

## YEAR-END REPORT 2013

- Orders received amounted to MSEK 3,241.7 (3,121.7). After adjustments for acquired operations and currency effects, orders received increased by 5 % compared with the previous year
- Net sales totalled MSEK 3,095.2 (3,085.1). After adjustments for acquired operations and currency effects, sales increased by 2 %
- Operating profit was MSEK 277.5 (251.5). The operating margin was 9.0 (8.2) %
- Profit after tax amounted to MSEK 182.6 (159.1)
- Earnings per share was SEK 14.48 (12.61)
- The Finnish company, I-Valo Oy, which was acquired in June, has been included in the consolidated results as of the third quarter 2013
- Fagerhult has signed an agreement to acquire Arlight in Turkey. This acquisition has recently been completed following the approval of the competition authorities
- A dividend of SEK 7.25 (6.50) per share and a 3 for 1 stock split are proposed

### Comments by CEO Johan Hjertonsson:

- Orders received were strong during the fourth quarter and, after adjustments for acquired operations and currency effects, orders received increased by 16 %, compared with the fourth quarter 2012
- Net sales increased by 5 % in the fourth quarter compared with the previous year, after adjustments for acquired operations and currency effects. This was due to increases in market shares, in combination with a somewhat improved Retail Lighting market in, among other markets, Germany and France.
- Measures to improve the gross margin and reduce fixed expenses have contributed positively to total profits.
- Operating profit improved to MSEK 83.8 (58.1) during the fourth quarter, corresponding to an operating margin of 9.8 (7.5) %.
- We have seen a gradual improvement in the market during the fourth quarter, which we deem will continue during 2014.
- The proportion of LED lighting sales continues to rise and exceeded 30 % of total net sales in the fourth quarter.
- The acquisition of Arlight in Turkey will strengthen our position in Europe and will provide a gateway to the Turkish market.

## THE GROUP

### JANUARY- DECEMBER

After the decline in the market during the first half of 2013, the second half showed improved stability, followed by a gradual improvement. This improvement during the last six months of 2013 applied to all market segments, with Retail Lighting experiencing a somewhat higher level of growth. We believe that our market share has improved during the year.

The Group's orders received amounted to MSEK 3,241.4 (3,121.7), representing an increase of 4 %. Adjusted for currency effects and the acquisition of I-Valo, orders received increased by 5 % compared with the previous year. Net sales totalled MSEK 3,095.2 (3,085.1), which is an increase of 2 %, adjusted for currency effects and acquisitions. The gradual improvements in orders received and sales have been experienced in the majority of the Group's markets, with particularly good growth being seen in Retail Lighting in Germany, France and Russia.

Sales on the Swedish market comprised 23 (25) % of total sales. The Group's largest market for the year was the UK, which accounted for 24 (24) % of total sales.

Operating profit increased by MSEK 26.0 compared with the previous year, to MSEK 277.5 (251.5), in spite of lower sales figures and currency effects which negatively impacted profit by MSEK 20. A number of measures have been implemented during the year with the aim of improving the gross margin and decreasing fixed expenses, something which has had a positive effect on profit as regards both the fourth quarter and the full year. These action programmes are a major reason for the improved profits which have been achieved in all business areas.

Excluding the acquired company, I-Valo, fixed expenses were MSEK 20 lower than in 2012. The gross margin has increased within the majority of the product areas, while the Group's focus on, and investment in, product development related to the technological shift to LED, remains in place.

Net financial items improved to MSEK -30.5 (-37.6) as a result of lower interest expenses, a lower level of net debt, and positive currency effects. Tax for the year amounted to MSEK -64.4 (-54.8), implying a somewhat higher tax rate than in previous years. Earnings per share amounted to SEK 14.48 (12.61).

Retail Lighting grew by 10 %, with increased sales being seen in, primarily, Germany, the UK and France. Sales within Indoor Lighting have decreased by 5 % compared with the same period last year. Within Outdoor Lighting, sales have declined by 7 % (All percentages have been adjusted for currency effects and acquisitions).

The Finnish company I-Valo Oy, which was acquired in June, has been included in the consolidated income statement as of the third quarter 2013, and has had a positive effect on operating profit, the operating margin and earnings per share.

### FOURTH QUARTER

Orders received amounted to MSEK 895.9 (736.5) which, after adjustments for currency effects and acquired operations, is an increase of 16 %. Net sales for the fourth quarter were MSEK 855.7 (771.0). After adjustments for currency effects and acquired operations, sales increased by 5 %

In addition to than the positive growth in orders received in Germany, France and Russia mentioned above, orders received have also risen in the UK, Australia and Sweden during the fourth quarter.

