

## INTERIM REPORT Q2 1 APRIL – 30 SEPTEMBER 2014



### PRODUCT DESCRIPTION

The picture shows a power line tower developed by Addtech with insulators, cable and associated components. The power line tower has been developed as a complete package solution and has been adapted to save time and cut costs in design and construction and to reduce environmental impact.



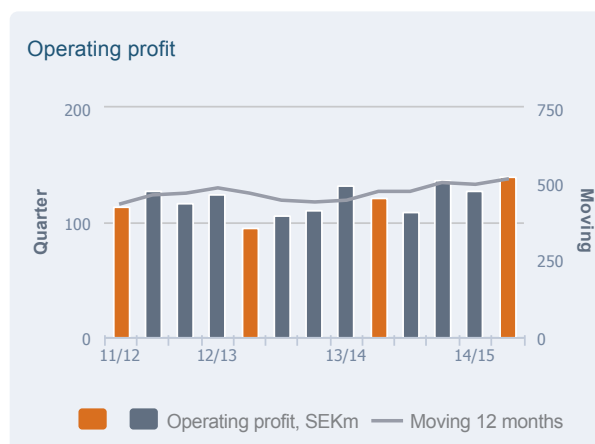
## INTERIM REPORT

### 1 JULY - 30 SEPTEMBER 2014 (3 MONTHS)

- **Net sales** rose by 18 percent to SEK 1,664 million (1,409).
- **Operating profit** rose by 16 percent to SEK 140 million (121) corresponding to an operating margin of 8.4 percent (8.6).
- **Profit after financial items** rose by 16 percent to SEK 135 million (117).
- **Profit after tax** amounted to SEK 103 million (90).
- **Earnings per share** amounted to SEK 1.50 (1.30). For the most recent 12-month period, earnings per share was SEK 5.65 (5.25).
- **Return on equity** was 29 percent (32) and the equity ratio was 35 percent (36).
- **During the quarter** six acquisitions made by the Group have taken effect, adding sales of about SEK 495 million on an annual basis.

### 1 APRIL - 30 SEPTEMBER 2014 (6 MONTHS)

- **Net sales** rose by 10 percent to SEK 3,193 million (2,909).
- **Operating profit** rose by 5 percent to SEK 267 million (254) and the operating margin amounted to 8.4 percent (8.7).
- **Profit after financial items** rose by 6 percent to SEK 254 million (241) and profit after tax amounted to SEK 194 million (183).
- **Earnings per share** (EPS) totalled SEK 2.90 (2.70).



Overall, the business situation for the Group was stabilised during the second quarter, but uncertainty and volatile demand prevail in some geographic markets and customer segments. The Group's growth in sales and profit during the second quarter comes from both organic growth and previously implemented acquisitions; these acquisitions developed in line with expectations.

Demand for production components from Nordic manufacturing companies improved for the Components business area in the second quarter, while the Industrial Solutions business area experienced subdued demand in certain customer segments and product segments. In the Energy business area we saw an improved business situation during the second quarter and above all a recovery in products for electric power distribution and transmission. Demand in the Life Science business area generally continued to develop well. All in all, in the various geographic markets the business situation for the Group's operations improved somewhat in both Sweden and Denmark.

Despite general unease in the Group's markets in Finland and Norway, our operations in these countries continued to develop well. The Group's companies that operate in markets outside the Nordics experienced good market conditions during the quarter from an overall perspective.

Net sales in the second quarter increased by 18 percent to SEK 1,664 million (1,409). For comparable units, growth was 3 percent and acquired growth totalled 13 percent. Exchange rate changes had a positive effect of 2 percent on net sales, corresponding to SEK 35 million, and a positive effect of 3 percent, corresponding to SEK 3 million, on operating profit.

During the second quarter, operating margin stood at 8.4 percent (8.6) and the operating margin before amortisation of intangible non-current assets equalled 9.8 percent (10.2). Operating profit rose by 16 percent to SEK 140 million (121), and profit after financial items to SEK 135 million (117).

Profit after tax for the quarter increased by 14 percent to SEK 103 million (90) corresponding to EPS of SEK 1.50 (1.30).

Net sales in the Addtech Group rose by 10 percent during the first six months to SEK 3,193 million (2,909). For comparable units, the growth was 0 percent and acquired growth totalled 8 percent. Exchange rate changes had a positive effect of 2 percent on net sales, corresponding to SEK 55 million, and a positive effect of 2 percent, corresponding to SEK 4 million, on operating profit.

During the interim period, operating profit increased by 5 percent to SEK 267 million (254) and the operating margin stood at 8.4 percent (8.7). The operating margin before amortisation of intangible non-current assets equalled 9.7 percent (10.1). Net financial items were SEK -13 million (-13) and profit after financial items increased by 5 percent to SEK 254 million (241).

