

## Nolato AB (publ) nine-month interim report 2012

## Strong sales and profit trend

## ■ Third quarter of 2012 in brief

- Sales increased 39% to SEK 999 million (718)
- Operating profit (EBITA) increased to SEK 84 million (54)
- Profit after tax was SEK 52 million (36)
- Earnings per share increased to SEK 1.98 (1.37)
- Cash flow after investments was SEK 83 million (48)

## ■ First nine months of 2012 in brief

- Sales increased to SEK 2,882 million (2,243)
- Operating profit (EBITA) increased to SEK 222 million (151)
- Earnings per share were SEK 5.44 (3.76)
- Cash flow after investments was SEK 107 million (123), excluding acquisitions

## ■ Group highlights

SEK million unless otherwise specified	Q3 2012	Q3 2011	Q1 - Q3 2012	Q1 - Q3 2011	Rolling 12 months	Full year 2011
Net sales	999	718	2,882	2,243	3,616	2,977
Operating profit (EBITDA) <sup>1)</sup>	118	111	326	278	408	360
Operating profit (EBITA) <sup>2)</sup>	84	54	222	151	270	199
EBITA margin, %	8.4	7.5	7.7	6.7	7.5	6.7
Profit after financial income and expense	74	50	199	138	244	183
Profit after tax	52	36	143	99	176	132
Earnings per share, basic and diluted, SEK*	1.98	1.37	5.44	3.76	6.70	5.02
Adjusted earnings per share, SEK <sup>3) *</sup>	2.13	1.44	5.74	3.95	7.07	5.28
Cash flow after investments, excl. acquisitions and disposals	83	48	107	123	96	112
Net investm. affecting cash flow, excl. acquisitions and disposals	38	32	125	87	172	134
Return on capital employed, %	—	—	17.8	15.0	17.8	13.9
Return on shareholders' equity, %	—	—	15.5	12.7	15.5	11.3
Equity/assets ratio, %	—	—	45	52	—	54
Net debt	—	—	286	66	—	82

\*The company does not have any financial instrument programmes which involve any dilution in the number of shares.

1) Operating profit (EBITDA): Earnings before interest, taxes, depreciation and amortisation.

2) Operating profit (EBITA): Earnings before interest, taxes and amortisation of intangible assets arising from acquisitions.

3) Adjusted earnings per share: Profit after tax, excluding amortisation of intangible assets arising from acquisitions, divided by the average number of shares.

This document is a translation from Swedish. In the event of any difference between this version and the Swedish original, the latter shall prevail.

## Third quarter 2012

- Strong sales and profit trend driven by Nolato Telecom
- Sales increased 39% to SEK 999 million (718)
- Operating profit (EBITA) rose 56% to SEK 84 million (54)
- Strong cash flow of SEK 83 million (48)

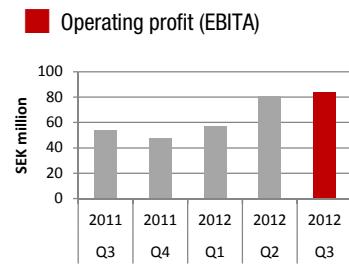
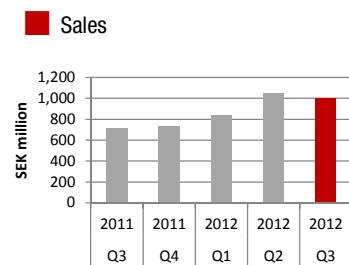
### Sales

Group sales totalled SEK 999 million (718), representing an increase of 39% compared with the corresponding period of the previous year. Organic growth was 28% excluding currency translation effects. Currency effects had a positive impact on sales of 1%.

Nolato Medical's sales rose by 31% to SEK 288 million (220). The acquired unit accounted for SEK 67 million. Organic growth was 3% excluding currency translation effects. Product sales were in line with the market. Project-related sales remained low.

Nolato Telecom's sales doubled to SEK 444 million (220). Excluding currency translation effects, sales rose by 91%. Demand for the new product portfolio remained very strong. Inventory build-up has occurred among customers ahead of the Chinese public holidays at the beginning of the fourth quarter.

Nolato Industrial's sales amounted to SEK 268 million (279). Excluding currency translation effects, sales fell by 1%. Demand slowed down for several segments during the end of the quarter.



### Profit

Group operating profit (EBITA) increased to SEK 84 million (54).

Nolato Medical's operating profit (EBITA) rose to SEK 32 million (25), Nolato Telecom's to SEK 35 million (7), and Nolato Industrial's amounted to SEK 24 million (26).

The EBITA margin for Nolato Medical was 11.1% (11.4). Compared to the previous year, the margin was affected by the acquired unit. Nolato Telecom's EBITA margin rose to 7.9% (2.3 excluding non-recurring items). The new product portfolio and high capacity utilisation generated a strong margin. Nolato Industrial's EBITA margin was 9.0% (9.3). Overall, the Group's EBITA margin was 8.4% (7.5). It was chiefly the positive performance of Nolato Telecom that strengthened the margin.

