

NIBE

– world-class solutions in sustainable energy



- **SALES** totalled
SEK 2,950 million (SEK 2,361 million)
- **PROFIT AFTER NET FINANCIAL ITEMS**
was SEK 228 million (SEK 180 million)
- **PROFIT AFTER TAX**
was SEK 170 million (SEK 138 million)
- **EARNINGS** per share before and after
dilution were SEK 1.54 (SEK 1.25)
- **ACQUISITION OF**
– operations in North American
Marathon Heater, Inc.

Interim report 1 · 2015



CEO Gerteric Lindquist's report

Positive start to the year

The Group's sales growth in the first quarter totalled 24.9% (14.5%). Of this, organic growth comprised 10.3% (10.5%), which is largely due to a weaker Swedish krona.

The general situation as regards demand in Europe is persistently tentative, which means demand has remained at roughly the same level as in the first quarter last year, while both North America and Asia have seen a relatively favourable trend in terms of demand.

Despite this climate we have continued to win market share, which when combined with our purposeful efforts to keep costs down, productivity enhancements and flexible production has helped all three of our business areas to further improve their respective operating margins.

The major change within NIBE Energy Systems is of course the effect of the North American businesses, WaterFurnace and Enertech Global, acquired in autumn 2014. Thus far everything is pointing in the right direction as regards both sales trends as well as profit and exchange rates.

In Germany, the significantly higher subsidy package for heat pump installations introduced at the start of April confirms our belief that environmentally-aware politicians are hardly likely to encourage a return to oil-based forms of heating, despite the temporary dip in the price of oil on the global market.

NIBE Element is continuing with its programme to bring about a satisfactory improvement in its margins. The combination of healthy sales growth and an extensive internal efficiency programme is continually improving the operating margin and no efforts are being spared in order to realise our operating margin target of 10%. In order for this entire improvement programme to be a success we need consistent globalisation to achieve a healthy balance between sales, production costs and currency fluctuations.

However, for the moment, NIBE Stoves' market, Europe, remains cautious, which means opportunities for growth are limited. Our strategy for growth despite this situation is therefore based, as previously, on an ambitious programme of product launches and aggressive marketing, recently boosted by professional store concepts. Our progress also confirms that the route we have chosen is proving successful.

As always, our ambitions in terms of acquisitions

remain high, and moreover, access to potential candidates is good. In the first quarter we acquired operations in the American heating element company Marathon Heater Inc., as well as operations in a smaller Swiss heating element firm.

The level of investment in the existing businesses amounted to SEK 76 million, compared with last year's SEK 59 million and a rate of depreciation of SEK 118 million.

Operating profit for the first quarter improved by 34.2% compared with the corresponding period last year and the operating margin rose from 8.3% to 8.9%. The weaker Swedish currency has also had a decidedly positive effect on operating profit.

Profit after financial items improved by 26.7% in the first quarter compared with the corresponding period in 2014, leading to a profit margin of 7.7% versus 7.6% for the same period last year. The fact that financial items deviate so strongly compared with last year is primarily explained by increased borrowing, but also foreign exchange losses on loans related to the business itself.

Outlook for 2015

Our corporate philosophy and our strong product programme, with their focus on sustainability and saving energy, are in tune with the times in which we are living.

- We are well-prepared for carrying out additional acquisitions.
- Our internal and continually ongoing efforts to raise efficiency, combined with our rigorous cost control measures will guarantee persistently healthy margins.
- It is harder to judge how external factors such as economic trends, currency fears and the low price of oil at present will impact the Group, but we remain cautiously positive with regard to the year overall.

Markaryd, 11 May 2015

Gerteric Lindquist
Managing Director and CEO

Sales

Group net sales totalled SEK 2,950 million (SEK 2,361 million). This corresponds to growth of 24.9%, of which 10.3% was organic. Organic growth has been strongly affected by the weaker Swedish krona, which means most of the Group's foreign operations have been recalculated at higher average rates than in the corresponding period last year. Acquired operations accounted for SEK 344 million of the total SEK 589 million increase in sales.

Earnings

Profit for the period after net financial items was SEK 228 million. This equates to a 26.7% increase in earnings compared with the same period in 2014. Back then, profit after net financial items amounted to SEK 180 million. As with sales growth, growth in profit is considerably affected by the strength of the Swedish krona. Profit for the period has been charged with acquisition expenses of SEK 2 million versus SEK 6 million last year. Return on equity was 15.4% (16.1%).

