

INTERIM REPORT JANUARY – SEPTEMBER 2015

Reporting period January – September

- Net sales increased by 17.9% to MSEK 5,780 (4,901). Organically, net sales grew by 6.5%
- EBITA increased by 24.7% to MSEK 863 (692)
- EBITA margin increased to 14.9% (14.1%)
- Earnings before tax grew by 29.8% to MSEK 794 (611)
- Earnings after tax increased by 28.1% to MSEK 587 (458)
- Earnings per share increased by 27.4% to SEK 6.33 (4.97)

Reporting period July – September

- Net sales increased by 15.5% to MSEK 1,910 (1,653). Organically, net sales grew by 6.5%
- EBITA increased by 23.5% to MSEK 280 (227)
- EBITA margin increased to 14.7% (13.7%)
- Earnings before tax grew by 33.1% to MSEK 257 (193)
- Earnings after tax increased by 31.3% to MSEK 190 (145)
- The dental company J.H. Orsing was acquired. After the end of the reporting period, the dental company Smilodent was acquired.

Summary of financial performance

MSEK	NINE MONTHS			THIRD QUARTER			Rolling 12 months change	FULL YEAR 2014
	2015	2014	change	2015	2014	change		
Net sales	5,780	4,901	17.9%	1,910	1,653	15.5%	7,681	12.9%
EBITA	863	692	24.7%	280	227	23.5%	1,137	17.7%
EBITA margin	14.9%	14.1%	0.8	14.7%	13.7%	1.0	14.8%	0.6
Profit before tax	794	611	29.8%	257	193	33.1%	946	23.9%
Profit after tax	587	458	28.1%	190	145	31.3%	699	22.6%
Earnings per share ¹	6.33	4.97	27.4%	2.02	1.57	28.7%	7.53 ²	22.2%
Return on capital employed ³	19.3%	19.2%	0.1	19.3%	19.2%	0.1	19.3%	0.5
Return on capital employed excl. goodwill ⁴	118%	100%	18.0	118%	100%	18.0	118%	13.0
								105%

¹ Attributable to Parent Company shareholders.

² Earnings for the second half of 2014 include MSEK 110 in IPO-related costs of which MSEK 94 referred to the fourth quarter.

³ Rolling twelve months.

⁴ Rolling twelve months.

LIFCO

COMMENTS FROM THE CEO

Net sales increased by 17.9% to MSEK 5,780 (4,901) in the first nine months of the year driven by sales growth in all three business areas. Sales increased through organic growth as well as acquisitions and changes in currency exchange rates. Organic growth was strong in the Demolition & Tools and Systems Solutions business areas. The market situation was generally good in all business areas.

EBITA increased by 24.7% to MSEK 863 (692) in the first nine months of the year while the EBITA margin expanded by 0.8 percentage points over the same period to 14.9% (14.1%). In 2014 consolidated earnings included MSEK 110 in costs related to the initial public offering ("IPO"), of which MSEK 94 referred to the fourth quarter. Excluding the IPO costs in the fourth quarter of 2014, rolling twelve-month earnings per share were SEK 8.35 as of 30 September 2015.

The Dental business area had a stable performance both in terms of sales and profitability over the first nine months of the year. Profitability in Demolition & Tools and Systems Solutions increased significantly in the second and third quarters after a weak first quarter. We work continuously to improve our product portfolio, strengthen distribution systems and raise the productivity of our companies. Although we would like to see greater stability in the earnings impact of these measures in Demolition & Tools and Systems Solutions, we need to expect that earnings in these business areas will fluctuate from one quarter to the next.

So far this year we have made six acquisitions, one in Demolition & Tools, two in Systems Solutions and three in Dental.

Dental has acquired two manufacturing dental companies: Top Dental in the UK, which produces disinfectants, and J.H. Orsing in Sweden, which manufactures saliva ejectors and saliva adaptors. After the end of the reporting period, the German dental company Smilodent was acquired.

Demolition & Tools strengthened its offering by adding earth drills from Auger Torque of the UK to its product portfolio.

In Systems Solutions the Environmental Technology division has been strengthened through the addition of Sweden-based Rapid Granulator, which produces granulators for plastic production waste, while the Interiors for Service Vehicles division has acquired a Danish business.

Overall, demand is good in all three business areas and in the markets in which they operate. We maintain our strategy of investing in market-leading niche businesses with the potential to deliver sustainable earnings growth and robust cash flows.

