

## Nolato AB (publ) three-month interim report 2013

## Very strong results across all business areas

### ■ First quarter of 2013 in brief

- Sales increased by 50% to SEK 1,254 million (837)
- Operating profit (EBITA) was SEK 122 million (57)
- Profit after tax increased to SEK 85 million (37)
- Earnings per share rose to SEK 3.23 (1.41)
- Cash flow after investments was SEK 16 million (-32)

### ■ Group highlights

SEK million unless otherwise specified	Note	Q1 2013	Q1 2012	Rolling 12 months	Full year 2012
Net sales		1,254	837	4,291	3,874
Operating profit (EBITDA) <sup>1)</sup>		157	91	510	444
Operating profit (EBITA) <sup>2)</sup>		122	57	368	303
EBITA margin, %		9.7	6.8	8.6	7.8
Profit after financial income and expense		113	51	334	272
Profit after tax		85	37	250	202
Earnings per share, basic and diluted, SEK*		3.23	1.41	9.50	7.68
Adjusted earnings per share, SEK <sup>3) *</sup>		3.35	1.44	10.04	8.13
Cash flow after investments, excl. acquisitions and disposals		16	-32	365	317
Net investm. affecting cash flow, excl. acquisitions and disposals		24	48	135	159
Return on capital employed, %	1	23.3	15.2	23.3	19.4
Return on shareholders' equity, %	1	20.9	12.3	20.9	17.7
Equity/assets ratio, %	1	44	51	44	44
Net debt	1	100	149	100	114

\*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.

## First quarter 2013

- Sales increased by 50% to SEK 1,254 million (837)
- Very strong results across all business areas
- Very strong demand for Nolato Telecom
- Operating profit (EBITA) more than doubled to SEK 122 million (57)

### Sales

Group sales totalled SEK 1,254 million (837), representing an increase of 50% compared with the corresponding period of the previous year. Adjusted for currency and acquisitions, sales rose by 46%.

Nolato Medical's sales rose 33% to SEK 328 million (246); adjusted for currency and acquisitions, sales increased 9%. Most of the business area's customer segments enjoyed solid volumes.

Nolato Telecom's sales rose 118% to SEK 627 million (287); adjusted for currency, sales increased 126%. Demand for the new products was very strong in the quarter.

Nolato Industrial's sales declined by 2% to SEK 299 million (304); adjusted for currency, sales decreased by 1%. The general slowdown that took place at the end of the third quarter of the previous year continued to affect volumes.

### Profit

Consolidated operating profit (EBITA) rose 114% to SEK 122 million (57). The increase in sales, combined with the high margin in the quarter, contributed to the strong consolidated earnings.

Nolato Medical's operating profit (EBITA) rose to SEK 43 million (31), Nolato Telecom's earnings increased to SEK 57 million (7) and Nolato Industrial's amounted to SEK 29 million (28).

Overall, the Group's EBITA margin was 9.7% (6.8). All business areas displayed high margins, contributing to the very strong Group margin.

Operating profit (EBIT) rose to SEK 118 million (55).

Profit after net financial income/expense was SEK 113 million (51). Net financial income/expense included exchange rate fluctuations affecting earnings by SEK -3 million (-2).

Profit after tax increased to SEK 85 million (37). Earnings per share, basic and diluted, stood at SEK 3.23 (1.41). Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions were SEK 3.35 (1.44). The effective tax rate was 25% (27).

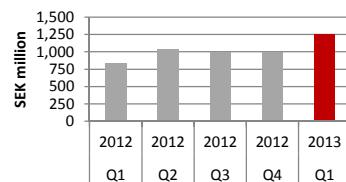
Return on capital employed was 23.3% for the last twelve months (19.4% for the 2012 calendar year). Return on equity was 20.9% for the last twelve months (17.7% for the 2012 calendar year).

