

Interim report January – September 2015

Growth and improved result in a challenging environment

Third quarter 2015

- Net sales rose by 8 percent to SEK 577 million (536). Adjusted for currency effects and acquisitions, net sales remained unchanged.
- Order intake exceeded net sales.
- Operating profit amounted to SEK 52 million (48) and the adjusted operating margin to 9.0 (8.9) percent.
- Earnings per share amounted to SEK 0.87 (0.81).

January – September 2015

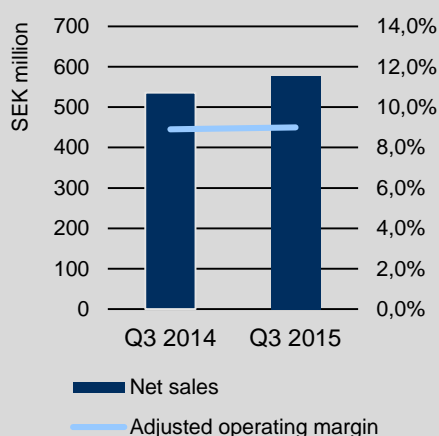
- Net sales rose by 11 percent to SEK 1,847 million (1,667). Adjusted for currency effects and acquisitions, net sales increased 3 percent.
- Order intake was in line with net sales.
- Operating profit amounted to SEK 159 million (141).
- Adjusted operating profit amounted to SEK 159 million (159) and the adjusted operating margin to 8.6 (9.5) percent.
- Earnings per share amounted to SEK 2.78 (2.42).

GROUP IN BRIEF

	Quarter 3			Jan-Sep			12 month rolling	Full year	
SEK millions	2015	2014	Δ	2015	2014	Δ	2014/15	2014	Δ
Order intake	582	528	10	1,846	1,656	11	2,384	2,195	9
Net sales	577	536	8	1,847	1,667	11	2,379	2,198	8
Gross profit	159	152	4	510	492	4	660	641	3
Gross margin, %	27.5	28.4		27.6	29.5		27.7	29.2	
Operating profit	52	48	9	159	141	13	192	174	10
Operating margin, %	9.0	8.9		8.6	8.4		8.1	7.9	
Adjusted operating profit	52	48	9	159	159	0	192	192	0
Adjusted operating margin, %	9.0	8.9		8.6	9.5		8.1	8.7	
Profit after tax	33	31	7	106	92	15	126	112	12
Earnings per share	0.87	0.81	7	2.78	2.42	15	3.30	2.94	12

For definitions, see page 17.

THE QUARTER IN BRIEF



NET SALES
SEK 577 m

SALES GROWTH
+8%

OPERATING PROFIT
SEK 52 m

OPERATING MARGIN
9.0%

CEO'S OVERVIEW

We estimate the underlying demand in the third quarter to be weaker than in the previous quarter and in the third quarter of 2014. The change is tangible among many customers and in many of our markets, particularly in Norway and Sweden.

Despite this, we succeeded, primarily through increased market shares in segment International, in retaining unchanged organic sales for the Group. Flos B.V. of the Netherlands, which was acquired at the start of the year, developed well and contributed good sales and profitability during the quarter.

In segment Sweden, net sales declined. This was largely attributable to the customer of one of manufacturing units that took over its own production from the fourth quarter 2014, as we announced earlier. The other business in Sweden had unchanged market shares and stable sales. We are working intensively in sales to other customers in Sweden, with the aim of further improving our already strong market position for the long term.

In segment International, we had continued good growth during the quarter, although at a lower rate than earlier in the year. This growth is being driven,

apart from acquisitions, by increased market shares among many customers in many markets.

It is worth noting the favourable margin trend we have seen during the quarter, compared with earlier in the year. The measures in the form of price increases, purchasing and cost savings announced earlier as a result of the weakened rate of the Swedish krona, developed according to plan and have generated good results.

As a result of these measures and our acquisitions during the year, it was possible to improve the results for the quarter and retain the margin compared with the preceding year. During the quarter, order intake exceeded net sales, which is the normal pattern for the third quarter. However, we continue to take a cautious view of underlying demand, which is currently difficult to assess. On the other hand, we retain strong confidence in our work on market shares and enhanced efficiency.

