Q3

Interim Report January–September 2014

NOTE™

YOUR MANUFACTURING PARTNER

Q3 Interim Report

FINANCIAL PERFORMANCE IN JANUARY-SEPTEMBER

- Sales were SEK 715.9 (651.7) million.
- Operating profit was SEK 23.7 (-0.7) million.
- The operating margin was 3.3% (-0.1%).
- Profit after financial items was SEK 20.7 (-5.2) million.
- Profit after tax was SEK 17.5 (-7.0) million, corresponding to SEK 0.61 (-0.24) per share.
- Cash flow after investments was SEK -8.3 (0.3) million, or SEK -0.29 (0.01) per share.

FINANCIAL PERFORMANCE IN JULY-SEPTEMBER

- Sales were SEK 235.5 (200.8) million.
- Operating profit was SEK 10.4 (-4.6) million.
- The operating margin was 4.4% (-2.3%).
- Profit after financial items was SEK 9.8 (-6.5) million.
- Profit after tax was SEK 8.7 (-7.9) million, corresponding to SEK 0.30 (-0.28) per share.
- Cash flow after investments was SEK -23.2 (6.3) million, or SEK -0.80 (0.22) per share.

CEO's comment

FOCUS ON SALES GROWTH

So far this year we have continued to grow our business. For some time we have extended our already solid customer base with a relatively high number of new customers. Most of these are European SMEs that we've provided industrialization services for (services sales, prototypes and pilot batches). We're now seeing that several of these customer relations have moved on to serial production and increased volumes.

We're also prioritizing existing customer relations, and it's pleasing that we've extended and deepened our collaboration with many existing customers in the year. The goal is to increase our market share and ensure profitable growth for NOTE's business. We're focusing particularly on developing the process relating to new product introductions (NPI) and maintaining high quality and delivery precision. We consider that we've already achieved sector leadership in terms of delivery precision and quality, which is crucial to our customers' total costs and our competitive edge.

Our Nearsourcing business model is strong, and tailored for the high mix/low volume market segment. It's based on developing business at our Nearsourcing Centres in Sweden, Norway, Finland and the UK in close collaboration with customers. Usually, we conduct labour-intensive volume production at our Industrial Plants in Estonia and China.

In the third quarter we extended our medtech service offering further. Earlier in the year we improved our ability to assist our customers with advanced advice relating to components and materials selection. We've intensified our strategic work since the summer, and are actively listening to our customers to further strengthen our offering as a manufacturing and logistics partner for electronics production, from the design stage to aftermarket service.

PROGRESS IN JANUARY-SEPTEMBER

The positive volume trend from the final quarter of last year continued during the period. So far this year, our sales increased by 10%. Project-oriented business boosted sales growth in the third quarter to just over 17%, which was slightly higher than expected. As I see it, the development during the year shows that we're securing competitive advantages on a relatively stable European market.

For the fourth quarter, we expect a stable but weaker sales development.

Last year, we reported that we'd secured a promising project with a Swedish customer in the communications segment. The project has not yet progressed as expected in volume terms and larger-scale manufacture has yet to commence.

Mainly as a result of increased volumes and continued stable costs, our operating profit improved to SEK 23.7 (-0.7) million, corresponding to an operating margin of 3.3% (-0.1%). Adjusted for last year's provision for bad debt, the operating margin grew by 2.1 percentage points. On the same calculation basis, our operating margin grew by 2.5 percentage points to 4.4% in the third quarter. Our operations require a flexible cost base. Despite substantially higher sales and production volumes we've experienced challenging conditions for utilisation at several of our units. We're seeing increasing interest in our unit in China. In the fourth quarter, we plan to bring a new cutting edge surface-mount assembly line on stream that will significantly boost our production capacity in China. At the same time, we're trimming our Swedish operations.

NOTE focuses closely on ensuring efficient utilisation of working capital. This means that we're working actively to continuously develop logistics solutions, reduce lead times and deepen our collaborations with strategic suppliers. We continued to make advances in several of these areas, which enhances our competitiveness and contributes to continued financial stability. The solid sales growth during the year has naturally placed increased demands on working capital. Mainly as a result of the sales growth, our cash flow was negative. For the first nine months of the year, cash flow after investments was SEK -8.3 (0.3) million. Our balance sheet remains solid—the equity to assets ratio was 44.5% at the end of the period.

FUTURE

We've now achieved sales growth for four consecutive quarters. We foresee good prospects for expanding our business. In the short term, however, we anticipate changed logistics arrangements and stock redimensioning by some of our larger customers to limit sales in the final quarter of the year.