Operating profit amounted to MSEK 83.8 (58.1), representing an operating margin of 9.8 (7.5) %.

LED products accounted for more than 30 % of total net sales in the fourth quarter, compared with 12 % during the same quarter last year.

## BUSINESS AREAS

NET SALES AND OPERATING PROFIT PER BUSINESS AREA												
	Net sales				Operating profit				Operating margin,%			
	Q 4		Q 1-4		Q 4		Q 1-4		Q 4		Q 1-4	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Northern Europe	478.0	425.3	1 716.2	1 685.9	41.8	31.6	121.2	99.3	8.7	7.4	7.1	5.9
UK, Ireland and the Middle East	235.1	211.7	848.0	831.5	28.4	17.9	95.1	77.7	12.1	8.5	11.2	9.3
Other Europe	202.2	150.3	737.1	650.5	15.3	7.9	73.4	61.3	7.6	5.3	10.0	9.4
Asia and the Pacific	49.0	55.0	167.5	227.6	4.5	6.3	14.7	27.3	9.2	11.5	8.8	12.0
Other	-	-	-	-	-6.2	-5.6	-26.9	-14.1	-	-	-	-
Elimination	108.6	-71.3	-373.6	-310.4	-	-	-	-	-	-	-	-
<b>Total</b>	<b>855.7</b>	<b>771.0</b>	<b>3 095.2</b>	<b>3 085.1</b>	<b>83.8</b>	<b>58.1</b>	<b>277.5</b>	<b>251.5</b>	<b>9.8</b>	<b>7.5</b>	<b>9.0</b>	<b>8.2</b>
Financial unallocated items					-7.4	-1.9	-30.5	-37.6				
<b>Profit before tax</b>					<b>76.4</b>	<b>56.2</b>	<b>247.0</b>	<b>213.9</b>				

Net sales per product area				
	Q 4		Q 1-4	
	2013	2012	2013	2012
Indoor Lighting	552.0	522.5	2 012.0	2 064.7
Retail Lighting	241.8	188.4	881.5	801.9
Outdoor Lighting	61.9	60.1	201.7	218.5
	<b>855.7</b>	<b>771.0</b>	<b>3 095.2</b>	<b>3 085.1</b>

### NORTHERN EUROPE

This business area is comprised of the Group's units and companies in the Nordic countries, the Baltic countries and Russia. This area also includes the factory in China, which involves manufacturing and purchases. The company, I-Valo Oy, which was acquired during the year, is included in the Northern Europe segment. In Sweden, operations are comprised of development work, manufacturing and sales, while operations in other markets, with the exception of China and Finland, comprise only of sales.

Net sales in the fourth quarter amounted to MSEK 478.0, compared with MSEK 425.3 in the previous year. Operating profit for the same period amounted to MSEK 41.8 (31.6) and the operating margin increased to 8.7 (7.4) %. The company I-Valo Oy, which was acquired during the year, contributed sales of MSEK 22.3 and operating profit of MSEK 3.4.

Sales for the period January – December amounted to MSEK 1,716.2 (1,685.9). After adjustments for currency effects and acquisitions, this represents a similar sales level as in 2012.

The higher operating margin in 2013 was an effect of the programme of measures referred to above, in combination with a higher utilisation of capacity in the production facilities. Currency effects of MSEK 15 negatively impacted profit in the Northern Europe segment, while the Swedish production units, which export a large portion of their production, have been affected by the strength of the Swedish krona.

<b>Northern Europe</b>				
	<b>Q 4</b>		<b>Q 1-4</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
Net Sales	478.0	425.3	1 716.2	1 685.9
<i>(of which to group companies)</i>	<i>(101.7)</i>	<i>(68.3)</i>	<i>(351.6)</i>	<i>(300.5)</i>
Operating profit	41.8	31.6	121.2	99.3
Operating margin, %	8.7	7.4	7.1	5.9
Sales growth, %	12.4	-4.4	1.8	3.8
Sales growth, adjusted for exchange rate differences, %	13.4	-3.6	2.9	4.2
Growth in Operating profit, %	32.3	14.1	22.1	-17.5

### UK, IRELAND AND THE MIDDLE EAST

This business area comprises our companies in England and Ireland, as well as our operations in the Middle East. The dominant unit is Whitecroft Lighting, which engages in the development, manufacture and sale of lighting systems.