LIFCO IN BRIEF

Lifco acquires and develops market-leading niche businesses with the potential to deliver sustainable earnings growth and robust cash flows. The Group has three business areas: Dental, Demolition & Tools and Systems Solutions. Lifco is guided by a clear philosophy centred on long-term growth, a focus on profitability and a strongly decentralised organisation. The Lifco Group comprises 118 companies in 28 countries. In 2014 the Group reported EBITA of SEK 966 million on net sales of around SEK 6.8 billion. The EBITA margin was 14.2%. Read more at www.lifco.se

GROUP PERFORMANCE IN JANUARY – SEPTEMBER

Net sales increased by 17.9% to MSEK 5,780 (4,901), driven mainly by organic growth and acquisitions. Acquisitions contributed 7.5%, organic growth 6.5% and changes in exchange rates 3.9%. Organic growth was strong in the Demolition & Tools and Systems Solutions business areas.

The acquisitions refer to the German dental company MDH, which was consolidated from 1 April 2014 and thus affected the comparative figures for the first quarter. In the first quarter of 2015 four acquisitions were made, which had an impact on net sales and earnings in the second and third quarters. The acquisition of J.H. Orsing in the third quarter has not had any significant impact on the Group's sales and earnings.

EBITA increased by 24.7% to SEK 863 (692) million and the EBITA margin was 14.9% (14.1%). Organic growth, acquisitions and exchange rate changes had a positive impact on EBITA in the first nine months of the year. Changes in currency exchange rates accounted for 3.1% of the improvement in EBITA. In the first nine months of the year 54% of EBITA was generated in EUR and DKK.

Net financial items were SEK -14 (-31) million, with the main positive impact coming from a lower interest expense.

Profit before tax increased by 29.8% to MSEK 794 (611). Items related to acquisition costs had a negative impact of MSEK 9 on earnings for the first nine months of the year. Profit after tax grew by 28.1% to MSEK 587 (458).

Average capital employed excluding goodwill increased by just over MSEK 62 from 30 September 2014 to MSEK 965 (903). EBITA in relation to average capital employed excluding goodwill was 118% (100%) at 30 September 2015 and 105% at year-end. The improvement was due mainly to a higher profit and good control of capital employed.

The Group's net interest-bearing debt increased by MSEK 225 from 31 December 2014 to MSEK 2,238 at 30 September 2015. The net debt/equity ratio was 0.6 at 30 September, unchanged from year-end and 30 September 2014. Lifco issued a bond loan in the second quarter.

Cash flow from operating activities improved in the first nine months of the year to MSEK 610 (470) compared with the same period the year before. The higher cash flow was primarily due to improved earnings. Cash flow from investing activities was MSEK -570 (-1,333), which is mainly attributable to acquisitions of subsidiaries in the first quarter. Cash flow was also affected by the dividend payment in the second quarter, in the amount of MSEK 236.

GROUP PERFORMANCE IN THE THIRD QUARTER

Net sales for the three-month period increased by 15.5% to MSEK 1,910 (1,653), driven mainly by acquisitions, which contributed 6.6%, and organic growth, which added 6.5%. Changes in currency exchange rates added 2.4% to net sales. Net sales in the Dental business area were affected by the sale of NETdental in June 2015. Acquisitions as well as organic growth contributed to the strong performance of the Demolition & Tools and Systems Solutions business areas.

EBITA increased by 23.5% to MSEK 280 (227) and the EBITA margin expanded by 1.0 percentage point to 14.7% (13.7%). EBITA in the Dental business area was in line with the same quarter in the previous year. EBITA increased sharply in the Demolition & Tools and Systems Solutions business areas, driven by acquisitions and organic growth. Business area Demolition & Tools showed the biggest margin improvement in the quarter. Currency exchange rate changes also contributed to the improvement in EBITA for the period, adding 2.7%. Out of the three-month EBITA of MSEK 280 55% was generated in EUR and DKK.

Net financial items were MSEK -6 (-8).

Profit before tax increased by 33.1% to MSEK 257 (193). Profit after tax grew by 31.3% to MSEK 190 (145).

Average capital employed excluding goodwill increased by around MSEK 33 from MSEK 932 at 30 June 2015 to MSEK 965 at the end of the third quarter. EBITA in relation to average capital employed excluding goodwill was 118% at 30 September 2015, compared to 116% at 30 June this year. The improvement was due mainly to a higher profit and good control of capital employed.

The Group's net interest-bearing debt decreased by MSEK 151 from 30 June to 30 September 2015, to MSEK 2,238. The net debt/equity ratio was 0.6 at the end of the quarter, which was an improvement of 0.1 percentage point from 30 June 2015. At the end of the period 73% of the Group's interest-bearing liabilities were denominated in EUR.