We will work hard to maintain and develop the working methods and attitudes we've introduced in order to win new business, continue the streamlining process and ensure successful working capital utilisation.

Peter Laveson

Sales and results of operations

SALES, JANUARY-SEPTEMBER

Demand remained relatively stable on several of NOTE's European markets. In Sweden, demand was slightly lower. On several other of NOTE's domestic markets, there was an increase in demand, which contributed to solid sales growth in Finland, Norway and the UK.

NOTE endeavours to secure long-term customer relations and partnerships. For some time, extensive work has been done in order to extend the customer base to increase sales and capacity utilisation in the group's units. As a result of these market initiatives, NOTE has recently entered into a relatively high number of new customer relations.

The start-up of new customer partnerships is usually relatively time- and resource-intensive. Following a period of fading sales, NOTE returned sales growth of just over 6% in the fourth quarter last year. Positive progress continued in the year. Sales during the first three quarters were essentially according to plan and were SEK 715.9 (651.7) million, representing a sales growth of 10%. Increased sales were the result of new product sales to existing customers and increased volumes from new customers feeding through.

Direct sales from Industrial Plants in Estonia and China continued to grow. These sales, mainly to customers in Europe, continued to perform positively, representing 28% (22%) of total sales. To some extent, the increase was an effect of the transfer of customer responsibilities from Nearsourcing centres to Industrial Plants, which is a natural part of NOTE's business model.

NOTE sells to a large customer base, essentially active in the engineering and communication industries in the Nordics and UK. NOTE's 15 largest customers in sales terms represented 57% (58%) of the group's sales. As in the previous year, no single customer (group) represented more than some 8% of total sales.

At the end of the period, the group's order book, which consists of a combination of fixed orders and customer forecasts, supported sustained positive volume growth.

RESULTS OF OPERATIONS, JANUARY-SEPTEMBER

As part of NOTE's ambition to create the right conditions for further sales growth and increased capacity utilisation, NOTE is conducting methodical improvement work at all its units. This work is conducted locally at each unit and through a number of group-wide projects. The focus is on measures that improve delivery precision and quality, as well as rationalisations in terms of costs and working capital.

In the first nine months of the year, manufacturing and sales volumes grew by 10%. The cost increase was limited to 5%, mainly as a result of continued rationalisations. As a result of the stable cost trend in combination with higher volumes, gross margin increased to 10.5% (7.1%). Adjusted for the provision for bad debt made in the third quarter last year, gross margin increased by 2.1 percentage points.

Mainly as a result of increased measures intended to strengthen the sales organisation, sales and administration overheads increased by 8%, and were 7.1% (7.3%) of sales.

Other operating expenses/income, primarily consisting of revaluations of foreign currency assets and liabilities, were SEK -0.6 (0.4) million

Operating profit for the first nine months of the year was SEK 23.7 (-0.7) million, corresponding to an operating margin of 3.3% (-0.1%). Adjusted for last year's provision for bad debt, operating profit grew by SEK 16.0 million and operating margin improved by 2.1 percentage points.

Net financial income/expense improved to SEK -3.0 (-4.5) million. Profit after financial items was SEK 20.7 (-5.2) million, corresponding to a profit margin of 2.9% (-0.8%).

Profit after tax was SEK 17.5 (-7.0) million, corresponding to SEK 0.61 (-0.24) per share. The tax expense for the period corresponded to 15% (35%) of profit before tax.

SALES AND RESULTS OF OPERATIONS, JULY-SEPTEMBER

Sales continued to grow in the third quarter. Despite continued relatively stable market conditions in several industrial sectors in Europe, sales grew by 17% to SEK 235.5 (200.8) million. The continued growth was substantially due to sales of new product generations to established customers, the gradual feeding through of increased volumes to relatively new customers and higher volumes of project-oriented business.

Direct sales from Industrial Plants in Estonia and China continued to make positive progress, and contributed 30% (27%) of sales in the third quarter.

Higher manufacturing and sales volumes, coupled with stable costs, contributed to an increase in gross margin to 11.4% (4.6%). Adjusted for the provision for bad debt made in the third quarter last year, gross margin increased by 2.6 percentage points.

A sustained focus on sales and marketing meant that sales and administration overheads grew by 13% compared to the corresponding quarter in the previous year. Expenses were 6.8% (7.0%) of sales in the third quarter.