Jörgen Rosengren, President and CEO



ABOUT BUFAB

Bufab AB (publ), Corporate Registration Number 556685-6240, is a trading company that offers its customers a full-service solution as Supply Chain Partner for sourcing, quality control and logistics for C-Parts (screws, nuts, etc.). Bufab's Global Parts Productivity™ customer offering aims to improve productivity in customers' value chain for C-Parts.

Bufab was founded in 1977 in Småland and is an international company with operations in 23 countries. The head office is located in Värnamo, Sweden and Bufab has about 830 employees. Bufab's sales for 2014 amounted to SEK 2.2 billion and adjusted operating margin was 9 percent. The Bufab share is listed on NASDAQ Stockholm, under the ticker "BUFAB."

The Group in brief

THIRD QUARTER

Order intake amounted to SEK 582 million (528) and was somewhat higher than net sales.

Net sales rose 8 percent to SEK 577 million (536). Flos B.V. was acquired during the first quarter and contributed to the increase in net sales for the period by 7 percentage points. Adjusted for currency effects and the acquisition, net sales were unchanged. Adjusted accordingly, the growth was +4 per cent for segment International and -6 per cent for segment Sweden.

The underlying demand is deemed weaker than in the year-earlier period and compared with the second quarter of 2015. In segment International, market share increased, while it remained unchanged in Sweden, apart from one customer to one of the manufacturing units that chose to transition to proprietary manufacturing.

Operating profit amounted to SEK 52 million (48), corresponding to an operating margin of 9.0 percent (8.9). Exchange-rate fluctuations had a negative impact of SEK 10 million on adjusted operating profit, volumes had a negative impact of SEK 4 million, "price/cost/mix" and other items a positive impact of SEK 14 million, and acquisitions a positive impact of SEK 4 million.

At the beginning of the year, a cost-savings program was announced of SEK 15 million per year. This gained full effect in the third quarter.

JANUARY – SEPTEMBER

Order intake amounted to SEK 1,846 million (1,656) and was in line with net sales.

Net sales increased 11 percent to SEK 1,847 million (1,667). Adjusted for currency effects and acquisitions, the increase was 3 percent.

Good growth in segment International with increased market shares offset the weaker trend in Sweden.

Operating profit amounted to SEK 159 million (141), corresponding to an operating margin of 8.6 percent (8.4), while the adjusted operating profit was SEK 159 million (159), corresponding to an adjusted operating margin of 8.6 percent (9.5). Exchange-rate fluctuations had a negative impact of SEK 39 million on adjusted operating profit, volumes had a positive impact of SEK 7 million, "price/cost/mix" and other items a positive impact of SEK 25 million, and acquisitions a positive impact of SEK 7 million.

FINANCIAL ITEMS AND TAX

The Group's net financial items amounted to SEK -6 million (-6) for the third quarter and SEK -17 million (-15) for the first nine months. The net financial items were impacted by exchange-rate differences totalling SEK 0 million (0) in the third quarter and SEK -1 million (2) for the first nine months.

The Group's profit after financial items amounted to SEK 46 million (42) for the third quarter and SEK 142 million (125) for the first nine months.

The tax expense for the third quarter was SEK 12 million (11) and SEK 35 million (33) for the first nine months.

CASH FLOW, WORKING CAPITAL AND FINANCIAL POSITION

	Quarter 3		Jan–Sep	
SEK millions	2015	2014	2015	2014
Operating profit	52	48	159	141
Depreciation/amortisation and impairment	9	8	26	24
Other non-cash items	0	0	-1	0
Changes in working capital	18	-7	-24	-69
Cash flow from activities	79	49	160	96
Investments excluding acquisitions	-9	-15	-18	-31
Operational cash flow	70	34	142	65

Operating cash flow amounted to SEK 70 million (34). The operating cash flow was SEK 142 million (65) for the first nine months of the year. In the third quarter, the positive effect from lower customer receivables have been partly offset by higher inventory levels.

The average working capital in relation to net sales was reduced to 36.0 (36.2) percent.

On 30 September, the Group's net debt totalled SEK 612 million (592) and the debt/equity ratio was 51 percent (53).

Segment Sweden

Third quarter

Order intake amounted to SEK 208 million (212) and was somewhat higher than net sales.