Profit after tax for the interim period rose by 6 percent to SEK 194 million (183) and the effective tax rate was 24 percent (24). During the interim period, EPS rose to SEK 2.90 (2.70) and for the most recent 12-month period, EPS was SEK 5.65 (5.25).

During the interim period, the Group completed eight acquisitions, adding sales of about SEK 540 million on an annual basis.

## DEVELOPMENT IN THE BUSINESS AREAS

### Addtech Components

Net sales in Addtech Components increased during the second quarter by 30 percent to SEK 465 million (357) and operating profit rose by 51 percent and amounted to SEK 35 million (24). The quarter's increase in sales and profit comes from both organic growth and implemented acquisitions. Net sales during the interim period increased by 16 percent to SEK 876 million (756) and operating profit rose by 27 percent and amounted to SEK 66 million (52).

Demand for production components from Nordic manufacturing companies was good during the second quarter, but the differences between various customer segments and geographic areas remain. Despite uncertainty in the Finnish business climate and some stagnation in oil and gas in Norway, our operations in these markets continued to develop well. All in all, the Swedish and Danish operations also saw an improvement in demand, but the total market situation remains relatively unchanged.

### Addtech Energy

During the second quarter net sales in Addtech Energy increased by 22 percent to SEK 557 million (456) and operating profit rose by 32 percent and amounted to SEK 60 million (46). The increase during the quarter comes from both organic growth and implemented acquisitions. During the interim period net sales totalled SEK 1,016 million (952), which is a 7 percent increase and operating profit rose by 6 percent and reached SEK 104 million (98).

In the second quarter demand for products for electric power distribution and transmission was good from an overall perspective, despite previously announced lower investment levels. Uncertainty continues to prevail regarding when a general recovery will take place in the market segment. The business situation for battery and power supply solutions in the Nordic markets continued to improve during the second quarter, while the market for products in electrical installation and electrical safety remained stable.

### Addtech Industrial Solutions

Net sales in Addtech Industrial Solutions increased during the second quarter by 5 percent to SEK 299 million (283) and operating profit amounted to SEK 26 million (25). Net sales during the interim period increased by 8 percent to SEK 611 million (563). Operating profit amounted to SEK 49 million (47).

Overall during the second quarter demand from the business area's customers was slightly subdued. The business climate for products to the special vehicles industry became more positive in the second quarter, but remains weak in the mining segment. Demand was stable in segments such as forestry, paper/pulp and electric motor solutions. The markets for products made of polymeric materials and consumables to industrial aftermarket customers were more subdued. All in all, the operations outside the Nordics continued to experience a more favourable business situation than our Nordic operations.

### Addtech Life Science

During the second quarter net sales for Addtech Life Science were SEK 346 million (313), which is a 10 percent increase. Operating profit amounted to SEK 22 million (29). During the interim period net sales were SEK 695 million (640), which is a 9 percent increase and operating profit amounted to SEK 55 million (62).

From an overall perspective, the total business situation for the business area remained positive in the second quarter. In the market for diagnostic equipment and reagents to the Nordic healthcare sector, second quarter of the previous year included positive effects of deliveries rescheduled to take place earlier. The effect of this is the main reason for the lower profit for the business area during the second quarter of this year compared to the previous year. The market for equipment to healthcare and research laboratories was slightly subdued overall, while sales of measuring and analysis instruments to the Nordic process industry improved in the second quarter.

## GROUP DEVELOPMENT

### Profitability, financial position and cash flow

The return on equity at the end of the period was 29 percent (32), and return on capital employed was 23 percent (24). Return on working capital P/WC (operating profit in relation to working capital) amounted to 45 percent (46).

At the end of the period the equity ratio stood at 35 percent (36). Equity per share, excluding non-controlling interest, totalled SEK 20.25 (16.95). The Group's net debt at the end of the period stood at SEK 864 million (645), excluding pension liabilities of SEK 255 million (249). The net debt/equity ratio, calculated on the basis of net debt excluding provisions for pensions, totalled 0.6 (0.6).

Cash and cash equivalents, consisting of cash and bank balances together with approved but non-utilised credit facilities, totalled SEK 372 million (539) at 30 September 2014.

Cash flow from operating activities reached SEK 187 million (174) during the period. Company acquisitions including settlement of additional purchase consideration regarding acquisitions implemented in previous years amounted to SEK 239 million (92). Investments in non-current assets totalled SEK 27 million (30) and disposal of non-current assets was SEK 3 million (2). The repurchase of treasury shares amounted to SEK 35 million (-) and exercised and issued call options totalled SEK 20 million (18).

