

## Financial Statement 2012

### Stable end to a tough 2012

#### Quarter 4

- Incoming orders amounted to SEK 734.8m (514.4), which adjusted is an increase of 5.5 %\*.
- Net sales amounted to SEK 762.9m (587.2), which adjusted is a decrease of 7.9 %\*.
- Operating profit excluding acquisition costs and restructuring costs was SEK 73.9m (59.8). The adjusted operating margin was 9.7% (10.2).
- Operating profit was SEK 70.1m (59.8). The operating margin was 9.2% (10.2).
- Net profit was SEK 47.1m (45.3).
- Earnings per share before and after dilution were SEK 4.02 (3.87).

#### January-December

- Incoming orders amounted to SEK 2,230.0m (2,024.5), which adjusted is a decrease of 2.1 %\*.
- Net sales amounted to SEK 2,272.6m (2,000.9), which adjusted is a decrease of 0.5 %\*.
- Operating profit excluding acquisition and restructuring costs was SEK 191.8m (167.0\*\*). The adjusted operating margin was 8.4% (8.3).
- Operating profit was SEK 175.6m (140.5). The operating margin was 7.7% (7.0).
- Net profit was SEK 117.1m (86.8).
- Earnings per share before and after dilution were SEK 10.00 (7.41).
- The board proposes a dividend of SEK 4.00 (3.25) per share.

\* adjusted for currency effects, acquisitions and disposals

\*\* adjusted for capital gains on disposal of subsidiaries

### CEO's comments

*“Orders grew organically by 5.5% in Q4, while sequential developments were strong between Q3 and Q4. Profit margins continued to improve however despite the lower sales figures compared with the same period last year. EFT, which was recently acquired, reported healthy growth over the quarter, especially in terms of profitability levels, where a favourable mix positively affected the quarter's earnings.*

*To further strengthen our competitive edge and optimise our supply chain we announced in January 2013 that we have now entered negotiations to discontinue manufacturing at the Group's plant in Denmark and intend moving manufacturing to the Group's plants in Poland and Germany.”*  
**Sven Kristensson, CEO**

## Key figures, Group

### Operating key figures, Group

Excluding restructuring/integration costs, acquisition costs and capital gain on disposal of subsidiaries.

SEK m	1 Oct-31 Dec		1 Jan-31 Dec	
	2012	2011	2012	2011
Net sales	762.9	587.2	2,272.6	2,000.9
EBITDA	85.5	69.1	235.8	209.1
EBITDA-margin, %	11.2	11.8	10.4	10.5
Operating profit	73.9	59.8	191.8	167.0
Operating margin, %	9.7	10.2	8.4	8.3
Operating cash flow	75.4	39.5	181.0	112.8
Return on operating capital, %	24.5	25.6	17.9	18.2
EBITDA/net financial items, multiple			10.3	6.4
Net debt/EBITDA, multiple*			2.25	1.8

### Financial key figures, Group

Including restructuring/integration costs, acquisition costs and capital gain on disposal of subsidiaries.

SEK m	1 Oct-31 Dec		1 Jan-31 Dec	
	2012	2011	2012	2011
Operating profit	70.1	59.8	175.6	140.5
Operating margin, %	9.2	10.2	7.7	7.0
Profit/loss before tax	61.1	54.8	152.8	107.8
Net profit/loss	47.1	45.3	117.1	86.8
Earnings per share, SEK	4.02	3.87	10.00	7.41
Return on shareholders' equity, %	31.9	33.5	19.9	16.5
Net debt			582.0	386.7
Net debt/equity ratio, %			94.1	69.5

\*) Includes EFT pro forma January-September 2012

## Development per operating segment

### EMEA

In the EMEA segment, organic incoming orders were somewhat below last year's level for the quarter, which is in line with previous announcements. We are seeing that a greater number of major investments in EMEA have been delayed over the year. The economic uncertainty in the Euro zone had a major impact, with significant differences between countries in this segment. Orders from Southern Europe were weak throughout the year and the Nordic countries were also hit by subsidence in the market economy, especially in the second half of the year. Markets like Germany and Poland however reported stability throughout much of the year.

Incoming orders in **Sweden** developed poorly compared with last year, which also however reported a number of major orders. The Swedish market is sensitive to economic fluctuations and orders, mainly of major projects, were negatively impacted by financial scepticism seen in the autumn. We expect basic demand to remain good.

In **Denmark** incoming orders fell in Q4. We are however seeing improvements in demand for solutions from the wood processing industry. Demand in the wind power sector, which is an important industry in Denmark, continues to be weak.

