

Year-end report

1 January – 31 December 2011



- Net sales rose about 18%* to SEK 414 M (358). Order bookings amounted to SEK 414 M (376), up approximately 13%*.
- Operating profit amounted to SEK 22.6 M (22.9). The Metrology business area continued to report healthy growth during the year. Production and delivery disruptions in the Medical Technology unit in Timmersdala have impacted earnings negatively. The Group's operating profit improved during the second half of the year, compared with the first half.
- The Group's profit after tax totalled SEK 12.8 M (11.6), corresponding to SEK 2.11 per share (1.92).
- On 1 July 2011, Elos acquired Microplast AB, which is active in injection moulding of medical technology products.

President Göran Brorsson comments:

The market development in Medical Technology remained satisfactory, although we noted variation in demand, particularly in the dental implant segment. In the Metrology business area, which performed strongly in 2011, order bookings declined during the fourth quarter.

We continue to have production disruptions with the Medical Technology unit in Timmersdala. The established action plans to improve production processes will successively generate positive effects. The unit in Tianjin, China, is now entering an expansion phase, which will additionally increase capacity in the unit. The full effect of this will be evident in the second half of the year. The acquisition of Microplast has more than matched our expectations.

We anticipate a positive trend in the Medical Technology operation in 2012. For the Metrology business area, which significantly improved its market position in 2011, the market trend is more difficult to assess.

	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Net sales, SEK M	114.8	99.9	414.2	358.2
Growth, %*	15.4	20.5	18.5	17.2
Operating profit, SEK M	7.8	4.6	22.6	22.9
Operating margin, %	6.8	4.6	5.5	6.4
Profit after financial items	6.8	3.0	17.9	16.2
Profit after tax	4.1	1.8	12.8	11.6
Earnings per share before dilution, SEK	0.68	0.30	2.11	1.92

* Adjusted for exchange-rate fluctuations during the year.

Operations in general

The Group is active in two business areas – Medical Technology and Metrology. The emphasis is on Medical Technology. Since autumn 2010, a Medical Technology operation is being established in Tianjin, China. On 1 July 2011, Microplast AB was acquired, which is active in injection moulding of products for the bio technology and medical technology industry, and will thus be part of the Medical Technology business area.

Market conditions for the Group were positive in 2011. The high demand situation resulted in an improvement in the Group's order bookings and net sales.

Invoicing and earnings for October – December 2011

The Group's net sales rose during the quarter to SEK 114.8 M (99.9). Adjusted for exchange-rate fluctuations, the increase was approximately 15%. Order bookings declined to SEK 86.9 M (94.5). Adjusted for exchange-rate fluctuations, the decline was about 6%. The lower order bookings derived primarily from the Metrology business area.

Operating profit improved during the quarter to SEK 7.8 M (4.6). The improvement was attributable to continued strong earnings for the Metrology business area, and higher earnings for the Medical Technology business area, despite continued negative impact from high costs in connection with the running-in of new products. Action plans to improve these processes have been established.

The Group's net financial items were impacted positively by translation differences and amounted to an expense of SEK 1.0 M (expense: 1.6). Profit after financial items was SEK 6.8 M (3.0).

Profit after tax was SEK 4.1 M (1.8), corresponding to SEK 0.68 (0.30) per share before dilution.

The Group's comprehensive income was SEK 4.3 M (13.6). Comprehensive income per share before dilution was SEK 0.72 (2.25).

Invoicing and earnings for January–December 2011

The Group's net sales rose to SEK 414.2 M (358.2). Adjusted for exchange-rate fluctuations, the increase was approximately 18%. Order bookings increased to SEK 413.6 M (375.9). Adjusted for exchange-rate fluctuations, the increase was about 13%.

Operating profit amounted to SEK 22.6 M (22.9). Earnings in 2011 were negatively impacted by production and delivery disruptions, and high costs in connection with the running-in of new products in the Medical Technology unit in Timmersdala. Action plans to improve the running-in process have been established. The operation in Tianjin, China, and the acquisition of Microplast had a positive impact on earnings. The earnings trend for the Metrology business area was strong during 2011.

The Group's net financial items continued to improve and amounted to an expense of SEK 4.7 M (expense: 6.7). Profit after financial items was SEK 17.9 M (16.2).