Other operating expenses/income, primarily consisting of revaluations of foreign currency assets and liabilities, were SEK -0.5 (0.2) million.

The operating profit for the period was SEK 10.4 (-4.6) million, corresponding to an operating margin of 4.4% (-2.3%). Adjusted for the provision for bad debt in 2013, operating profit for the period increased by SEK 6.6 million and operating margin improved by 2.5 percentage points.

Net interest income/expense for the period received a positive contribution from currency translation, mainly USD and EUR, amounting to SEK -0.6 (-1.9) million.

Profit after financial items was SEK 9.8 (-6.5) million.

PROVISION FOR BAD DEBT 2012-2013

In the third quarter 2013, NOTE made a final provision for bad debt for one of its customers. The provision corresponds to the total risk exposure that applied to the customer and totalled SEK 21.0 million, of which SEK 8.4 million was charged to operating profit in the third quarter of 2013. Limited sales and recovery of previously written-off inventories occurred in 2014.

Operating segments

NOTE is a specialist manufacturing and logistics partner for producing electronics-based products that require high technology competence and flexibility.

As part of NOTE's Nearsourcing business model, operations are conducted as an integrated process. NOTE's Nearsourcing Centres provide development and production engineering services in close partnership with customers, such as selecting components, production of prototypes, serial production and testing. Essentially, NOTE's Industrial Plants provide cost-efficient volume production in both Europe and Asia. Development, management and co-ordination of operations are conducted in the parent company, and sourcing operations in NOTE Components.

Significant key ratios for NOTE's business segments are stated in the following table, in accordance with IFRS 8. Essentially, these consist of Nearsourcing Centres and Industrial Plants.

Nearsourcing Centres include selling units in Sweden, Norway, Finland and the UK, where there is a close partnership with customers to develop new and existing business. Essentially, Industrial Plants are the production units in Estonia and China. Other units are group-wide business support operations.

	2014 Q3	2013 Q3	**2014 Q1-Q3**	2013 Q1-Q3	**Rolling 12 mth.**	2013 full yr.
NEARSOURCING CENTRES						
EXTERNAL SALES	**164.7**	146.0	**516.9**	508.2	**701.6**	692.9
INTERNAL SALES	**2.5**	1.7	**8.1**	3.7	**10.3**	5.9
DEPRECIATION AND AMORTISATION	**-1.2**	-1.3	**-3.5**	-4.2	**-5.0**	-5.7
OPERATING PROFIT	**6.9**	1.6	**13.5**	9.6	**20.0**	16.1
PROPERTY, PLANT AND EQUIPMENT	**24.6**	25.5	**24.6**	25.5	**24.6**	24.6
STOCK	**98.5**	78.8	**98.5**	78.8	**98.5**	78.9
TOTAL ASSETS	**370.9**	344.9	**370.9**	344.9	**370.9**	401.5
AVERAGE NUMBER OF EMPLOYEES	**371**	363	**374**	367	**373**	368
INDUSTRIAL PLANTS						
EXTERNAL SALES	**70.8**	54.8	**199.0**	143.5	**269.6**	214.1
INTERNAL SALES	**42.3**	33.4	**125.3**	111.9	**165.9**	152.5
DEPRECIATION AND AMORTISATION	**-0.8**	-1.4	**-2.4**	-4.2	**-3.7**	-5.5
OPERATING PROFIT	**4.8**	-7.2	**13.7**	–11.0	**19.7**	-5.0
PROPERTY, PLANT AND EQUIPMENT	**20.3**	18.9	**20.3**	18.9	**20.3**	19.7
STOCK	**99.0**	76.6	**99.0**	76.6	**99.0**	72.5
TOTAL ASSETS	**213.1**	174.6	**213.1**	174.6	**213.1**	175.6
AVERAGE NUMBER OF EMPLOYEES	**514**	456	**504**	461	**497**	464
OTHER UNITS AND ELIMINATIONS						
EXTERNAL SALES	**0.0**	0.0	**0.0**	0.0	**0.0**	0.0
INTERNAL SALES	**-44.8**	-35.1	**-133.4**	-115.6	**-176.2**	-158.4
DEPRECIATION AND AMORTISATION	**0.0**	0.0	**0.0**	0.0	**0.0**	0.0
OPERATING PROFIT	**-1.3**	1.0	**-3.5**	0.7	**-6.3**	-2.1
PROPERTY, PLANT AND EQUIPMENT	**0.0**	0.0	**0.0**	0.0	**0.0**	0.0
STOCK	**-**	-	**-**	-	**-**	-
TOTAL ASSETS	**1.4**	-8.4	**1.4**	-8.4	**1.4**	-36.3
AVERAGE NUMBER OF EMPLOYEES	**15**	15	**15**	15	**15**	15

Financial position, cash flow and investments

CASH FLOW

Competing successfully in the high mix/low volume market segment sets high standards on flexible production, good supply of materials and effective logistics solutions. Accordingly, NOTE faces a major challenge in continuously improving its working methods and internal processes in these segments. This challenge is especially apparent in rapid cyclical demand upturns and downturns, and relates mainly to the complexity of materials supply and changing lead-times of electronic components.