The **Norwegian** market reported more stability than its Nordic neighbours. Q4 developed better than the same period in 2011 and orders for the year were in line with last year. Many incoming orders still relate to investments by the oil sector and vehicle workshop industry.

The economy in **the UK** was weak throughout the year, but incoming orders improved slightly compared with last year for the year as a whole. In summary, we grew on a market that shrank over the year. In **Ireland**, which is a part of the same sales company, the trend has also been positive.

In **France** incoming orders overall were reported to be somewhat weaker than last year, but with a positive trend towards year-end. The market is difficult to predict considering the uncertain economic development in the country. Nederman has historically been a small player in relation to the size of the French market and there is extensive local competition.

In **Belgium** incoming orders were somewhat below that of last year. Activity on the market has however not seen any dramatic drop. We are still seeing good demand, mainly from the metal machining, wood processing and vehicle workshop sectors.

In **the Netherlands** the distribution company, Lebon & Gimbrair, which was acquired over the year, has been integrated with Nederman's existing business in the country, and is proceeding as planned. The market was characterised by a drop in demand over the year.

In **Poland** incoming orders for the year and Q4 were above the same period last year. There were high levels of activity on the Polish market in 2012 despite financial uncertainty in the rest of Europe.

In the **Czech Republic** incoming orders were weak throughout the year with investment decisions being delayed.

In **Germany** invoicing and incoming orders developed well in 2012. Q4 also reported much higher levels than the same period in 2011. We consider the market to be stable and see good demand from the metal processing and machining sectors, both in terms of solutions and products. The acquisition of EFT further strengthened our market position on Europe's biggest market.

Incoming orders in **Spain** and **Portugal** remained stable, but low, throughout the year. Southern Europe is still burdened by debt and high levels of unemployment.

In **Turkey** organic growth of incoming orders is strong. This is now being boosted further by the acquisition of parts of Havak, which was completed at the start of the year. Sales have tripled in overall terms in 2012. Demand is high for solutions in the metal processing, foundry and vehicle workshop sectors. This includes the installation over the year of Nederman's exhaust extractor for emergency vehicles for the Fire Department in Istanbul.

In **Russia** we reported good incoming orders over the year and for countries in **Eastern Europe** we reported gradual improvement in the market situation. During the year we won an important order for treatment of emissions from a steel plant in Ukraine.

SEK m	1 Oct-31 Dec		Full year	Full year
	2012	2011	2012	2011
Incoming orders	364.9	361.2	1,388.5	1,421.5
Net sales	373.2	409.8	1,418.9	1,416.8
Depreciation	-4.6	-4.7	-21.5	-22.8
Operating profit	50.8	49.2	142.1	147.8

\*) comparative figures for 2011 are adjusted according to organisational changes between EMEA and International.

Incoming orders for the fourth quarter amounted to SEK 364.9m, which is a decrease of 1.6 per cent adjusted for currency effects and acquisitions, compared to the same period last year.

Incoming orders for the whole year decreased by 5.6 per cent, adjusted for currency effects and acquisitions, compared to previous year.

Net sales for the fourth quarter amounted to SEK 373.2m, which is a decrease of 12.5 per cent adjusted for currency effects and acquisitions, compared to the same period last year.

Net sales for the whole year decreased by 3.6 per cent adjusted for currency effects and acquisitions, compared to previous year.

## International

The International operating segment reported mixed progress over the year. The Chinese market was disrupted by financial uncertainty and a political shift in leadership, which mainly meant that major investment decisions were delayed. The market developed positively in South East Asia and Oceania over the year. The North American market reported continued strong recovery and through the acquisition of EFT Nederman has been able to significantly improve its positioning. Demand remained strong in South America.

In **China** incoming orders were lower in Q3 and Q4, mainly for major projects. Economic uncertainty in the form of lower GDP growth and faltering export markets had a cooling effect on the investment climate. The new political leadership also caused a wait-and-see attitude to major investments. Product sales through our retailer network were in line with last year, despite uncertainty on the market. We have optimised our organisation and launched a more extensive range of filters over the year, which was well received on the market.

Markets in **South East Asia** developed strongly over the year with more incoming orders and invoicing. Recovery has been reported in **Thailand** following the previous downturn caused by the flooding in 2011. Setting up our new manufacturing plant in Bangkok is proceeding according to plan and will be put into operation in Q2. Inquiries are continually growing in **Indonesia** and **Malaysia** and we are seeing continued strong potential in areas such as foundry and grain handling applications. We see the potential for growth in the area of service thanks to our major installed base in the area.

The market stabilised in **India** in Q3 and Q4 compared with a more wait-and-see attitude in Q1 and Q2. There was a positive trend in incoming orders in Q4, above that of the same period in 2011. The strategy is still to build a strong retailer network in order to drive product sales and generate information about larger projects. Demand is mainly for extraction and filter products from the metal processing and vehicle workshop sectors, plus solutions for the foundry sector.