Acquisitions

In the first quarter, an agreement was signed regarding the acquisition of operations in North American Marathon Heater Inc., which produces advanced custom heating elements for the high-tech industry. The company has sales of approximately SEK 78 million and employs around 130 people. Operations will be consolidated in the business area Nibe Element as of April 2015.

Investments

During the period, the Group made investments totalling SEK 94 million (SEK 87 million). A total of SEK 18 million (SEK 28 million) of the investments relate to acquisitions of operations. The remaining SEK 76 million (SEK 59 million) relates mainly to investments in machinery and equipment in existing operations. The investment with regard to acquisitions is based on initial purchase prices as well as an estimate of additional consideration to be paid.

Cash flow and financial position

Cash flow from operating activities before changes in working capital amounted to SEK 263 million (SEK 246 million). Cash flow after changes in working capital amounted to SEK 188 million (SEK 102 million).

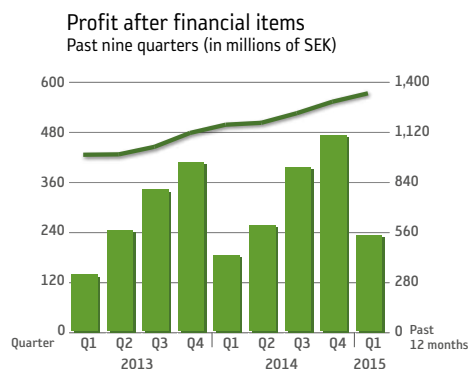
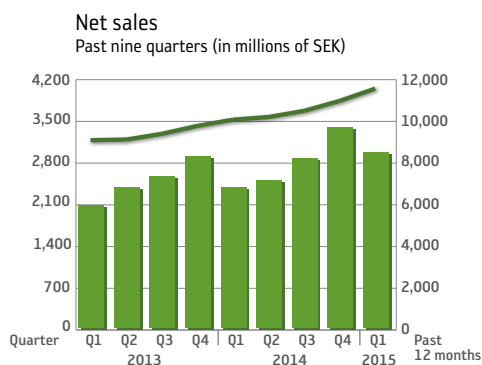
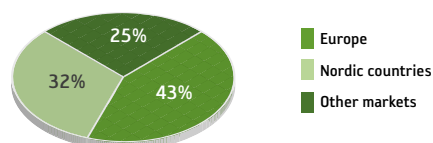
Interest-bearing liabilities at the end of the period amounted to SEK 8,362 million, compared with SEK 7,852 million at the start of the year. At the end of March, the Group had cash and cash equivalents of SEK 2,185 million as against SEK 2,581 million at the start of the year. The equity/assets ratio at the end of the period was 36.4%, compared with 36.2% at the start of the year and 43.4% at the corresponding point last year.

Parent

Parent activities comprise Group executive management functions, certain shared Group functions and the financing of corporate acquisitions. Sales for the period totalled SEK 5 million (SEK 5 million) and profit after financial items was SEK 257 million (SEK 260 million). At the end of the reporting period, cash and cash equivalents totalled SEK 688 million compared with SEK 1,110 million at the start of the year.

NIBE Group Key figures		2015	2014	Past	2014
		Q1	Q1	12 mths	full-year
Net sales	SEK m	2,950	2,361	11,621	11,033
Growth	%	24.9	14.5	14.7	12.2
of which acquired	%	14.6	4.0	8.1	5.7
Operating profit	SEK m	263	196	1,451	1,385
Operating margin	%	8.9	8.3	12.5	12.6
Profit after net financial items	SEK m	228	180	1,339	1,292
Profit margin	%	7.7	7.6	11.5	11.7
Equity/assets ratio	%	36.4	43.4	36.4	36.2
Return on equity	%	15.4	16.1	16.4	16.6

Group sales by geographical region



NIBE Energy Systems

Sales and profit

Sales for the period totalled SEK 1,722 million, compared with SEK 1,313 million for the corresponding period last year. The increase in sales was SEK 409 million, with acquired sales accounting for SEK 322 million of this sum, which means that organic growth was 6.7%.

Operating profit for the period totalled SEK 172 million, compared with SEK 127 million the previous year. This equates to an operating margin of 10.0% compared with 9.7% for the previous year. This means that the operating margin for the past 12 months is 14.9%.

Market

The North American heat pump market, which is relatively new for us, continues to experience a positive trend following a few cautious years. The economy in North America is showing a gradual improvement, which bodes well for increased new construction and encourages investment in more energy-efficient and eco-friendly product solutions. Our acquisitions of WaterFurnace and Enertech Global in 2014 were the right way to go strategically and were well-timed. Both businesses, as well as our existing cooling operations in the US, KKT, performed well and also provide us with excellent future business opportunities in the North American market.