Net sales in the fourth quarter amounted to MSEK 235.1, compared with MSEK 211.7 during the previous year. Operating profit for the same period amounted to MSEK 28.4 (17.9) and the operating margin to 12.1 (8.5 %).

Sales for the period January – December amounted to MSEK 848.0 (831.6). Adjusted for currency effects, sales increased by 7 %. The year has seen positive growth in Dubai and in the Fagerhult brand in the UK.

The improvement to profits was a result of higher sales in combination with the beneficial development of the gross margin and good cost control.

<b>UK, Ireland and the Middle East</b>				
	<b>Q 4</b>		<b>Q 1-4</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
Net Sales	235.1	211.7	848.0	831.5
<i>(of which to group companies)</i>	<i>(4.2)</i>	<i>(0.8)</i>	<i>(10.4)</i>	<i>(5.3)</i>
Operating profit	28.4	17.9	95.1	77.7
Operating margin, %	12.1	8.5	11.2	9.3
Sales growth, %	11.1	11.2	2.0	11.8
Sales growth, adjusted for exchange rate differences, %	12.8	10.6	7.0	8.6
Growth in Operating profit, %	58.7	70.5	22.4	11.6

### OTHER EUROPE

This business area includes operations in Germany, Holland, France, Spain, Slovakia and Poland. The largest operations are LTS Licht & Leuchten GmbH in Germany, which engages in the development, manufacturing and sale of lighting systems.

Net sales in the fourth quarter amounted to MSEK 202.3, compared with MSEK 150.3 in the previous year, with a high level of growth in Germany and France. Operating profit for the same period amounted to MSEK 15.3 (7.9) and the operating margin increased to 7.6 % (5.3 %).

Sales for the period January – December amounted to MSEK 737.1 (650.5). Adjusted for currency effects, the increase was 14 %. The improved operating profit is a consequence of higher sales, while expenses attributable to the product range and restructuring had a negative impact of MSEK 5 on profit for the year.

Other Europe	Q 4		Q 1-4	
	2013	2012	2013	2012
	Net Sales	202.2	150.3	737.1
<i>(of which to group companies)</i>	<i>(2.9)</i>	<i>(2.2)</i>	<i>(11.7)</i>	<i>(4.6)</i>
Operating profit	15.3	7.9	73.4	61.3
Operating margin, %	7.6	5.3	10.0	9.4
Sales growth, %	34.5	-22.5	13.3	-13.6
Sales growth, adjusted for exchange rate differences, %	31.5	-18.4	14.3	-10.6
Growth in Operating profit, %	93.7	-80.4	19.7	-50.6

#### ASIA AND THE PACIFIC

This business area is mainly comprised of our operations in Australia, where, in addition to sales, a certain amount of manufacturing also takes place.

Net sales in the fourth quarter amounted to MSEK 49.0, compared with MSEK 55.0 in the previous year. Operating profit for the same period amounted to MSEK 4.5 (6.3) and the operating margin decreased to 9.2 % (11.5 %). Sales for the period January – December amounted to MSEK 167.5 (227.3). Adjusted for currency effects, the decrease was 19 %.

The market has been weak in Australia during the year, leading to lower net sales than during the previous year. Demand and orders received have, however, improved towards the end of the year. The lower sales have had a negative impact on profit, although this has been partly compensated for by a lower level of expenses.

Asia and the Pacific	Q 4		Q 1-4	
	2013	2012	2013	2012
	Net Sales	49.0	55.0	167.5
<i>(of which to group companies)</i>	<i>(0.0)</i>	<i>(0.0)</i>	<i>(0.0)</i>	<i>(0.0)</i>
Operating profit	4.5	6.3	14.7	27.3
Operating margin, %	9.2	11.5	8.8	12.0
Sales growth, %	-10.9	2.4	-26.4	9.4
Sales growth, adjusted for exchange rate differences, %	0.9	3.7	-18.7	4.9
Growth in Operating profit, %	-28.6	53.7	-46.2	43.7

#### OTHER

This business area is mainly comprised of corporate functions and the Parent Company, AB Fagerhult.

## FINANCIAL POSITION

The Group's equity/assets ratio at year-end was 37 (35) %. Cash and bank balances at the end of the period amounted to MSEK 249 (257) and the Group's equity totalled MSEK 1,030 (928). Net debt was somewhat higher than at the equivalent point in time during the previous year and amounted to MSEK 885 (874). During the period, a dividend of MSEK 82 was paid and an acquisition of MSEK 84 was undertaken.