Although some extension to lead-times for electronic components became apparent, as in the previous year, the global market for electronic components was fairly stable, and with good access to components. This benefitted NOTE's materials planning and logistics. Despite NOTE's relatively solid volume growth in the year, the final market for several of NOTE's customers remained relatively weak, translating into continued caution by several customers in terms of placing longer orders and forecasts. Overall, this meant fairly inconsistent utilisation of the group's production units with shorter batches and re-planning of materials sourcing and production as a result.

The sustained sales growth coupled with challenging market conditions for many customers meant that stocks increased by 11% in the quarter and by 27% compared to the end of the third quarter 2013.

Accounts receivable—trade increased slightly in the year and were 19% up on the corresponding period of the previous year. The increase is mainly due to third-quarter sales growth of 17%. Mainly as a result of a changed customer mix, the number of days of credit was slightly higher compared to the corresponding period last year.

Accounts payable—trade, which mainly relate to sourced electronic components and other production materials, were up 22% on the corresponding period last year. NOTE's initiative to concentrate sourcing on fewer, quality-assured suppliers contributed to a significant increase in efficiency in utilisation of working capital. The number of days of credit to suppliers was significantly higher compared to the corresponding period last year.

A higher working capital requirement generated by the positive sales growth resulted in cash flow (after investments) of SEK -8.3 (0.3) million, corresponding to SEK -0.29 (0.01) per share.

EQUITY TO ASSETS RATIO

According to NOTE's externally communicated financial target, the equity to assets ratio should not fall below 30%. The equity to assets ratio at the end of the period was 44.5% (45.1%).

LIQUIDITY

NOTE is maintaining a sharp focus on measures to further improve the group's liquidity and cash flow.

The group's available cash and cash equivalents, including unutilised overdraft facilities, were SEK 83.0 (86.4) million at the end of the period.

Pledged accounts receivable—trade were some SEK 124 (107) million.

INVESTMENTS

Capital expenditure on fixed assets amounted to SEK 7.9 (9.8) million in the period, corresponding to 1.1% (1.5%) of sales. Depreciation and amortization according to plan were SEK 5.9 (8.4) million. Investments were mainly in rationalisation and quality improvement projects.

In order to significantly boost capacity in electronics manufacturing at NOTE's Industrial Plant in China, a decision was made to invest in a new cutting-edge surface-mount assembly line in the spring. The new capacity is expected to be brought on stream in the fourth quarter this year.

Parent company

Parent company NOTE AB (publ) is primarily focused on the management, co-ordination and development of the group. In the period, revenue was SEK 28.0 (29.0) million, and mainly related to intra-group services. The profit after tax was SEK 1.8 (6.0) million.

TRANSACTIONS WITH RELATED PARTIES

During the third quarter, procurement of consulting services have been made from a company owned by related parties.

Significant operational risks

NOTE is a northern European manufacturing and logistics leader in electronics production. NOTE has especially strong market positioning in the high mix/low volume market segment, i.e. for products in short to medium-sized batches that require high technology competence and flexibility. NOTE produces PCBAs, sub-assemblies and box build products. NOTE's offering covers the complete product life-cycle, from design to after-sales.

NOTE's focus on Nearsourcing, targeting increased sales growth in combination with reduced overheads and investment costs in high-cost countries, is a way of reducing the risks of operations.

For a more detailed review of the group's operational and financial risks, refer to the Risks section on page 14, the Report of the Directors on pages 34-35 and Note 23 Financial risks and finance policy on page 51, of NOTE's Annual Report for 2013.

NOTE's operations place fairly high demands on working capital funding. Accordingly, NOTE has a sharp focus on managing liquidity risk.

Stockholm, Sweden, 17 October 2014

The Board of Directors of NOTE AB (publ)

Review report

Auditor's report on summary review of summary interim financial information (interim report) prepared in accordance with IAS 34 and chap. 9 of the Swedish Annual Accounts Act.