Cash flow from operating activities increased slightly over the three-month period to MSEK 248 (246) compared with the same period the year before. Cash flow from investing activities was MSEK -54 (-23). The change was primarily due to the acquisition of J.H. Orsing.

FINANCIAL PERFORMANCE – BUSINESS AREAS

Dental

MSEK	NINE MONTHS			THIRD QUARTER			Rolling 12 months		FULL YEAR 2014
	2015	2014	change	2015	2014	change	change	change	
Net sales	2,513	2,348	7.0%	750	766	-2.1%	3,431	5.1%	3,266
EBITA	450	394	14.1%	127	127	0.1%	599	10.2%	543
EBITA margin	17.9%	16.8%	1.1	16.9%	16.6%	0.3	17.5%	0.9	16.6%

The companies in the Dental business area are leading suppliers of consumables, equipment and technical service for dentists across Europe. Lifco also sells dental technology to dentists in the Nordic countries and Germany, and develops and sells medical record systems in Denmark and Sweden. The business area also includes a number of smaller manufacturing companies that produce for instance disinfectants and saliva ejectors.

Dental's net sales increased by 7.0% to MSEK 2,513 (2,348) in the first nine months of the year, boosted by the acquisition of MDH of Germany, which was consolidated as of 1 April 2014. As of the second quarter of this year the MDH acquisition thus no longer affects comparisons. Sales growth remained stable in all regions in the first nine months of the year. In the third quarter net sales decreased by -2.1% to MSEK 750 compared with the same period last year, which was primarily due to the sale of NETdental in June 2015.

EBITA improved by 14.1% to MSEK 450 (394) in the first nine months of the year and the EBITA margin increased to 17.9% (16.8%) due to positive impact from the acquired MDH. EBITA increased marginally by 0.1% compared to the same period in previous year while the EBITA margin increased from 16.6% to 16.9%.

The dental market remains generally stable. The results for individual companies in Lifco's dental business may in any individual quarter be influenced by significant fluctuations in currency exchange rates, calendar effects (such as Easter), gained or lost contracts in procurements of consumables by public-sector or major private-sectors customers as well as fluctuations in the delivery of equipment. In the first nine months of the year there was no individual event having a substantial impact on the earnings of the dental group as a whole.

On 10 July 2015 Lifco announced the acquisition of dental company J.H. Orsing, which manufactures saliva ejectors and saliva adaptors. The company had a turnover of around MSEK 20 in 2014 and was consolidated from August 2015. The acquisition will not have a significant impact on Lifco's results and financial position in the current year. J.H. Orsing has production facilities in Råå outside Helsingborg in Sweden and has nine employees.

Demolition & Tools

MSEK	NINE MONTHS			THIRD QUARTER			Rolling 12 months change	FULL YEAR 2014
	2015	2014	change	2015	2014	change		
Net sales	1,138	934	21.8%	379	298	27.2%	1,493	15.8%
EBITA	273	196	39.3%	89	57	56.9%	365	26.7%
EBITA margin	24.0%	21.0%	3.0	23.5%	19.1%	4.4	24.4%	22.3%

Business area Demolition & Tools develops, manufactures and sells equipment for the construction and demolition industries. Lifco is the world's leading supplier of demolition robots and crane attachments. The Company is also one of the leading global suppliers of excavator attachments. The operations are divided into two divisions – Demolition Robots and Crane & Excavator Attachments – which are of roughly equal size in terms of sales.

Net sales increased by 21.8% in the first nine months of the year, to MSEK 1,138 (934). The market situation was generally good and sales increased in the majority of markets. The UK was the fastest growing among the Company's major markets.

EBITA increased by 39.3% to MSEK 273 (196) in the first nine months of the year compared with the same period in 2014. The EBITA margin improved by 3.0 percentage points over the period to 24.0% (21.0%). EBITA in the third quarter was MSEK 89 and the EBITA margin 23.5%. Lifco works continuously to improve its product portfolios, strengthen its distribution systems and improve productivity in the Group's companies. The earnings impact of such measures will fluctuate from one quarter to the next, however.