Cash flow from operating activities for the period January – December amounted to MSEK 222 (237). The lower cash flow is a result of the increase in working capital towards the end of the year, attributable to increased sales.

Pledged assets and contingent liabilities amounted to MSEK 7.1 (7.1) and MSEK 1.7 (3.9), respectively.

## INVESTMENTS

The Group's gross investments in fixed assets amounted to MSEK 65 (94). In addition, investments in subsidiaries were undertaken amounting to MSEK 84 (0).

## ACQUISITION

### I-Valo Oy

In order to further strengthen the Fagerhult Group's position in the European lighting market, and to complement the Group's product segment for demanding industrial applications, Fagerhult acquired 100 % of the shares in I-Valo Oy, with its registered offices in Iittala, Finland. The company has 60 employees and its net sales during 2012 were MEUR 10.

The purchase price in the transaction was MEUR 9.5, with an additional TEUR 123 in transaction expenses also being paid. Goodwill and other intangible assets with an indeterminable lifetime amount to approximately MSEK 58, and are reported in the Northern Europe business area. The company has been consolidated into Fagerhult as of the third quarter.

The impact of I-Valo Oy on the Group's net sales for 2013 amounts to MSEK 46, and on the Group's net profit to MSEK 5.3, before transaction and capital expenses.

### Arlight

In order to further strengthen the Fagerhult Group's position in the European market, and to gain access to the Turkish market, Fagerhult signed an agreement on 20 December 2013 to acquire 100 % of the shares in Arlight, with its registered offices in Ankara, Turkey. The acquisition was finalised on 12 February 2014. This acquisition also gives us access to a low cost manufacturing facility located near our large existing markets.

Arlight has 160 employees and manufactures light fixtures and lighting systems, primarily intended for outdoor use. Examples of suitable areas of application include offices, schools, hospitals, galleries and airports. The company is expected to report sales of MEUR 21 for 2013, with profitability well over the average within the Fagerhult Group.

Fagerhult is paying a price of MEUR 28 (debt free cash free basis) for 100 % of the shares in Arlight. A further MEUR 7 may be payable as supplementary purchase price between now and 2015, depending on Arlight's financial development. The transaction is being financed with funds from existing credit facilities.

## PERSONNEL

The average number of employees during the period was 2,204 (2,192).

## **PARENT COMPANY**

AB Fagerhult's operations consist of corporate management, financing and coordination of marketing, production and business development. Profit after financial items amounted to MSEK 133.1 (54.8).

The number of employees during the period was 5 (5).

## **DIVIDEND**

The Board will propose that the Annual General Meeting approve a dividend of SEK 7.25 (6.50) per share.

## **ACCOUNTING PRINCIPLES**

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim report of the Parent Company has been prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Council's recommendation RFR. The principles applied are unchanged compared with previous years.

For further information on the accounting principles applied, see AB Fagerhult's website under Financial Information.

## **RISKS AND UNCERTAINTIES**

The Group's significant risks and factors of uncertainty consist primarily of business risks and financial risks relating to currency and interest rates. Through the Company's international operations, the Fagerhult Group is subject to financial exposure related to currency fluctuations. Most prominent are the currency risks associated with export sales and the import of raw materials and components. This exposure is reduced through the flow of sensitive currencies being hedged after individual assessment. Currency risks also exist when translating net foreign assets and profits. Additional information about the Company's risks can be found in the Annual Report for 2012. Other than those risks described in the Company's Annual Report, no further significant risks have arisen.

## **NOMINATION COMMITTEE**

The Annual General Meeting appointed Gustaf Douglas (Chairman), Jan Svensson and Björn Karlsson as the members of the Nomination Committee. Göran Espelund has subsequently joined the Committee.

## **REPURCHASE OF SHARES**

At the Annual General Meeting held on 18 April 2013, the Board was authorised to decide on the acquisition of shares in the Company. No acquisition of shares has been performed to date. The Company's holding of its own shares amounts to 238,000 shares.

AB Fagerhult's Board of Directors has today resolved to propose to the Annual General Meeting, to be held on 24 April 2014, that the Board be authorised to decide on the acquisition of the Company's own shares during the period until the next Annual General Meeting.