The trend on the European heat pump market overall is still cautious, but varies between countries. Demand for heat pumps in Germany remains sluggish and in the first quarter the market saw a decline in terms of numbers. Information was announced in March regarding increased subsidies for heat pumps as part of the established support programme MAP (Markt Anreiz Programm). This indicates a higher level of ambition in terms of using renewable energy in Germany. The subsidy primarily aims to promote ground-source/geothermal heat pumps, for which the total installation cost to the end-user in Germany is considerably higher than in Sweden.

Despite the political and economic turbulence in the eastern parts of Europe, all our companies in these countries displayed growth in the first quarter.

The Swedish heat pump market showed a marginal increase in terms of number of units in the first three months of this year. Increased new construction of single-family homes is boosting sales of our speed-controlled exhaust air heat pumps, which is also the product segment that is increasing the most. Unlike last year, the market for heat pumps for larger properties is waning, but we are confident that this segment has major future market potential and therefore regard this as

a temporary decline. Our total market share for heat pumps is continuing to increase, and as a result we have further strengthened our already solid market position.

Other parts of the Nordic heat pump market are relatively stable, with the exception of Finland, which is one of our largest markets. The weak Finnish economy and general uncertainty are having a negative impact on consumers' willingness to invest.

For traditional electric water-heaters, performance in the Nordic and European markets is stable, while sales of conventional domestic boilers remain sluggish. With more stringent legal requirements regarding energy efficiency in the production of hot water, the market for heat pumps used solely for heating hot water looks set to expand, which we regard as an interesting opportunity for growth.

Operations

Integration of the operations acquired in 2014 in North America and France is continuing and we are seeing interesting commercial potential in both these markets.

There were intensive marketing efforts during the first few months in both Europe and North America. In January we exhibited products from five of the business area's companies at the most important North American trade fair, AHR EXPO in Chicago.

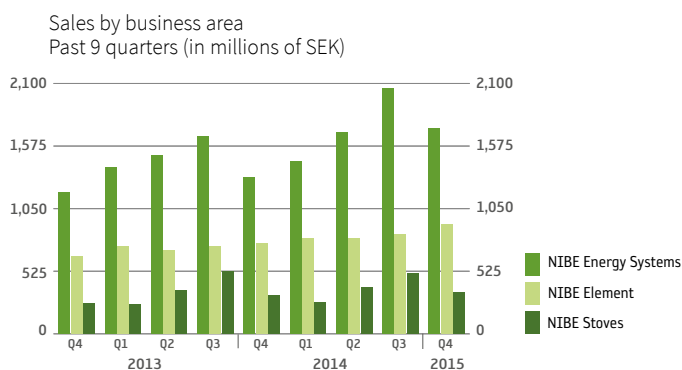
At the largest European trade fair, ISH in Frankfurt, which takes place every other year in March, we had five different individual stands with a total exhibition space of just over a thousand square metres. Our broad product range was presented with a greatly strengthened message and was a manifestation of our bolstered position as a global market leader within sustainable energy solutions.

We have also participated in a number of different local activities on our chosen markets in Europe and North America, where we market our product range with the clear aim of further increasing our market share.

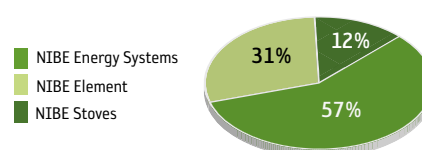
Our production capacity and delivery capability fully satisfy market expectations and we are pleased to note that our internal quality work, which has been a top priority, continues to bear fruit in the form of additional improvements to product quality and customer satisfaction, which is very important in a tough and highly competitive international situation.

To secure and preferably further improve our operating margin we are continually implementing cost-saving measures in both production and other areas of the business.

Business Area trends



Business area contributions to sales



NIBE Energy Systems

Key figures		2015 Q1	2014 Q1	Past 12 mths	2014 full-year
Net sales	SEK m	1,722	1,313	6,917	6,507
Growth	%	31.2	10.7	17.9	13.4
of which acquired	%	24.5	0.9	13.3	8.2
Operating profit	SEK m	172	127	1,029	984
Operating margin	%	10.0	9.7	14.9	15.1
Assets	SEK m	13,486	8,002	13,486	12,512
Liabilities	SEK m	1,412	1,132	1,412	1,361
Investments in non-current assets	SEK m	51	46	214	208
Depreciation	SEK m	76	59	266	249

WaterFurnace geothermal heat pumps feature in new eco-friendly residential area in New York

A new standard for new construction is being implemented in the new eco-friendly city districts that are emerging in New York. WaterFurnace's geothermal units and their modern, energy-efficient technology are contributing to cost-effective housing for the new residents.