### Sales, operating profit (EBITA) and EBITA margin by business area

SEK million	Sales Q3/2012	Sales Q3/2011	Op. profit EBITA Q3/2012	Op. profit EBITA Q3/2011	EBITA margin Q3/2012	EBITA margin Q3/2011
Nolato Medical	288	220	32	25	11.1%	11.4%
Nolato Telecom	444	220	35	7	7.9%	3.2%
Nolato Industrial	268	279	24	26	9.0%	9.3%
Intra-Group adj., Parent Co	-1	-1	-7	-4	—	—
<b>Group total</b>	<b>999</b>	<b>718</b>	<b>84</b>	<b>54</b>	<b>8.4%</b>	<b>7.5%</b>

Operating profit (EBITA): Earnings before interest, taxes and amortisation of intangible assets arising from acquisitions.

Currency effects (transaction and translation effects) affected earnings by SEK -1 million (-1).

Operating profit (EBIT) rose to SEK 79 million (51). The previous year included non-recurring items in Nolato Telecom to a net amount of SEK +2 million.

Profit after net financial income/expense was SEK 74 million (50). Net financial income/expense included exchange rate fluctuations affecting earnings by SEK -1 million (+2).

Profit after tax was SEK 52 million (36). Earnings per share, basic and diluted, stood at SEK 1.98 (1.37). Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions were SEK 2.13 (1.44).

## First nine months 2012

### Sales and earnings

Group sales totalled SEK 2,882 million (2,243) in the first nine months of 2012, representing an increase of 28% compared with the corresponding period of the previous year. Organic growth was 19% excluding currency translation effects. Currency effects had a positive impact on sales of 4%.

Nolato Medical's sales rose by 24% to SEK 849 million (687), of which SEK 135 million is attributable to acquisitions. Nolato Telecom's sales rose by 59% to SEK 1,154 million (728) and Nolato Industrial's by 6% to SEK 881 million (830).

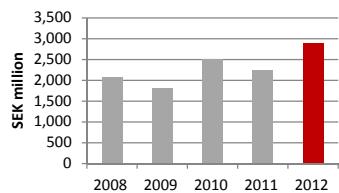
Consolidated operating profit (EBITA) increased to SEK 222 million (151) and the EBITA margin was 7.7% (6.7). Operating profit (EBIT) was SEK 211 million (144).

Profit after net financial income/expense was SEK 199 million (138).

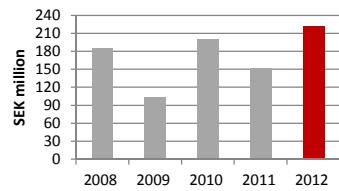
Profit after tax was SEK 143 million (99). Earnings per share, basic and diluted, rose to SEK 5.44 (3.76). Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions were SEK 5.74 (3.95). The effective tax rate was 28% (28).

The return on capital employed was 17.8% for the last twelve months (13.9% for the 2011 calendar year). Return on equity was 15.5% for the last twelve months (11.3% for the 2011 calendar year).

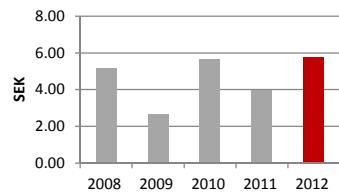
Sales nine months



Operating profit (EBITA) nine months



Adjusted earnings per share nine months



## ■ Nolato Medical

### Sales and profit Q1-Q3 (SEK million)

	2012	2011
Sales	849	687
Operating profit (EBITA)	99	82
EBITA margin (%)	11.7	11.9
Operating profit (EBIT)	90	77

Nolato Medical saw sales rise to SEK 849 million (687), corresponding to growth of 24%. Organic growth was 4% excluding currency translation effects. The majority of the business area's customer segments experienced stable growth in volumes, and the product operations performed in line with market growth, while sales for the project operations were low.

Operating profit (EBITA) rose to SEK 99 million (82). The EBITA margin was 11.7% (11.9).

The British unit acquired in the spring is performing according to plan.

The extension of the Hungarian factory is complete and validation work is under way.

## ■ Nolato Telecom

### Sales and profit Q1-Q3 (SEK million)

	2012	2011
Sales	1,154	728
Operating profit (EBITA)	63	7
EBITA margin (%)	5.5	1.0
Operating profit (EBIT)	63	7

Nolato Telecom's sales rose 59% to SEK 1,154 million (728), of which onward sales of components (touchscreens) amounted to SEK 0 million (95). Excluding currency translation effects, sales rose by 47%. Start-ups of new customer projects have been implemented as planned and have gradually replaced the older product portfolio. Demand for the new products has been very strong. Inventory build-up has occurred among customers ahead of the Chinese public holidays at the beginning of the fourth quarter.

Operating profit (EBITA) rose to SEK 63 million (7). The EBITA margin was 5.5% (1.0). The new product portfolio combined with high capacity utilisation has gradually led to a margin improvement during the year.