Incoming orders in **Australia** were good in Q4 as a result of our more extensive range of larger filter solutions. This healthy development is despite the country's

economy being affected by reduced demand for raw materials, causing slower decision-making processes regarding investment in the all-important mining industry. Over the longer term we consider the market potential is promising for larger filter solutions and the acquisition of EFT means that our market position is very competitive. We secured a major order from Bradken® at the end of Q4 for a complete solution for extracting and filtering exhaust gases from furnaces at their foundry in Queensland. This was publicised after the end of the period.

Nederman in **Brazil** reported good incoming orders and invoicing, both over the quarter and the year as a whole, clearly above last year's levels. We secured the single biggest order to date in the country in Q4, for a larger filter solution for ZF Sachs. We established an assembly plant in Sao Paolo over the year, which will cut lead times and improve our competitive strength.

In **the US** incoming orders followed a positive trend in Q4. Sales of Nordfab tubing systems also developed strongly. Apart from a degree of uncertainty on the market ahead of the presidential election in November the market reported cautious recovery. The acquisition of EFT gave us a strong market position and made us the second largest player in our industry in the US. This integration is proceeding according to plan and we can state that incoming orders for EFT have developed well since completion of the acquisition.

In **Canada** incoming orders fell below last year's levels, both for the quarter and for the year as a whole. The market was negatively affected by poorer demand for raw materials that not least affected the mining industry, which is all-important to the country. There was good activity on the market for products designed for the welding and vehicle workshop sectors, but investment decisions about major projects have been long, drawn-out processes. The acquisition of EFT also strengthened our position in Canada.

SEK m	1 Jan-31 Dec		Full year	Full year
	2012	2011	2012	2011
Incoming orders	185.2	153.2	656.8	603.1
Net sales	179.7	177.4	643.7	584.1
Depreciation	-2.7	-2.6	-11.3	-10.9
Operating profit	27.2	17.0	80.0	59.8

\*) comparative figures for 2011 are adjusted according to organisational changes between EMEA and International.

Incoming orders for the fourth quarter amounted to SEK 185.2m, which is an increase of 22.1 per cent adjusted for currency effects and acquisitions, compared to the same period last year.

Incoming orders for the whole year increased by 5.9 per cent adjusted for currency effects and acquisitions, compared to previous year.

Net sales for the fourth quarter amounted to SEK 179.7m, which is an increase of 2.8 per cent adjusted for currency effects and acquisitions, compared to the same period last year.

Net sales for the whole year increased by 6.9 per cent, adjusted for currency effects and acquisitions, compared to previous year.

## EFT

EFT reported somewhat poorer incoming orders in Q4 as a whole, however the good incoming orders over the year provided healthy invoicing for the quarter. As of Q1 2013 units will report according to their respective operating segments (see page 19).

**North America:** EFT in North America reported strong incoming orders in Q4. The majority of orders came from the energy sector, mineral processing and mining sectors. Aftermarket sales also contributed strongly. Incoming orders to the part of EFT known as LCI were also strong, with orders coming mainly from the chemicals, food and pharmaceutical industries.

In **Australia** we have seen good incoming orders and invoicing over the last quarter. The biggest customers are in the mining and mineral processing industries, grain production and manufacturing of bio-fuels from biogas, (the remains of sugar cane after the sugar has been processed).

Activities in **Germany** were affected more by Europe's micro-economy resulting in somewhat poorer incoming orders. Customers are mainly from the chemicals and processing industries.

Activities in **France** mainly concentrate on sales of advanced material filter bags and large exhaust gas treatment projects in steel manufacture, energy recovery and production of carbon black. Incoming orders and invoicing of filter bags were good throughout 2012. Meanwhile, incoming orders for major projects were weaker.

SEK m	1 Jan-31 Dec		PRO FORMA	
	2012	2011	Full year 2012	Full year 2011
Incoming orders	184.7		883.4	762.5
Net sales	210.0		803.3	793.2
Depreciation	-1.7		-6.1	-6.6
Operating profit	13.4		27.9	27.6

EFT is consolidated as from 25 September, 2012. The result for the last days in September has been posted in the fourth quarter.

Operating profit in the quarter for EFT has been positively affected by a favourable mix.

## Integration of acquisition

The acquisition of EFT was completed on 25 September 2012 and was consolidated into the Nederman Group's balance sheet from the takeover date. The entire results relating to EFT from the takeover date are reported in Q4.