INTRODUCTION

We have conducted a limited review of the Interim Report for NOTE AB (publ) for the period 1 January – 30 September 2014. The preparation and presentation of these interim financial statements pursuant to IAS 34 and the Swedish Annual Accounts Act are the responsibility of the Board of Directors and Chief Executive Officer. Our responsibility is to report our conclusions concerning these interim financial statements on the basis of our limited review.

ORIENTATION AND SCOPE OF LIMITED REVIEW

We have conducted our limited review pursuant to the International Standard on Review Engagements ISRE 2410 "Limited review of interim financial information conducted by the company's appointed auditor." A limited review consists of making inquiries, primarily to individuals responsible for financial and accounting matters, as well as performing analytical procedures and taking other limited review measures. A limited review has a different focus and significantly less scope than an audit according to ISA and generally accepted auditing practice. The review procedures undertaken in a limited review do not enable us to obtain a level of assurance where we would be aware of all important circumstances that would have been identified had an audit been conducted. Therefore, a conclusion reported on the basis of a limited review does not have the level of certainty of a conclusion reported on the basis of an audit.

CONCLUSION

Based on our limited review, no circumstances have come to our attention that would give us reason to believe that the interim financial statements have not been prepared pursuant to IAS 34 and the Swedish Annual Accounts Act for the group, and pursuant to the Swedish Annual Accounts Act for the parent company, in all material respects.

Stockholm, Sweden, 17 October 2014

Öhrlings PricewaterhouseCoopers AB

Magnus Brändström

Authorised Public Accountant

ACCOUNTING AND VALUATION PRINCIPLES

NOTE adopts International Financial Reporting Standards (IFRS) as endorsed by the European Union. Significant accounting and valuation principles are stated on pages 40-42 of the Annual Report for 2013. The group's Interim Report has been prepared in accordance with the Swedish Annual Accounts Act and IAS 34, Interim Financial Reporting. IFRS 10 became effective from 1 January, the new standard has not had an impact on the financial reporting. The parent company observes RFR 2.

All amounts are in millions of Swedish kronor (SEK million) unless otherwise stated.

DISCREPANCIES BETWEEN REPORTS

Swedish and English-language versions of this Report have been produced. In the event of any discrepancy between the two, the Swedish version shall apply.

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FORTHCOMING FINANCIAL REPORTS

6 February 2015 Year-end Report 2014

22 April 2015 Interim Report January-March

ANNUAL GENERAL MEETING

The AGM will be held at Spårvagnshallarna in Stockholm, Sweden, at 2 p.m. on 22 April 2015.

Consolidated Income Statement

	2014 Q3	2013 Q3	2014 Q1-Q3	2013 Q1-Q3	Rolling 12 mth.	2013 full yr.
NET SALES	235.5	200.8	715.9	651.7	971.2	907.0
COST OF GOODS AND SERVICES SOLD	-208.6	-191.5	-640.7	-605.5	-869.7	-834.5
GROSS PROFIT	**26.9**	**9.3**	**75.2**	**46.2**	**101.5**	**72.5**
SALES COSTS	-9.5	-7.5	-29.6	-25.4	-38.7	-34.5
ADMINISTRATIVE COSTS	-6.5	-6.6	-21.3	-21.9	-28.8	-29.4
OTHER OPERATING INCOME/COSTS	-0.5	0.2	-0.6	0.4	-0.6	0.4
OPERATING PROFIT	**10.4**	**-4.6**	**23.7**	**-0.7**	**33.4**	**9.0**
NET FINANCIAL INCOME/EXPENSE	-0.6	-1.9	-3.0	-4.5	-6.3	-7.8
PROFIT AFTER FINANCIAL ITEMS	**9.8**	**-6.5**	**20.7**	**-5.2**	**27.1**	**1.2**
INCOME TAX	-1.1	-1.4	-3.2	-1.8	-1.9	-0.5
PROFIT AFTER TAX	**8.7**	**-7.9**	**17.5**	**-7.0**	**25.2**	**0.7**

Earnings per share

	2014 Q3	2013 Q3	2014 Q1-Q3	2013 Q1-Q3	Rolling 12 mth.	2013 full yr.
NUMBER OF SHARES AT END OF PERIOD (000)	28,873	28,873	28,873	28,873	28,873	28,873
WEIGHTED AVERAGE NUMBER OF SHARES (000)	28,873	28,873	28,873	28,873	28,873	28,873
EARNINGS PER SHARE, SEK	0.30	-0.28	0.61	-0.24	0.87	0.02