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

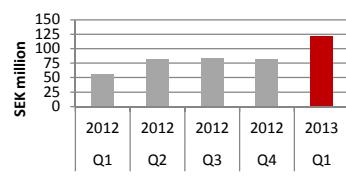
SEK million	Sales		Op. Profit		Op. Profit		EBITA margin	
	Q1/2013	Q1/2012	EBITA Q1/2013	EBITA Q1/2012	Q1/2013	Q1/2012	Q1/2013	Q1/2012
Nolato Medical	328	246	43	31	13.1%	12.6%		
Nolato Telecom	627	287	57	7	9.1%	2.4%		
Nolato Industrial	299	304	29	28	9.7%	9.2%		
Intra-Group adj., Parent Co	0	0	-7	-9	—	—		
<b>Group total</b>	<b>1,254</b>	<b>837</b>	<b>122</b>	<b>57</b>	<b>9.7%</b>	<b>6.8%</b>		

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

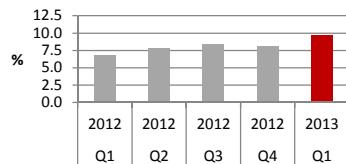
### Sales



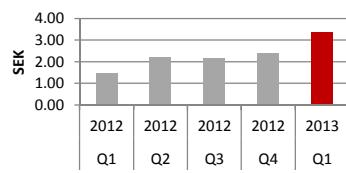
### Operating profit (EBITA)



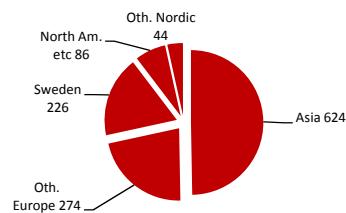
### EBITA margin



### Adjusted earnings per share



### Sales by geographic markets



## ■ Nolato Medical

### Sales and profit Q1 (SEK million)

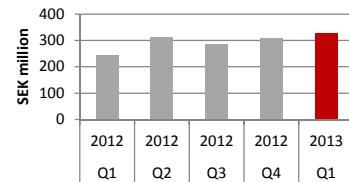
	2013	2012
Sales	328	246
Operating profit (EBITA)	43	31
EBITA margin (%)	13.1	12.6
Operating profit (EBIT)	40	30

Nolato Medical saw sales rise to SEK 328 million (246), corresponding to growth of 33%. Adjusted for currency and acquisitions, sales rose by 9%. Most of the business area's customer segments enjoyed solid volumes. Product sales were well in line with market growth.

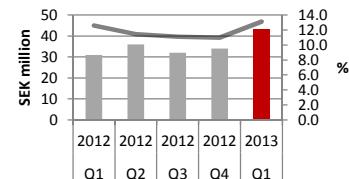
Operating profit (EBITA) rose to SEK 43 million (31). The EBITA margin was 13.1% (12.6). A favourable product mix and good profitability for the latest acquisition had a positive impact on the margin in the quarter.

Production at the extended factory in Hungary is proceeding according to plan.

### ■ Nolato Medical sales



### ■ Nolato Medical operating profit (EBITA) & EBITA margin %



## ■ Nolato Telecom

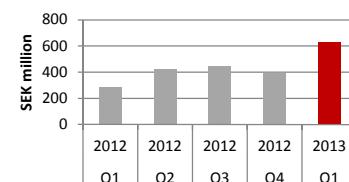
### Sales and profit Q1 (SEK million)

	2013	2012
Sales	627	287
Operating profit (EBITA)	57	7
EBITA margin (%)	9.1	2.4
Operating profit (EBIT)	57	7

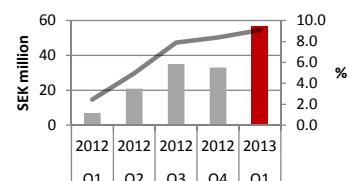
Nolato Telecom's sales rose by a full 118% to SEK 627 million (287). Adjusted for currency, sales increased by 126%. Volumes were very high in the quarter, with several new products enjoying very strong demand. The roll-out of new customer projects was implemented as planned.

Operating profit (EBITA) rose to SEK 57 million (7). The EBITA margin was a strong 9.1% (2.4). The high capacity utilisation level and a favourable product mix, with a significant proportion of new products, had a positive impact on the margin.

### ■ Nolato Telecom sales



### ■ Nolato Telecom operating profit (EBITA) & EBITA margin %



## ■ Nolato Industrial

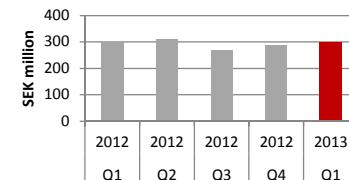
### Sales and profit Q1 (SEK million)

	2013	2012
Sales	299	304
Operating profit (EBITA)	29	28
EBITA margin (%)	9.7	9.2
Operating profit (EBIT)	28	27

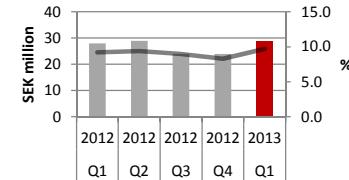
Nolato Industrial's sales declined by 2% to SEK 299 million (304). Adjusted for currency, sales decreased by 1%. The economic anxiety that occurred at the end of the third quarter of the previous year continued to have an effect on demand. Volumes in the automotive segment in particular were lower, while certain other segments such as hygiene had a balancing effect.