Systems Solutions

MSEK	NINE MONTHS			THIRD QUARTER			Rolling 12 months	change	FULL YEAR 2014
	2015	2014	change	2015	2014	change			
Net sales	2,129	1,619	31.5%	781	589	32.5%	2,757	22.7%	2,247
EBITA	204	157	30.1%	85	61	40.8%	258	22.4%	211
EBITA margin	9.6%	9.7%	-0.1	10.9%	10.3%	0.6	9.4%	-	9.4%

Through its operating units business area Systems Solutions operates in industries offering systems solutions. Systems Solutions is divided into five divisions: Interiors for Service Vehicles, Contract Manufacturing, Environmental Technology, Sawmill Equipment, and Relining (renovation of sewage pipes). The divisions are leading players in their geographic markets.

Net sales in Systems Solutions increased by 31.5% to MSEK 2,129 (1,619) in the first nine months of the year. All divisions increased their sales for the nine-month period. In the third quarter net sales were up by 32.5% compared to the same period in 2014.

EBITA increased by 30.1% to MSEK 204 (157) in the first nine months of the year compared with the same period in 2014. Earnings improved or remained unchanged for the period in all divisions except Relining. EBITA for the three-month period was up by 40.8% compared to the same period the year before. The EBITA margin was 9.6% (9.7%) in the first nine months of the year.

Interiors for Service Vehicles continued to grow both in terms of sales and profitability in the first nine months of the year due to increased sales activities and an improved product range. Earnings have improved in 2015 but the level is not yet satisfactory. In the first quarter Lifco acquired Sanistål's Danish car interior business, making Lifco the leading supplier of interiors for service vehicles in the Danish market. Sanistål was consolidated from 1 February 2015.

Contract Manufacturing had a weak start to the year due to slower sales, which resulted in significantly lower earnings, but the market situation remained stable. In the second and third quarters, however, sales increased sharply, which compensated for a weak first quarter. Sales for the first nine-month period of the year were higher and earnings were unchanged compared with the same period in 2014. The division's customers include world-leading manufacturers of equipment for the pharmaceutical industry as well as manufacturers of railway equipment, which require a high standard of delivery flexibility and documentation quality.

Environmental Technology had a good first half and sales increased in the third quarter, driven mainly by the acquisition of Rapid Granulator. The division also reported strong earnings growth for the nine-month period. The acquisition of Rapid Granulator, a leading global manufacturer of granulators for plastic production waste, has given Lifco access to an entirely new area of products in Environmental Technology. Rapid Granulator was consolidated from 1 March 2015.

LIFCO

Sawmill Equipment achieved good sales growth in the first nine months of the year. One of the division's ongoing projects was hit by cost increases, which had an impact on earnings. Despite this, the division achieved strong earnings growth for the nine-month period. Sales of pellet systems were particularly strong and the division has attained a leading position in the Nordic, Baltic and Russian markets.

Relining's performance remained unsatisfactory in the first nine months due to lower margins and productivity in certain projects. Sales remained stable, however.

ACQUISITIONS AND SALES

Lifco has during the first nine months of the year made the following acquisitions and sales:

Consolidated					
from month	Acquisitions	Business area	Net sales	Employees	
February	Sanistål's Danish car interior business	Systems Solutions	MDKK 25	11	
March	Auger Torque Ltd	Demolition & Tools	MGBP 10	114	
rch	Rapid Granulator AB	Systems Solutions	MSEK 300	139	
April	Top Dental Ltd	Dental	MGBP 3.4	25	
August	J.H. Orsing AB	Dental	MSEK 20	9	

Consolidated					
until month	Sale	Former business area	Net sales	Employees	
May	All shares of NETdental. Lifco owned 65% of the shares.	Dental	MSEK 140	13	

Further information on acquisitions is provided on page 18 of the interim report. The figures for net sales and number of employees refer to the estimated annual net sales and the number of employees at the acquisition date.

OTHER FINANCIAL INFORMATION

Employees

The average number of employees during the last twelve months was 3,333 (3,006). The number of employees at the end of the period was 3,372 (3,033). During the year 298 employees were added through acquisitions.

Events after the end of the reporting period

On November 3 the acquisition of the German dental company Smilodent was announced. The company imports dental prosthetics that are offered to dentists in Germany. Smilodent reported net sales of approximately 4.8 MEUR in 2014. The company will be consolidated in Business Area Dental. The acquisition will not have any significant effect on Lifco's earnings or financial position in current financial year.

Related-party transactions

No substantial transactions with related parties took place during the period.

Risks and uncertainties

The risk factors which have the biggest impact for Lifco are the competitive situation, structural changes in the market and the strength of the economy. Lifco is also exposed to financial risks, including currency risks, interest rate risks, credit and counterparty risks.