## ■ Nolato Industrial

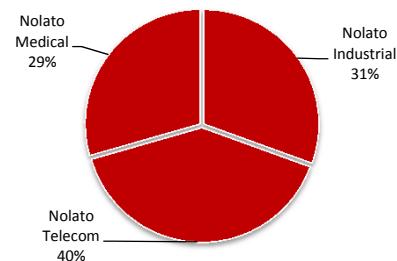
### Sales and profit Q1-Q3 (SEK million)

	2012	2011
Sales	881	830
Operating profit (EBITA)	81	78
EBITA margin (%)	9.2	9.4
Operating profit (EBIT)	79	76

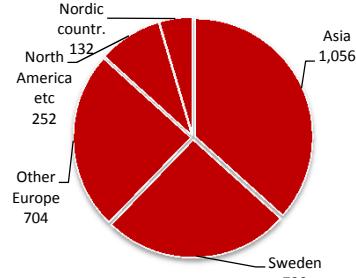
Nolato Industrial's sales rose by 6% to SEK 881 million (830). Advanced market positions, new products and robust demand helped achieve higher sales. However, a certain slowdown was noted during the end of the third quarter. Excluding currency translation effects, sales rose by 7%.

Operating profit (EBITA) totalled SEK 81 million (78), with a strong EBITA margin of 9.2% (9.4).

### ■ Business areas' share of sales Q1-Q3 2012



### ■ Sales by geographic markets Q1-Q3 2012 (SEK million)

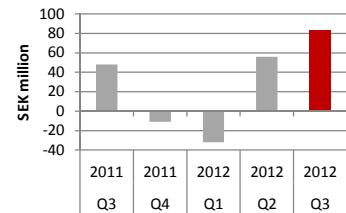


## ■ Cash flow

The positive earnings trend led cash flow before investments to rise to SEK 231 million (210). The change in working capital was negative in the amount of SEK 34 million (-11) due to the sharp rise in sales.

Cash flow after investment activities was SEK -71 million (123), including acquisitions. Excluding acquisitions, cash flow after investments amounted to SEK 107 million (123). Net investments affecting cash flow totalled SEK 302 million (87), of which the acquisition of Cope Allman Jaycare accounted for SEK 178 million.

## ■ Cash flow after investments

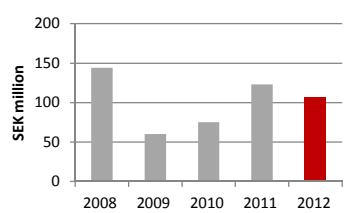


Excluding acquisitions and disposals

## ■ Financial position

Interest-bearing assets totalled SEK 115 million (153), and interest-bearing liabilities and provisions totalled SEK 401 million (219). Net debt thus totalled SEK 286 million (66). The net debt has risen as a consequence of financing the acquisition and an increased working capital requirement. Shareholders' equity was SEK 1,142 million (1,118). The equity/assets ratio was 45% (52). In the second quarter, dividends totalling SEK 132 million (158) were paid out.

## ■ Cash flow after investments first nine months



Excluding acquisitions and disposals

## ■ Consolidated performance analysis

SEK million	Q3 2012	Q3 2011	Q1 - Q3 2012	Q1 - Q3 2011	Rolling 12 months	Full year 2011
Net sales	999	718	2,882	2,243	3,616	2,977
Gross profit excl. depreciation/amortisation	171	131	489	395	619	525
As a percentage of net sales	17.1	18.2	17.0	17.6	17.1	17.6
Costs	-53	-20	-163	-117	-211	-165
As a percentage of net sales	5.3	2.8	5.7	5.2	5.8	5.5
Operating profit (EBITDA)	118	111	326	278	408	360
As a percentage of net sales	11.8	15.5	11.3	12.4	11.3	12.1
Depreciation and amortisation	-34	-57	-104	-127	-138	-161
Operating profit (EBITA)	84	54	222	151	270	199
As a percentage of net sales	8.4	7.5	7.7	6.7	7.5	6.7
Amortisation of intang. assets arising from acquisitions	-5	-3	-11	-7	-13	-9
Operating profit (EBIT)	79	51	211	144	257	190
Financial income and expense	-5	-1	-12	-6	-13	-7
Profit after financial income and expense	74	50	199	138	244	183
Tax	-22	-14	-56	-39	-68	-51
As a percentage of Profit after financial income and expense	29.7	28.0	28.1	28.3	27.9	27.9
Profit after tax	52	36	143	99	176	132

## ■ Financial position

SEK million	30/09/2012	30/09/2011	31/12/2011
Interest-bearing liabilities, credit institutions	307	126	113
Interest-bearing pension liabilities	94	93	93
<b>Total borrowings</b>	<b>401</b>	<b>219</b>	<b>206</b>
Cash and bank	-115	-153	-124
<b>Net debt</b>	<b>286</b>	<b>66</b>	<b>82</b>
Working capital	250	125	169
As a percentage of sales (avg.) (%)	5.2	6.1	5.3
Capital employed	1,543	1,338	1,357
Return on capital employed (avg.) (%)	17.8	15.0	13.9
Shareholders' equity	1,142	1,118	1,151
Return on shareholders' equity (avg.) (%)	15.5	12.7	11.3

## ■ Personnel

The average number of employees during the period was 8,354 (5,684). The increase in the number of employees is attributable to Nolato Telecom in China and arose as a result of higher volumes.