## **STOCK SPLIT**

AB Fagerhult's Board of Directors has today resolved to propose to the Annual General Meeting, to be held on 24 April 2014, a 3 for 1 stock split.

## PROSPECTS FOR 2014

The Group has, in recent years, had a strong sales and earnings trend through good organic growth, but also through acquisitions.

The weak business cycle in the construction sector negatively impacted profit during the first half of 2013. During the second half of the year, the prospects for our largest markets have, however, improved somewhat, and we have seen improvements in the lighting market. Company management is of the opinion that the market will continue to recover and improve during 2014, although with the reservation that the development of the market remains difficult to assess.

Of those markets in which Fagerhult is active, Indoor Lighting and Outdoor Lighting are situated late in the business cycle, while Retail Lighting comes in somewhat earlier. The assessment is that the recovery may draw out with time..

The Group intends to continue with its significant investments in product development and marketing, as well as to continue its focus on increased internationalisation.

The acquisitions of I-Valo, completed in June 2013, and of Arlight, completed in February 2014, are expected to have a positive effect of the Company's earnings per share during 2014.

Habo, 13 February 2014

AB Fagerhult (publ)

Johan Hjertonsson

CEO and Managing Director

The interim reports for 2014 will be presented on 24 April, 21 August and 21 October 2014. The Annual General Meeting will be held on 24 April 2014.

Further information can be obtained from Johan Hjertonsson, CEO or Håkan Gabrielsson, CFO, tel 036-10 85 00.

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## THE GROUP

### INCOME STATEMENT

	2013 Oct - Dec 3 months	2012 Oct - Dec 3 months	2013 Jan - Dec 12 months	2012 Jan- Dec 12 months
Net sales	855.7	771.0	3 095.2	3 085.1
(of which outside Sweden)	(656.4)	(561.5)	(2 369.0)	(2 302.0)
Cost of goods sold	-568.1	-523.0	-2086.9	-2107.6
<b>Gross profit</b>	<b>287.6</b>	<b>248.0</b>	<b>1008.3</b>	<b>977.5</b>
Selling expenses	-151.9	-148.7	-560.4	-579.9
Administrative expenses	-56.1	-47.7	-184.2	-177.7
Other operating income	4.2	6.5	13.8	31.6
<b>Operating profit</b>	<b>83.8</b>	<b>58.1</b>	<b>277.5</b>	<b>251.5</b>
Financial items	-7.4	-1.9	-30.5	-37.6
<b>Profit after financial items</b>	<b>76.4</b>	<b>56.2</b>	<b>247.0</b>	<b>213.9</b>
Tax	-18.3	-11.6	-64.4	-54.8
<b>Net profit for the period</b>	<b>58.1</b>	<b>44.6</b>	<b>182.6</b>	<b>159.1</b>
Profit attributed to owners of the parent company	58.1	44.6	182.6	159.1
<b>Earnings per share, calculated on profit attributed to owners of the parent company:</b>				
Earnings per share before dilution, SEK	4.61	3.54	14.48	12.61
Earnings per share after dilution, SEK	4.61	3.54	14.48	12.61
Average no. of outstanding shares before dilution	12 612	12 612	12 612	12 612
Average no. of outstanding shares after dilution	12 612	12 612	12 612	12 612
No. of outstanding shares, thousands	12 612	12 612	12 612	12 612
<b>Profit and other comprehensive income for the period</b>				
<b>Net profit for the period</b>	<b>58.1</b>	<b>44.6</b>	<b>182.6</b>	<b>159.1</b>
Other comprehensive income				
Items which are not reversed in the income statement:				
Revaluation of pension plans	-1.6	8.3	-1.0	11.8
Items which may be reversed in the income statement:				
Exchange differences on translation foreign operations	18.3	3.0	0.6	-26.2
Other comprehensive income for the period, net of tax	<b>16.7</b>	<b>11.3</b>	<b>-0.4</b>	<b>-14.4</b>
<b>Total comprehensive profit for the period</b>	<b>74.8</b>	<b>55.9</b>	<b>182.2</b>	<b>144.7</b>
Total comprehensive profit for the period attributed to owners of the Parent Company	74.8	55.9	182.2	144.7