During the second quarter, a dividend of SEK 3.00 per share was paid, totalling SEK 200 million (176).

### Employees

At the end of the period, the number of employees was 2,253, compared to 2,150 at the beginning of the financial year. During the period, implemented acquisitions led to an increase of 115 in the number of employees. The average number of employees during the latest 12-month period was 2,164 (1,988).

### Ownership structure

At the end of the financial year the share capital stood at SEK 51.1 million.

Class of shares	Number of shares
Class A shares	3,249,768
Class B shares	64,948,728
<b>TOTAL NUMBER OF SHARES BEFORE REPURCHASES</b>	<b>68,198,496</b>
Total number of repurchased class B shares	-2,042,600
<b>TOTAL NUMBER OF SHARES AFTER REPURCHASES</b>	<b>66,155,896</b>

During the quarter, 350,000 treasury shares were repurchased. The own holding of 2,042,600 Class B shares corresponds to 3.0 percent of the total number of shares and 2.1 percent of the votes. The average purchase price for repurchased shares amounts to SEK 54.65 per share. The most recent price paid for the Addtech share on 4 November 2014 was SEK 102.25. The average number of treasury shares held during the interim period was 1,842,727 (2,468,865).

In accordance with a resolution of the August 2014 AGM, 25 members of management were offered the opportunity to acquire 350,000 call options on repurchased Class B shares. The programme was fully subscribed for. If the options are fully exercised, the number of Class B shares outstanding will increase by 350,000, equivalent to approximately 0.5 percent of the total number of shares and approximately 0.4 percent of the total number of votes in the company. The call options were transferred at a price of SEK 6.40 per call option, equivalent to the fair (market) value of the options based on an external valuation.

The exercise price per share attributable to issued call options regarding the sharebased incentive scheme for 2011 is SEK 59.80; the exercise period is 15 September 2014 until 29 May 2015, inclusive. During the period 15 September until 30 September 2014 inclusive, 15,800 options, of a total of 200,000 options were exercised, corresponding to 47,400 shares.

The exercise price per share attributable to issued call options regarding the sharebased incentive scheme for 2012 is SEK 71.50; the exercise period is 14 September 2015 until 3 June 2016, inclusive.

The exercise price per share attributable to issued call options regarding the sharebased incentive scheme for 2013 is SEK 106.13; the exercise period is 19 September 2016 until 2 June 2017, inclusive.

The exercise price per share attributable to issued call options regarding the sharebased incentive scheme for 2014 is SEK 116.70; the exercise period is 17 September 2017 until 1 June 2018, inclusive.

Issued call options for repurchased shares represent a potential dilution effect of approximately 0.6 percent during the most recent 12-month period (0.3). The corresponding dilution effect is approximately 0.7 percent for the latest quarter (0.7). The share price at 30 September 2014 was SEK 98.75.

## Acquisitions

During the period 1 April to 30 June 2014, Addtech acquired GigaCom AB and GigaCom AS to become part of the Components area and Solar Supply Sweden AB to become part of the Energy area. For more information on these acquisitions see previous interim management statement and Addtech's website.

Six company acquisitions took place in the second quarter:

On 1 July Addtech acquired 90 percent of shares outstanding in Hans Følsgaard A/S to become part of business areas Components and Energy. Hans Følsgaard is a technology trading company that delivers components and systems to OEM customers and larger end users within the manufacturing industry and also products within infrastructure and power transmissions to e.g. electric producers and wind power manufacturers. Hans Følsgaard has 65 employees and sales of about DKK 300 million.

Frameco AB was acquired on 1 July to join the Industrial Solutions business area. Frameco is a technology trading company that delivers ergonomic armrest solutions mainly to construction equipment and buses. Frameco has five employees and sales of about SEK 10 million.

On 4 July Tampereen Sähköpalvelu Oy (TSP) were acquired to become part of the Energy business area. TSP is a technology trading company that markets and sells components for electrical installations to OEM customers mainly on the Finnish market. TSP has 25 employees and sales of about EUR 7,5 million.

On 1 August Flow-Teknikk AS were acquired to become part of the Life Science business area. Flow-Teknikk is a technology trading company that markets process instrumentation to the industry, research and offshore markets in Norway. Flow-Teknikk has six employees and sales of around NOK 30 million.

Amestec Oy was acquired on 1 September to join the Components business area. Amestec is a technology trading company that sells portable measuring instruments and data loggers to industry and the public sector. Amestec has two employees and sales of about EUR 0,5 million.

On 29 September Scandinavian Friction AB were acquired to become part of the Industrial Solutions business area. Scandinavian Friction AB is a technology trading company that markets high-, as well as low friction components to the industry. Scandinavian Friction has three employees and sales of about SEK 15 million.