Net sales decreased by 6 percent to SEK 206 million (220). The decline was largely the result of the customer of one of the manufacturing units opting to transition to proprietary manufacturing. The market shares are otherwise deemed to be unchanged.

The gross margin amounted to 29.2 percent (30.6), an improvement compared with the earlier quarters in 2015. The measures, in the form of price increases, purchasing- and cost-savings, which were announced earlier as the result of the weakened rate of the Swedish krona, have brought favourable results.

Operating profit amounted to SEK 24 million (29), corresponding to an operating margin of 11.8 percent (13.3). Exchange-rate fluctuations had a negative impact of SEK 8 million on operating profit, while volumes had a negative impact of SEK 7 million and "price/cost/mix" and a positive impact of SEK 10 million.

January – September

Order intake amounted to SEK 708 million (736) and was lower than net sales.

Net sales declined by 4 percent to SEK 719 million (752). Sales in the segment were negatively impacted by a customer to one of the manufacturing units transitioning to proprietary manufacturing, from the fourth quarter 2014 and customers choosing to relocate their production abroad, which favours sales in segment International.

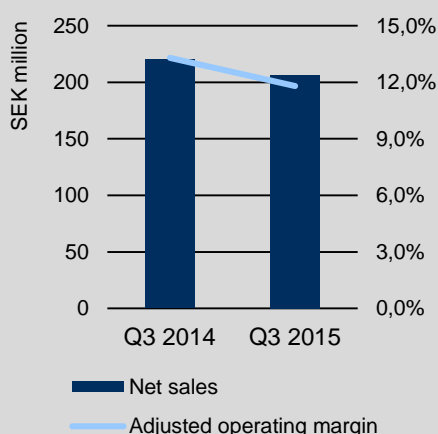
The gross margin amounted to 28.9 (32.1) percent mainly due to higher purchasing costs resulting from a weaker rate for the Swedish krona that was partially offset by price increases, purchasing- and cost-savings.

Operating profit amounted to SEK 89 million (117), corresponding to an adjusted operating margin of 12.3 percent (15.5). Exchange-rate fluctuations had a negative impact of SEK 28 million on operating profit, volumes a negative impact of SEK 15 million, "price/cost/mix" a positive impact with SEK 18 million and other items a negative impact of SEK 3 million.

SEK millions	Quarter 3			Δ	Jan-Sep			Δ	12 month rolling			Δ
	2015	2014	%		2015	2014	%		2014/15	2014	%	
Order intake*	208	212	-2		708	736	-4		940	968	-3	
Net sales*	206	220	-6		719	752	-4		948	982	-3	
Gross margin, %	29.2	30.6			28.9	32.1			29.2	31.7		
Operating profit	24	29	-17		89	117	-24		116	144	-19	
Operating margin, %	11.8	13.3			12.3	15.5			12.2	14.6		

*Pertains to net sales and order intake from external customers.

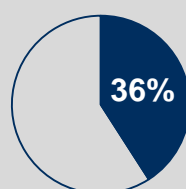
THE QUARTER IN BRIEF



NET SALES

SEK 206 m

SHARE OF TOTAL SALES



SALES GROWTH

-6%

OPERATING PROFIT

SEK 24 m

OPERATING MARGIN

11.8%

Segment International

Third quarter

Order intake amounted to SEK 374 million (316) and exceeded net sales.

Net sales rose by 17 percent to SEK 371 million (316). Flos B.V. was acquired during the first quarter and contributed to the increase in net sales for the period by 11 percentage points. Adjusted for currency effects and the acquisition, the increase was 4 percent. The organic increase is largely a result of higher market shares in several markets.

Gross margin was in line with the preceding year and amounted to 27.5 (27.5).

Operating profit increased to SEK 32 million (23), corresponding to an operating margin of 8.5 percent (7.3). Exchange-rate fluctuations had a negative impact of SEK 2 million on operating profit, volumes a positive impact of SEK 3 million, "price/cost/mix" and other items a positive impact of SEK 3 million and acquisitions a positive impact of SEK 5 million.

January - September

Order intake amounted to SEK 1,137 million (921) and exceeded net sales.