BALANCE SHEET	31 Dec 2013	31 Dec 2012
Intangible fixed assets	1 047.8	975.2
Tangible fixed assets	333.0	338.7
Financial fixed assets	23.2	22.8
Inventories, etc.	525.1	445.6
Accounts receivable - trade	577.4	494.8
Other non interest-bearing current assets	65.7	89.5
Liquid funds	248.6	256.8
<b>Total assets</b>	<b>2 820.8</b>	<b>2 623.4</b>
Equity	1 029.8	927.9
Long-term interest-bearing liabilities	1 074.4	1 013.1
Long-term non interest-bearing liabilities	63.7	60.5
Short-term interest-bearing liabilities	59.0	117.2
Short-term non interest-bearing liabilities	593.9	504.7
<b>Total equity and liabilities</b>	<b>2 820.8</b>	<b>2 623.4</b>

CASH FLOW STATEMENT	2013 Oct - Dec 3 months	2012 Oct - Dec 3 months	2013 Jan - Dec 12 months	2012 Jan - Dec 12 months
<b>Operating profit</b>	<b>83.8</b>	<b>58.1</b>	<b>277.5</b>	<b>251.5</b>
Adjustment for items not included in the cash flow	10.3	23.7	71.5	74.6
Financial items	-7.4	-7.1	-24.9	-39.4
Paid tax	-7.8	-28.6	-21.4	-74.4
<b>Cash flow generated by operations</b>	<b>78.9</b>	<b>46.1</b>	<b>302.7</b>	<b>212.3</b>
Changes in working capital	23.5	77.4	-81.6	25.0
<b>Cash flow from continuing operations</b>	<b>102.4</b>	<b>123.5</b>	<b>221.1</b>	<b>237.3</b>
Cash flow from investing activities	-25.3	-19.2	-154.0	-79.9
Cash flow from financing activities	-62.9	-72.0	-76.4	-197.7
<b>Cash flow for the period</b>	<b>14.2</b>	<b>32.3</b>	<b>-9.3</b>	<b>-40.3</b>
Liquid funds at the beginning of the period	229.5	221.9	256.8	305.7
Translation differences in liquid funds	4.9	2.6	1.1	-8.6
<b>Liquid funds at the end of the period</b>	<b>248.6</b>	<b>256.8</b>	<b>248.6</b>	<b>256.8</b>

## KEY RATIOS AND DATA PER SHARE

	2013 Oct - Dec 3 months	2012 Oct - Dec 3 months	2013 Jan - Dec 12 months	2012 Jan - Dec 12 months
Sales growth, %	11.0	-3.8	0.3	2.1
Growth in operating profit, %	44.2	-32.8	10.3	-20.8
Growth in profit after financial items, %	35.9	-33.6	15.5	-25.3
Operating margin, %	9.8	7.5	9.0	8.2
Profit margin, %	8.9	7.3	8.0	6.9
Liquid ratio, %	38	41	38	41
Net debt/equity ratio, %	86	94	86	94
Equity/assets ratio, %	37	35	37	35
Capital employed, MSEK	2 163	2 058	2 163	2 058
Return on capital employed, %	15.5	11.7	13.3	12.2
Return on equity, %	22.6	19.2	18.7	17.8
Net debt, MSEK	885	874	885	874
Gross investments in fixed assets, MSEK	16.7	16.5	65.1	93.7
Net investments in fixed assets, MSEK	16.7	14.7	65.1	91.9
Depreciation of fixed assets, MSEK	23.5	17.8	88.5	84.8
Number of employees	2 177	2 205	2 204	2 192
Equity per share, SEK	81.65	73.57	81.65	73.57
No. of outstanding shares, thousands	12 612	12 612	12 612	12 612

## CHANGE IN EQUITY

Attributable to the owners of the parent company

	Share capital	Other contributed capital	Difference on translation	Profit carried forward	Total equity
<b>Equity as per 1 January 2012</b>	<b>65,5</b>	<b>159,4</b>	<b>-61,0</b>	<b>700,3</b>	<b>864,2</b>
Net profit for the period				159,1	159,1
Other comprehensive income for the period			-26,2	11,8	-14,4
Total comprehensive profit for the period			-26,2	170,9	144,7
Dividend paid, SEK 6.50 per share				-82,0	-82,0
<b>Equity as per 31 December 2012</b>	<b>65,5</b>	<b>159,4</b>	<b>-87,2</b>	<b>790,2</b>	<b>927,9</b>
<b>Equity as per 1 January 2013</b>	<b>65,5</b>	<b>159,4</b>	<b>-87,2</b>	<b>790,2</b>	<b>927,9</b>
Net profit for the period				182,6	182,6
Other comprehensive income for the period			0,6	-1,0	-0,4
Total comprehensive profit for the period			0,6	181,6	182,2
Performance share program				1,7	1,7
Dividend paid, SEK 6.50 per share				-82,0	-82,0
<b>Equity as per 31 December 2013</b>	<b>65,5</b>	<b>159,4</b>	<b>-86,6</b>	<b>891,5</b>	<b>1 029,8</b>