The total consideration for the interim period's eight acquisitions was SEK 332 million. The combined effect of the acquisitions on the Addtech Group's net sales was SEK 156 million, on operating profit it was SEK 12 million and on profit after tax for the period it was SEK 8 million. Had the acquisitions been completed on 1 April 2014, their impact would have been an estimated SEK 302 million on Group net sales, about SEK 22 million on operating profit and some SEK 16 million on profit after tax for the interim period.



According to the preliminary acquisition analyses, the assets and liabilities included in the acquisitions were as follows:

	Carrying amount at acquisition date	Adjustment to fair value	Fair value
Intangible non-current assets	-	161	161
Other non-current assets	2	-	2
Inventories	49	-	49
Other current assets	150	-	150
Deferred tax liability/tax asset	0	-38	-38
Other liabilities	-93	-	-93
<b>ACQUIRED NET ASSETS</b>	<b>108</b>	<b>123</b>	<b>231</b>
Goodwill			111
Non-controlling interests			-10
<b>CONSIDERATION <sup>1)</sup></b>			<b>332</b>
Less: cash and cash equivalents in acquired businesses			-44
Less: consideration not yet paid			-49
<b>EFFECT ON THE GROUP'S CASH AND CASH EQUIVALENTS</b>			<b>239</b>

1) The consideration is stated excluding acquisition expenses.

For acquisitions that resulted in ownership transfer during the interim period, transaction costs totalled SEK 3 million and are recognised in selling expenses.

Of the consideration not yet paid for acquisitions during the year, estimated fair value of contingent consideration amounts to SEK 32 million, which constitutes about 79 percent of the maximum outcome. The outcome depends on the results achieved in the companies and has a set maximum level.

During the interim period, SEK 2 million was recognised under other operating income, because estimated contingent considerations, regarding previous acquisitions, deviated from actual outcomes. Revaluation of liabilities for contingent, not yet paid, consideration added income of SEK 4 million (2) during the interim period, which is recognised under other operating income.

## Accounting policies

This interim report was prepared as per IFRSs and IAS 34 Interim Financial Reporting. The accounting policies and basis for calculations applied in the latest annual report were also used here. The interim report for the parent company was prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Securities Market Act (2007:528), in compliance with recommendation RFR 2 Accounting for Legal Entities, of the Swedish Financial Reporting Board. The new and revised IFRS standards and IFRIC interpretations that come into force as of the 2014/2015 financial year have had no material effect on the Group's financial reports.

## Parent Company

Parent Company net sales totalled SEK 25 million (23) and profit after financial items was SEK 30 million (10). This amount includes revenues of SEK 23 million (8) from shares in Group companies. Net investments in noncurrent assets were SEK 0 million (0). The Parent Company's net financial debt was SEK 21 million, compared to SEK 40 million at the beginning of the fiscal period.

## Transactions with related parties

No transactions between Addtech and related parties that have significantly affected the Group's position and earnings have taken place during the period.

## Events after the end of the interim period

No events of significance for the Group have occurred since the end of the reporting period.

## **Risks and factors of uncertainty**

Addtech's profit and financial position, as well as its strategic position, are affected by a number of internal factors under Addtech's control and by a number of external factors over which Addtech has limited influence. The most important risk factors for Addtech are the state of the economy, combined with structural change and the competitive situation. Risk and uncertainty factors are the same as in previous periods, please see section Risks and uncertainties (page 25 - 28) in Addtech's 2013/2014 annual report for further details.

The Parent Company is indirectly affected by the above risks and uncertainty factors due to its role in the organisation.

## **Affirmation**

The Board of Directors and the President deem that the interim period on the first six months gives a true and fair picture of the Company's and the Group's operations, position and earnings, and describes the significant risks and uncertainty factors to which the Company and the Group are exposed.

***Stockholm, 5 November 2014***

Anders Börjesson  
*Chairman of the Board*

Tom Hedelius  
*Vice Chairman of the Board*

Eva Elmstedt  
*Director*

Ulf Mattsson  
*Director*

Lars Spongberg  
*Director*

Johan Sjö  
*President and Director*

This report has not been subject to review by the company's auditor.

The interim report for the period 1 April - 31 December 2014 will be published on 12 February 2015.