Profit after tax was SEK 12.8 M (11.6 and 28.7 after gains from divested operations), corresponding to SEK 2.11 (1.92 and 4.75) per share before dilution. Exchange-rate fluctuations had a negative impact of SEK 0.6 M (neg: 2.3) on profit after tax.

The Group's comprehensive income amounted to SEK 15.0 (21.8). Comprehensive income per share before dilution was SEK 2.49 (3.60).

Medical Technology

The business area is one of Europe's leading partners in the development and production of mechanical medical technology products and components, such as dental and orthopaedic implants and instruments.

The organisation is divided into customer-oriented business units: Dental, Orthopaedics, Medical Devices and Microplast. The business area is marketed as Elos Medtech. The business area conducts operations in Sweden, Denmark and China. Customers mainly comprise international medical technology companies.

SEK M	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Net sales	84.5	67.2	295.6	258.4
Growth, %*	27.2	5.6	18.3	9.3
Operating profit/loss	1.2	-0.3	-0.4	13.3
Operating margin, %	1.4	-0.4	-0.1	5.1

2011 started with a high level of activity in most segments in which Elos Medtech is active. The growth rate slowed successively during the year. The demand trend in the dental implant market remained weak in Europe,

while other global regions showed growth. This has resulted in inquiries from new, non-European customers. The Trauma and Spine orthopaedics segments continued to report healthy growth. Several new products offering significant growth potential have been introduced to customers. The diabetes segment continues to report a stable and positive trend.

The operation in Tianjin, China, has progressed in line with expectations. The establishment, which is part of the Group's strategy for geographic expansion, will be a base for deliveries to the Group's medical technology customers that are now establishing a presence in the Chinese market. During the second and third quarters, new production equipment was validated, entailing a further expansion of production capacity. Serial deliveries from this equipment commenced at the end of the third quarter. The delivery rate will now be increased successively.

The Group's strategy for this business area is, to an increasing extent, to develop a range of proprietary products that will complement the Group's contracting operations. During the year, Elos Accurate commenced sales of a range of scanning abutments used in conjunction with 3D scanning prior to production of customised dental bridges. The target group is OEM companies and dental laboratories. The products were well received in the market.

On 1 July 2011, Elos acquired Microplast AB, which is active in injection moulding of thermoplastics for customers in medical and bio technology. The operation developed in line with expectations.

Net sales, which were adversely impacted by production disruptions, totalled SEK 296 M (258), corresponding to a rise of about 18% adjusted for exchange-rate fluctuations. The increase in volume was primarily attributable to the dental implants segment and the acquisition of Microplast. Order bookings rose to SEK 3.4 M (267), an increase of about 18% adjusted for exchange-rate fluctuations. Significant delivery and production disruptions had a negative impact on operating profit for 2011. The organisation has now established a number of action plans to improve introduction process for new products. An operating loss of SEK 0.4 M (profit: 13.3) was reported, resulting in a negative operating margin of 0.1% (pos: 5.1).

Metrology

The business area comprises the Elos Fixturlaser unit, which develops, manufactures and markets laser-based alignment and positioning systems. The company is considered a market leader in its segments with a global market share of approximately 30%. Products are primarily sold through a worldwide network of distributors.

SEK M	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Net sales	30.3	32.7	118.6	99.8
Growth, %	-7.5	56.5	18.8	40.4
Operating profit	8.8	7.0	32.7	17.7
Operating margin, %	29.0	21.4	27.6	17.8

The positive trend from 2010 continued throughout 2011. Demand in Asia rose substantially during the year. The growth rate in the remaining markets slowed in the fourth quarter when order bookings declined 18%. The product launches in recent years have contributed greatly to the success of the business area. During 2011, delivery capacity was expanded, contributing to shorter delivery times. A sales company was established in Hungary during the year.

Net sales for the business area totalled SEK 119 M (100), up approximately 19%. Order bookings amounted to SEK 110 M (109). Operating profit rose to SEK 32.7 M (17.7). The operating margin was about 27.6% (17.8).

Investments

The Group's investments in buildings, land, machinery and equipment totalled SEK 77.7 M (50.6). Of these investments, a significant portion was attributable to the establishment of the medical technology operation in China. The acquisition of Microplast AB entailed investments of SEK 18.2 M (0) in goodwill, buildings as well as machinery and equipment.