In accordance with previous statements, the integration of EFT is expected to provide synergy effects of around SEK 45 million. One-off costs are expected, following closer analysis, to amount to around SEK 40 million.

Integration pilot studies were carried out in the autumn in North America and Australia, with France and Germany next in line in Q1 2013.

In summary, the integration is proceeding according to plan.

## Events after the closing date

Nederman announced in January 2013 it intends to streamline its production structure in Europe by divesting production carried out by Nederman Manufacturing A/S, Denmark. Nederman has started negotiations with union representatives about this divestment. The aim is to optimise production structures by transferring production to Nederman's other sites in Europe.

## Outlook

Bad news concerning developments in the economy is beginning to be mixed with a degree of positive indications.

However, restraint in investment decisions among our customers will affect Nederman in the first half of 2013, especially in Europe and to a certain degree also in China. A gradual improvement is expected later in the year.

As announced in an earlier report, we remain positive in our long-term outlook, however, there is still an underlying need for environmental investment.

## Dividend

The Board proposes a dividend of SEK 4.00 per share (3.25).

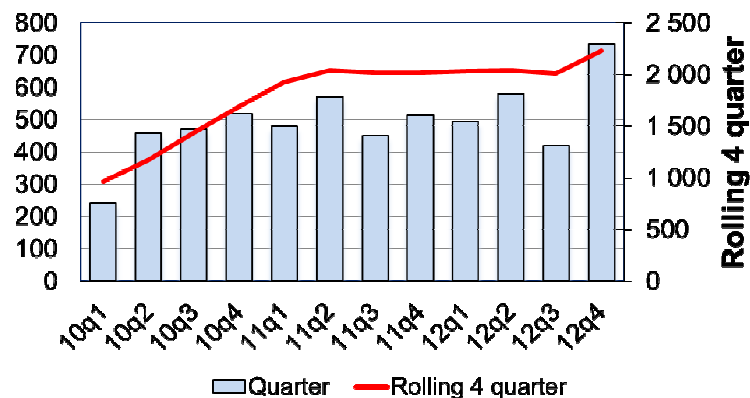
## Quarter 4

### Net sales and incoming orders

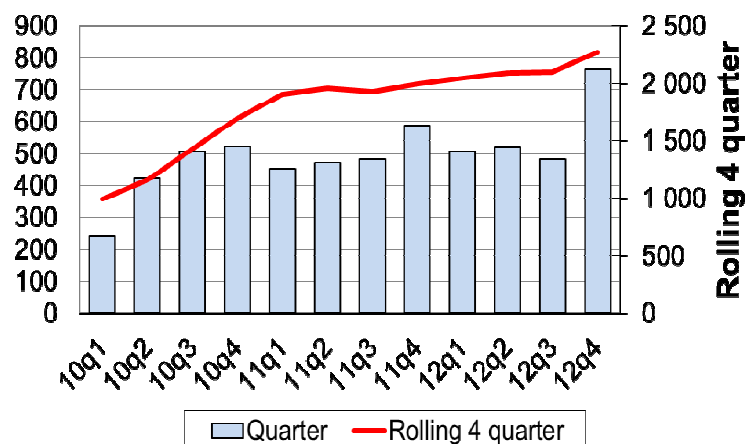
Incoming orders were SEK 734.8m (514.4), which adjusted for currency effects and acquisitions, was an increase of 5.5 per cent compared to the same quarter last year.

Net sales amounted to SEK 762.9m (587.2), which adjusted for currency effects and acquisitions, was a decrease of 7.9 per cent compared to the same quarter last year.

### Quarterly Orders Received SEKm



### Quarterly Invoicing SEKm



### Earnings

The Group's **operating profit** for the quarter was SEK 70.1m (59.8). Adjusted for acquisition and restructuring costs, the operating profit was SEK 73.9m (59.8), giving an operating margin of 9.7 per cent (10.2).

The **profit before tax** increased to SEK 61.1m (54.8).

The **net profit** was SEK 47.1m (45.3), giving earnings per share of SEK 4.02 (3.87).



## Operating cash flow and capital expenditure

The **operating cash flow** was SEK 75.4m (39.5).

**Capital expenditure** during the quarter was SEK 13.3m (7.9).

## January - December

### Sales and incoming orders

**Incoming orders** was SEK 2,230.0m (2,024.5), which adjusted for currency effects, acquisitions and divestments is a decrease of 2.1 per cent.

**Net sales** amounted to SEK 2,272.5m (2,000.9), which adjusted for currency effects, acquisitions and divestments is a decrease of 0.5 per cent.

### Earnings

The **operating profit** for the period was SEK 175.6m (140.5). Adjusted for acquisition and restructuring costs, the operating profit was SEK 191.8m (167.0), giving an operating margin of 8.4 per cent (8.3).