For further information, please contact:

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## BUSINESS AREAS

Net sales by business area	2014/2015		2013/2014			
Quarterly data, SEKm	Q2	Q1	Q4	Q3	Q2	Q1
Components	465	411	423	375	357	399
Energy	557	459	564	459	456	496
Industrial Solutions	299	312	318	292	283	280
Life Science	346	349	374	379	313	327
Parent Company and Group items	-3	-2	-1	-3	0	-2
<b>ADDTECH GROUP</b>	<b>1,664</b>	<b>1,529</b>	<b>1,678</b>	<b>1,502</b>	<b>1,409</b>	<b>1,500</b>

Operating profit/loss by business area	2014/2015		2013/2014			
Quarterly data, SEKm	Q2	Q1	Q4	Q3	Q2	Q1
Components	35	31	27	17	24	28
Energy	60	44	59	43	46	52
Industrial Solutions	26	23	30	16	25	22
Life Science	22	33	25	38	29	33
Parent Company and Group items	-3	-4	-4	-4	-3	-2
<b>OPERATING PROFIT/LOSS</b>	<b>140</b>	<b>127</b>	<b>137</b>	<b>110</b>	<b>121</b>	<b>133</b>
Finance income and expenses	-5	-8	-6	-7	-4	-9
<b>PROFIT AFTER FINANCIAL ITEMS</b>	<b>135</b>	<b>119</b>	<b>131</b>	<b>103</b>	<b>117</b>	<b>124</b>

Net sales by business area	3 months ending		6 months ending		12 months ending	
SEKm	30 Sep 14	30 Sep 13	30 Sep 14	30 Sep 13	30 Sep 14	31 Mar 14
Components	465	357	876	756	1,674	1,554
Energy	557	456	1,016	952	2,039	1,975
Industrial Solutions	299	283	611	563	1,221	1,173
Life Science	346	313	695	640	1,448	1,393
Parent Company and Group items	-3	0	-5	-2	-9	-6
<b>ADDTECH GROUP</b>	<b>1,664</b>	<b>1,409</b>	<b>3,193</b>	<b>2,909</b>	<b>6,373</b>	<b>6,089</b>

Operating profit/loss and operating margin by business area	3 months ending				6 months ending				12 months ending			
	30 Sep 14		30 Sep 13		30 Sep 14		30 Sep 13		30 Sep 14		31 Mar 14	
	SEKm	%	SEKm	%	SEKm	%	SEKm	%	SEKm	%	SEKm	%
Components	35	7.7	24	6.6	66	7.5	52	6.9	110	6.6	96	6.2
Energy	60	10.7	46	9.9	104	10.2	98	10.3	206	10.1	200	10.1
Industrial Solutions	26	8.5	25	8.7	49	8.0	47	8.3	95	7.7	93	7.9
Life Science	22	6.4	29	9.2	55	7.9	62	9.7	118	8.2	125	9.0
Parent Company and Group items	-3		-3		-7		-5		-15		-13	
<b>OPERATING PROFIT/LOSS</b>	<b>140</b>	<b>8.4</b>	<b>121</b>	<b>8.6</b>	<b>267</b>	<b>8.4</b>	<b>254</b>	<b>8.7</b>	<b>514</b>	<b>8.1</b>	<b>501</b>	<b>8.2</b>
Finance income and expenses	-5		-4		-13		-13		-26		-26	
<b>PROFIT AFTER FINANCIAL ITEMS</b>	<b>135</b>		<b>117</b>		<b>254</b>		<b>241</b>		<b>488</b>		<b>475</b>	

## GROUP SUMMARY

Income statement SEKm	3 months ending		6 months ending		12 months ending	
	30 Sep 14	30 Sep 13	30 Sep 14	30 Sep 13	30 Sep 14	31 Mar 14
Net sales	1,664	1,409	3,193	2,909	6,373	6,089
Cost of sales	-1,139	-945	-2,163	-1,944	-4,325	-4,106
<b>GROSS PROFIT</b>	<b>525</b>	<b>464</b>	<b>1,030</b>	<b>965</b>	<b>2,048</b>	<b>1,983</b>
Selling expenses	-298	-259	-581	-537	-1,180	-1,136
Administrative expenses	-94	-81	-193	-172	-379	-358
Other operating income and expenses	7	-3	11	-2	25	12
<b>OPERATING PROFIT</b>	<b>140</b>	<b>121</b>	<b>267</b>	<b>254</b>	<b>514</b>	<b>501</b>
- as % of net sales	8.4	8.6	8.4	8.7	8.1	8.2
Financial income and expenses	-5	-4	-13	-13	-26	-26
<b>PROFIT AFTER FINANCIAL ITEMS</b>	<b>135</b>	<b>117</b>	<b>254</b>	<b>241</b>	<b>488</b>	<b>475</b>
- as % of net sales	8.1	8.3	8.0	8.3	7.7	7.8
Income tax expense	-32	-27	-60	-58	-108	-106
<b>PROFIT FOR THE PERIOD</b>	<b>103</b>	<b>90</b>	<b>194</b>	<b>183</b>	<b>380</b>	<b>369</b>
<i>Attributable to:</i>						
Equity holders of the Parent Company	101	88	191	180	374	363
Non-controlling interests	2	2	3	3	6	6
Earnings per share (EPS), SEK*	1.50	1.30	2.90	2.70	5.65	5.50
Diluted EPS, SEK*	1.50	1.30	2.85	2.70	5.65	5.45
Average number of shares after repurchases, '000s	66,391	65,971	66,356	65,906	66,228	66,003
Number of shares at end of the period, '000s	66,156	66,142	66,156	66,142	66,156	66,135
Operating expenses include depreciation and amortisation						
- of property, plant and equipment in amounts of	-10	-10	-20	-21	-41	-42
- of intangible non-current assets in amounts of	-23	-23	-43	-41	-82	-80