The Parent Company is affected by the above risks and uncertainties through its function as owner of the subsidiaries.

Accounting principles

The Lifco Group applies the International Financial Reporting Standards (IFRS), as adopted by the EU. The applied accounting principles are consistent with those described in Lifco's annual report for 2014, which is available at www.lifco.se. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company applies the Swedish Annual Accounts Act and RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Accounting Standards Council. Under RFR 2, the Parent Company is required to apply all EU-adopted IFRS and interpretations in the interim report for the legal entity insofar as this is possible under the Swedish Annual Accounts Act and Pension Obligations Vesting Act and with regard to the relationship between accounting and taxation. There are no new IFRS-standards or IFRIC-statements adopted by the EU that are applicable to Lifco or will have a significant impact on the Group's earnings and financial position in 2015.

DECLARATION OF THE BOARD OF DIRECTORS

The Board of Directors and Chief Executive Officer warrant and declare that this nine-month report gives a true and fair view of the Parent Company's and Group's operations, financial positions and results, and that it describes significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Enköping, 3 November 2015

Carl Bennet
Chairman of the Board

Gabriel Danielsson
Director

Ulrika Dellby
Director

Erik Gabrielson
Director

Ulf Grunander
Director

Fredrik Karlsson
President and CEO, Director

Annika Norlund
Director, employee
representative

Johan Stern
Deputy Chairman

Axel Wachtmeister
Director

Peter Wiberg
Deputy Director, employee
representative

REPORT OF REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the condensed interim financial information (interim report) of Lifco AB (publ) as of 30 September 2015 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report 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.

Enköping, 3 November 2015

PricewaterhouseCoopers AB

Magnus Willfors
Authorized Public Accountant
Auditor-in-Charge

Martin Johansson
Authorized Public Accountant

FINANCIAL CALENDAR

2016

The report for the fourth quarter and the year-end report for 2015 will be published on 22 February at 11.30am CET

The report for the first quarter will be published on 12 May

The Annual General Meeting will be held 3pm CET 12 May at Bonnierhuset, Torsgatan 21, Stockholm

The report for the second quarter will be published on 15 July

The report for the third quarter will be published on 25 October

ANNUAL GENERAL MEETING

The Annual General Meeting of Lifco AB will be held at 3pm CET on Thursday 12 May 2016 in Bonnierhuset, Torsgatan 21, Stockholm. Shareholders wishing to raise an issue for discussion at the AGM on 12 May 2016 may do so by submitting their proposal to the Chairman of Lifco by e-mail: ir@lifco.se or by post to: Lifco AB, Attn: Bolagsstämmaärenden, Verkmästaregatan 1, SE-745 85 Enköping. To ensure their inclusion in the notice and thus on the agenda for the AGM, proposals must be received by the Company no later than 11 March 2016.

THE NOMINATION COMMITTEE

The nomination committee consists of Carl Bennet, Carl Bennet AB, Tomas Billing, Nordstjernan, Anna-Karin Celsing, representative for minority shareholders, Per Colleen, Fjärde AP-fonden, Hans Hedström, Carnegie fonder and Adam Nyström, Didner & Gerge fonder. Carl Bennet is chairman of the nomination committee.

Shareholders who wish to submit proposals to the nomination committee for the 2016 Annual General Meeting can do so by e-mailing to ir@lifco.se or by mailing to Lifco, Att: The Nomination Committee, Verkmästaregatan 1, SE-745 85 Enköping, Sweden.

FURTHER INFORMATION

Media and investor relations: Åse Lindskog, ir@lifco.se, telephone +46 (0)730 24 48 72

TELECONFERENCE

Media and analysts are welcome to call in to a teleconference, where CEO Fredrik Karlsson, CFO Therése Hoffman and Head of Business Area Dental Per Waldemarson will present the interim report. The presentation is expected to take around 20 minutes, after which participants will be invited to ask questions.

Time: Tuesday 3 November, 3.00pm CET

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Link to the presentation:

Call-in numbers:

Sweden +46 8 566 426 66

UK +44 203 428 14 33

US +1 646 502 51 18

This information is released at 11:30am CET on Tuesday 3 November in accordance with the Swedish Securities Market Act, the Swedish Financial Instruments Trading Act and/or the regulations of Nasdaq Stockholm.