## ■ Significant risks and uncertainty factors

The business risks and risk management of the Group and the Parent Company, along with the management of financial risks, are described in the 2011 Annual Report on pages 35 – 37 and in Note 4 on pages 49 – 50.

No significant events have occurred during the period which would significantly affect or change these descriptions of the Group and the Parent Company's risks or the management thereof.

## ■ Events after the balance sheet date

No significant events have occurred since the end of the period.

## ■ Ownership and legal structure

Nolato AB (publ), Swedish corporate identity number 556080-4592, is the Parent Company of the Nolato Group.

Nolato's B shares have been listed on the NASDAQ OMX Nordic Exchange in the Stockholm Mid Cap segment since 1 January 2011, where they are included under the Industrials sector.

The number of shareholders was 7,551 as of 30 September. The largest shareholders were the Paulsson family with 12%, Lannebo Fonder with 10%, the Jorlén family with 10%, the Boström family with 9%, Svolder with 6% and Skandia Fonder with 5% of the share capital.

## ■ The Parent Company

Sales totalled SEK 18 million (20). The decline in sales is a result of lower costs levied on subsidiaries. Profit after financial income and expense amounted to SEK 0 million (145). The decreased outcome is primarily the result of lower dividends from subsidiaries.

## ■ Accounting and valuation principles

Nolato's consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU.

The consolidated accounts have been prepared in accordance with the same principles as those applied to the Annual Report, which are described in the 2011 Annual Report on pages 45–48.

The consolidated year-end report has been prepared in accordance with IAS 34 (Interim Financial Reporting). The applicable provisions of the Swedish Annual Accounts Act and the Swedish Securities Market Act have also been applied.

The Parent Company year-end report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, in line with the provisions of RFR 2, Accounting for Legal Entities.

The new or revised IFRS standards or IFRIC interpretations that entered into force on 1 January 2012 have not had any material effect on the Group's income statements or balance sheets.

## ■ Nomination Committee

It was resolved at Nolato's Annual General Meeting on 24 April 2012 that the Company should have a Nomination Committee consisting of one representative for each of the five largest shareholders in terms of number of votes as at the end of September.

Following discussions with the five largest shareholders, the following have been elected to Nolato's Nomination Committee ahead of the 2013 Annual General Meeting:

– Henrik Jorlén (chairman), Gun Boström, Erik Paulsson, Johan Lannebo (Lannebo Fonder) and Ulf Hedlundh (Svolder).

Shareholders wishing to submit proposals to the nomination committee should contact the nomination committee's chairman Henrik Jorlén, by e-mail to [henrik.jorlen@gmail.com](mailto:henrik.jorlen@gmail.com) or by ordinary mail to Kommendörsgatan 4, 269 77 Torekov, Sweden.

## ■ Annual General Meeting

The Annual General Meeting will be held on 25 April 2013.

## ■ Financial calendar

- 2012 year-end report: 5 February 2013
- Three-month interim report 2013: 25 April 2013
- 2013 Annual General Meeting: 25 April 2013
- Six-month interim report 2013: 19 July 2013
- Nine-month interim report 2013: 24 October 2013

*Torekov, 24 October 2012*

*Nolato AB (publ)*

*Hans Porat, President and CEO*

## ■ Contact:

- Hans Porat, President and CEO, tel. +46431 442294.
- Per-Ola Holmström, CFO, tel. +46431 442293.

*The information contained in this interim report is the information which Nolato is obliged to make public in accordance with the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. This information was made public on 24 October 2012 at 2:30 PM.*

*This report has not been reviewed by the Company's auditors.*

## ■ Consolidated income statement (summary)

SEK million	Q3 2012	Q3 2011	Q1 - Q3 2012	Q1 - Q3 2011	Rolling 12 months	Full year 2011
Net sales	999	718	2,882	2,243	3,616	2,977
Cost of goods sold	– 866	– 647	– 2,494	– 1,972	– 3,132	– 2,610
<b>Gross profit</b>	<b>133</b>	<b>71</b>	<b>388</b>	<b>271</b>	<b>484</b>	<b>367</b>
Other operating income	1	29	2	34	7	39
Selling expenses	– 14	– 16	– 57	– 52	– 77	– 72
Administrative expenses	– 37	– 33	– 112	– 109	– 147	– 144
Other operating expenses	– 4	0	– 10	0	– 10	–
	– 54	– 20	– 177	– 127	– 227	– 177
<b>Operating profit</b>	<b>79</b>	<b>51</b>	<b>211</b>	<b>144</b>	<b>257</b>	<b>190</b>
Financial income and expense	– 5	– 1	– 12	– 6	– 13	– 7
<b>Profit after financial income and expense</b>	<b>74</b>	<b>50</b>	<b>199</b>	<b>138</b>	<b>244</b>	<b>183</b>
Tax	– 22	– 14	– 56	– 39	– 68	– 51
<b>Profit after tax</b>	<b>52</b>	<b>36</b>	<b>143</b>	<b>99</b>	<b>176</b>	<b>132</b>
All earnings are attrib. to the Parent Co.'s shareholders						
Depreciation/amortisation	39	60	115	134	151	170
Earnings per share, basic and diluted (SEK)	1.98	1.37	5.44	3.76	6.70	5.02
Number of shares at the end of the period	26,307,408	26,307,408	26,307,408	26,307,408	26,307,408	26,307,408
Average number of shares	26,307,408	26,307,408	26,307,408	26,307,408	26,307,408	26,307,408