Operating profit (EBITA) rose to SEK 29 million (28), with a strong EBITA margin of 9.7% (9.2). A reduced cost level and favourable product mix had a positive effect on the margin.

### ■ Nolato Industrial sales



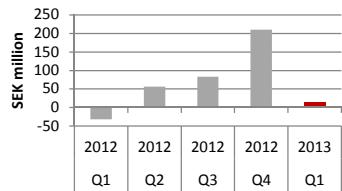
### ■ Nolato Industrial operating profit (EBITA) & EBITA margin %



## ■ Cash flow

The positive earnings trend led cash flow before investments to rise to SEK 40 million (16). The working capital requirement rose as a consequence of the increased sales. The change in working capital was a negative SEK 72 million (-57). Cash flow after investment activities was SEK 16 million (-32). Net investments affecting cash flow totalled SEK 24 million (48).

### ■ Cash flow after investments

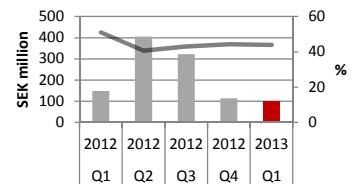


Excluding acquisitions and disposals.

## ■ Financial position

Interest-bearing assets totalled SEK 238 million (94) and interest-bearing liabilities and provisions totalled SEK 338 million (243). Net debt thus totalled SEK 100 million (149). Equity amounted to SEK 1,247 million (1,144). The equity/assets ratio was 44% (51). Adjusted for the proposed dividend of SEK 158 million, the equity/assets ratio was 41% (48).

### ■ Net debt & assets/equity ratio %



## ■ Consolidated performance analysis

	Q1 2013	Q1 2012	Full year 2012
SEK million			
Net sales	1,254	837	3,874
Gross profit excl. depreciation/amortisation	214	145	658
As a percentage of net sales	17.1	17.3	17.0
Costs	- 57	- 54	- 214
As a percentage of net sales	4.5	6.5	5.5
Operating profit (EBITDA)	157	91	444
As a percentage of net sales	12.5	10.9	11.5
Depreciation and amortisation	- 35	- 34	- 141
Operating profit (EBITA)	122	57	303
As a percentage of net sales	9.7	6.8	7.8
Amortisation of intang. assets arising from acquisitions	- 4	- 2	- 16
Operating profit (EBIT)	118	55	287
Financial income and expense	- 5	- 4	- 15
Profit after financial income and expense	113	51	272
Tax	- 28	- 14	- 70
As a percentage of Profit after financial income and expense	24.8	27.5	25.7
Profit after tax	85	37	202

## ■ Financial position

	Note	31/03/2013	31/03/2012	31/12/2012
SEK million				
Interest-bearing liabilities, credit institutions		207	112	255
Interest-bearing pension liabilities		131	131	131
<b>Total borrowings</b>		<b>338</b>	<b>243</b>	<b>386</b>
Cash and bank		- 238	- 94	- 272
<b>Net debt</b>	1	<b>100</b>	<b>149</b>	<b>114</b>
Working capital		177	242	93
As a percentage of sales (avg.) (%)		4.9	5.0	3.4
Capital employed	1	1,585	1,387	1,556
Return on capital employed (avg.) (%)	1	23.3	15.2	19.4
Shareholders' equity	1	1,247	1,144	1,170
Return on shareholders' equity (avg.) (%)	1	20.9	12.3	17.7

## ■ Personnel

The average number of employees during the period was 11,418 (6,577). 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 2012 Annual Report on pages 35 – 37, and in Note 4 on pages 49 – 50.

No significant events have occurred during the period that would significantly affect or change these descriptions of the Group's 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 are listed on the NASDAQ OMX Nordic Exchange in the Stockholm Mid Cap segment, where they are included under the Industrials sector.

The number of shareholders totalled 8,198 as of 31 March. The largest shareholders were the Paulsson family with 12%, the Jorlén family with 10%, the Boström family with 9%, Lannebo Fonder with 9%, Svolder with 5% and Skandia Fonder with 4% of the share capital.

## ■ The Parent Company

Sales totalled SEK 7 million (6). Income after financial items was SEK -6 million (-7).