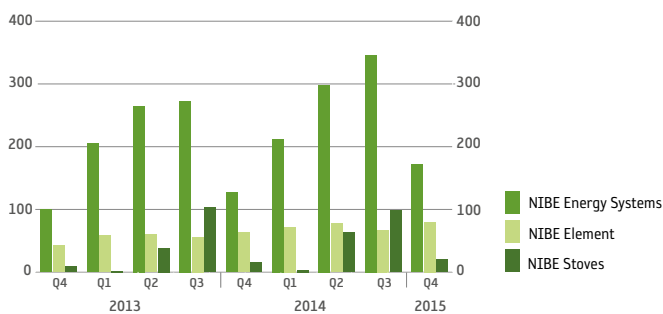
The geothermal system from the WaterFurnace 5 series uses the free solar energy that is stored in the earth. A series of pipes in the ground and a geothermal heat pump work together to produce heating and hot water in the winter. In the summer, the process is reversed to cool the buildings. The efficiency gains generate savings of up to 70 percent for heating, cooling and hot water.

Location Clarence, New York, USA

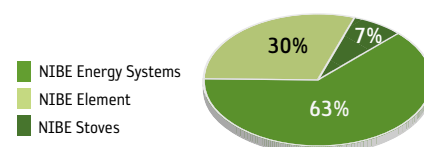
Number of homes 35 single-family homes

Type of heat pump WaterFurnace 5 Series

Operating profit by business area
Past 9 quarters (in millions of SEK)



Business area contributions to profit



NIBE Element

Sales and profit

Sales for the period totalled SEK 917 million, compared with SEK 759 million for the corresponding period last year. The increase in sales was SEK 158 million, with acquired sales accounting for SEK 22 million of this sum, which means that organic growth was 18.0%.

Operating profit for the period totalled SEK 80 million, compared with SEK 63 million the previous year. This equates to an operating margin of 8.8% compared with 8.3% for the previous year. This means that the operating margin for the past 12 months is 8.9%.

Market

Overall, demand on the international element market was positive at the start of the year.

The European market has seen slight growth during the first quarter. Consumer products and commercial equipment have experienced positive development, while products for the oil and gas industry have seen a drop in demand due to lower levels of investment as oil prices have declined. The market for rail-based traffic has displayed healthy growth within both infrastructure and vehicles.

The North American market has displayed a positive trend within all product segments. We are seeing increased demand within both the domestic appliance/home comfort segment and commercial products and products for the automotive industry.

The Asian market has also experienced healthy growth, which is encouraging as we are gradually concentrating our Asian production units more towards the domestic markets in Asia.

Operations

We are continuing to implement structural measures to create competitive units within each market segment, with the aim of achieving our target of a 10% operating margin during the current year. The direction and operations of the various profit units are becoming more specialised, and we are utilising production in low-cost countries within certain product segments.

This involves further investments within automation and mechanisation, as well as the implementation of measures relating to production technology to ensure improved productivity and efficiency.

NIBE Element

Key figures		2015 Q1	2014 Q1	Past 12 mths	2014 full-year
Net sales	SEK m	917	759	3,351	3,193
Growth	%	20.9	16.8	14.3	13.2
of which acquired	%	2.9	4.9	1.6	2.0
Operating profit	SEK m	80	63	297	280
Operating margin	%	8.8	8.3	8.9	8.8
Assets	SEK m	3,409	2,803	3,409	3,122
Liabilities	SEK m	715	568	715	632
Investments in non-current assets	SEK m	16	14	89	87
Depreciation	SEK m	28	25	101	98

A restructuring process has been under way since the start of the year in our tubular heating element operations in Sweden, which means that production is being concentrated at a single production unit. The process is due to be completed during the second quarter of 2015.

In the first quarter, an agreement was signed regarding the acquisition of operations in North American Marathon Heater Inc. in Texas. The business, which has sales of SEK 78 million and a workforce of 130, specialises in advanced custom heating elements for the high-tech industry.

An agreement has also been signed regarding a smaller bolt-on acquisition of a Swiss industrial firm, which will be integrated into our existing operations.

Raw material prices and exchange rates remain volatile, which is having a considerable effect on pricing and competitiveness. In this situation, having production units in different currency zones gives us a clear advantage.