Consolidated Statement of Other Comprehensive Income

	2014 Q3	2013 Q3	2014 Q1-Q3	2013 Q1-Q3	Rolling 12 mth.	2013 full yr.
NET PROFIT	**8.7**	**-7.9**	**17.5**	**-7.0**	**25.2**	**0.7**
OTHER COMPREHENSIVE INCOME						
ITEMS THAT CAN BE SUBSEQUENTLY REVERSED IN THE INCOME STATEMENT:						
EXCHANGE RATE DIFFERENCES	1.9	-2.4	4.9	-1.1	4.8	-1.2
CASH FLOW HEDGES	0.0	-0.1	0.2	0.0	0.2	0.0
TAX ON CASH FLOW HEDGES/CURRENCY DIFFERENCES	-0.1	0.2	-0.4	-0.0	-0.6	-0.2
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**1.8**	**-2.3**	**4.7**	**-1.1**	**4.4**	**-1.4**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**10.5**	**-10.2**	**22.2**	**-8.1**	**29.6**	**-0.7**

Consolidated Balance Sheet

	2014 30 Sep	2013 30 Sep	2013 31 Dec
ASSETS			
GOODWILL	**70.7**	70.2	70.3
OTHER INTANGIBLE ASSETS	**8.3**	5.5	6.0
PROPERTY, PLANT AND EQUIPMENT	**44.9**	44.4	44.3
DEFERRED TAX ASSETS	**13.8**	14.5	13.6
OTHER FINANCIAL ASSETS	**0.5**	0.4	0.3
FIXED ASSETS	**138.2**	**135.0**	**134.5**
STOCK	**197.5**	155.4	151.4
ACCOUNTS RECEIVABLE—TRADE	**202.7**	169.8	199.8
OTHER CURRENT RECEIVABLES	**21.9**	21.3	14.3
CASH AND CASH EQUIVALENTS	**25.1**	29.6	40.8
CURRENT ASSETS	**447.2**	**376.1**	**406.3**
TOTAL ASSETS	**585.4**	**511.1**	**540.8**
EQUITY AND LIABILITIES			
EQUITY	**260.3**	**230.7**	**238.1**
NON-CURRENT INTEREST-BEARING LIABILITIES	**3.0**	4.4	4.3
DEFERRED TAX LIABILITIES	**2.5**	3.9	2.4
NON-CURRENT LIABILITIES	**5.5**	**8.3**	**6.7**
CURRENT INTEREST-BEARING LIABILITIES	**86.1**	78.7	93.3
ACCOUNTS PAYABLE—TRADE	**164.1**	134.6	133.4
OTHER CURRENT LIABILITIES	**69.4**	58.8	69.3
CURRENT LIABILITIES	**319.6**	**272.1**	**296.0**
TOTAL EQUITY AND LIABILITIES	**585.4**	**511.1**	**540.8**

Consolidated change in equity

	2014 Q3	2013 Q3	**2014 Q1-Q3**	2013 Q1-Q3	**Rolling 12 mth.**	2013 full yr.
OPENING EQUITY	**249.8**	240.9	**238.1**	260.5	**230.7**	260.5
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD AFTER TAX	**10.5**	-10.2	**22.2**	-8.1	**29.6**	-0.7
DIVIDEND	-	-	**-**	-21.7	**-**	-21.7
CLOSING EQUITY	**260.3**	**230.7**	**260.3**	**230.7**	**260.3**	**238.1**