## ■ 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 25 April 2013 at 13:30.*

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

## ■ 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 2012 Annual Report on pages 45–48. A significant change in the accounting principles has occurred with respect to the recognition of pension obligations, as described in Note 1.

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, which came into effect on 1 January 2013, have, with one exception with respect to the recognition of pension liabilities (see above), not had any material effect on the consolidated income statement or balance sheet. The amendment to IAS 1, Presentation of Financial Statements, has altered the presentation of other comprehensive income.

## ■ Financial information schedule

- Six-month interim report 2013: 19 July 2013
- Nine-month interim report 2013: 24 October 2013

*Torekov, 25 April 2013*

*Nolato AB (publ)*

*Hans Porat, President and CEO*

## ■ Consolidated income statement (summary)

SEK million	Q1 2013	Q1 2012	Rolling 12 months	Full year 2012
Net sales	1,254	837	4,291	3,874
Cost of goods sold	– 1,076	– 723	– 3,706	– 3,353
<b>Gross profit</b>	<b>178</b>	<b>114</b>	<b>585</b>	<b>521</b>
Other operating income	2	0	13	11
Selling expenses	– 20	– 18	– 84	– 82
Administrative expenses	– 42	– 38	– 160	– 156
Other operating expenses	—	– 3	– 4	– 7
	– 60	– 59	– 235	– 234
<b>Operating profit</b>	<b>118</b>	<b>55</b>	<b>350</b>	<b>287</b>
Financial income and expense	– 5	– 4	– 16	– 15
<b>Profit after financial income and expense</b>	<b>113</b>	<b>51</b>	<b>334</b>	<b>272</b>
Tax	– 28	– 14	– 84	– 70
<b>Profit after tax</b>	<b>85</b>	<b>37</b>	<b>250</b>	<b>202</b>
All earnings are attrib. to the Parent Co.'s shareholders				
Depreciation/amortisation	39	36	160	157
Earnings per share, basic and diluted (SEK)	3.23	1.41	9.50	7.68
Number of shares at the end of the period	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

## ■ Consolidated comprehensive income (summary)

SEK million	Note	Q1 2013	Q1 2012	Rolling 12 months	Full year 2012
<b>Profit after tax</b>		<b>85</b>	<b>37</b>	<b>250</b>	<b>202</b>
<b>Other comprehensive income</b>					
<i>Items that can not be recycled to profit for the period</i>					
Revaluations of defined benefit pension plans	1	0	0	1	1
Tax attributable to items that can not be transferred to profit for the period	1	0	0	– 2	– 2
		<b>0</b>	<b>0</b>	<b>– 1</b>	<b>– 1</b>
<i>Items that have been transferred or can be recycled to profit for the period</i>					
Translation differences for the period		– 7	– 10	– 14	– 17
Cash flow hedges	2	– 1	0	0	1
Tax attributable to cash flow hedges	2	0	0	0	0
		<b>– 8</b>	<b>– 10</b>	<b>– 14</b>	<b>– 16</b>
<b>Other comprehensive income, net of tax</b>		<b>– 8</b>	<b>– 10</b>	<b>– 15</b>	<b>– 17</b>
<b>Total comp. income for the period attributable to the Parent Co.'s shareholders</b>		<b>77</b>	<b>27</b>	<b>235</b>	<b>185</b>

## ■ Reconciliation of consolidated income before tax

SEK million	Q1 2013	Q1 2012	Rolling 12 months	Full year 2012
<b>Operating profit (EBIT)</b>				
Nolato Medical	40	30	130	120
Nolato Telecom	57	7	146	96
Nolato Industrial	28	27	103	102
Group adjustments, Parent Company	– 7	– 9	– 29	– 31
<b>Consolidated operating profit (EBIT)</b>	<b>118</b>	<b>55</b>	<b>350</b>	<b>287</b>
Financial income and expense (not distributed by business areas)	– 5	– 4	– 16	– 15
<b>Consolidated profit before tax</b>	<b>113</b>	<b>51</b>	<b>334</b>	<b>272</b>