## ■ Consolidated comprehensive income (summary)

SEK million	Q3 2012	Q3 2011	Q1 - Q3 2012	Q1 - Q3 2011	Rolling 12 months	Full year 2011
<b>Profit after tax</b>	<b>52</b>	<b>36</b>	<b>143</b>	<b>99</b>	<b>176</b>	<b>132</b>
<b>Other comprehensive income</b>						
Translation differences for the period	– 19	19	– 21	– 1	– 20	0
Cash flow hedges	1	0	1	– 1	0	– 2
Tax attributable to cash flow hedges	0	0	0	0	0	0
<b>Other comprehensive income, net of tax</b>	<b>– 18</b>	<b>19</b>	<b>– 20</b>	<b>– 2</b>	<b>– 20</b>	<b>– 2</b>
<b>Total comp. income for the period attributable to the Parent Co.'s shareholders</b>	<b>34</b>	<b>55</b>	<b>123</b>	<b>97</b>	<b>156</b>	<b>130</b>

## ■ Reconciliation of consolidated profit before tax

SEK million	Q1 - Q3 2012	Q1 - Q3 2011	Rolling 12 months	Full year 2011
<b>Operating profit (EBIT)</b>				
Nolato Medical	90	77	117	104
Nolato Telecom	63	7	67	11
Nolato Industrial	79	76	102	99
Group adjustments, Parent Company	– 21	– 16	– 29	– 24
<b>Consolidated operating profit (EBIT)</b>	<b>211</b>	<b>144</b>	<b>257</b>	<b>190</b>
Financial income and expense (not distributed by business areas)	– 12	– 6	– 13	– 7
<b>Consolidated profit before tax</b>	<b>199</b>	<b>138</b>	<b>244</b>	<b>183</b>

## ■ Consolidated balance sheet (summary)

SEK million	30/09/2012	30/09/2011	31/12/2011
<b>Assets</b>			
<b>Fixed assets</b>			
Intangible fixed assets	562	434	434
Property, plant and equipment	728	689	706
Other securities held as non-current assets	2	2	2
Other long-term receivables	2	1	1
Deferred tax assets	34	39	40
<b>Total fixed assets</b>	<b>1,328</b>	<b>1,165</b>	<b>1,183</b>
<b>Current assets</b>			
Inventories	270	229	236
Accounts receivable	754	508	521
Other current assets	93	81	80
Cash and bank	115	153	124
<b>Total current assets</b>	<b>1,232</b>	<b>971</b>	<b>961</b>
<b>Total assets</b>	<b>2,560</b>	<b>2,136</b>	<b>2,144</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' equity</b>	<b>1,142</b>	<b>1,118</b>	<b>1,151</b>
Long-term liabilities and provisions	117	98	97
Deferred tax liabilities	128	101	115
Current liabilities and provisions	1,173	819	781
<b>Total liabilities and provisions</b>	<b>1,418</b>	<b>1,018</b>	<b>993</b>
<b>Total shareholders' equity and liabilities</b>	<b>2,560</b>	<b>2,136</b>	<b>2,144</b>
<sup>1)</sup> Interest-bearing/non-interest-bearing liabilities and provisions:			
Interest-bearing liabilities and provisions	401	219	206
Non-interest-bearing liabilities and provisions	1,017	799	787
<b>Total liabilities and provisions</b>	<b>1,418</b>	<b>1,018</b>	<b>993</b>

## ■ Changes in consolidated shareholders' equity (summary)

SEK million	Q1 - Q3 2012	Q1 - Q3 2011	Full year 2011
<b>Shareholders' equity at the beginning of the period</b>			
<b>1,151</b>			
Total comprehensive income for the period			
	123	97	130
Dividends	- 132	- 158	- 158
<b>Shareholders' equity at the end of period attrib. to Parent Co's shareholders</b>	<b>1,142</b>	<b>1,118</b>	<b>1,151</b>

In 2012, a dividend totalling SEK 132 million was paid to the Parent Company's shareholders, corresponding to an ordinary dividend of SEK 3.00 and extraordinary dividend of SEK 2.00, totalling SEK 5.00 per share. The Group does not have any incentive programmes resulting in a dilutive effect.