SEK 5.1m in restructuring costs have affected the operating profit.

**Return on operating capital** was 17.9 per cent compared to 18.2 per cent last year.

The **profit before tax** increased to SEK 152.8 m (107.8).

The **net profit** was SEK 117.1m (86.8), giving earnings per share of SEK 10.00 (7.41).

### Operating cash flow and capital expenditure

The **operating cash flow** was SEK 181.0m (112.8). The cash flow has been positively affected by the contribution from the operational business and the change in operating capital has been limited during the year.

**Capital expenditure** during the period was SEK 37.2m (24.9), of which capitalised development costs amounted to SEK 4.6m (4.6).

### Other financial information

**Liquidity:** At the end of the period the Group had SEK 224.6m in cash and cash equivalents as well as SEK 79.2m in available but unutilised overdraft facilities. In addition there was a credit facility of SEK 271.4m, which is a part of Nederman's loan agreement with SEB.

**The equity** in the Group as of 31 December 2012 amounted to SEK 618.3m (556.8). An ordinary dividend of 3.25 SEK per share was paid to shareholders in the second quarter, amounting in total to SEK 38.1m. The total number of shares was 11,715,340 at the end of the period.

The **equity/assets ratio** for the Group was 28.9 per cent as of 31 December 2012 (33.7). The net financial debt/equity ratio, calculated as net debt in relation to equity was 94.1 per cent (69.5).

## Number of employees

The average number of **employees** during the year was 1,613 (1,434). The number of employees at the end of the period was 1,937 (1,465).

## Risks and uncertainties

The Nederman Group and the parent company are exposed to a number of risks, mainly due to purchasing and selling of products in foreign currencies. The risks and uncertainties are described in detail in the Directors' Report on page 33 and in note 26 of the 2011 Annual Report. No circumstances have arisen to change the assessment of identified risks.

## Nominations committee

According to guidelines adopted by the AGM a nominations committee has been appointed comprising Göran Espelund (chairman), Lannebo Fonder, Jan Svensson, Investment AB Latour, and Fabian Hielte, Ernström & C:o AB ahead of the AGM in 2013. For questions concerning the work of the nominations committee, please contact: [goran.espelund@lannebofonder.se](mailto:goran.espelund@lannebofonder.se)

## Accounting policies

The interim report for the Group is prepared in accordance with IAS 34 Interim Financial Reporting and relevant paragraphs in the Swedish Annual Accounts Act. The interim report for the parent company has been prepared in accordance with Swedish Annual Accounts Act chapter 9, and RFR 2. The same accounting policies and valuation principles as described in the annual report 2011, pages 43-46 applies both to the group and the parent company.

This interim report gives a fair overview of the Group's and parent company's activities, position and results as well as describing the significant risks and uncertainties that the parent company and Group companies face.

This report has not been verified by the company's auditors.

Helsingborg, 12 February 2013

Sven Kristensson  
*Board Member and CEO*

## Consolidated income statement

SEK m	1 Oct–31 Dec		1 Jan–31 Dec	
	2012	2011	2012	2011
Net sales	762.9	587.2	2,272.6	2,000.9
Cost of goods sold	-459.6	351.8	-1,343.3	-1,170.8
<b>Gross profit</b>	<b>303.3</b>	<b>235.4</b>	<b>929.3</b>	<b>830.1</b>
Selling expenses	-169.4	-141.2	-581.1	-509.3
Administrative expenses	-45.5	-29.2	-130.8	-123.2
Research and development expenses	-4.9	-6.7	-19.6	-25.4
Acquisition expenses	-3.7		-11.1	-0.4
Restructuring/ integration expenses	-0.1		-5.1	-35.6
Other operating income/expenses	-9.6	1.5	-6.0	4.3
<b>Operating profit</b>	<b>70.1</b>	<b>59.8</b>	<b>175.6</b>	<b>140.5</b>
Financial income	-2.3	1.8	2.4	3.7
Financial expenses	-6.7	-6.8	-25.2	-36.4
<b>Net financial income/expenses</b>	<b>-9.0</b>	<b>-5.0</b>	<b>-22.8</b>	<b>-32.7</b>
<b>Profit before taxes</b>	<b>61.1</b>	<b>54.8</b>	<b>152.8</b>	<b>107.8</b>
Taxes	-14.0	-9.5	-35.7	-21.0
<b>Net profit</b>	<b>47.1</b>	<b>45.3</b>	<b>117.1</b>	<b>86.8</b>
<b>Net profit attributable to:</b>				
The parent company's shareholders	47.1	45.3	117.1	86.8
<b>Earnings per share</b>				
before dilution (SEK)	4.02	3.87	10.00	7.41
after dilution (SEK)	4.02	3.87	10.00	1.80