Net sales increased by 23 percent to SEK 1,128 million (914). Adjusted for currency effects and acquisitions, the increase in net sales was 9 percent. The organic increase is largely a result of higher market shares in most markets and that some customers have chosen to relocate their production outside Sweden.

Gross margin declined to 27.6 percent (28.1), mainly due to exchange-rate changes.

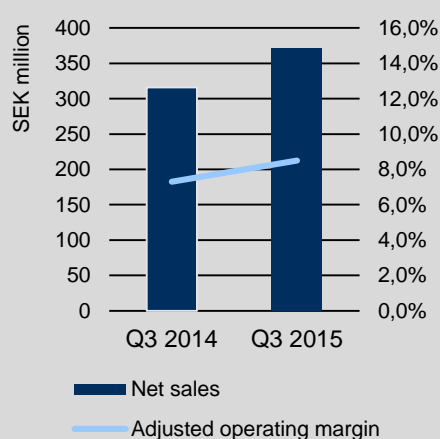
Operating profit for the period increased to SEK 89 million (63), corresponding to an operating margin of 7.9 percent (6.9). Exchange-rate fluctuations had a negative impact of SEK 11 million on operating profit, volumes had a positive impact of SEK 22 million, "price/cost/mix" and other items had a positive impact of SEK 5 million and acquisitions a positive impact of SEK 10 million.

Flos B.V. which was acquired at the beginning of the year continues to develop well and integration is proceeding according to plan. For information on the acquisition of Flos B.V., see page 15.

	Quarter 3			Jan-Sep			12 month rolling		
	2015	2014	Δ	2015	2014	Δ	2014/15	2014	Δ
SEK millions									
Order intake*	374	316	18	1,137	921	24	1,444	1,227	18
Net sales*	371	316	17	1,128	914	23	1,430	1,217	18
Gross margin, %	27.5	27.5		27.6	28.1		27.6	28.0	
Operating profit	32	23	36	89	63	42	101	75	35
Operating margin, %	8.5	7.3		7.9	6.9		7.1	6.2	

*Pertains to net sales and order intake from external customers.

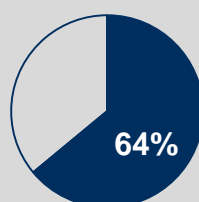
THE QUARTER IN BRIEF



NET SALES

SEK 371 m

SHARE OF TOTAL SALES



SALES GROWTH

+17%

OPERATING PROFIT

SEK 31 m

OPERATING MARGIN

8.5%

Consolidated Income Statement

<i>SEK millions</i>	<i>Quarter 3</i>		<i>Jan–Sep</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
Net sales	577	536	1,847	1,667
Cost of goods sold	-418	-384	-1,337	-1,175
Gross profit	159	152	510	492
Selling expenses	-80	-77	-253	-245
Administration costs	-29	-28	-99	-111
Other operating income	11	6	28	19
Other operating expenses	-9	-5	-27	-14
Operating profit Note 1	52	48	159	141
<i>Income from financial items</i>				
Interest income and similar income items	1	0	1	2
Interest expense and similar expense items	-7	-6	-18	-17
Profit after financial items	46	42	142	125
Tax on earnings for the period	-12	-11	-35	-33
Net income	33	31	106	92

Statement of Comprehensive Income

STATEMENT OF COMPREHENSIVE INCOME

SEK millions	Quarter 3		Jan-Sep	
	2015	2014	2015	2014
Profit after tax	33	31	106	92
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Actuarial gains and losses, net of tax	-	-	-	-
Items that may be reclassified subsequently to profit or loss				
Translation differences	2	4	-6	16
Other comprehensive income after tax	2	4	-6	16
Total comprehensive income	35	35	100	108
Total comprehensive income attributable to:				
Parent Company shareholders	35	35	100	108

EARNINGS PER SHARE

SEK millions	Quarter 3		Jan-Sep	
	2015	2014	2015	2014
Earnings per share	0.87	0.81	2.78	2.42
Weighted number of shares outstanding before dilution, thousands	38,110.5	38,110.5	38,110.5	38,110.5
Diluted earnings per share, SEK	0.87	0.81	2.78	2.42
Weighted number of shares outstanding after dilution, thousands	38,110.5	38,110.5	38,110.5	38,110.5