## ■ Consolidated balance sheet (summary)

SEK million	Note	31/03/2013	31/03/2012	31/12/2012
<b>Assets</b>				
<b>Fixed assets</b>				
Intangible fixed assets		541	428	553
Property, plant and equipment		712	699	735
Other securities held as non-current assets		2	2	2
Other long-term receivables		2	1	2
Deferred tax assets		35	38	35
<b>Total fixed assets</b>		<b>1,292</b>	<b>1,168</b>	<b>1,327</b>
<b>Current assets</b>				
Inventories		284	254	288
Accounts receivable		927	643	682
Other current assets	2	98	80	65
Cash and bank		238	94	272
<b>Total current assets</b>		<b>1,547</b>	<b>1,071</b>	<b>1,307</b>
<b>Total assets</b>		<b>2,839</b>	<b>2,239</b>	<b>2,634</b>
<b>Shareholders' equity and liabilities</b>				
<b>Shareholders' equity</b>	1, 2	<b>1,247</b>	<b>1,144</b>	<b>1,170</b>
Long-term liabilities and provisions <sup>1)</sup>	1	169	144	164
Deferred tax liabilities <sup>1)</sup>	1	84	105	104
Current liabilities and provisions <sup>1)</sup>	2	1,339	847	1,196
<b>Total liabilities and provisions</b>		<b>1,592</b>	<b>1,095</b>	<b>1,464</b>
<b>Total shareholders' equity and liabilities</b>		<b>2,839</b>	<b>2,239</b>	<b>2,634</b>
<sup>1)</sup> Interest-bearing/non-interest-bearing liabilities and provisions:				
Interest-bearing liabilities and provisions		338	243	386
Non-interest-bearing liabilities and provisions		1,254	853	1,078
<b>Total liabilities and provisions</b>		<b>1,592</b>	<b>1,095</b>	<b>1,464</b>

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

SEK million	Note	Q1 2013	Q1 2012	Full year 2012
<b>Shareholders' equity at the beginning of the period</b>	1	<b>1,170</b>	<b>1,117</b>	<b>1,117</b>
Total comprehensive income for the period	1	77	27	185
Dividends		—	—	— 132
<b>Shareholders' equity at the end of period attrib. to Parent Co's shareholders</b>	1	<b>1,247</b>	<b>1,144</b>	<b>1,170</b>

During 2012, a dividend totalling SEK 132 million was paid to the Parent Company's shareholders, corresponding to an ordinary of SEK 3.00 and extra of SEK 2.00, totalling SEK 5.00 per share. The proposed dividend to be decided on at the Annual General Meeting on 25 April 2013 is SEK 158 million, corresponding to an ordinary of SEK 3.50 and extra of SEK 2.50, totalling SEK 6.00 per share. The Group does not have any incentive programmes resulting in a dilutive effect.

## ■ Consolidated cash flow statement (summary)

SEK million	Q1 2013	Q1 2012	Rolling 12 months	Full year 2012
Cash flow from op. activities bef. changes in work. cap.	112	73	426	387
Changes in working capital	-72	-57	74	89
<b>Cash flow from operating activities</b>	<b>40</b>	<b>16</b>	<b>500</b>	<b>476</b>
Cash flow from investment activities	-24	-48	-311	-335
<b>Cash flow before financing activities</b>	<b>16</b>	<b>-32</b>	<b>189</b>	<b>141</b>
Cash flow from financing activities	-48	4	-40	12
<b>Cash flow for the period</b>	<b>-32</b>	<b>-28</b>	<b>149</b>	<b>153</b>
<b>Liquid assets at the beginning of the period</b>	<b>272</b>	<b>124</b>	—	124
Exchange rate difference in liquid assets	-2	-2	—	-5
<b>Liquid assets at the end of the period</b>	<b>238</b>	<b>94</b>	—	<b>272</b>

## ■ Earnings per share

SEK million	Q1 2013	Q1 2012	Rolling 12 months	Full year 2012
<b>Profit after tax</b>	<b>85</b>	<b>37</b>	<b>250</b>	<b>202</b>
Adjusted earnings:				
Amortisation of intangible assets arising from acquisitions	4	2	18	16
Tax on amortisation	-1	-1	-4	-4
<b>Adjusted earnings</b>	<b>88</b>	<b>38</b>	<b>264</b>	<b>214</b>
Average number of shares *	26,307,408	26,307,408	26,307,408	26,307,408
Earnings per share, basic and diluted (SEK) *	3.23	1.41	9.50	7.68
Adjusted earnings per share (SEK) *	3.35	1.44	10.04	8.13