Consolidated Cash Flow Statement

	2014 Q3	2013 Q3	**2014 Q1-Q3**	2013 Q1-Q3	**Rolling 12 mth.**	2013 full yr.
PROFIT AFTER FINANCIAL ITEMS	**9.8**	-6.5	**20.7**	-5.2	**27.1**	1.2
REVERSED DEPRECIATION AND AMORTISATION	**2.0**	2.7	**5.9**	8.4	**8.7**	11.2
OTHER NON-CASH ITEMS	**-0.8**	8.9	**-2.2**	7.0	**-6.5**	2.7
TAX PAID	**-1.4**	-3.3	**-7.0**	-6.0	**-4.4**	-3.4
CHANGE IN WORKING CAPITAL	**-31.1**	8.4	**-17.6**	1.8	**-26.9**	-7.5
CASH FLOW FROM OPERATING ACTIVITIES	**-21.5**	**10.2**	**-0.2**	**6.0**	**-2.0**	**4.2**
CASH FLOW FROM INVESTING ACTIVITIES	**-1.7**	-3.9	**-8.1**	-5.7	**-8.6**	-6.2
CASH FLOW FROM FINANCING ACTIVITIES	**-10.5**	-17.7	**-9.3**	-41.1	**3.6**	-28.2
CHANGE IN CASH AND CASH EQUIVALENTS	**-33.7**	**-11.4**	**-17.6**	**-40.8**	**-7.0**	**-30.2**
CASH AND CASH EQUIVALENTS						
AT BEGINNING OF PERIOD	**57.9**	41.9	**40.7**	70.7	**29.6**	70.7
CASH FLOW AFTER INVESTING ACTIVITIES	**-23.2**	6.3	**-8.3**	0.3	**-10.6**	-2.0
FINANCING ACTIVITIES	**-10.5**	-17.7	**-9.3**	-41.1	**3.6**	-28.2
EXCHANGE RATE DIFFERENCE IN CASH AND CASH EQUIVALENTS	**0.9**	-0.9	**2.0**	-0.3	**2.5**	0.3
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**25.1**	**29.6**	**25.1**	**29.6**	**25.1**	**40.8**
UN-UTILISED CREDITS	**57.9**	56.8	**57.9**	56.8	**57.9**	57.5
AVAILABLE CASH AND CASH EQUIVALENTS	**83.0**	**86.4**	**83.0**	**86.4**	**83.0**	**98.3**

Consolidated six-year summary

	Rolling 12 mth.	2013	2012	2011	2010	2009
NET SALES	**971.2**	907.0	1,029.2	1,208.8	1,210.7	1,200.0
GROSS MARGIN	**10.5%**	8.0%	9.0%	11.0%	5.0%	2.2%
OPERATING MARGIN	**3.4%**	1.0%	2.5%	5.3%	-4.0%	-7.6%
PROFIT MARGIN	**2.8%**	0.1%	1.9%	4.7%	-4.9%	-8.2%
CASH FLOW AFTER INVESTING ACTIVITIES	**-10.6**	-2.0	97.0	56.5	-13.6	23.9
EQUITY PER SHARE, SEK	**9.02**	8.25	9.02	8.98	7.52	21.81
CASH FLOW PER SHARE, SEK	**-0.37**	-0.07	3.36	1.96	-0.56	1.52
RETURN ON OPERATING CAPITAL	**11.0%**	3.1%	7.9%	17.7%	-12.1%	-18.8%
RETURN ON EQUITY	**10.3%**	0.3%	4.9%	16.5%	-29.1%	-32.1%
EQUITY TO ASSETS RATIO	**44.5%**	44.0%	45.2%	41.0%	31.3%	27.9%
AVERAGE NUMBER OF EMPLOYEES	**885**	847	884	939	1,000	977
NET SALES PER EMPLOYEE, SEK 000	**1,097**	1,071	1,164	1,287	1,211	1,228

Consolidated quarterly summary

	2014 Q3	2014 Q2	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2012 Q4
NET SALES	**235.5**	247.6	232.8	255.3	200.8	236.1	214.8	240.4
GROSS MARGIN	**11.4%**	10.5%	9.6%	10.3%	4.6%	8.9%	7.4%	4.7%
OPERATING MARGIN	**4.4%**	3.0%	2.5%	3.8%	-2.3%	1.5%	0.1%	-2.3%
PROFIT MARGIN	**4.2%**	2.9%	1.6%	2.5%	-3.3%	1.1%	-0.6%	-2.8%
CASH FLOW AFTER INVESTING ACTIVITIES	**-23.2**	-8.2	23.1	-2.3	6.3	2.0	-8.0	26.1
EQUITY PER SHARE, SEK	**9.02**	8.65	8.36	8.25	7.99	8.34	8.89	9.02
CASH FLOW PER SHARE, SEK	**-0.80**	-0.28	0.80	-0.08	0.22	0.07	-0.28	0.90
EQUITY TO ASSETS RATIO	**44.5%**	42.3%	42.3%	44.0%	45.1%	43.2%	44.9%	45.2%
AVERAGE NUMBER OF EMPLOYEES	**900**	894	883	862	834	839	854	861
NET SALES PER EMPLOYEE, SEK 000	**262**	277	264	296	241	281	252	279