## Consolidated statement of comprehensive income

SEK m	1 Oct–31 Dec		1 Jan–31 Dec	
	2012	2011	2012	2011
<b>Net profit</b>	<b>47.1</b>	<b>45.3</b>	<b>117.1</b>	<b>86.8</b>
<b>Other comprehensive income</b>				
Translation differences	9.5	-12.5	-17.6	-10.6
<b>Total other comprehensive income</b>	<b>9.5</b>	<b>-12.5</b>	<b>-17.6</b>	<b>-10.6</b>
<b>Total comprehensive income</b>	<b>56.6</b>	<b>32.8</b>	<b>99.5</b>	<b>76.2</b>
<b>Total comprehensive income attributable to:</b>				
The parent company's shareholders	56.6	32.8	99.5	76.2

## Consolidated statement of financial position

SEK m	31 Dec 2012	31 Dec 2011
<b>Assets</b>		
Goodwill	599.8	464.5
Other intangible fixed assets	96.2	48.3
Tangible fixed assets	227.1	170.5
Long-term receivables	5.4	0.8
Deferred tax assets	64.2	56.0
<b>Total fixed assets</b>	<b>992.7</b>	<b>740.1</b>
Inventory	285.5	232.9
Accounts receivable	486.5	398.6
Other receivables	151.4	132.8
Cash and cash equivalents	224.6	149.1
<b>Total current assets</b>	<b>1,148.0</b>	<b>913.4</b>
<b>Total assets</b>	<b>2,140.7</b>	<b>1,653.5</b>
<b>Equity</b>	<b>618.3</b>	<b>556.8</b>
<b>Liabilities</b>		
Long-term interest bearing liabilities	687.6	490.6
Other long-term liabilities	14.3	15.1
Provision for pensions	84.7	41.8
Deferred tax liabilities	37.8	17.4
<b>Total long-term liabilities</b>	<b>824.4</b>	<b>564.9</b>
Current interest bearing liabilities	34.3	3.4
Accounts payable	250.3	129.9
Other liabilities	413.4	398.5
<b>Total current liabilities</b>	<b>698.0</b>	<b>531.8</b>
<b>Total liabilities</b>	<b>1,522.4</b>	<b>1,096.7</b>
<b>Total equity and liabilities</b>	<b>2,140.7</b>	<b>1,653.5</b>

## Consolidated statement of changes in equity in summary

SEK m	31 Dec 2012	31 Dec 2011
Opening balance on 1 January	556.8	498.1
Dividend paid	-38.1	-17.5
Total comprehensive income	99.5	76.2
<b>Closing balance at the end of period</b>	<b>618.3</b>	<b>556.8</b>

## Consolidated cash flow statement

SEK m	1 Jan–31 Dec 2012	2011
Operating profit	175.6	140.5
Adjustment for:		
Depreciation of fixed assets	44.0	42.1
Other adjustments	-7.2	-14.8
Interest received and paid incl. other financial items	-28.9	-33.5
Taxes paid	-38.8	-25.7
<b>Cash flow from operating activities before changes in working capital</b>	<b>144.7</b>	<b>108.6</b>
Cash flow from changes in working capital	-24.7	-78.9
<b>Cash flow from operating activities</b>	<b>120.0</b>	<b>29.7</b>
Net investment in fixed assets	-34.1	-20.9
Acquired/divested units	-128.4	16.9
<b>Cash flow before financing activities</b>	<b>-42.5</b>	<b>25.7</b>
Dividend paid	-38.1	-17.5
Cash flow from other financing activities	163.6	-85.6
<b>Cash flow for the period</b>	<b>83.0</b>	<b>-77.4</b>
Cash and cash equivalents at the beginning of the period	149.1	228.0
Translation differences	-7.5	-1.5
<b>Cash and cash equivalents at the end of the period</b>	<b>224.6</b>	<b>149.1</b>
<b>Operating cash flow</b>		
Operating profit	175.6	140.5
Adjustment for:		
Depreciation of fixed assets	44.0	42.1
Restructuring and integration costs	20.7	44.4
Acquisition costs	6.7	0.4
Other adjustments	-7.2	-14.8
Cash flow from changes in working capital	-24.7	-78.9
Net investment in fixed assets	-34.1	-20.9
<b>Operating cash flow</b>	<b>181.0</b>	<b>112.8</b>