## ■ Consolidated cash flow statement (summary)

SEK million	Q3 2012	Q3 2011	Q1 - Q3 2012	Q1 - Q3 2011	Rolling 12 months	Full year 2011
Cash flow from op. activities bef. changes in work. cap.	98	100	265	221	348	304
Changes in working capital	22	-20	-34	-11	-81	-58
<b>Cash flow from operating activities</b>	<b>120</b>	<b>80</b>	<b>231</b>	<b>210</b>	<b>267</b>	<b>246</b>
Cash flow from investment activities	-37	-32	-302	-87	-349	-134
<b>Cash flow before financing activities</b>	<b>83</b>	<b>48</b>	<b>-71</b>	<b>123</b>	<b>-82</b>	<b>112</b>
Cash flow from financing activities	-104	-39	66	-209	50	-225
<b>Cash flow for the period</b>	<b>-21</b>	<b>9</b>	<b>-5</b>	<b>-86</b>	<b>-32</b>	<b>-113</b>
<b>Liquid assets at the beginning of the period</b>	<b>140</b>	<b>139</b>	<b>124</b>	<b>239</b>	—	<b>239</b>
Exchange rate difference in liquid assets	-4	5	-4	0	—	-2
<b>Liquid assets at the end of the period</b>	<b>115</b>	<b>153</b>	<b>115</b>	<b>153</b>	—	<b>124</b>

## ■ Earnings per share

SEK million	Q3 2012	Q3 2011	Q1 - Q3 2012	Q1 - Q3 2011	Rolling 12 months	Full year 2011
<b>Profit after tax</b>	<b>52</b>	<b>36</b>	<b>143</b>	<b>99</b>	<b>176</b>	<b>132</b>
Adjusted earnings:						
Amortisation of intangible assets arising from acquis.	5	3	11	7	13	9
Tax on amortisation	-1	-1	-3	-2	-3	-2
<b>Adjusted earnings</b>	<b>56</b>	<b>38</b>	<b>151</b>	<b>104</b>	<b>186</b>	<b>139</b>
Average number of shares *	26,307,408	26,307,408	26,307,408	26,307,408	26,307,408	26,307,408
Earnings per share, basic and diluted (SEK) *	1.98	1.37	5.44	3.76	6.70	5.02
Adjusted earnings per share (SEK) *	2.13	1.44	5.74	3.95	7.07	5.28

\* The company does not have any ongoing financial instrument programmes that involve any dilution in the number of shares.

## ■ Five-year overview

	2011	2010	2009	2008	2007
Net sales (SEK million)	2,977	3,375	2,602	2,824	2,421
Operating profit (EBITA) (SEK million)	199	262	166	240	197
EBITA margin (%)	6.7	7.8	6.4	8.5	8.1
Operating profit (EBIT) (SEK million)	190	253	158	232	190
Profit after financial income and expense (SEK million)	183	243	148	216	171
Profit after tax (SEK million)	132	187	123	178	150
Cash flow after investments, excl. acq. and disposals (SEK million)	112	230	139	296	227
Return on capital employed (%)	13.9	18.4	12.1	18.4	16.3
Return on shareholders' equity (%)	11.3	16.5	11.5	18.4	18.0
Net debt (SEK million)	82	34	40	95	314
Equity/assets ratio (%)	54	50	51	50	46
Earnings per share (SEK)	5.02	7.11	4.68	6.77	5.70
Adjusted earnings per share (SEK)	5.28	7.37	4.90	6.99	5.32
Average number of employees	5,496	7,563	4,308	4,531	3,760

## ■ Quarterly data (summary)

		Q1	Q2	Q3	Q4	Full year
Net sales (SEK million)	2012	837	1,046	999	—	—
	2011	759	766	718	734	2,977
	2010	746	878	887	864	3,375
Operating profit (EBITDA) (SEK million)	2012	91	117	118	—	—
	2011	79	88	111	82	360
	2010	100	105	103	99	407
Operating profit (EBITA) (SEK million)	2012	57	81	84	—	—
	2011	44	53	54	48	199
	2010	63	69	67	63	262
EBITA margin (%)	2012	6.8	7.7	8.4	—	—
	2011	5.8	6.9	7.5	6.5	6.7
	2010	8.4	7.9	7.6	7.3	7.8
Operating profit (EBIT) (SEK million)	2012	55	77	79	—	—
	2011	42	51	51	46	190
	2010	61	67	65	60	253
Profit after financial income and expense (SEK million)	2012	51	74	74	—	—
	2011	38	50	50	45	183
	2010	57	65	60	61	243
Profit after tax (SEK million)	2012	37	54	52	—	—
	2011	28	35	36	33	132
	2010	45	52	47	43	187
Cash flow after inv., excl. acq. and disp. (SEK million)	2012	– 32	56	83	—	—
	2011	111	– 36	48	– 11	112
	2010	0	71	4	155	230
Earnings per share, basic and diluted (SEK)	2012	1.41	2.05	1.98	—	—
	2011	1.06	1.33	1.37	1.25	5.02
	2010	1.71	1.98	1.78	1.64	7.11
Adjusted earnings per share (SEK)	2012	1.44	2.17	2.13	—	—
	2011	1.10	1.41	1.44	1.33	5.28
	2010	1.79	2.01	1.83	1.74	7.37
Shareholders' equity per share (SEK)	2012	45	42	43	—	—
	2011	45	40	42	44	44
	2010	43	43	43	45	45
Return on total capital (%)	2012	9.4	9.8	10.9	—	—
	2011	10.9	10.0	9.4	8.7	8.7
	2010	10.2	11.3	11.5	11.3	11.3
Return on capital employed (%)	2012	15.2	15.9	17.8	—	—
	2011	17.6	16.4	15.0	13.9	13.9
	2010	16.1	18.4	18.6	18.4	18.4
Return on operating capital (%)	2012	17.0	17.2	19.6	—	—
	2011	20.6	18.6	16.2	15.5	15.5
	2010	18.0	20.8	20.5	21.6	21.6
Return on shareholders' equity (%)	2012	11.9	14.7	15.5	—	—
	2011	14.6	14.0	12.7	11.3	11.3
	2010	14.9	17.5	18.6	16.5	16.5