NOTE 1: NON-RECURRING ITEMS IN THE PERIOD

SEK millions	Quarter 3		Jan-Sep	
	2015	2014	2015	2014
Total non-recurring items with effect on gross earnings	-	-	-	-
Cost of listing on NASDAQ OMX	-	-	-	-18
Total non-recurring items with impact on operating costs	0	0	0	-18
Total non-recurring items with impact on operating profit	0	0	0	-18

Consolidated Balance Sheet

<i>SEK millions</i>	30 Sept 15	30 Sept 14	31 Dec14
ASSETS			
<i>Non-current assets</i>			
Intangible assets	820	745	752
Property, land and equipment	134	144	140
Financial assets	29	25	28
Total non-current assets	983	914	920
<i>Current assets</i>			
Inventories	717	670	698
Current receivables	556	516	474
Cash and cash equivalents	103	94	128
Total current assets	1,376	1,280	1,300
Total assets	2,359	2,194	2,220
EQUITY AND LIABILITIES			
Equity	1,189	1,121	1,147
<i>Non-current liabilities</i>			
Non-current liabilities, interest bearing	589	600	599
Non-current liabilities, non-interest bearing	54	29	36
Total non-current liabilities	643	629	635
<i>Current liabilities</i>			
Current liabilities, interest bearing	126	86	72
Current liabilities, non-interest bearing	401	358	366
Total current liabilities	527	444	438
Total equity and liabilities	2,359	2,194	2,220

Consolidated Statement of Changes in Equity

<i>SEK millions</i>	30 Sept 15	30 Sept 14	31 Dec14
Equity at beginning of year	1,147	1,012	1,012
Comprehensive income			
Profit after tax	105	92	112
<i>Other comprehensive income</i>			
Items that will not be reclassified subsequently to profit or loss			
Actuarial gain/loss on pension obligations, net of tax	-	-	-3
Items that may be reclassified subsequently to profit or loss			
Translation differences	-6	16	25
Total comprehensive income	99	108	134
Owner transactions			
Dividend to shareholders	-57	-	-
Capital paid in	-	1	1
Total owner transactions	-57	1	1
Equity at end of period	1,189	1,121	1,147

Consolidated Cash Flow Statement

<i>SEK millions</i>	<i>Quarter 3</i>		<i>Jan-Sep</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
<i>Operating activities</i>				
Profit before financial items	52	48	159	141
Depreciation/amortisation and impairment	9	8	26	24
Interest and other financial revenues	0	0	0	0
Interest and other financial costs	-7	-5	-18	-16
Other non-cash items	0	0	-1	0
Income tax paid	-11	-10	-31	-38
Cash flow from operating activities before changes in working capital	43	41	135	111
<i>Changes in working capital</i>				
Increase (-)/decrease (+) in inventories	-15	-12	13	-36
Increase (-)/decrease (+) in operating receivables	55	17	-44	-64
Increase (+)/decrease (-) in operating liabilities	-22	-12	7	31
Cash flow from operating activities	61	34	111	42
<i>Investing activities</i>				
Acquisition of property, plant and equipment	-6	-13	-15	-26
Company acquisitions	-	-	-86	-
Acquisition of intangible assets	-3	-2	-3	-5
Cash flow from investing activities	-9	-15	-104	-31
<i>Financing activities</i>				
Dividend paid out	-	-	-57	-
Increase (+)/decrease (-) of borrowings	-37	-4	26	-17
Cash flow from financing activities	-37	-4	-31	-17
Cash flow for the period	15	15	-24	-6
Cash and cash equivalents at beginning of period	86	79	128	98
Exchange differences	2	0	-1	2
Cash and cash equivalents at end of period	103	94	103	94

The Group's Segment Reporting

	2014				2015			
Sweden	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
Net sales	263	269	220	229	251	262	206	
Gross margin, %	31.9	33.5	30.6	30.3	28.9	28.5	29.2	
Operating profit/loss	40	47	29	27	30	35	24	
Operating margin, %	15.3	17.5	13.3	11.7	11.9	13.2	11.8	
Adjusted operating profit/loss	40	47	29	27	30	35	24	
Adjusted operating margin, %	15.3	17.5	13.3	11.7	11.9	13.2	11.8	