	EFT		Other		Total	
	Reported value before acquisition	Fair value reported by Group	Reported value before acquisition	Fair value reported by Group	Reported value before acquisition	Fair value reported by Group
SEKm						
Acquisition price	157.1	157.1	21.4	21.4	178.5	178.5
Acquired liquid funds	-46.5	-46.5	-3.7	-3.7	-50.2	-50.2
Acquired units, cash flow effect	110.6	110.6	17.7	17.7	128.4	128.4
Fair value of acquired net assets		25.9		-11.8		14.1
Goodwill		136.5		5.9		142.5
<b>Acquired assets and liabilities</b>						
Intangible fixed assets	1.7	52.0	1.6	1.6	3.3	53.6
Tangible fixed assets	64.1	56.5	5.9	5.9	70.0	62.4
Financial fixed assets	3.6	3.6			3.6	3.6
Inventories	59.2	59.2	5.2	5.2	64.3	64.3
Accounts receivable and other receivables	172.7	172.7	19.5	19.5	192.2	192.2
Current tax receivables	2.3	2.3			2.3	2.3
Deferred tax assets		2.5		1.7		4.2
Liquid funds	46.5	46.5	3.7	3.7	50.2	50.2
Interest-bearing liabilities	-49.4	-49.4	-4.3	-4.3	-53.7	-53.7
Accounts payable and other operating liabilities	-308.0	-308.0	-17.3	-17.7	-325.2	-325.7
Current tax liabilities	-0.7	-0.7			-0.7	-0.7
Deferred tax liabilities	-6.9	-16.6			-6.9	-16.6
<b>Net assets</b>	<b>-14.9</b>	<b>20.6</b>	<b>15.8</b>	<b>15.5</b>	<b>1.0</b>	<b>36.1</b>
Of which liquid funds in acquired units		-46.5		-3.7		-50.2
<b>Fair value of acquired net assets</b>		<b>-25.9</b>		<b>11.8</b>		<b>-14.1</b>

## Income statement for the parent company in summary

SEK m	1 Oct-31 Dec		1 Jan-31 Dec	
	2012	2011	2012	2011
Operating result	-9.8	-11.0	-30.6	-43.8
Result from investment in subs.	111.0	89.2	130.1	89.2
Other financial items	-0.8	-8.2	-10.5	-14.1
<b>Result after financial items</b>	<b>100.4</b>	<b>70.0</b>	<b>89.0</b>	<b>31.3</b>
Group contribution	40.0	20.2	40.0	20.2
<b>Result before taxes</b>	<b>140.4</b>	<b>90.2</b>	<b>129.0</b>	<b>51.5</b>
Taxes	-9.5	-1.6	-2.8	12.5
<b>Net result</b>	<b>130.9</b>	<b>88.6</b>	<b>126.2</b>	<b>64.0</b>

## Statement of comprehensive income for the parent company

SEK m	1 Oct-31 Dec		1 Jan-31 Dec	
	2012	2011	2012	2011
<b>Net result</b>	<b>130.9</b>	<b>88.6</b>	<b>126.2</b>	<b>64.0</b>
Other comprehensive income				
<b>Total comprehensive income</b>	<b>130.9</b>	<b>88.6</b>	<b>126.2</b>	<b>64.0</b>

## Balance sheet for the parent company in summary

SEK m	31 Dec 2012	31 Dec 2011
<b>Assets</b>		
Total fixed assets	1,343.5	977.3
Total current assets	137.2	86.6
<b>Total assets</b>	<b>1,480.7</b>	<b>1,063.9</b>
<b>Shareholder's equity</b>	<b>484.5</b>	<b>406.3</b>
<b>Liabilities</b>		
Total long-term liabilities	683.6	488.9
Total current liabilities	312.6	168.7
<b>Total liabilities</b>	<b>996.2</b>	<b>657.6</b>
<b>Total shareholders' equity and liabilities</b>	<b>1,480.7</b>	<b>1,063.9</b>

## Statements of changes in shareholders' equity in summary

SEK m	31 Dec 2012	31 Dec 2011
Opening balance on 1 January	406.3	359.8
Dividend paid	-38.1	-17.5
Merger	-9.9	
Total comprehensive income	126.2	64.0
<b>Closing balance at the end of period</b>	<b>484.5</b>	<b>406.3</b>

## Related parties

SEK m	2012
<b>Subsidiaries</b>	
Other operating income	11.7
Dividends received	132.5
Group contributions	40.0
Financial income and expenses	7.8
Receivables on 31 December	587.3
Liabilities on 31 December	263.8

## Pledged assets and contingent liabilities for the parent company

SEK m	31 Dec 2012	31 Dec 2011
Pledged assets	none	none
Contingent liabilities	113.8	129.9



## Operating segment reporting

Undistributed items primarily constitute costs relating to Nederman Holding AB, which include the central main office departments.