\* Calculated based on equity holders' portion of profit for the period.

Statement of comprehensive income, SEKm	3 months ending		6 months ending		12 months ending	
	30 Sep 14	30 Sep 13	30 Sep 14	30 Sep 13	30 Sep 14	31 Mar 14
<b>PROFIT FOR THE PERIOD</b>	<b>103</b>	<b>90</b>	<b>194</b>	<b>183</b>	<b>380</b>	<b>369</b>
<i>Components that will be reclassified to profit for the year</i>						
Cash flow hedges	1	0	1	0	1	0
Foreign currency translation differences for the period	13	-24	34	3	62	31
<i>Components that will not be reclassified to profit for the year</i>						
Actuarial effects of the net pension obligation	-	-	-	-	0	0
<b>Other comprehensive income</b>	<b>14</b>	<b>-24</b>	<b>35</b>	<b>3</b>	<b>63</b>	<b>31</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>117</b>	<b>66</b>	<b>229</b>	<b>186</b>	<b>443</b>	<b>400</b>
<i>Attributable to:</i>						
Equity holders of the Parent Company	115	65	225	184	435	394
Non-controlling interests	2	1	4	2	8	6

Balance sheet, SEKm	30 Sep 14	31 Mar 14	30 Sep 13
Goodwill	908	785	749
Other intangible non-current assets	685	558	514
Property, plant and equipment	191	187	177
Financial non-current assets	23	20	15
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,807</b>	<b>1,550</b>	<b>1,455</b>
Inventories	854	709	709
Current receivables	1,197	1,137	973
Cash and cash equivalents	96	69	76
<b>TOTAL CURRENT ASSETS</b>	<b>2,147</b>	<b>1,915</b>	<b>1,758</b>
<b>TOTAL ASSETS</b>	<b>3,954</b>	<b>3,465</b>	<b>3,213</b>
<b>TOTAL EQUITY</b>	<b>1,373</b>	<b>1,349</b>	<b>1,156</b>
Interest-bearing provisions	255	252	249
Non-interest-bearing provisions	248	215	196
Non-current interest-bearing liabilities	26	14	171
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>529</b>	<b>481</b>	<b>616</b>
Non-interest-bearing provisions	12	6	8
Current interest-bearing liabilities	934	580	550
Current non-interest-bearing liabilities	1,106	1,049	883
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,052</b>	<b>1,635</b>	<b>1,441</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,954</b>	<b>3,465</b>	<b>3,213</b>

Statement of changes in Group equity, SEKm	1 Apr 14–30 Sep 14			1 Apr 13–31 Mar 14			1 Apr 13–30 Sep 13		
	Equity excl. non- control- ling interests	Non- control- ling interests	Total equity	Equity excl. non- control- ling interests	Non- control- ling interests	Total equity	Equity excl. non- control- ling interests	Non- control- ling interests	Total equity
Amount at beginning of period	1,330	19	1,349	1,097	16	1,113	1,097	16	1,113
Exercised and issued call options	20	-	20	30	-	30	18	-	18
Repurchase of treasury shares	-35	-	-35	-15	-	-15	-	-	-
Dividend	-200	0	-200	-176	-3	-179	-176	0	-176
Change non-controlling interests	-	10	10	-	-	-	-	15	15
Total comprehensive income	225	4	229	394	6	400	184	2	186
<b>AMOUNT AT END OF PERIOD</b>	<b>1,340</b>	<b>33</b>	<b>1,373</b>	<b>1,330</b>	<b>19</b>	<b>1,349</b>	<b>1,123</b>	<b>33</b>	<b>1,156</b>