In addition, SEK 2.0 M (1.9) was invested in capitalised development costs and SEK 6.0 M (5.2) in intangible fixed assets.

Financial position and liquidity

The higher business volume, combined with the acquisition of Microplast, contributed to an increase in total consolidated assets by SEK 46 M to SEK 533 M (487).

Consolidated shareholders' equity amounted to SEK 216 M (210). Shareholders' equity per share was SEK 35.74 (34.75). Risk-bearing shareholders' equity at the end of the year was SEK 243 M (230), corresponding to 45.6% (47.3) of the total capital. The Group's equity/assets ratio was 40.6% (43.2).

The Group's cash flow from operating activities totalled SEK 34.4 M (48.3). Cash flow after investments, including acquisitions, and sales of fixed assets amounted to a negative SEK 20.7 M (pos: 5.4).

The Group's net borrowing increased during the year to SEK 196 M (138). The Group's cash and cash equivalents, including unutilised overdraft facilities, amounted to SEK 73.0 M (113.4) at the end of the year.

Personnel

At year-end, the Group had 396 (314) full-time employees.

Discontinued operations

The Elos Precision subsidiary was divested in December 2010. See Note 2.

Convertible programme

On 3 May 2011, Elos AB's Annual General Meeting approved the Board's motion to issue a new convertible debenture loan in a maximum nominal amount of SEK 13,500,000, which may be converted to Series B shares. The conversion price has been set at SEK 85 and the issue amounted to a maximum of SEK 13,498,000, corresponding to 158,800 convertibles with a maturity extending from 1 July 2011 through 30 June 2014. Disapplying the preferential rights of shareholders, those entitled to subscribe for the convertibles are those who at the end of the subscription period at 3 June 2011 were permanent employees of Elos AB or its subsidiaries and who on the aforementioned date have not presented notice of termination or been served with notice of termination of their employment. Those who no later than during the subscription period have signed a permanent employment agreement with Elos AB or its subsidiaries are also entitled to subscribe. Applications for subscription were made during the period 23 May to 3 June 2011. Employees of the Elos Group subscribed for Elos 2011/2014 Convertibles in a total amount of SEK 10,999 000, corresponding to 129,400 convertibles at a conversion price of SEK 85. Allotment was undertaken in line with the subscription applications. If all convertibles are converted to shares, the dilution factor will be 2.1% of the share capital and 0.8% of the number of votes based on the current number of registered shares. The rate of interest on the convertibles has been set at STIBOR 360 + 1.60 percentage points, corresponding to 4.61% based on the STIBOR interest rate as of 12 May 2011. Each convertible may be converted to one Series B share in Elos AB during the period 1 May to 13 June 2014. Transactions attributable to the convertibles were undertaken in July 2011 and have been included in the consolidated accounts since then. The share of shareholders' equity has been calculated in line with IAS 32. Since the interest rate on the convertibles essentially matches the market interest rate, consolidated shareholders' equity is not affected.

The convertible debenture loan approved by the Annual General Meeting on 28 April 2008, comprising 185,600 convertibles with a total value of SEK 13,920,000, was redeemed on 30 June 2011.

Parent Company

In addition to central management issues, the Parent Company provides Group-wide support activities, such as technical support, finance and financial control.

The Parent Company's net sales totalled SEK 6.1 M (5.6). Profit after financial items was SEK 1.7 M (25.3). Earnings included Group-wide dividends of SEK 7.2 M (11.9), Group contributions of SEK 5.0 M (0) and a capital gain of SEK 0.3 M from the divestment of associated companies.

The share of risk-bearing equity was 79.6% (79.4). The equity/assets ratio was 79.5% (79.2). The Parent Company's cash and cash equivalents, including unutilised overdraft facilities, totalled SEK 49.5 M (99.49).

The Parent Company's comprehensive income was SEK 3.4 M (32.7). As a result of amended accounting policies for the Parent Company, comparative figures for comprehensive income for 2010 have been adjusted.

Dividend

The Board of Directors proposes that the Annual General Meeting approve to pay a dividend of SEK 1.50 (1.50) per share for the 2011 financial year. According to the motion, the share dividend will total SEK 9.1 M.