CONDENSED CONSOLIDATED INCOME STATEMENT

MSEK	NINE MONTHS			THIRD QUARTER			FULL YEAR 2014
	2015	2014	change	2015	2014	change	
Net sales	5,780	4,901	17.9%	1,910	1,653	15.5%	6,802
Cost of goods sold	,-3,592	-3,072	16.9%	,-1,209	-1,061	13.8%	-4,249
Gross profit	2,188	1,829	19.6%	701	591	18.6%	2,553
Selling expenses	-449	-329	36.5%	-144	-107	35.2%	-467
Administrative expenses	-868	-792	9.6%	-271	-256	6.0%	-1,097
Development costs	-52	-41	26.5%	-19	-13	53.3%	-55
Non-recurring items	-	-14	-	-	-14	-	-110
Other income and expenses	-11	-11	-	-4	-1	224%	-18
Operating profit	808	642	25.7%	263	201	30.9%	806
Net financial items	-14	-31	-55.6%	-6	-8	20.8%	-43
Profit before tax	794	611	29.8%	257	193	33.1%	763
Tax	-207	-153	35.0%	-67	-48	38.4%	-193
Profit after tax	587	458	28.1%	190	145	31.3%	570
Profit attributable to:							
Parent Company shareholders	575	451	27.5%	183	143	28.5%	560
Non-controlling interests	12	7	65.7%	7	2	229%	10
Earnings per share before dilution for the period, attributable to Parent Company shareholders	6.33	4.97	27.4%	2.02	1.57	28.7%	6.17
Earnings per share after dilution for the period, attributable to Parent Company shareholders	6.33	4.97	27.4%	2.02	1.57	28.7%	6.17
EBITA	863	692	24.7%	280	227	23.5%	966
Depreciation of tangible assets	60	50	19.9%	21	19	9.0%	67
Amortisation of intangible assets	53	32	69.4%	19	14	40.7%	46

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MSEK	NINE MONTHS			THIRD QUARTER			FULL YEAR 2014
	2015	2014	change	2015	2014	change	
Profit after tax	587	458	28.1%	190	145	31.3%	570
Other comprehensive income							
<i>Items that can later be reserved in profit or loss:</i>							
Translation differences	-29	62	-147%	29	5	467%	131
Total comprehensive income for the period	558	520	7.2%	219	150	46.1%	701
<i>Comprehensive income attributable to:</i>							
Parent Company shareholders	546	513	6.6%	212	147	43.3%	689
Non-controlling interests	12	8	48.4%	7	2	252%	11
	558	520	7.2%	219	150	46.1%	701

SEGMENT OVERVIEW

Lifco's operations are monitored and evaluated by the CEO and resources are allocated based on information from the three operating segments: Dental, Demolition & Tools and Systems Solutions. The defined quantitative limits are exceeded only by Dental and Demolition & Tools. One further operating segment, Systems Solutions, is presented. This operating segment consists of a merger of those divisions which have similar economic characteristics and which do not individually meet the defined quantitative limits. These divisions are Interiors for Service Vehicles, Contract Manufacturing, Environmental Technology, Sawmill Equipment and Relining.

NET SALES TO EXTERNAL CUSTOMERS

No sales are made between the segments.

MSEK	NINE MONTHS			THIRD QUARTER			Rolling 12 months change	FULL YEAR 2014
	2015	2014	change	2015	2014	change		
Dental	2,513	2,348	7.0%	750	766	-2.1%	3,431	5.1%
Demolition & Tools	1,138	934	21.8%	379	298	27.2%	1,493	15.8%
Systems Solutions	2,129	1,619	31.5%	781	589	32.5%	2,757	22.7%
Group	5,780	4,901	17.9%	1,910	1,653	15.5%	7,681	12.9%
								6,802

EBITA

A breakdown of results by segment is made up to and including EBITA. EBITA is reconciled to profit before tax in accordance with the following table:

MSEK	NINE MONTHS			THIRD QUARTER			Rolling 12 months change	FULL YEAR 2014
	2015	2014	change	2015	2014	change		
Dental	450	394	14.1%	127	127	0.1%	599	10.2%
Demolition & Tools	273	196	39.3%	89	57	56.9%	365	26.7%
Systems Solutions	204	157	30.1%	85	61	40.8%	258	22.4%
Central Group functions	-64	-54	16.5%	-21	-17	21.3%	-85	11.8%
EBITA	863	692	24.7%	280	227	23.5%	1,137	17.7%
Amortisation of intangible assets arising on acquisition	-46	-25	83.6%	-17	-11	51.1%	-59	56.0%
Restructuring, integration and acquisition costs	-9	-25	-61.6%	0	-15	-97.3%	-106	-12.7%
Net financial items	-14	-31	-55.6%	-6	-8	-20.8%	-26	-39.8%
Profit before tax	794	611	29.8%	257	193	33.1%	946	23.9%
								763