	2014				2015			
International	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
Net sales	289	310	316	303	358	399	371	
Gross margin, %	28.0	28.9	27.5	27.6	28.0	27.4	27.5	
Operating profit/loss	17	23	23	12	27	31	32	
Operating margin, %	6.0	7.3	7.3	4.0	7.4	7.8	8.5	
Adjusted operating profit/loss	17	23	23	12	27	31	32	
Adjusted operating margin, %	6.0	7.3	7.3	4.0	7.4	7.8	8.5	

	2014				2015			
Other*	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
Net sales	-	-	-	-	-	-	-	
Operating profit/loss	-23**	-10	-5	-6	-8	-8	-4	
Operating margin, %	-	-	-	-	-	-	-	
Adjusted operating profit/loss	-5	-10	-5	-6	-8	-8	-4	
Adjusted operating margin, %	-	-	-	-	-	-	-	

* Other does not include distributed Group-wide costs

** Includes SEK 18 million for listing on NASDAQ Stockholm

	2014				2015			
Group	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
Net sales	552	579	536	532	609	661	577	
Gross margin, %	29.5	30.5	28.4	28.1	28.0	27.4	27.5	
Operating profit/loss	33	60	48	33	49	58	52	
Operating margin, %	6.0	10.3	8.9	6.2	8.0	8.8	9.0	
Adjusted operating profit/loss	52	60	48	33	49	58	52	
Adjusted operating margin, %	9.4	10.3	8.9	6.2	8.0	8.8	9.0	

Consolidated key figures

	Quarter 3			Jan-Sep		
	2015	2014	Δ	2015	2014	Δ
Order intake, SEK million	582	528	10	1,846	1,656	11
Net sales, SEK million	577	536	8	1,847	1,667	11
Gross profit, SEK million	159	152	4	510	492	4
Adjusted EBITDA, SEK million	61	56	9	185	183	1
Operating profit, SEK million	52	48	9	159	141	13
Adjusted operating profit, SEK million	52	48	9	159	159	0
Profit after tax, SEK million	33	31	7	106	92	15
Gross margin, %	27.5	28.4		27.6	29.5	
Operating margin, %	9.0	8.9		8.6	8.4	
Adjusted operating margin, %	9.0	8.9		8.6	9.5	
Net margin, %	5.7	5.8		5.7	5.5	
Net debt, SEK million	612	592	3			
Debt/equity ratio, %	51	53				
Net debt / adjusted EBITDA	2.7	2.4				
Working capital, SEK million	873	828				
Average working capital, SEK million	867	788				
Average working capital in relation to net sales, %	36.0	36.2				
Equity/assets ratio, %	50	51				
Operating cash flow, SEK million	70	34		142	65	
Earnings per share, SEK	0.87	0.81		2.78	2.42	

Parent Company Income Statement

<i>SEK millions</i>	<i>Quarter 3</i>		<i>Jan-Sep</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
Administrative expenses*	-2	-2	-8	-23
Other operating income	0	1	3	3
Operating profit	-2	-1	-5	-20
<i>Profit/loss from financial items</i>				
Interest and similar expenses	0	0	0	0
Profit after financial items	-2	-1	-5	-20
Appropriations	-	-	-	-
Tax on profit for the period	0	0	1	4
Profit for the period	-2	-1	-4	-16
Other comprehensive income	-	-	-	-
Total comprehensive income	-2	-1	-4	-16

*Including listing costs for the Bufab share on the NASDAQ Stockholm totalling SEK 18 million for the first quarter of 2014.

Parent Company Balance Sheet

<i>SEK millions</i>	<i>30 Sept 15</i>	<i>30 Sept 14</i>	<i>31 Dec 15</i>
ASSETS			
<i>Non-current assets</i>			
Financial assets			
Participations in Group companies	845	845	845
Total non-current assets	845	845	845
<i>Current assets</i>			
Receivables from Group companies	98	342	159
Other receivables	16	28	11
Cash and cash equivalents	0	3	6
Total current assets	114	373	176
Total assets	959	1,218	1,021
EQUITY AND LIABILITIES			
Equity	876	869	938
Untaxed reserves	80	58	80
<i>Non-current interest-bearing liabilities</i>			
Other non-current liabilities	-	-	-
Total non-current liabilities	0	0	0
<i>Current non-interest-bearing liabilities</i>			
Liabilities to Group companies	-	289	0
Other current liabilities	3	2	3
Total current liabilities	3	291	3
Total equity and liabilities	959	1,218	1,021

Other information

ACCOUNTING POLICIES

This interim report has been prepared pursuant to IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company's accounts were prepared in accordance with the Swedish Annual Accounts Act, Chapter 9 and the Swedish Financial Reporting Board's recommendation RFR 2.