Cash flow statement SEKm	3 months ending		6 months ending		12 months ending	
	30 Sep 14	30 Sep 13	30 Sep 14	30 Sep 13	30 Sep 14	31 Mar 14
Profit after financial items	135	117	254	241	488	475
Adjustment for items not included in cash flow	38	27	66	57	119	110
Income tax paid	-16	-47	-19	-70	-70	-121
Changes in working capital	-65	3	-114	-54	-45	15
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>92</b>	<b>100</b>	<b>187</b>	<b>174</b>	<b>492</b>	<b>479</b>
Net investments in non-current assets	-14	-18	-24	-28	-50	-54
Acquisitions and disposals	-218	-12	-239	-92	-352	-205
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-232</b>	<b>-30</b>	<b>-263</b>	<b>-120</b>	<b>-402</b>	<b>-259</b>
Dividend paid to shareholders	-200	-176	-200	-176	-200	-176
Repurchase of own shares	-35	-	-35	-	-50	-15
Other financing activities	389	101	330	125	167	-38
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>154</b>	<b>-75</b>	<b>95</b>	<b>-51</b>	<b>-83</b>	<b>-229</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>14</b>	<b>-5</b>	<b>19</b>	<b>3</b>	<b>7</b>	<b>-9</b>
Cash and cash equivalents at beginning of period	79	86	69	72	76	72
Exchange differences on cash and cash equivalents	3	-5	8	1	13	6
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>96</b>	<b>76</b>	<b>96</b>	<b>76</b>	<b>96</b>	<b>69</b>

Fair values on financial instruments SEKm	30 Sep 14			31 Mar 14		
	Carrying amount	Level 2	Level 3	Carrying amount	Level 2	Level 3
Derivatives used in hedge accounting	<b>2</b>	2	-	<b>0</b>	0	-
Derivatives held for trading purposes	<b>4</b>	4	-	<b>1</b>	1	-
<b>Total financial assets at fair value per level</b>	<b>6</b>	<b>6</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>
Derivatives used in hedge accounting	<b>0</b>	0	-	<b>0</b>	0	-
Derivatives held for trading purposes	<b>2</b>	2	-	<b>2</b>	2	-
Contingent considerations	<b>69</b>	-	69	<b>27</b>	-	27
<b>Total financial liabilities at fair value per level</b>	<b>71</b>	<b>2</b>	<b>69</b>	<b>29</b>	<b>2</b>	<b>27</b>

The fair value and carrying amount are recognised in the balance sheet as shown in the table above.

For quoted securities, the fair value is determined on the basis of the asset's quoted price in an active market, level 1. As at the reporting date the Group had no items in this category.

For currency contracts and embedded derivatives, the fair value is determined on the basis of observable market data, level 2.

For contingent considerations, a cash-flow-based valuation is performed, which is not based on observable market data, level 3.

For the Group's other financial assets and liabilities, fair value is estimated to be the same as the carrying amount.

Key financial indicators	12 months ending				
	30 Sep 14	31 Mar 14	30 Sep 13	31 Mar 13	31 Mar 12
Net sales, SEKm	6,373	6,089	5,787	5,403	5,200
Operating profit, SEKm	514	501	471	437	470
Profit after financial items, SEKm	488	475	438	408	447
Profit for the period, SEKm	380	369	353	323	327
Operating margin, %	8.1	8.2	8.1	8.1	9.0
Profit margin, %	7.7	7.8	7.6	7.6	8.6
Equity ratio, %*	35	39	36	36	36
Return on equity, %*	29	30	32	31	34
Return on working capital (P/WC), %	45	47	46	45	53
Return on capital employed, %*	23	24	24	25	32
Debt / equity ratio, multiple*	0.9	0.6	0.8	0.7	0.6
Financial net liabilities, SEKm	1,118	776	894	763	584
Net debt / EBITDA, multiple	1.8	1.2	1.5	1.4	1.0
Net debt excl. pensions, SEKm	864	524	645	523	339
Net debt / equity ratio, multiple*	0.6	0.4	0.6	0.5	0.3
Interest coverage ratio, multiple	19.6	17.5	15.2	14.2	15.8
Average number of employees	2,164	2,100	1,988	1,815	1,612
Number of employees at end of the period	2,253	2,150	2,088	2,011	1,700

\* Key financial indicators are calculated based on equity that includes non-controlling interests.

Key financial indicators per share**	12 months ending				
	30 Sep 14	31 Mar 14	30 Sep 13	31 Mar 13	31 Mar 12
Earnings per share (EPS), SEK	5.65	5.50	5.25	4.85	4.90
Diluted EPS, SEK	5.65	5.45	5.25	4.85	4.85
Cash flow per share, SEK	7.45	7.25	6.45	5.20	6.30
Shareholders' equity per share, SEK*	20.25	20.10	16.95	16.70	14.90
Last price paid per share, SEK	98.75	101.75	94.00	72.33	60.67
Average number of shares after repurchases, '000s	66,228	66,003	65,728	65,394	65,832
Average number of shares adjusted for repurchases and dilution, '000s	66,650	66,457	65,895	65,533	66,000
Number of shares outstanding at end of the period, '000s	66,156	66,135	66,142	65,764	65,238

\* Calculations based on proportion of equity attributable to the equity holders.