## ■ Quarterly data business areas

Net sales (SEK million)	Q1	Q2	Q3	Q4	Full year
Nolato Medical	2012 246	315	288	—	—
	2011 232	235	220	230	917
	2010 186	185	202	235	808
Nolato Telecom	2012 287	423	444	—	—
	2011 259	249	220	207	935
	2010 320	434	444	377	1,575
Nolato Industrial	2012 304	309	268	—	—
	2011 268	283	279	299	1,129
	2010 241	259	241	253	994
Group adjustments, Parent Company	2012 0	-1	-1	—	—
	2011 —	-1	-1	-2	-4
	2010 -1	—	—	-1	-2
Group total	2012 837	1,046	999	—	—
	2011 759	766	718	734	2,977
	2010 746	878	887	864	3,375
Operating profit (EBITA) (SEK million)	Q1	Q2	Q3	Q4	Full year
Nolato Medical	2012 31	36	32	—	—
	EBITA-margin (%) 12.6	11.4	11.1	—	—
	2011 28	29	25	28	110
	EBITA-margin (%) 12.1	12.3	11.4	12.2	12.0
	2010 23	24	25	28	100
	EBITA-margin (%) 12.4	13.0	12.4	11.9	12.4
Nolato Telecom	2012 7	21	35	—	—
	EBITA-margin (%) 2.4	5.0	7.9	—	—
	2011 -4	4	7	4	11
	EBITA-margin (%) -1.5	1.6	3.2	1.9	1.2
	2010 32	34	32	24	122
	EBITA-margin (%) 10.0	7.8	7.2	6.4	7.7
Nolato Industrial	2012 28	29	24	—	—
	EBITA-margin (%) 9.2	9.4	9.0	—	—
	2011 25	27	26	24	102
	EBITA-margin (%) 9.3	9.5	9.3	8.0	9.0
	2010 17	23	21	18	79
	EBITA-margin (%) 7.1	8.9	8.7	7.1	7.9
Group adjustments, Parent Company	2012 -9	-5	-7	—	—
	2011 -5	-7	-4	-8	-24
	2010 -9	-12	-11	-7	-39
Group total	2012 57	81	84	—	—
	EBITA-margin (%) 6.8	7.7	8.4	—	—
	2011 44	53	54	48	199
	EBITA-margin (%) 5.8	6.9	7.5	6.5	6.7
	2010 63	69	67	63	262
	EBITA-margin (%) 8.4	7.9	7.6	7.3	7.8
Depreciation/amortisation (SEK million)	Q1	Q2	Q3	Q4	Full year
Nolato Medical	2012 15	18	19	—	—
	2011 14	16	14	15	59
	2010 12	12	13	16	53
Nolato Telecom	2012 10	10	10	—	—
	2011 13	10	35	10	68
	2010 16	14	14	13	57
Nolato Industrial	2012 11	12	10	—	—
	2011 10	11	11	11	43
	2010 11	12	11	10	44
Group total	2012 36	40	39	—	—
	2011 37	37	60	36	170
	2010 39	38	38	39	154

## ■ Group financial highlights

	Q3 2012	Q3 2011	Q1 - Q3 2012	Q1 - Q3 2011	Rolling 12 months	Full year 2011
Net sales (SEK million)	999	718	2,882	2,243	3,616	2,977
Sales growth (%)	39	-19	28	-11	16	-12
Percentage of sales outside Sweden (%)	79	74	74	73	71	70
Operating profit (EBITDA) (SEK million)	118	111	326	278	408	360
Operating profit (EBITA) (SEK million)	84	54	222	151	270	199
EBITA margin (%)	8.4	7.5	7.7	6.7	7.5	6.7
Profit after financial income and expense (SEK million)	74	50	199	138	244	183
Profit margin (%)	7.4	7.0	6.9	6.2	6.7	6.1
Profit after tax (SEK million)	52	36	143	99	176	132
Return on total capital (%)	—	—	10.9	9.4	10.9	8.7
Return on capital employed (%)	—	—	17.8	15.0	17.8	13.9
Return on operating capital (%)	—	—	19.6	16.2	19.6	15.5
Return on shareholders' equity (%)	—	—	15.5	12.7	15.5	11.3
Equity/assets ratio (%)	—	—	45	52	—	54
Debt/equity (%)	—	—	35	20	—	18
Interest coverage ratio (times)	22	17	22	17	21	16
Net investments affecting cash flow, excl. acq. and disposals (SEK million)	38	32	125	87	172	134
Cash flow after investments, excl. acq. and disposals (SEK million)	83	48	107	123	96	112
Net debt (SEK million)	—	—	286	66	—	82
Earnings per share, basic and diluted (SEK)	1.98	1.37	5.44	3.76	6.70	5.02
Adjusted earnings per share (SEK)	2.13	1.44	5.74	3.95	7.07	5.28
Cash flow per share, excl. acq. and disposals (SEK)	3.16	1.82	4.07	4.68	3.65	4.26
Shareholders' equity per share (SEK)	—	—	43	42	—	44
Average number of employees	—	—	8,354	5,684	—	5,496

### Definitions

#### Return on total capital

Profit after financial income and expense, plus financial expenses as a percentage of average total capital in the balance sheet.