CONDENSED CONSOLIDATED BALANCE SHEET

MSEK	30 Sep 2015	30 Sep 2014	31 Dec 2014
ASSETS			
Intangible assets	5,050	4,562	4,677
Tangible assets	423	365	386
Financial assets	60	46	54
Inventories	998	813	823
Accounts receivable – trade	929	784	770
Current receivables	341	253	188
Cash and cash equivalents	645	991	536
TOTAL ASSETS	8,446	7,814	7,435
EQUITY AND LIABILITIES			
Equity	3,795	3,294	3,473
Non-current interest-bearing liabilities incl. pension provisions	1,137	2,365	2,351
Other non-current liabilities and provisions	323	240	284
Current interest-bearing liabilities	1,777	736	276
Accounts payable – trade	438	385	344
Other current liabilities	976	794	707
TOTAL EQUITY AND LIABILITIES	8,446	7,814	7,435

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to Parent Company shareholders

MSEK	30 Sep 2015	30 Sep 2014	31 Dec 2014
Opening equity	3,455	2,366	2,366
Comprehensive income for the period	546	513	689
Transactions with owners	-	500	500
Dividend	-236	-100	-100
Closing equity	3,765	3,279	3,455
<i>Equity attributable to:</i>			
Parent Company shareholders	3,765	3,279	3,455
Non-controlling interests	30	15	18
	3,795	3,294	3,473

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

MSEK	NINE MONTHS		THIRD QUARTER		FULL YEAR 2014
	2015	2014	2015	2014	
Operating activities					
Operating profit	808	642	263	201	806
Non-cash items	113	82	40	27	113
Interest and financial items, net	-14	-31	-6	-8	-43
Tax paid	-183	-159	-50	-58	-181
Cash flow before change in working capital	724	533	247	162	695
<i>Change in working capital</i>					
Inventories	-75	-44	-13	35	-40
Current receivables	-223	-109	-39	7	-84
Current liabilities	184	89	53	42	15
Cash flow from operating activities	610	470	248	246	586
Business acquisitions and sales, net	-498	-1,264	-38	-	-1,264
Net investment in tangible assets	-64	-62	-19	-22	-86
Net investment in intangible assets	-8	-7	3	-1	-11
Cash flow from investing activities	-570	-1,333	-54	-23	-1,361
Borrowings/repayment of borrowings, net	319	1,090	-82	-38	535
Shareholder contributions	-	500	-	500	500
Dividends paid	-245	-109	-	-	-109
Group contribution paid	-	-100	-	-	-100
Cash flow from financing activities	74	1,381	-82	462	826
Cash flow for the period	114	519	112	686	50
Cash and cash equivalents at beginning of period	536	442	537	321	442
Translation differences	-5	31	-4	-15	44
Cash and cash equivalents at end of period	645	991	645	991	536

ACQUISITIONS IN 2015

All shares of Auger Torque, Rapid Granulator, Top Dental and J.H.Orsing have been acquired during the first nine months of the year. The acquisition of Sanistål's Danish car interior business in the first quarter referred to the assets and liabilities of the company.

In the second quarter NETdental was sold in accordance with a resolution of the 2015 Annual General Shareholders' Meeting. The sale had no significant impact on the Group's earnings and financial position.

The preliminary purchase price allocation covers all acquisitions made in the first nine months of the year.

Preliminary purchase price allocation

Net assets, MSEK	Carrying amount	Value adjustment	Fair value
Brands, customer relations, licenses	1	232	233
Tangible assets	36	-	36
Trade and other receivables	175	-12	163
Trade and other payables	- 157	- 55	- 212
Cash and cash equivalents	53	-	53
Net assets	108	165	273
Goodwill	-	232	232
Total net assets	108	397	505

Effect on cash flow, MSEK

Consideration	505
Cash and cash equivalents in the acquired companies	-53
Consideration paid relating to acquisitions from previous years	46
Total cash flow effect	498

FINANCIAL INSTRUMENTS

MSEK	CARRYING AMOUNT		FAIR VALUE	
	30 Sep 2015	30 Sep 2014	30 Sep 2015	30 Sep 2014
Loans and receivables				
Accounts receivable – trade	929	784	929	784
Other financial receivables	6	2	6	2
Cash and cash equivalents	645	991	645	991
Total	1,580	1,777	1,580	1,777
Liabilities at fair value through profit or loss				
Other liabilities	-	30	-	30
Other financial liabilities				
Interest-bearing borrowings	2,842	2,982	2,842	2,982
Accounts payable – trade	438	385	438	385
Other liabilities	30	48	30	48
Total	3,310	3,445	3,310	3,445