The accounting policies applied correspond to the accounting policies and measurement principles presented in the 2014 Annual Report. The 2014 Annual Report is available at www.bufab.com.

RISKS AND RISK MANAGEMENT

Exposure to risk is a natural part of business activity and this is reflected in Bufab's approach to risk management. The aim is to identify and prevent risks and to limit any loss or damage from these risks. The main risks to which the Group is exposed are related to the impact of the economy on demand. For further information, see Note 3 of the 2014 Annual Report.

SEASONAL VARIATIONS

Bufab has no essential seasonal variation, but sales throughout the year vary depending on the number of customers' production days in each quarter. Sales and operating profit are normally lowest in the third quarter.

RELATED-PARTY TRANSACTIONS

There were no related-party transactions during the period.

ACQUISITION

On 26 February, Bufab Holding AB (publ) acquired 100 percent of the shares in Flos B.V. Flos is a leading Dutch supplier of C-Parts, with a range of about 60,000 different items, both fasteners and specialised components.

The purchase consideration amounted to SEK 102 million, of which SEK 72 million has been paid unconditionally and the remaining portion of SEK 30 million is a conditional purchase consideration. The conditional portion comprises about 34 percent of the maximum payment and is dependent on future profit improvements and their effect on the company's valuation.

The acquisition has impacted the Group's net sales by SEK 102 million since transfer. There was a net positive impact on accumulated operating profit of SEK 7 million and a positive effect of SEK 4 million on income after tax. The transaction cost for the acquisition amounted to SEK 2 million and is recognised in the item administration cost in the segment Other. The acquisition would have impacted the Group's net sales by an estimated SEK 131 million, operating profit by about SEK 8 million and the profit after tax by about SEK 5 million if it had been implemented on 1 January 2015.

The assets and liabilities included in the acquisition amount to the following according to the preliminary acquisition analysis:

	Carrying amount at acquisition date	Adjustment to fair value	Fair value
Intangible non-current assets		13	13
Other non-current assets	5		5
Inventories	35		35
Other current assets	36		36
Deferred tax liability	-1	-3	-4
Other liabilities	-38		-38
Acquired net assets	37	10	47
Goodwill			55
Consideration*			102
Less: cash in acquired business			0
Less: conditional consideration			-30
Added: paid out conditional consideration**			14
Effect on Group's cash			86

*The consideration is stated excluding acquisition expenses
 **The amount is paid out to an escrow account

Goodwill is attributable to the acquired operation's established market position and the anticipated profitability related to this.

ANNUAL GENERAL MEETING 2016

The Annual General Meeting of Bufab AB (publ) will be held in Värnamo on 3 May 2016, at 2:00 p.m.

Nomination Committee

In accordance with a resolution at Bufab's Annual General Meeting, the members of the Nomination Committee ahead of the 2016 Annual General Meeting are to be appointed from the four largest shareholders of the company in terms of votes, who have expressed a wish to participate in the work of the Nomination Committee when asked. In addition, the Nomination Committee shall include the Chairman of Bufab. The Nomination Committee has been appointed by Carnegie fonder, Didner & Gerge fonder, Lannebo fonder and the Fourth National Swedish Pension Fund. Each of these has appointed a representative (see below) to comprise Bufab's Nomination Committee along with the Chairman of the Board. The members of the Nomination Committee are Hans Hedström (Carnegie fonder), Adam Gerge (Didner & Gerge fonder), Johan Ståhl (Lannebo fonder), Arne Löw (Fourth National Swedish Pension Fund) and Sven-Olof Kuldorf, Chairman of Bufab AB (publ). The Nomination Committee will prepare proposals for the 2016 Annual General Meeting, including the Chairman of the Meeting, Board members, Chairman of the Board, remuneration of the Board, auditors, auditors' fees and any changes in the instruction to the Nomination Committee. Shareholders wishing to submit proposals to the Nomination Committee should do so by e-mail to valberedning@bufab.com.