#### Return on capital employed

Profit after financial income and expense, plus financial expenses as a percentage of average capital employed. Capital employed consists of total capital less non-interest-bearing liabilities and provisions.

#### Return on operating capital

Operating profit as a percentage of average operating capital. Operating capital consists of total capital less non-interest-bearing liabilities and provisions, less interest-bearing assets.

#### Return on shareholders' equity

Profit after tax as a percentage of average shareholders' equity.

#### EBITA margin

Operating profit (EBITA) as a percentage of net sales.

#### Adjusted earnings per share

Profit after tax, excluding amortisation of intangible assets arising from acquisitions, divided by the average number of shares.

#### Cash flow per share

Cash flow before financing activities, divided by average number of shares.

#### Net debt

Interest-bearing liabilities and provisions less interest-bearing assets.

#### Earnings per share

Profit after tax, divided by average number of shares.

#### Interest coverage ratio

Profit after financial income and expense, plus financial expenses, divided by financial expenses.

#### Operating profit (EBITDA)

Earnings before interest, taxes and depreciation/amortisation.

#### Operating profit (EBITA)

Earnings before interest, taxes and amortisation of intangible assets arising from acquisitions.

#### Operating profit (EBIT)

Earnings before interest and taxes.

#### Debt/equity ratio

Interest-bearing liabilities and provisions divided by shareholders' equity.

#### Equity/assets ratio

Shareholders' equity as a percentage of total capital in the balance sheet.

#### Profit margin

Profit after financial income and expense as a percentage of net sales.

## ■ Parent Company income statement (summary)

SEK million	Q3 2012	Q3 2011	Q1 - Q3 2012	Q1 - Q3 2011	Rolling 12 months	Full year 2011
Net sales	6	7	18	20	17	19
Other operating income	—	1	—	5	0	5
Selling expenses	-1	-2	-5	-7	-7	-9
Administrative expenses	-7	-8	-27	-29	-35	-37
Other operating expenses	-1	—	-2	—	-2	—
<b>Operating profit</b>	<b>-3</b>	<b>-2</b>	<b>-16</b>	<b>-11</b>	<b>-27</b>	<b>-22</b>
Profit from participations in Group companies	12	28	16	153	190	327
Financial income	9	4	19	9	28	18
Financial expenses	-15	-4	-19	-6	-34	-21
<b>Profit after financial income and expense</b>	<b>3</b>	<b>26</b>	<b>0</b>	<b>145</b>	<b>157</b>	<b>302</b>
Appropriations	—	—	—	—	-35	-35
Tax	0	2	0	4	-33	-29
<b>Profit after tax</b>	<b>3</b>	<b>28</b>	<b>0</b>	<b>149</b>	<b>89</b>	<b>238</b>
Depreciation/amortisation	0	0	0	0	0	0

## ■ Parent Company balance sheet (summary)

SEK million	30/09/2012	30/09/2011	31/12/2011
<b>Assets</b>			
Intangible fixed assets	1	—	1
Property, plant and equipment	0	1	0
Financial assets	990	792	794
Deferred tax assets	7	10	6
<b>Total fixed assets</b>	<b>998</b>	<b>803</b>	<b>801</b>
Other receivables	313	362	420
Cash and bank	4	37	39
<b>Total current assets</b>	<b>317</b>	<b>399</b>	<b>459</b>
<b>Total assets</b>	<b>1,315</b>	<b>1,202</b>	<b>1,260</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	783	826	915
Untaxed reserves	160	125	160
Other provisions	5	4	4
Long-term liabilities	17	17	17
Current liabilities	350	230	164
<b>Total shareholders' equity and liabilities</b>	<b>1,315</b>	<b>1,202</b>	<b>1,260</b>
Pledged assets	—	—	—
Contingent liabilities	196	99	225

### Transactions with related parties:

Related party	Period	Services sold	Services bought	Interest income	Interest expenses	Res. from shares in Group comp.	Rec. fr. rel. part. on bal. sh. date	Liab. to rel. part. on bal. sh. date
Subsidiary	Jan-Sep 2012	18	-3	19	-1	16	727	106
Subsidiary	Jan-Sep 2011	20	-8	7	-1	153	632	177

None of the company's Board members or senior executives currently have, or have previously had, any direct or indirect involvement in any business transaction with the company which is, or was, of an unusual character in terms of its conditions. Nor has the Group issued any loans, pledged any guarantees or entered into any surety arrangements for any of the company's Board members or senior executives.