Parent Company Income Statement

	2014 Q3	2013 Q3	2014 Q1-Q3	2013 Q1-Q3	Rolling 12 mth.	2013 full yr.
NET SALES	9.3	9.6	28.0	29.0	35.2	36.2
COST OF SERVICES SOLD	-6.1	-5.8	-18.9	-18.3	-24.5	-23.9
GROSS PROFIT	**3.2**	**3.8**	**9.1**	**10.7**	**10.7**	**12.3**
SALES COSTS	-2.6	-1.2	-5.9	-3.9	-7.4	-5.4
ADMINISTRATIVE COSTS	-2.0	-2.1	-6.7	-6.9	-9.0	-9.2
OTHER OPERATING INCOME/COSTS	0.0	0.0	0.0	0.0	0.1	0.1
OPERATING PROFIT	**-1.4**	**0.5**	**-3.5**	**-0.1**	**-5.6**	**-2.2**
NET FINANCIAL INCOME/EXPENSE	1.3	5.1	5.3	6.2	2.8	3.7
PROFIT AFTER FINANCIAL ITEMS	**-0.1**	**5.6**	**1.8**	**6.1**	**-2.8**	**1.5**
APPROPRIATIONS	-	-	-	-	5.5	5.5
PROFIT BEFORE TAX	**-0.1**	**5.6**	**1.8**	**6.1**	**2.7**	**7.0**
INCOME TAX	-	0.0	0.0	-0.1	2.4	2.3
PROFIT AFTER TAX	**-0.1**	**5.6**	**1.8**	**6.0**	**5.1**	**9.3**

Parent Company Statement of Other Comprehensive Income

	2014 Q3	2013 Q3	2014 Q1-Q3	2013 Q1-Q3	Rolling 12 mth.	2013 full yr.
NET PROFIT	**-0.1**	**5.6**	**1.8**	**6.0**	**5.1**	**9.3**
OTHER COMPREHENSIVE INCOME						
ITEMS THAT CAN BE SUBSEQUENTLY REVERSED IN THE INCOME STATEMENT:						
FAIR VALUE RESERVE	0.4	-1.3	1.9	-0.3	4.5	2.3
TAX ON FAIR VALUE RESERVE	-0.1	0.2	-0.4	0.0	-0.8	-0.4
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**0.3**	**-1.1**	**1.5**	**-0.3**	**3.7**	**1.9**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**0.2**	**4.5**	**3.3**	**5.7**	**8.8**	**11.2**

Parent Company Balance Sheet

	2014 30 Sep	2013 30 Sep	2013 31 Dec
ASSETS			
INTANGIBLE ASSETS	**6.6**	3.6	4.2
DEFERRED TAX ASSETS	**2.3**	-	2.3
LONG-TERM RECEIVABLES FROM GROUP COMPANIES	**41.5**	85.4	61.4
FINANCIAL NON-CURRENT ASSETS	**243.7**	245.2	245.2
NON-CURRENT ASSETS	**294.1**	**334.2**	**313.1**
RECEIVABLES FROM GROUP COMPANIES	**52.4**	30.3	28.2
OTHER CURRENT RECEIVABLES	**2.7**	2.2	1.2
CASH AND CASH EQUIVALENTS	**1.2**	6.0	15.6
CURRENT ASSETS	**56.3**	**38.5**	**45.0**
TOTAL ASSETS	**350.4**	**372.7**	**358.1**
EQUITY AND LIABILITIES			
EQUITY	**262.3**	**253.5**	**259.0**
UNTAXED RESERVES	**-**	**5.5**	**-**
NON-CURRENT LIABILITIES	**-**	**-**	**-**
LIABILITIES TO GROUP COMPANIES	**77.5**	102.4	88.0
OTHER CURRENT LIABILITIES & PROVISIONS	**10.6**	11.3	11.1
CURRENT LIABILITIES	**88.1**	**113.7**	**99.1**
TOTAL EQUITY AND LIABILITIES	**350.4**	**372.7**	**358.1**

Parent Company change in equity

	2014 Q3	2013 Q3	**2014 Q1-Q3**	2013 Q1-Q3	**Rolling 12 mth.**	2013 full yr.
OPENING EQUITY	**262.1**	249.0	**259.0**	269.5	**253.5**	269.5
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD AFTER TAX	**0.2**	4.5	**3.3**	5.7	**8.8**	11.2
DIVIDEND	**-**	-	**-**	-21.7	**-**	-21.7
CLOSING EQUITY	**262.3**	**253.5**	**262.3**	**253.5**	**262.3**	**259.0**