The North American market has displayed a positive trend within all product segments. NIBE Element manufactures instantaneous water-heating elements, which are used to heat outdoor pools.

NIBE Stoves

Sales and profit

Sales for the period totalled SEK 351 million, compared with SEK 320 million for the corresponding period last year. Since the comparison is not affected by any acquisitions, this means organic growth of SEK 31 million, or 9.6%.

Operating profit for the period totalled SEK 20 million, compared with SEK 15 million the previous year. This equates to an operating margin of 5.8% compared with 4.7% for the previous year. This means that the operating margin for the past 12 months is 12.2%.

Market

So far this year the overall European stove market is at around the same level as for the year-earlier period. The exception is the German market, which has experienced a decline largely due to lower energy prices, and France, where the drop is more related to the generally weak economic trend. The unusually mild winter throughout Europe has also had a general negative impact on demand for stove products.

In Scandinavia, demand in Sweden and Denmark remains unchanged compared with the same period last year. A slight increase in production of new homes boosts demand for our products, while there is still some restraint among consumers as regards investing in durables, due to uncertainty about future economic development. The Swedish government's proposed reduction to its home improvement subsidy (ROT-avdrag) as of 2015/2016 will probably have a positive impact on demand in Sweden in autumn of this year.

Following several years of falling demand, the stove market in Norway is now seeing a slight improvement, despite a generally weaker economic outlook in the Norwegian economy. One should bear in mind that we are making comparisons with an unusually weak level of demand in the first quarter last year.

Demand for wood-burning stove products in the UK is falling, while demand for gas-fired stove products is on the rise, owing primarily to the current low price of oil and gas. In general, the opinion is therefore that the total British market for stove products remains unchanged compared with the same period last year.

NIBE Stoves

Key figures		2015 Q1	2014 Q1	Past 12 mths	2014 full-year
Net sales	SEK m	351	320	1,514	1,483
Growth	%	9.6	26.9	3.4	6.3
of which acquired	%	0.0	16.0	0.0	2.9
Operating profit	SEK m	20	15	185	180
Operating margin	%	5.8	4.7	12.2	12.1
Assets	SEK m	1,777	1,555	1,777	1,768
Liabilities	SEK m	230	202	230	249
Investments in non-current assets	SEK m	8	4	22	18
Depreciation	SEK m	14	13	56	55

Operations

The end of the first quarter saw the start of this year's product launches, with significant exposure at the major international ISH trade fair in Germany. New products under the Contura, Lotus, TermaTech and Nordpeis brands were presented and met with considerable success. Launches will continue on all our chosen markets in the second quarter, and we expect all new products to be ready for delivery well before the autumn season.

To further increase our market share with our existing product programme, we have recently launched an initiative to boost our in-store exposure. This is a long-term initiative that will span several years and relate chiefly to products under the Contura and Stovax/Gazco brands.

The acquisition of British Stovax Heating Group just over two years ago has given us both an improved geographical spread and expanded our product portfolio to include gas-fired products, which are marketed under the Gazco brand. This has proved to be a sound decision strategically, partly given increasing demand for gas products on the British market, but also because it enables expansion on new markets outside the UK.



The start of the year saw the launch of this year's new products for several of the business area's brands, including Contura, Nordpeis, Lotus and ThermaTech, at the international ISH trade fair in Germany. All four brands attracted considerable attention, which resulted in several orders from our dealers.

Income Statement summaries

(in millions of SEK)	Group				Parent	
	Jan-Mar 2015	Jan-Mar 2014	Past 12 mths	full-year 2014	Jan-Mar 2015	Jan-Mar 2014
Net sales	2,950	2,361	11,622	11,033	5	5
Cost of goods sold	-1,940	-1,576	-7,470	-7,106	0	0
Gross profit	1,010	785	4,152	3,927	5	5
Selling expenses	-576	-455	-2,098	-1,977	0	0
Administrative expenses	-208	-157	-758	-707	-13	-9
Other operating income	37	23	156	142	0	0
Operating profit	263	196	1,452	1,385	-8	-4
Net financial items	-35	-16	-112	-93	265	264
Profit after net financial items	228	180	1,340	1,292	257	260
Tax	-58	-42	-326	-310	0	0
Net profit	170	138	1,014	982	257	260
Net profit attributable to Parent shareholders	170	138	1,014	982	257	260
Includes depreciation according to plan as follows	118	97	423	402	0	0
Net profit per share before and after dilution in SEK	1.54	1.25	9.19	8.90		