## PARENT COMPANY

### INCOME STATEMENT

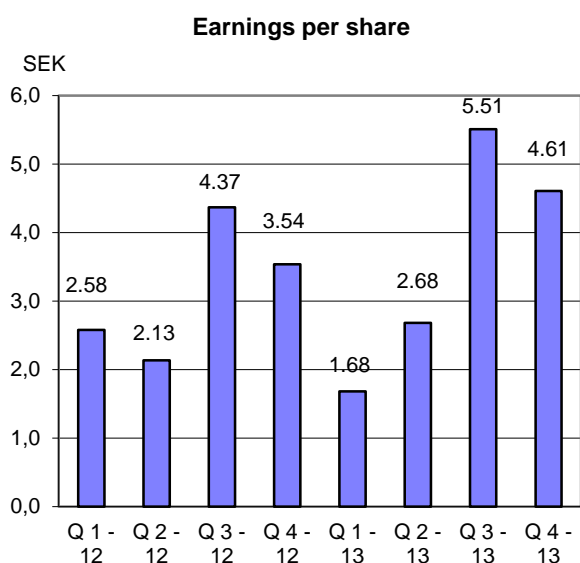
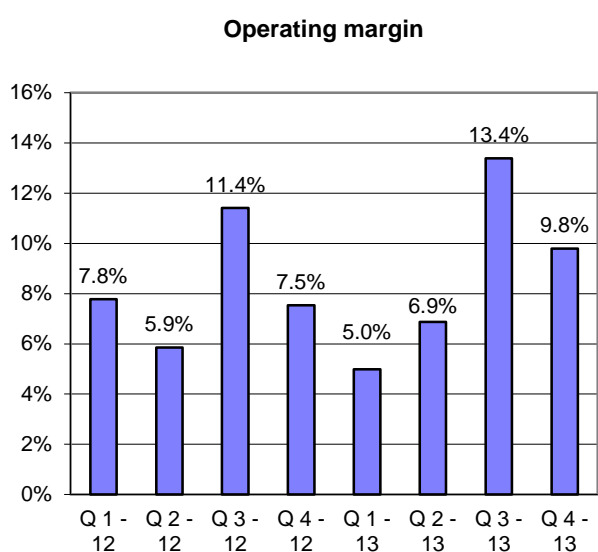
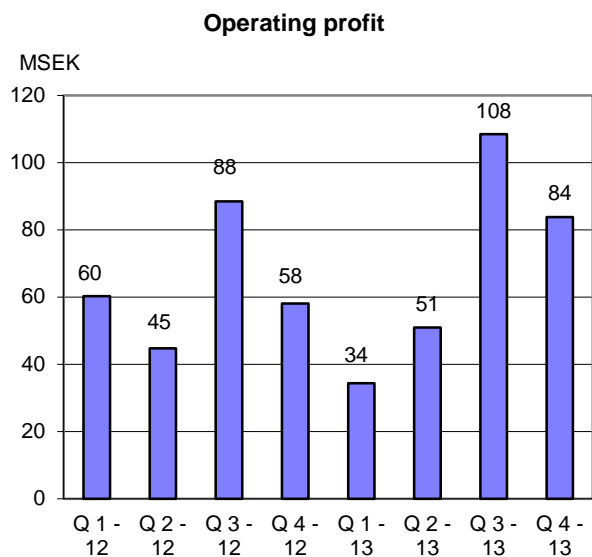
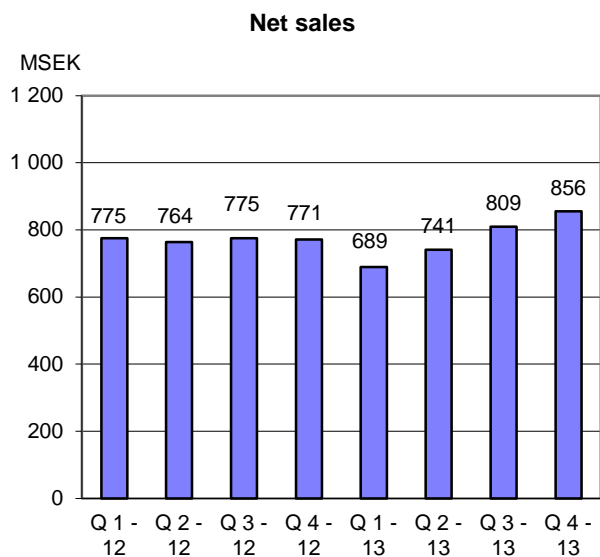
	2013 Oct - Dec 3 months	2012 Oct - Dec 3 months	2013 Jan - Dec 12 months	2012 Jan - Dec 12 months
Net sales	6.9	4.9	8.7	8.7
Selling expenses	-0.6	-1.1	-2.4	-6.5
Administrative expenses	-16.4	-5.0	-33.2	-19
<b>Operating profit</b>	<b>-10.1</b>	<b>-1.2</b>	<b>-26.9</b>	<b>-16.8</b>
Income from shares in subsidiaries	95.0	68.0	169.5	89.1
Financial items	-2.2	-3.5	-9.5	-17.5
<b>Profit after financial items</b>	<b>82.7</b>	<b>63.3</b>	<b>133.1</b>	<b>54.8</b>
Changes in tax allocation reserve	-	-8.6	-	-8.6
Tax	-13.1	-7.0	-13.1	-7.0
<b>Net profit</b>	<b>69.6</b>	<b>47.7</b>	<b>120.0</b>	<b>39.2</b>