Significant risks and uncertainties

The Group's significant risks and uncertainties include business risks associated with customers and suppliers and other external factors, such as risks related to the prices of input goods. In addition, there are financial risks

associated with changes in exchange and interest rates. A detailed description of the Group's risks and uncertainty factors, and of how they are managed, is presented in the Board of Directors' Report in the 2010 Annual Report.

Transactions with closely related parties

The company has not had any current transactions with closely related parties. However, the dormant company, AB Westergyllen, was sold to one of the major shareholders at the assessed market value.

Accounting policies

The consolidated accounts for 2011, in common with the year-end accounts for 2010, have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and the Swedish Annual Accounts Act. The Parent Company's accounts were prepared in accordance with the Annual Accounts Act and recommendation RFR 2 Reporting of Legal Entities issued by the Swedish Financial Reporting Board.

This interim report has been prepared in compliance with IAS 34. The term IFRS in this document includes application of both IAS and IFRS, as well as interpretations of these standards as published by the IASB's Standards Interpretation Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

The Group applies the same accounting policies as those described in the 2010 Annual Report. New or revised recommendations with application from 2011 are not considered to have any significant impact on the financial statements.

Forecast for 2012

We anticipate a positive trend in the medical technology operation in 2012. For the Metrology business area, which significantly improved its market position in 2011, the market trend is more difficult to assess.

Annual General Meeting

The Annual General Meeting will be held in Lidköping on 23 April 2012.

Nomination Committee

At the 2011 Annual General Meeting, it was resolved that the Nomination Committee was to comprise one representative for each of the three largest shareholders, in terms of votes, on 30 September every year and one representative for other shareholders. The task of the Nomination Committee ahead of the 2012 Annual General Meeting is to submit proposals concerning nomination of the Chairman of the AGM and the Chairman of the Board, the number of Board members and election of Board members and, wherever appropriate, also the election of auditors and resolutions concerning Board fees, remuneration for Committee work and auditors, fees.

The Nomination Committee ahead of the 2012 Annual General Meeting comprises the Chairman Lars Runmarker, Bo Nilsson and Thomas Öster, representing the largest shareholders, and Ingemar Johansson representing the other shareholders.

Annual Report

Elos' annual report is scheduled to be completed in late March 2012 and will be available at the company and on Elos' website, www.elos.se. Printed annual reports will also be sent to shareholders who, according to Euroclear, wish to receive company information.

Financial information 2012

Interim report for the first quarter of 2012 will be published on 23 April 2012.

Interim report for the second quarter of 2012 will be published on 22 August 2012.

Interim report for the third quarter of 2012 will be published on 26 October 2012.

Lidköping, 24 February 2012

Elos AB (publ)
Board of Directors

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The information in this interim report is such that Elos AB (publ) is obligated to publish in accordance with the Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication on 24 February 2012 at 8:00 a.m. (CET).

This year-end report is unaudited.

CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

SEK M	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Net sales	114,8	99,9	414,2	358,2
Cost of goods sold	-77,8	-68,6	-287,1	-246,9
Gross profit	37,0	31,3	127,1	111,3
Selling expenses	-10,8	-10,1	-37,3	-32,7
Administration expenses	-14,1	-9,4	-48,7	-35,0
Development expenses	-4,8	-6,7	-21,8	-22,4
Other operating income/expenses	0,5	-0,5	3,3	1,7
Operating profit	7,8	4,6	22,6	22,9
Financial income	1,0	0,2	4,4	0,2
Financial expenses	-2,0	-1,8	-9,1	-6,9
Profit before taxes	6,8	3,0	17,9	16,2
Taxes	-2,7	-1,2	-5,1	-4,6
Net profit for the year from remaining operations	4,1	1,8	12,8	11,6
Profit from discontinued operations	0,0	12,2	0,0	17,1
Net profit for the year	4,1	14,0	12,8	28,7
Profit attributable to:				
Parent company shareholders	4,1	14,0	12,8	28,7
Statements of comprehensive income				
Result for the period	4,1	14,0	12,8	28,7
Other comprehensive income				
Translation difference	-4,7	-1,1	1,7	-14,5
Remeasurement IAS incl. Tax	1,3	0,0	0,0	0,0
Hedging of net investment	3,6	0,7	0,5	7,6
Total comprehensive income	4,3	13,6	15,0	21,8
Result attributable to:				
Equity holders of the parent	4,3	13,6	15,0	21,8
EBITDA	14,3%	12,0%	13,4%	14,1%
EBIT	6,8%	4,6%	5,5%	6,4%
Depreciation charged against earnings, remain. operations	9,2	7,4	33,4	27,7
Earnings per share, remaining operations, before dilution	0:68	0:30	2:11	1:92
Earnings per share, discontinued operations, before dilution	0:00	2:01	0:00	2:83
Earnings per share, total, before dilution	0:68	2:31	2:11	4:75
Earnings per share, remaining operations, after dilution*	0:66	0:29	2:08	1:86
Earnings per share, discontinued operations, after dilution*	0:00	1:96	0:00	2:74
Earnings per share, total, after dilution*	0:66	2:25	2:08	4:60
Number of shares (thousands) before dilution	6 051	6 051	6 051	6 051
Number of shares (thousands) after dilution*	6 180	6 237	6 335	6 237
Number of shares end of period (thousands)	6 051	6 051	6 051	6 051