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

## ■ Five-year overview

	Note	2012	2011	2010	2009	2008
Net sales (SEK million)		3,874	2,977	3,375	2,602	2,824
Operating profit (EBITA) (SEK million)		303	199	262	166	240
EBITA margin (%)		7.8	6.7	7.8	6.4	8.5
Operating profit (EBIT) (SEK million)		287	190	253	158	232
Profit after financial income and expense (SEK million)		272	183	243	148	216
Profit after tax (SEK million)		202	132	187	123	178
Cash flow after investments, excl. acq. and disposals (SEK million)		317	112	230	139	296
Return on capital employed (%) *	1	19.4	13.9	18.4	12.1	18.4
Return on shareholders' equity (%) *	1	17.7	11.6	16.5	11.5	18.4
Net debt (SEK million) *	1	114	119	34	40	95
Equity/assets ratio (%) *	1	44	52	50	51	50
Earnings per share (SEK)		7.68	5.02	7.11	4.68	6.77
Adjusted earnings per share (SEK)		8.13	5.28	7.37	4.90	6.99
Dividend per share (2012 proposal) (SEK)		6.00	5.00	6.00	3.00	2.75
Average number of employees		8,421	5,496	7,563	4,308	4,531

\* The years 2008 - 2010 have not been restated for the amendment of pension provisions in IAS 19, which means that the corridor method to even out actuarial gains / losses no longer apply (see note 1).

## ■ Quarterly data (summary)

	Note	Q1	Q2	Q3	Q4	Full year
Net sales (SEK million)	2013	1,254	—	—	—	—
	2012	837	1,046	999	992	3,874
	2011	759	766	718	734	2,977
Operating profit (EBITDA) (SEK million)	2013	157	—	—	—	—
	2012	91	117	118	118	444
	2011	79	88	111	82	360
Operating profit (EBITA) (SEK million)	2013	122	—	—	—	—
	2012	57	81	84	81	303
	2011	44	53	54	48	199
EBITA margin (%)	2013	9.7	—	—	—	—
	2012	6.8	7.7	8.4	8.2	7.8
	2011	5.8	6.9	7.5	6.5	6.7
Operating profit (EBIT) (SEK million)	2013	118	—	—	—	—
	2012	55	77	79	76	287
	2011	42	51	51	46	190
Profit after financial income and expense (SEK million)	2013	113	—	—	—	—
	2012	51	74	74	73	272
	2011	38	50	50	45	183
Profit after tax (SEK million)	2013	85	—	—	—	—
	2012	37	54	52	59	202
	2011	28	35	36	33	132
Cash flow after inv., excl. acq. and disp. (SEK million)	2013	16	—	—	—	—
	2012	−32	56	83	210	317
	2011	111	−36	48	−11	112
Earnings per share, basic and diluted (SEK)	2013	3.23	—	—	—	—
	2012	1.41	2.05	1.98	2.24	7.68
	2011	1.06	1.33	1.37	1.25	5.02
Adjusted earnings per share (SEK)	2013	3.35	—	—	—	—
	2012	1.44	2.17	2.13	2.39	8.13
	2011	1.10	1.41	1.44	1.33	5.28
Shareholders' equity per share (SEK)	1	2013	47	—	—	—
	2012	43	41	42	44	44
	2011	44	39	41	42	42
Return on total capital (%)	2013	13.6	—	—	—	—
	2012	9.4	9.8	10.9	11.9	11.9
	2011	10.9	10.0	9.4	8.7	8.7
Return on capital employed (%) *	1	2013	23.3	—	—	—
	2012	15.2	15.9	17.8	19.4	19.4
	2011	17.6	16.4	15.0	13.9	13.9
Return on operating capital (%) *	1	2013	26.3	—	—	—
	2012	16.9	17.2	19.6	22.6	22.6
	2011	20.6	18.6	16.2	15.5	15.5
Return on shareholders' equity (%) *	1	2013	20.9	—	—	—
	2012	12.3	15.2	15.9	17.7	17.7
	2011	14.6	14.0	12.7	11.6	11.6

\* Q1 - Q3 for 2011 have not been restated for the amendment of pension provisions in IAS 19, which means that the corridor method to even out actuarial gains / losses no longer applies (see note 1).