### BALANCE SHEET

	31 Dec 2013	31 Dec 2012
Financial fixed assets	1 512.1	1 440.8
Other non interest-bearing current assets	3.6	20.4
Cash and bank balances	122.9	42.3
<b>Total assets</b>	<b>1 638.6</b>	<b>1 503.5</b>
Equity	413.4	373.7
Untaxed reserves	30.0	30.0
Long-term interest-bearing liabilities	1 008.8	951.7
Long-term non interest-bearing liabilities	1.7	1.7
Short-term interest-bearing liabilities	55.3	139.1
Short-term non interest-bearing liabilities	129.4	7.3
<b>Total equity and liabilities</b>	<b>1 638.6</b>	<b>1 503.5</b>

### CHANGE IN EQUITY

	Share capital	Statutory reserve	Profit carried forward	Total equity
<b>Equity as at 1 January 2012</b>	<b>65.5</b>	<b>159.4</b>	<b>190.6</b>	<b>415.5</b>
Performance share program			1.0	1.0
Net profit for the period			39.2	39.2
Dividend paid, SEK 6.50 per share			-82.0	-82.0
<b>Equity as at 31 December 2012</b>	<b>65.5</b>	<b>159.4</b>	<b>148.8</b>	<b>373.7</b>
Performance share program			1.7	1.7
Net profit for the period			120.0	120.0
Dividend paid, SEK 6.50 per share			-82.0	-82.0
<b>Equity as at 31 December 2013</b>	<b>65.5</b>	<b>159.4</b>	<b>188.5</b>	<b>413.4</b>



## KEY RATIOS AND DATA PER SHARE

	2009 <sup>1)</sup>	2010 <sup>1)</sup>	2011	2012	2013
Net sales, MSEK	2 436	2 506	3 023	3 085	3 095
Operating profit, MSEK	104	153	318	252	278
Profit after financial items, MSEK	105	135	286	214	247
Earnings per share, SEK	5.87	7.49	16.52	12.61	14.48
Sales growth, %	-12.1	2.8	20.6	2.1	0.3
Growth in operating profit, %	-61.7	46.7	107.7	-20.8	10.3
Growth in profit after financial items, %	-59.7	28.6	112.8	-25.3	15.5
Operating margin, %	4.3	6.1	10.5	8.2	9.0
Net debt/equity ratio, %	43	132	113	94	86
Equity/assets ratio, %	42	29	31	35	37
Capital employed, MSEK	1 220	1 885	2 145	2 058	2 163
Return on capital employed, %	9.8	11.0	16.2	12.2	13.3
Return on equity, %	10.4	13.1	26.6	17.8	18.7
Net debt, MSEK	305	955	975	874	885
Net investments in fixed assets, MSEK	90	83	66	92	65
Depreciation of fixed assets, MSEK	75	84	89	85	89
Number of employees	1 881	1 926	2 228	2 208	2 204

<sup>1)</sup> Key ratios for 2009-2010 has not been adjusted due to changed accounting principles