Statement of comprehensive income

Net profit	170	138	1,014	982	257	260
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Actuarial gains and losses in retirement benefit plans	0	0	-122	-122	0	0
Tax	0	0	26	26	0	0
	0	0	-96	-96	0	0
Items that may be reclassified to profit or loss						
Cash flow hedges	-4	2	-19	-13	0	-1
Hedging of net investment	-492	-21	-935	-464	-483	-21
Exchange differences	704	26	1,405	727	0	0
Tax	111	4	215	108	106	5
	319	11	666	358	-377	-17
Total other comprehensive income	319	11	570	262	-377	-17
Total comprehensive income	489	149	1,584	1,244	-120	243
Total comprehensive income attributable to Parent shareholders	489	149	1,584	1,244	-120	243

Balance Sheet summaries

(in millions of SEK)	Group			Parent		
	31 Mar 2015	31 Mar 2014	31 Dec 2014	31 Mar 2015	31 Mar 2014	31 Dec 2014
Intangible non-current assets	10,570	6,187	9,731	0	0	0
Property, plant and equipment	2,139	1,883	2,078	0	0	0
Non-current financial assets	509	161	367	9,691	8,218	9,477
Total non-current assets	13,218	8,231	12,176	9,691	8,218	9,477
Inventories	2,263	1,856	2,109	0	0	0
Current receivables	1,991	1,538	1,844	176	68	203
Current investments	181	0	154	0	0	0
Cash and bank balances	1,714	1,579	1,827	688	913	811
Total current assets	6,149	4,973	5,934	864	981	1,014
Total assets	19,367	13,204	18,110	10,555	9,199	10,491
Equity	7,049	5,724	6,560	3,565	3,604	3,685
Untaxed reserves	0	0	0	1	1	1
Non-current liabilities and provisions, non-interest-bearing	1,965	1,277	1,849	467	517	457
Non-current liabilities and provisions, interest-bearing	8,041	4,379	7,558	6,135	4,900	5,996
Current liabilities and provisions, non-interest-bearing	1,991	1,613	1,849	138	24	132
Current liabilities and provisions, interest-bearing	321	211	294	249	153	220
Total equity and liabilities	19,367	13,204	18,110	10,555	9,199	10,491

Key figures

		Jan-Mar 2015	Jan-Mar 2014	full-year 2014
Growth	%	24.9	14.5	12.2
Operating margin	%	8.9	8.3	12.6
Profit margin	%	7.7	7.6	11.7
Investments in non-current assets	SEK m	94	87	3,098
Cash and cash equivalents	SEK m	2,185	2,371	2,581
Working capital, incl. cash and bank balances	SEK m	4,158	3,360	4,084
as share of net sales	%	35.8	33.2	37.0
Working capital, excl. cash and bank balances	SEK m	2,444	1,781	2,257
as share of net sales ¹⁾	%	21.0	17.6	20.5
Interest-bearing liabilities/Equity	%	118.6	80.2	119.7
Equity/assets ratio ²⁾	%	36.4	43.4	36.2
Return on capital employed ³⁾	%	10.5	12.4	12.1
Return on equity ⁴⁾	%	15.4	16.1	16.6
Net debt/EBITDA ⁵⁾	times	3.4	1.9	3.3
Interest coverage ratio ⁶⁾	times	4.4	7.6	7.6

Data per share

A pro forma income statement for the latest 12-month period, including units acquired during the period with their respective latest 12-month income statements, provides more accurate key figures as follows;

¹⁾ Working capital would amount to approx. 18.5%

²⁾ Equity/assets ratio would be approx. 36.7%

³⁾ Return on capital employed would be approx. 10.6%

⁴⁾ Return on equity would be approx. 15.8%

⁵⁾ Net debt/EBITDA would be approx. 3.3 times

⁶⁾ Interest coverage ratio would be approx. 6.7 times

		Jan-Mar 2015	Jan-Mar 2014	full-year 2014
Net profit per share (total 110,253,638 shares)	SEK	1.54	1.25	8.90
Equity per share	SEK	63.93	51.92	59.50
Closing day share price	SEK	214.50	166.50	200.90

Statement of cash flow – summaries

(in millions of SEK)	Jan-Mar 2015	Jan-Mar 2014	full-year 2014
Cash flow from operating activities	263	246	1,327
Change in working capital	- 75	- 144	- 74
Investment activities	- 85	- 87	- 2,956
Financing activities	- 286	- 24	1,836
Exchange difference in cash and cash equivalents	70	- 3	103
Change in cash and cash equivalents	- 113	- 12	236