### Consolidated operating segments

SEK m	1 Oct-31 Dec		Full year	Full year
	2012	2011*	2012	2011*
<b>Europe</b>				
Net sales	373.2	409.8	1,418.9	1,416.8
Depreciation	-4.6	-4.7	-21.5	-22.8
Operating profit **	50.8	49.2	142.1	147.8
<b>International</b>				
Net sales	179.7	177.4	643.7	584.1
Depreciation	-2.7	-2.6	-11.3	-10.9
Operating profit **	27.2	17.0	80.0	59.8
<b>Environmental Filtration Technologies</b>				
Net sales	210.0		210.0	
Depreciation	-1.7		-1.7	
Operating profit **	13.4		13.4	
<b>Not allocated</b>				
Depreciation	-2.6	-2.0	-9.5	-8.4
Operating profit**	-17.5	-6.5	-43.7	-40.6
<b>Group</b>				
Net sales	762.9	587.2	2,272.6	2,000.9
Depreciation	-11.6	-9.3	-44.0	-42.1
Operating profit **	73.9	59.8	191.8	167.0
Acquisition costs	-3.7		-11.1	-0.4
Restructuring and integration costs	-0.1		-5.1	-35.6
Capital gain on disposal of subsidiaries				9.5
Operating profit	70.1	59.8	175.6	140.5
Profit before taxes	61.1	54.8	152.8	107.8
Net profit	47.1	45.3	117.1	86.8

\*) comparative figures for 2011 are adjusted according to organisational changes between EMEA and International.

\*\*) excluding acquisition costs, restructuring costs and capital gains on disposal of subsidiaries

Consolidated operating segments including EFT pro forma Jan-Sept 2012

SEK m	1 Oct-31 Dec 2012	2011*	Full year 2012	Full year 2011*
<b>EMEA</b>				
Net sales	405.0	409.8	1,548.8	1,416.8
Depreciations	-4.7	-4.7	-22.3	-22.8
Operating profit **	51.1	49.2	139.9	147.8
<b>International</b>				
Net sales	357.9	77.4	1,317.1	584.1
Depreciations	-4.3	-2.6	-16.6	-10.9
Operating profit **	47.6	17.0	135.3	59.8
<b>Not allocated</b>				
Depreciations	-2.6	-2.0	-9.5	-8.4
Operating profit**	-24.8	-6.5	-68.9	-40.6
<b>Group</b>				
Net sales	762.9	587.2	2,865.9	2,000.9
Depreciations	-11.6	-9.3	-48.4	-42.1
Operating profit **	73.9	59.8	206.3	167.0

\*) comparative figures for 2011 are adjusted according to organisational changes between EMEA and International.

\*\*) excluding acquisition costs, restructuring costs and capital gains on disposal of subsidiaries

## Changes in operating segments in 2013

During 2012 Nederman's business operations were organized in two operating segments, EMEA and International. During the year a third operating segment comprising the acquired activities at EFT was added to the Group.

## Three operating segments from 2013

As a part of the integration of EFT the organization is being adapted from 2013. The business will be divided into three operating segments, EMEA, Asia-Pacific and Americas and these will be the Group's reporting units and will each include a part of the acquired business.

## Dates for the publication of financial information

Annual Report 2012	End of March, 2013
Q1 Report	29 April, 2013
Annual Meeting	29 April, 2013
Q2 Report	17 July 2013
Q3 Report	17 October 2013

This report contains forward-looking statements that are based on the current expectations of the management of Nederman. Although management believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove correct. Accordingly, results could differ materially from those implied in the forward-looking statements as a result of, among other factors, changes in economic, market and competitive conditions, changes in the regulatory environment and other government actions, fluctuations in exchange rates and other factors.

Nederman is required to disclose the information provided herein according to the Swedish Securities Exchange and Clearing Operations Act and/or the Financial Instrument Trading Act. The information was submitted for publication on 12 February 2013 at 8 a.m.

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### Facts about Nederman

Nederman is one of the world's leading companies supplying products and services in the environmental technology sector focusing on industrial air filtration and recycling. The company's products and systems are contributing to reducing the environmental effects from industrial production, to creating safe and clean working environments and to boosting production efficiency.

Nederman's offering encompasses everything from the design stage through to installation, commissioning and servicing. Sales are carried out via subsidiaries in 30 countries and agents and distributors in over 30 countries. Nederman develops and produces in its own manufacturing and assembly units in Europe, North America and Asia.

The Group is listed on Nasdaq OMX, Stockholm; it has (after the EFT acquisition) about 1 950 employees and sales of about SEK 3 billion.