\*\* Recalculation of historical key figures per share took place following the split into three shares in the third quarter 2013/2014.

## ACQUISITIONS

Acquisitions completed during the 2013/2014 and 2014/2015 financial years are distributed among the Group's business areas as follows:

Acquisitions	Time	Net sales, SEKm*	Number of employees*	Business Area
Rutab AB, Sweden	April, 2013	150	40	Energy
Holger Eldfast AB, Sweden	July, 2013	15	2	Industrial Solutions
Vimex AS, Norway	August, 2013	14	7	Life Science
Sittab AB, Sweden	October, 2013	65	26	Industrial Solutions
Valnor AS, Norway	December, 2013	55	12	Components
GigaCom AB, Sweden	April, 2014	30	6	Components
Solar Supply Sweden AB, Sweden	May, 2014	15	3	Energy
Hans Følsgaard A/S, Denmark	July, 2014	360	65	Components/Energy
Frameco AB, Sweden	July, 2014	10	5	Industrial Solutions
Tampereen Sähköpalvelu Oy, Finland	July, 2014	70	25	Energy
Flow-Teknikk AS, Norway	August, 2014	35	6	Life Science
Amestec Oy, Finland	September, 2014	5	2	Components
Scandinavian Friction AB, Sweden	September, 2014	15	3	Industrial Solutions

\* Refers to conditions at the time of acquisition on a full-year basis.

## PARENT COMPANY SUMMARY

Income statement SEKm	3 months ending		6 months ending		12 months ending	
	30 Sep 14	30 Sep 13	30 Sep 14	30 Sep 13	30 Sep 14	31 Mar 14
Net sales	13	11	25	23	50	48
Administrative expenses	-15	-13	-30	-26	-56	-52
<b>OPERATING PROFIT/LOSS</b>	<b>-2</b>	<b>-2</b>	<b>-5</b>	<b>-3</b>	<b>-6</b>	<b>-4</b>
Profit from interests in Group companies	23	8	23	8	218	203
Interest income and expenses and similar items	9	2	12	5	19	12
<b>PROFIT AFTER FINANCIAL ITEMS</b>	<b>30</b>	<b>8</b>	<b>30</b>	<b>10</b>	<b>231</b>	<b>211</b>
Appropriations	-	-	-	-	-10	-10
<b>PROFIT BEFORE TAXES</b>	<b>30</b>	<b>8</b>	<b>30</b>	<b>10</b>	<b>221</b>	<b>201</b>
Income tax expense	-2	0	-2	-1	-45	-44
<b>PROFIT FOR THE PERIOD</b>	<b>28</b>	<b>8</b>	<b>28</b>	<b>9</b>	<b>176</b>	<b>157</b>
<b>Total comprehensive income</b>	<b>28</b>	<b>8</b>	<b>28</b>	<b>9</b>	<b>176</b>	<b>157</b>

Balance sheet, SEKm	30 Sep 14	31 Mar 14	30 Sep 13
Intangible non-current assets	0	0	0
Property, plant and equipment	4	5	0
Non-current financial assets	2,520	2,368	2,319
<b>TOTAL NON-CURRENT ASSETS</b>	<b>2,524</b>	<b>2,373</b>	<b>2,319</b>
Current receivables	95	325	90
Cash and bank balances	-	-	0
<b>TOTAL CURRENT ASSETS</b>	<b>95</b>	<b>325</b>	<b>90</b>
<b>TOTAL ASSETS</b>	<b>2,619</b>	<b>2,698</b>	<b>2,409</b>
<b>EQUITY</b>	<b>786</b>	<b>972</b>	<b>827</b>
Untaxed reserves	337	337	327
Provisions	17	17	17
Non-current liabilities	361	459	425
Current liabilities	1,118	913	813
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,619</b>	<b>2,698</b>	<b>2,409</b>
Pledged assets	-	-	-
Contingent liabilities	155	155	144

This information is disclosed in accordance with the Swedish Securities Markets Act, the Swedish Financial Instruments Trading Act and/or the regulations of NASDAQ OMX Stockholm. The information was submitted for publication on 5 November 2014 at 08:00 a.m. (CET).



## **Value Adding Tech Provider**

Addtech is a technology trading group that provides technological and economic value added in the link between manufacturers and customers. Addtech operates in selected niches in the market for advanced technology products and solutions. Its customers primarily operate in the manufacturing industry and public sector. Addtech has about 2,000 employees in more than 100 subsidiaries that operate under their own brands. The Group has annual sales of over SEK 6 billion.

Addtech is listed on the NASDAQ OMX Stockholm.

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