* Considerations to convertibles issued 2008-07-01 and 2011-07-01

CONDENSED CONSOLIDATED BALANCE SHEET

SEK M	2011-12-31	2010-12-31
Assets		
Intangible fixed assets	59,7	49,6
Tangible fixed assets	244,3	202,1
Other current assets	199,0	171,9
Cash and bank balances	29,8	62,7
Asset for sale	0,0	0,6
Total assets	532,8	486,9
Shareholders' equity and liabilities		
Shareholders' equity	216,2	210,3
Long-term liabilities	200,5	161,8
Current liabilities	116,1	114,8
Total shareholders' equity and liabilities	532,8	486,9
Pledged assets	192,7	172,2
Contingent liability	0,4	0,3

KEY FIGURES

SEK M		Jan-Dec 2011	Jan-Dec 2010 *
Return on capital employed	%	6,1	7,8
Return on shareholders' equity	%	6,0	19,2
Share of risk-bearing capital	%	45,6	47,3
Equity/assets ratio	%	40,6	43,2
Net debt	SEK M	196,0	137,6
Investments excluding shares remaining operations	SEK M	85,7	57,7
Number of employees remaining operations		373	298
Shareholders' equity per share	SEK	35:74	34:75
Dividends	SEK	1:50	-

* Comparative figures are unchanged from previous reports where otherwise indicated.

CHANGES IN SHAREHOLDERS' EQUITY

SEK M	31 Dec 2011	31 Dec 2010
Opening balance	210,3	188,5
Dividends	-9,1	0,0
Total earnings	15,0	21,8
Closing balance, shareholders' equity	216,2	210,3

CONSOLIDATED CASH FLOW STATEMENT

SEK M	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Profit after net financial items	6,8	3,0	17,9	16,2
Reversed depreciations	9,2	7,4	33,4	27,7
Adjustment items	-2,2	1,5	-0,3	0,6
Income tax paid	1,1	-2,0	-1,3	-4,6
Change in working capital	4,6	2,2	-15,3	8,4
Cash flow from remaining operations	19,5	12,1	34,4	48,3
Investments in other fixed assets	-12,0	-20,3	-56,0	-43,7
Sales of other fixed assets	0,1	0,8	0,9	0,8
Balance after investments in fixed assets	7,6	-7,4	-20,7	5,4
Change in interest-bearing loans	3,2	-7,1	-3,1	-21,2
Dividends	0,0	0,0	-9,1	0,0
Cash flow for the year from remaining operations	10,8	-14,5	-32,9	-15,8
Cash flow from discontinued operations	0,0	57,2	0,0	57,2
Cash flow for the year	10,8	42,7	-32,9	41,4
Liquid funds at beginning of the year	19,0	20,0	62,7	21,4
Liquid funds in remaining operations	0,0	0,0	0,0	0,0
Exchanges-rate differences in liquid funds	0,0	0,0	0,0	-0,1
Liquid funds at end of the period	29,8	62,7	29,8	62,7