EMPLOYEES

The number of full-time employees in the Group as of September 30, 2015 was 827 (September 30, 2014 815), whereof 50 through the acquisition of Flos B.V.

CONTINGENT LIABILITIES

There were no significant changes in contingent liabilities during the period.

EVENTS AFTER THE END OF THE PERIOD

Johan Lindqvist has been appointed head of segment Sweden. He thus succeeds Jörgen Rosengren in this role and will join the Executive Management Team. Johan will also remain head of the subsidiary Bufab Sweden AB. In addition, the Executive Management Team will be enlarged to include two more people and, following this change, will comprise Jörgen Rosengren, President and CEO, Jesper Blomquist, COO, Urban Bülow, Director Business Development/Global Accounts, Thomas Ekström, CFO, Mona Jeppsson, Director HR, Johan Lindqvist, Director segment Sweden och Boel Sundvall, Director Communication & IR. These changes will be fully implemented on 1 January 2016.

FINANCIAL REPORTING DATES

Year-end report 2015

26 February 2016

Interim report for the first quarter 2016

27 April 2016

Interim report for the second quarter 2016

19 July 2016

Interim report for the third quarter 2016

26 October 2016

Year-end report 2016

21 February 2017

Värnamo, 23 October 2015

Jörgen Rosengren
President and CEO

Review report

Introduction

We have reviewed the financial condensed interim report of Bufab AB (publ) (Corp. Reg. No. 556685-6240) at September 30, 2015 and the nine-month period ending on that date. The Board of Directors and the President are responsible for the preparation and fair presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on the interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Report Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Göteborg 23 October 2015

Öhrlings PricewaterhouseCoopers AB

Bror Frid

Authorized Public Accountant

DEFINITION OF KEY FIGURES

Gross margin, %

Gross profit as a percentage of net sales during the period

Adjusted gross profit

Gross profit adjusted for non-recurring items

Adjusted gross margin, %

Adjusted gross profit as a percentage of net sales during the period

EBITDA

Operating profit before depreciation, amortisation and impairment

Adjusted EBITDA

Adjusted operating profit before depreciation, amortisation and impairment

Operating margin, %

Operating profit as a percentage of net sales during the period

Adjusted operating profit

Operating profit adjusted for non-recurring items

Adjusted operating margin, %

Adjusted operating profit as a percentage of net sales during the period

Net debt

Interest-bearing liabilities less interest-bearing assets, calculated at the end of the period

Debt/equity ratio, %

Net debt divided by equity, calculated at the end of the period

Net debt/adjusted EBITDA, %

Net debt at the end of the period as a percentage of adjusted EBITDA in the last twelve months

Working capital

Total current assets less cash and cash equivalents less current non-interest-bearing liabilities, calculated at the end of the period

Average working capital

Average working capital calculated as the average of the past four quarters

Working capital/net sales, %

Average working capital as a percentage of net sales in the last twelve months

Equity/assets ratio, %

Equity as a percentage of total assets, calculated at the end of the period

Operating cash flow

Operating profit adjusted for depreciation/amortisation, impairment and other non-cash items less changes in working capital and investments

Earnings per share

Profit after tax divided by the average number of common shares adjusted for the set-off issue and the 80:1 share split that were conducted during the first quarter 2014

CONFERENCE CALL

A conference call will be held on 23 October 2015 at 10.00 CET. Jörgen Rosengren, President & CEO and Thomas Ekström, CFO will present the result. The call will be held in English.

In order to participate, please use one of the following numbers; +44 (0) 1452 555566, UK 08444933800, Luxembourg 20880695, Sweden 0850336434 or US 16315107498. Conference code: 60762371.

Please dial in 5-10 minutes ahead in order to register.

This information is published in accordance with the Swedish Securities Market Act, the Swedish Financial Instruments Trading Act and/or the regulations of NASDAQ Stockholm. The information was submitted for publication at 23 October 2015 at 08.00 CET.



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