## ■ Quarterly data business areas

Net sales (SEK million)	Q1	Q2	Q3	Q4	Full year
Nolato Medical	2013 328	—	—	—	—
	2012 246	315	288	310	1,159
	2011 232	235	220	230	917
Nolato Telecom	2013 627	—	—	—	—
	2012 287	423	444	394	1,548
	2011 259	249	220	207	935
Nolato Industrial	2013 299	—	—	—	—
	2012 304	309	268	289	1,170
	2011 268	283	279	299	1,129
Group adjustments, Parent Company	2013 0	—	—	—	—
	2012 0	-1	-1	-1	-3
	2011 —	-1	-1	-2	-4
Group total	2013 1,254	—	—	—	—
	2012 837	1,046	999	992	3,874
	2011 759	766	718	734	2,977
<b>Operating profit (EBITA) (SEK million)</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Full year</b>
Nolato Medical	2013 43	—	—	—	—
	<i>EBITA margin (%)</i>	13.1	—	—	—
	2012 31	36	32	34	133
	<i>EBITA margin (%)</i>	12.6	11.4	11.1	11.0
	2011 28	29	25	28	110
	<i>EBITA margin (%)</i>	12.1	12.3	11.4	12.2
Nolato Telecom	2013 57	—	—	—	—
	<i>EBITA margin (%)</i>	9.1	—	—	—
	2012 7	21	35	33	96
	<i>EBITA margin (%)</i>	2.4	5.0	7.9	8.4
	2011 -4	4	7	4	11
	<i>EBITA margin (%)</i>	-1.5	1.6	3.2	1.9
Nolato Industrial	2013 29	—	—	—	—
	<i>EBITA margin (%)</i>	9.7	—	—	—
	2012 28	29	24	24	105
	<i>EBITA margin (%)</i>	9.2	9.4	9.0	8.3
	2011 25	27	26	24	102
	<i>EBITA margin (%)</i>	9.3	9.5	9.3	8.0
Group adjustments, Parent Company	2013 -7	—	—	—	—
	2012 -9	-5	-7	-10	-31
	2011 -5	-7	-4	-8	-24
Group total	2013 122	—	—	—	—
	<i>EBITA margin (%)</i>	9.7	—	—	—
	2012 57	81	84	81	303
	<i>EBITA margin (%)</i>	6.8	7.7	8.4	8.2
	2011 44	53	54	48	199
	<i>EBITA margin (%)</i>	5.8	6.9	7.5	6.5
<b>Depreciation/amortisation (SEK million)</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Full year</b>
Nolato Medical	2013 18	—	—	—	—
	2012 15	18	19	20	72
	2011 14	16	14	15	59
Nolato Telecom	2013 10	—	—	—	—
	2012 10	10	10	11	41
	2011 13	10	35	10	68
Nolato Industrial	2013 11	—	—	—	—
	2012 11	12	10	11	44
	2011 10	11	11	11	43
Group total	2013 39	—	—	—	—
	2012 36	40	39	42	157
	2011 37	37	60	36	170

## ■ Group financial highlights

Note	Q1 2013	Q1 2012	Rolling 12 months	Full year 2012
Net sales (SEK million)	1,254	837	4,291	3,874
Sales growth (%)	50	10	40	30
Percentage of sales outside Sweden (%)	82	71	78	75
Operating profit (EBITDA) (SEK million)	157	91	510	444
Operating profit (EBITA) (SEK million)	122	57	368	303
EBITA margin (%)	9.7	6.8	8.6	7.8
Profit after financial income and expense (SEK million)	113	51	334	272
Profit margin (%)	9.0	6.1	7.8	7.0
Profit after tax (SEK million)	85	37	250	202
Return on total capital (%)	13.6	9.4	13.6	11.9
Return on capital employed (%)	1	23.3	23.3	19.4
Return on operating capital (%)	1	26.3	26.3	22.6
Return on shareholders' equity (%)	1	20.9	20.9	17.7
Equity/assets ratio (%)	1	44	44	44
Debt/equity (%)	1	27	27	33
Interest coverage ratio (times)		34	21	26
Net investments affecting cash flow, excl. acq. and disposals (SEK million)		24	48	135
Cash flow after investments, excl. acq. and disposals (SEK million)		16	-32	365
Net debt (SEK million)	1	100	100	114
Earnings per share, basic and diluted (SEK)		3.23	1.41	9.50
Adjusted earnings per share (SEK)		3.35	1.44	10.04
Cash flow per share, excl. acq. and disposals (SEK)		0.61	-1.22	13.87
Shareholders' equity per share (SEK)	1	47	43	44
Average number of employees		11,418	6,577	8,421