Financial instruments at fair value are classified into different levels depending on how fair value is determined. All financial instruments at fair value in the Lifco Group have been classified as level 3, i.e. non-observable inputs. The fair value of short-term borrowings is equal to the carrying amount, as the discount effect is insignificant. Other liabilities classified as financial instruments refer to mandatory call/put options relating to non-controlling interests. Changes in financial liabilities attributable to mandatory call/put options are recognised in equity.

KEY PERFORMANCE INDICATORS

ROLLING TWELVE MONTHS TO	2015 30 SEP	2014 31 DEC	2014 30 SEP
Net sales, MSEK	7,681	6,802	6,580
Change in net sales, %	12.9	12.8	9.1
EBITA, MSEK	1,137	966	904
EBITA margin, %	14.8	14.2	13.7
EBITDA, MSEK	1,223	1,041	978
EBITDA margin, %	15.9	15.3	14.9
Capital employed, MSEK	5,879	5,137	4,716
Capital employed excl. goodwill and other intangible assets, MSEK	964	916	903
Return on capital employed, %	19.3	18.8	19.2
Return on capital employed excl. goodwill and other intangible assets, %	117.8	105.4	100.1
Return on equity, %	19.3	19.2	21.0
Net interest-bearing debt, MSEK	2,238	2,013	2,032
Net debt/equity ratio	0.6	0.6	0.6
Net debt/EBITDA	1.8	1.9	2.1
Equity/assets ratio, %	44.9	46.7	42.2
Average number of employees	3,333	3,013	3,006

CONDENSED PARENT COMPANY INCOME STATEMENT

MSEK	NINE MONTHS		THIRD QUARTER		FULL YEAR 2014
	2015	2014	2015	2014	
Administrative expenses	-74	-63	-24	-20	-87
Non-recurring items	-	-14	-	-14	-110
Other operating income	-	55	-	-	80
Operating profit	-74	-22	-24	-34	-117
Net financial items	277	231	14	9	211
Profit after financial items	203	209	-10	-25	94
Appropriations	-	-	-	-	104
Tax	5	2	4	5	3
Net profit for the period	208	211	-6	-19	201

CONDENSED PARENT COMPANY BALANCE SHEET

MSEK	30 Sep 2015	31 Dec 2014
ASSETS		
Tangible assets	0	0
Financial assets	3,410	3,456
Current receivables	2,214	1,881
Cash and cash equivalents	462	417
TOTAL ASSETS	6,086	5,755
EQUITY AND LIABILITIES		
Equity	2,128	2,155
Untaxed reserves	20	20
Non-current interest-bearing liabilities	1,063	2,263
Current interest-bearing liabilities	1,767	232
Current non-interest-bearing liabilities	1,108	1,085
TOTAL EQUITY AND LIABILITIES	6,086	5,755
Pledged assets	-	-
Contingent liabilities	71	39

DEFINITIONS

Return on equity	Net profit attributable to Parent Company shareholders and non-controlling interests as a percentage of average equity
Return on capital employed	EBITA as a percentage of capital employed
Return on capital employed excl. goodwill and other intangible assets	EBITA as a percentage of capital employed excluding goodwill and other intangible assets
EBIT	Operating profit/Profit before financial items and taxes
EBITA	Operating profit before amortisation of intangible assets arising on acquisition, and restructuring, integration and acquisition costs
EBITA margin	EBITA as a percentage of net sales
EBITDA	Operating profit before depreciation, amortisation and restructuring, integration and acquisition costs
EBITDA margin	EBITDA as a percentage of net sales
Net debt/equity ratio	Net interest-bearing debt divided by equity
Earnings per share	Profit after tax attributable to Parent Company shareholders divided by average number of outstanding shares
Net interest-bearing debt	Liabilities to credit institutions including interest-bearing pension provisions less cash and cash equivalents
Equity/assets ratio	Equity as a percentage of total assets (balance sheet total) on a rolling twelve months basis
Capital employed	Total assets less cash and cash equivalents, interest-bearing pension provisions and non-interest-bearing liabilities
Capital employed excluding goodwill and other intangible assets	Total assets less cash and cash equivalents, interest-bearing pension provisions, non-interest-bearing liabilities, goodwill and other intangible assets, on an average rolling twelve months basis