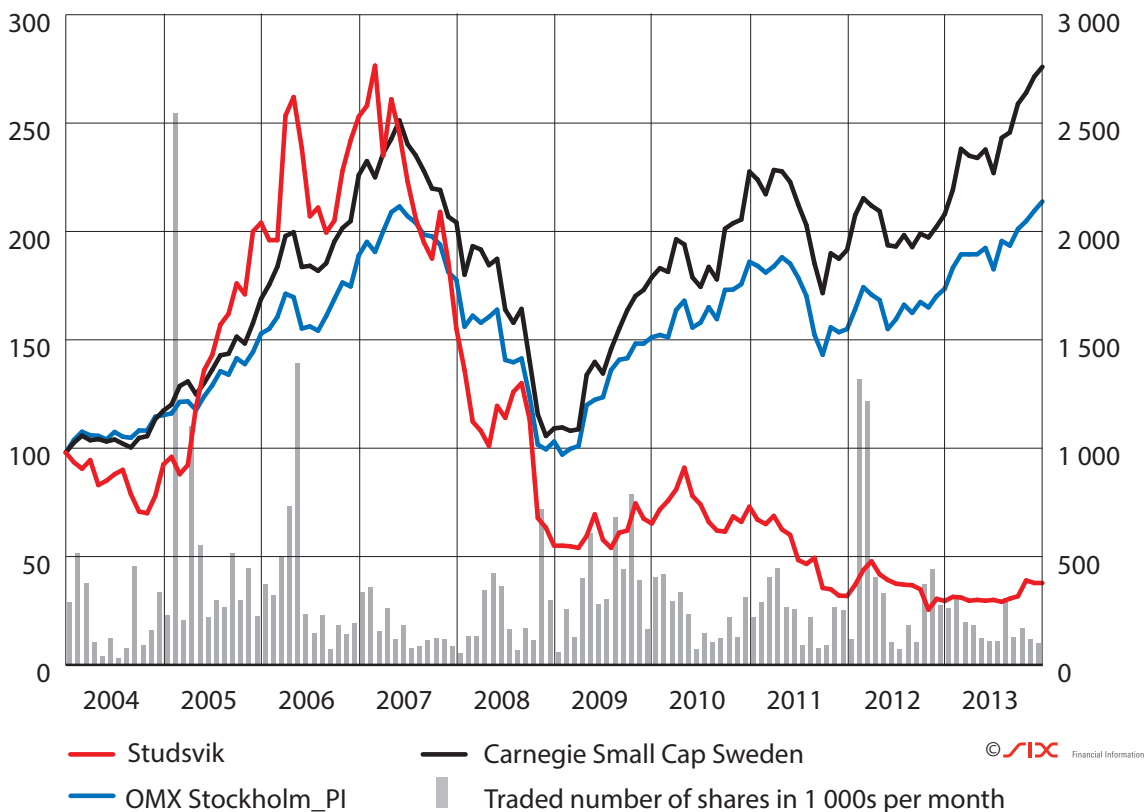
Fair value of the Group's borrowings	December 31, 2013	December 31, 2012
Non-current loans	264.8	131.0
Current loans	42.3	99.3
Total loans	307.1	230.3

Major shareholders, September 30, 2013

	Number of shares	Share, %
The Karinen family	1,769,552	21.5
Briban Invest AB	1,283,492	15.6
Avanza Pensionsförsäkring AB	418,225	5.1
Credit Agricole Suisse SA	346,098	4.2
Nordnet Pensionsförsäkring AB	250,047	3.0
Malte Edenius	230,000	2.8
Invus Investment AB	224,800	2.7
Eikos AB	210,000	2.6
Leif Lundin	179,300	2.2
Fjärde AP-fonden	168,183	2.1
Total ten largest shareholders – holdings	5,079,697	61.8
Other shareholders	3,138,914	38.2
Total	8,218,611	100.0

The Studsvik share

In the fourth quarter the share price varied between a high of 38.50 SEK on December 5 and a low of 31.20 SEK on October 1, 2013. The price was SEK 29.40 at the beginning of the year and the closing price on December 31 was 37.80 SEK. In the fourth quarter 0.39 million shares were traded and during 2013 2.1 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, consultancy services and operating efficiency. The company has 65 years experience of nuclear technology and radiological services. Studsvik has 1,000 employees in 7 countries. The company's shares are listed on the NASDAQ OMX Stockholm.

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