NET SALES AND OPERATING PROFIT/LOSS PER BUSINESS AREA

Net sales SEK M	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Medical Technology	84,5	67,2	295,7	258,4
Metrology	30,3	32,7	118,5	99,8
Other	0,0	0,0	0,0	0,0
Total net sales remaining operations	114,8	99,9	414,2	358,2

Operating profit/loss SEK M	Oct-Dec 2011	Oct-Dec 2010	Jan-Dec 2011	Jan-Dec 2010
Medical Technology	1,2	-0,3	-0,4	13,3
Metrology	8,8	7,0	32,7	17,7
Other	-2,2	-2,1	-9,7	-8,1
Total operating profit/loss remaining operations	7,8	4,6	22,6	22,9

QUARTERLY FIGURES - GROUP

	Q 4	Q 3	Q 4	Q 1	Q 4	Q 3	Q 2	Q 1
SEK M	2011	2011	2011	2011	2010	2010	2010	2010
Net sales	114,8	102,9	99,8	96,7	99,9	78,6	94,3	85,4
Cost of goods sold	-77,8	-72,9	-72,4	-64,0	-68,6	-54,7	-65,1	-58,5
Gross profit	37,0	30,0	27,4	32,7	31,3	23,9	29,2	26,9
Selling adm. and developm.expens.	-29,7	-24,2	-27,5	-26,4	-26,2	-18,6	-22,9	-22,4
Other operating items	0,5	1,4	0,8	0,6	-0,5	1,1	0,1	1,0
Operating profit/loss	7,8	7,2	0,7	6,9	4,6	6,4	6,4	5,5
Net financial items	-1,0	-0,8	-1,5	-1,7	-1,6	-1,6	-1,7	-1,8
Profit/loss after financial items	6,8	6,4	-0,8	5,2	3,0	4,8	4,7	3,7
Taxes	-2,7	-1,4	0,3	-1,3	-1,2	-1,7	-0,9	-0,8
Profit/loss after taxes remaining operations	4,1	5,0	-0,5	3,9	1,8	3,1	3,8	2,9

QUARTELY FIGURES - BUSINESS AREAS

Net sales	Q 4	Q 3	Q 4	Q 1	Q 4	Q 3	Q 2	Q 1
SEK M	2011	2011	2011	2011	2010	2010	2010	2010
Medical Technology	84,5	72,4	70,3	68,4	67,2	58,3	69,9	63,0
Metrology	30,3	30,5	29,5	28,3	32,7	20,3	24,4	22,4
Other	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total remaining operations	114,8	102,9	99,8	96,7	99,9	78,6	94,3	85,4
Operating profit/loss	Q 4	Q 3	Q 4	Q 1	Q 4	Q 3	Q 2	Q 1
SEK M	2011	2011	2011	2011	2010	2010	2010	2010
Medical Technology	1,2	-0,6	-3,5	2,5	-0,3	4,9	4,7	4,0
Metrology	8,8	9,8	7,6	6,5	7,0	3,4	3,8	3,5
Other	-2,2	-2,0	-3,4	-2,1	-2,1	-1,9	-2,1	-2,0
Total remaining operations	7,8	7,2	0,7	6,9	4,6	6,4	6,4	5,5

PARENT COMPANY INCOME STATEMENT

SEK	Oct-Dec 2011	Oct-Dec * 2010	Jan-Dec 2011	Jan-Dec * 2010
Net sales	1,9	1,5	6,1	5,6
Cost of goods sold	0,0	0,0	0,0	0,0
Gross profit	1,9	1,5	6,1	5,6
Administration expenses	-4,5	-3,8	-16,6	-13,7
Other operating income/expenses	0,1	0,0	0,1	0,0
Operating profit	-2,5	-2,3	-10,4	-8,1
Result fr. participations in group comp.	12,2	35,4	12,2	35,4
Result fr. participations in associated comp.	0,0	-0,9	0,3	-0,9
Financial income	0,8	0,1	1,7	0,2
Financial expenses	-0,8	-0,3	-2,1	-1,3
Result after financial items	9,7	32,0	1,7	25,3
Appropriations	0,8	-0,1	0,8	-0,1
Taxes	-1,7	-0,6	-0,1	0,5
Result for the year*	8,8	31,3	2,4	25,7

Profit attributable to:

Parent company shareholders	8,8	31,3	2,4	25,7
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Rapport över totalresultat (Mkr) *

Resultat efter skatt	8,8	31,3	2,4	25,7
Övrigt totalresultat				
Säkring av nettoinvestering inklusive skatt	1,0	7,0	1,0	7,0
Summa totalresultat	9,8	38,3	3,4	32,7
Summa totalresultat hänförligt till:				
Parent company shareholders	9,8	38,3	3,4	32,7

PARENT COMPANY BALANCE SHEET

SEK	2011-12-31	2010-12-31 *
Assets		
Immateriella anläggningstillgångar	3,9	0
Tangible fixed assets	0,6	1,7
Financial fixed assets	182,2	162,4
Other current assets	36,7	15,7
Cash and bank balances	9,5	59,4
Total assets	232,9	239,2
Shareholders' equity and liabilities		
Shareholders' equity	184,7	188,4
Untaxed reserves	0,7	1,5
Provisions	6,2	5,0
Long-term liabilities	17,3	9,6
Current liabilities	24,0	34,7
Total shareholders' equity and liabilities	232,9	239,2
Pledged assets	2,0	2,0
Contingent liability	0,1	0,1

*Comparative fig. for 2010 have been adjusted due to changed account. principle of comprehensive income.

Note 1 Description of acquisition

Microplast AB was acquired on 1 July 2011. The company has 13 employees and annual sales of approximately SEK 25 M. Microplast is active in injection moulding of thermoplastic medical technology products. The effect of the acquisition of Consolidated sales until the 4th quarter of 2011 is approx. SEK 11.6 M and profit before tax of approx. SEK 3.3 M. The purchase consideration for the acquired operation was SEK 19,5 M plus a conditional purchase consideration based on the performance of the operation during 2011 and 2012, estimated at SEK 2 M. The transaction costs for the acquisition amounted to SEK 0.1 M and are included in operating expenses. The conditional purchase consideration has not yet been re-valued. The acquisition has a positive impact on earnings per share for 2011, and the result is expected to have a positive effect in 2012.

Mkr

Purchase consideration:		
- cash paid consideration		19,5
- estimated add. consideration		2,0
Total consideration		21,5
Total value of acquired assets and liabilities		-14,5
Goodwill		7,0
SEK M	Book value	Real value
Fixed assets	6,8	11,6
Inventories	3,6	4,1
Other current receivables	3,8	3,8
Cash and cash equivalents	4,3	4,3
Current liabilities	-4,0	-4,0
Total assumed net assets	14,5	19,8
Cash paid consideration	-19,5	
Cash and cash equivalents in subsidiary acquired	4,3	
Effect on consolidated cash equivalents	-15,2	

Through the acquisition, intangible fixed assets pertaining to goodwill increased by SEK 7.0 M. As a result of the acquisition, the Group receives expertise in injection moulding with close-fit tolerances for medical technology.

Note 2 – Divested operations 2010

2010

Discontinued operation (SEK thousand)

During December 2010, the Elos Precision AB subsidiary was divested. The value of the divested assets and liabilities in Elos Precision were as follows:

Assets	
Goodwill	568
Land and buildings	7 533
Machinery and other technical facilities	46 555
Equipment, tools, fixtures and fittings	1 686
Shares and participations	20
Inventories	27 813
Current receivables	22 072
Cash and cash equivalents	23
Total assets	106 270
Liabilities	
Pension provisions	1 434
Deferred tax	7 453
Interest-bearing liabilities	34 357
Current liabilities	35 475
Total liabilities	78 719
Net assets divested	27 551

The purchase consideration totalled SEK 40,584,000 and comprises a cash payment and a supplementary purchase consideration. SEK 30,584,000 of the purchase consideration was received in cash and the remaining SEK 10,000,000 was in the form of a promissory note.

Specifikation of divested operations

Purchase consideration received	40 584
Net assets divested	-27 551
Costs attributable to the divestment	-810
Current earnings in the divested company	5 834
Fair value valuation, Diashunt Intressenter AB	-900
Earnings, divested operations	17 157

Income and expenses from the divested operation for 2010 were as follows:

	2010
Income	110 466
Expences	-102 548
Profit before tax	7 918
Tax	-2 084
Earnings, divested operations	5 834