Change in equity – summaries

(in millions of SEK)	Jan-Mar 2015	Jan-Mar 2014	full-year 2014
Equity brought forward	6,560	5,575	5,575
Shareholders' dividend	0	0	- 259
Comprehensive income for the period	489	149	1,244
Equity carried forward	7,049	5,724	6,560

Financial instruments recognised at fair value

(in millions of SEK)	31 Mar 2015	31 Mar 2014	31 Dec 2014
Current receivables			
Currency futures	1	2	0
Commodity futures	0	1	0
Total	1	3	0
Current liabilities and provisions, non-interest-bearing			
Currency futures	17	5	15
Commodity futures	5	0	2
Total	22	5	17

No instruments have been offset in the statement of financial position, therefore all instruments are recognised at their gross value. For a detailed account of the measurement process, see Note 2 in the Annual Report for 2014. In respect of other financial assets and liabilities in the Group, the carrying amounts represent a reasonable approximation of their fair value. A specification of the financial assets and liabilities involved is given in Note 7 in the Annual Report for 2014.

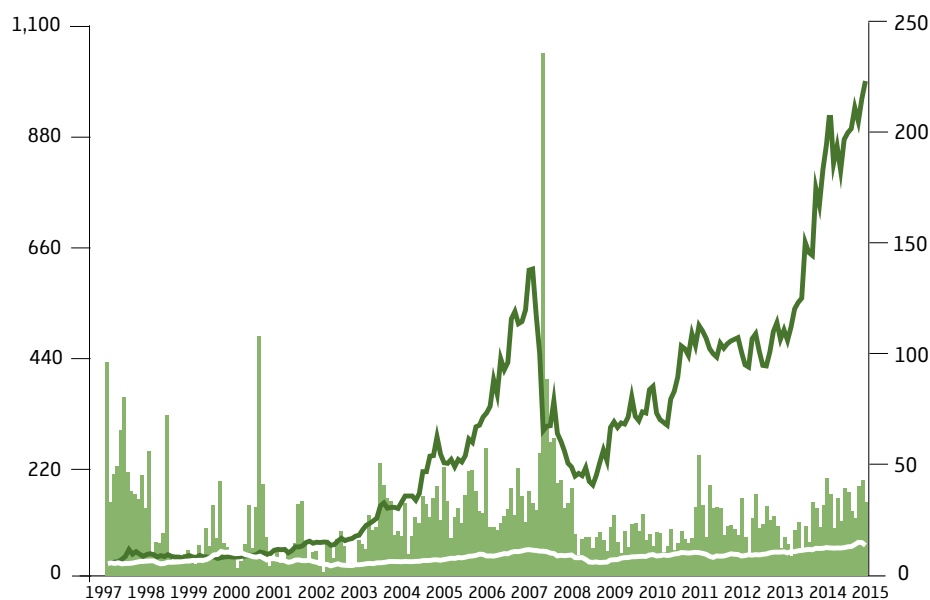
Quarterly data

Consolidated income statements (in millions of SEK)	2015		2014			2013			
	Q1	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	2,950	2,361	2,477	2,839	3,356	2,062	2,351	2,545	2,876
Operating expenses	- 2,687	- 2,165	- 2,204	- 2,423	- 2,856	- 1,918	- 2,096	- 2,188	- 2,453
Operating profit	263	196	273	416	500	144	255	357	423
Net financial items	- 35	- 16	- 21	- 24	- 32	- 10	- 13	- 19	- 20
Profit after net financial items	228	180	252	392	468	134	242	338	403
Tax	- 58	- 42	- 59	- 88	- 121	- 35	- 56	- 75	- 93
Net profit	170	138	193	304	347	99	186	263	310
Net sales Business Areas									
NIBE Energy Systems	1,722	1,313	1,445	1,693	2,056	1,185	1,398	1,499	1,658
NIBE Element	917	759	803	799	832	650	734	705	733
NIBE Stoves	351	320	264	388	511	252	251	369	523
Elimination of Group transactions	- 40	- 31	- 35	- 41	- 43	- 25	- 32	- 28	- 38
Group total	2,950	2,361	2,477	2,839	3,356	2,062	2,351	2,545	2,876
Operating profit Business Areas									
NIBE Energy Systems	172	127	212	299	346	101	206	264	273
NIBE Element	80	63	72	78	67	42	59	60	56
NIBE Stoves	20	15	3	64	98	9	1	39	103
Elimination of Group transactions	- 9	- 9	- 14	- 25	- 11	- 8	- 11	- 6	- 9
Group total	263	196	273	416	500	144	255	357	423