### 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	Q1 2013	Q1 2012	Rolling 12 months	Full year 2012
Net sales	7	6	20	19
Other operating income	1	—	1	—
Selling expenses	-2	-2	-7	-7
Administrative expenses	-12	-9	-45	-42
Other operating expenses	—	-1	-2	-3
<b>Operating profit</b>	<b>-6</b>	<b>-6</b>	<b>-33</b>	<b>-33</b>
Profit from participations in Group companies	1	—	52	51
Financial income	5	5	25	25
Financial expenses	-6	-6	-36	-36
<b>Profit after financial income and expense</b>	<b>-6</b>	<b>-7</b>	<b>8</b>	<b>7</b>
Appropriations	—	—	149	149
Tax	-12	0	-51	-39
<b>Profit after tax</b>	<b>-18</b>	<b>-7</b>	<b>106</b>	<b>117</b>
Depreciation/amortisation	0	0	0	0

## ■ Parent Company balance sheet (summary)

SEK million	31/03/2013	31/03/2012	31/12/2012
<b>Assets</b>			
Intangible fixed assets	1	1	1
Property, plant and equipment	0	0	0
Financial assets	987	800	994
Deferred tax assets	7	6	4
<b>Total fixed assets</b>	<b>995</b>	<b>807</b>	<b>999</b>
Other receivables	421	418	472
Cash and bank	40	21	42
<b>Total current assets</b>	<b>461</b>	<b>439</b>	<b>514</b>
<b>Total assets</b>	<b>1,456</b>	<b>1,246</b>	<b>1,513</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	881	908	899
Untaxed reserves	179	160	179
Other provisions	5	4	5
Long-term liabilities	17	17	17
Current liabilities	374	157	413
<b>Total shareholders' equity and liabilities</b>	<b>1,456</b>	<b>1,246</b>	<b>1,513</b>
Pledged assets	—	—	—
Contingent liabilities	107	225	110

### 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	Q1 2013	7	-1	5	0	1	847	161
Subsidiary	Q1 2012	6	-1	3	0	—	726	162

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.



## NOTES

### Note 1 Change in provisions for pensions in IAS 19 regarding defined benefit pension plans

The amendment to IAS 19 regarding defined benefit pension plans applies to fiscal years starting on 1 January 2013 with retroactive application, and the previous application of the corridor method as an equalisation mechanism for actuarial gains/losses has thus been removed.

Effect of change in accounting principle SEK million	Adjusted opening bal. 01/01/2012	Adjusted profit 2012	Adjusted closing bal. 31/12/2012
<b>Impact on balance sheet</b>			
Provisions for pensions and similar obligations	37	-1	36
Deferred tax liabilities	-12	2	-10
Other provisions	9	0	9
Shareholders' equity	-34	-1	-35
<b>Impact on income statement</b>			
<b>Profit for the year</b>			
Other comprehensive income		1	
Tax on other comprehensive income		-2	
<b>Total other comprehensive income</b>		<b>-1</b>	

For Nolato, this has involved the recognised pension liability for PRI increasing by SEK 37 million at 31/12/2011 and by SEK 36 million at 31/12/2012.

Net debt has thus increased by the above amounts and the change is recognised retroactively in this report as of 31/12/2011.

Adding to the change in the pension liability itself is also a special employer's contribution liability, which is recognised under other provisions in the consolidated balance sheet. Furthermore, deferred tax is calculated on the change in pension liability, including the special employer's contribution recognised among deferred tax liabilities.

The total effect of the above is then recognised in other comprehensive income (equity) and has, at 31/12/2011, involved a reduction in equity of SEK 34 million and, at 31/12/2012, of SEK 35 million.

The change in closing balances between the years has been distributed linearly over the quarters.

Return on equity, the equity/assets ratio, debt/equity ratio and equity per share have been affected by the reduction in equity. Return on capital employed and operating capital have also been affected, but not materially.

All key ratios above have been retroactively restated in this report as of 31/12/2011.

### Note 2 Financial instruments

Financial instruments are measured at fair value in the statement of financial position, pursuant to measurement hierarchy Level 2.

SEK million	31/03/2013	31/03/2012	31/12/2012
<b>Other receivables</b>			
Derivative assets	4	4	3
<b>Other liabilities</b>			
Derivative liabilities	3	1	1

No instruments have been offset in the statement of financial position, but have been recognised gross.

For a description of the valuation techniques and input data for the fair value measurement of financial instruments, please see Note 33 of the 2012 Annual Report. For other financial assets and liabilities in the Group, the carrying amounts are a reasonable approximation of their fair values. For a specification of such financial assets and liabilities, please see note 34 in the 2012 Annual Report.