Shares trades per day (in thousands)

Share price in SEK

NIBE shares



NIBE's class B shares are listed on the NASDAQ OMX Stockholm Exchange, Large Cap list, with a secondary listing on the SIX Swiss Exchange in Zürich. The NIBE share's closing price at 31 March 2015 was SEK 214.50. In the first quarter of 2015, NIBE's share price rose by 6.8%, from SEK 200.90 to SEK 214.50. During the same period, the OMX Stockholm All-share (OMXS) increased by 14.5%. This means that, at the end of 2015 the market capitalisation of NIBE, based on the latest price paid, amounted to SEK 23,649 million. A total of 9,943,295 NIBE shares were traded, which corresponds to a share turnover of 36.1% in the first quarter of 2015.

■ Share price in SEK OMX Stockholm All-Share (OMXS) (SEK)
■ Average number of shares traded per trading day (in thousands)

Accounting policies

NIBE Industrier's consolidated accounts are drawn up in accordance with International Financial Reporting Standards (IFRS). NIBE Industrier's interim report for the first quarter of 2015 has been drawn up in accordance with IAS 34 "Interim Financial Reporting". The same accounting policies have been applied as those described on pages 66-68 of the company's Annual Report for 2014. Reporting for the Parent follows the Swedish Annual Accounts Act and recommendation RFR 2 of the Swedish Financial Accounting Standards Council ("Reporting for Legal Entities"). In the case of transactions with associates, these have taken place to the same extent as in the previous year and the same accounting policies apply as those described on page 66 of the company's Annual Report for 2014.

Risks and uncertainties

NIBE Industrier is an international industrial group that is represented in around 40 countries. As such, it is exposed to a number of business and financial risks. Risk management is therefore an important process with regard to the goals that the company has set up. Throughout the NIBE Group, efficient risk management routines are an ongoing process within the framework of the Group's operational management and a natural part of the continual follow-up of activities. It is our opinion that no significant risks or uncertainties have arisen in addition to those described in NIBE Industrier's Annual Report for 2014.

This interim report provides an accurate picture of the business activities, financial position and earnings of the Parent and the Group, and describes any significant risks and uncertainties faced by the Parent and the companies that comprise the Group.

Markaryd, 11 May 2015



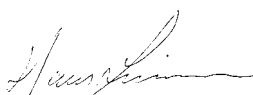
Arvid Gierow
Chairman of the Board



Georg Brunstam
Director



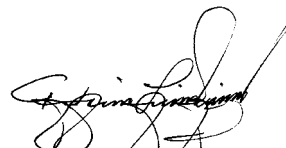
Eva-Lotta Kraft
Director



Hans Linnarson
Director



Anders Pålsson
Director



Gerteric Lindquist
Managing Director & CEO

The information in this report has not been subjected to scrutiny by the company's auditors.

For other information and definitions, please refer to the company's Annual Report for 2014.

Calendar

11 May 2015

11.00 (C.E.T) Teleconference (in English);

Presentation of Interim Report 1, 2015 and opportunity to ask questions.

Registration on our website www.nibe.com is required in order to access the presentation images during the conference.

To listen to the presentation by phone, call +46 8 566 427 01

11 May 2015

17.00 (C.E.T) Annual General Meeting 2015

14 August 2015

Interim Report 2, Jan – June 2015

13 November 2015

Interim Report 3, Jan – Sept 2015

Financial targets

- Average annual sales growth of 20%
- An operating margin of at least 10% of sales over a full business cycle in each business area
- Average annual return on equity of at least 20% after standard deductions for tax over a business cycle
- Equity/assets ratio of at least 30%.



NIBE is an international heating technology company with business operations organised in three separate business areas; NIBE Energy Systems, NIBE Element and NIBE Stoves. Our vision is to create world-class solutions in sustainable energy. Our mission is to offer energy technology products and solutions that combine high quality with innovation. This work builds on the NIBE Group's wide-ranging expertise in product development, manufacturing and marketing.

NIBE Industrier AB is obliged by Swedish law (The Securities Market Act and/or The Financial Instruments Trading Act) to publish the information in this interim report. This information was made available to the media for publication at 08.00 (C.E.T.) on 11 May 2015.

Please e-mail any questions you have with regard to this report to:
Gerteric Lindquist, MD and Group CEO, gerteric.lindquist@nibe.se
Hans Backman, CFO, hans.backman@nibe.se

NIBE

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