



# INTERIM REPORT

## Q2

## 2012



### SECOND QUARTER 2012

- Incoming orders rose 4% to SEK 445 million (429)
- Net sales rose 7% to SEK 437 million (408)
- Profit before tax rose 10% to SEK 47 million (43)

### FIRST SIX MONTHS OF 2012

- Incoming orders rose 7% to SEK 895 million (836)
- Net sales rose 9% to SEK 863 million (792)
- Profit before tax rose 16% to SEK 95 million (82)
- Profit after tax increased by 16% to SEK 69 million (60)
- Earnings per share were SEK 3.00 (2.56)

# CEO's review

## **Strong growth continues in second quarter**

The economic trend have caused a slight general slow-down in demand particularly in Sweden and Finland during the second quarter. Despite this, OEM sales rose 7% to SEK 437 million, marking a new sales record for the Group. Incoming orders were also strong, with a 4% increase to SEK 445 million. The majority of the operations delivered growth in sales and earnings, with operations in Norway, Denmark, the UK and Elektro Elco AB showing strongest growth.

Ongoing efficiency measures and a slightly better gross margin have together boosted the operating margin from 10.6% to 10.8% this quarter.

## **Acquisition strengthens the position in the battery market in Finland**

One acquisition transaction was completed during the period. The company acquired was Akkupojat OY in Finland, with an annual turnover of approximately EUR 1.5 million. The company sells batteries in the Finnish market and is an excellent complement to the other battery sales in Finland. The acquisition is also in line with the Group's strategy to increase investment in the battery sector.

## **Continued forward-looking investments**

Operations moved into the new extension to the property in the Finnish city of Turku this quarter. The extension represented an investment of SEK 25 million and will enhance the efficiency of logistics processes and create opportunities for further expansion. We have also been continuing efforts to improve our web-based marketing and have launched five new websites this spring. These are based on our new digital platform that includes a product databases and e-commerce functions.

## **Strong financial position**

Over the past 12 months, we have generated a positive cash flow of SEK 124 million and the equity/assets ratio was 62% at the end of the period. This gives us a strong financial position, enabling us to continue to invest in our operations and pursue further acquisitions.

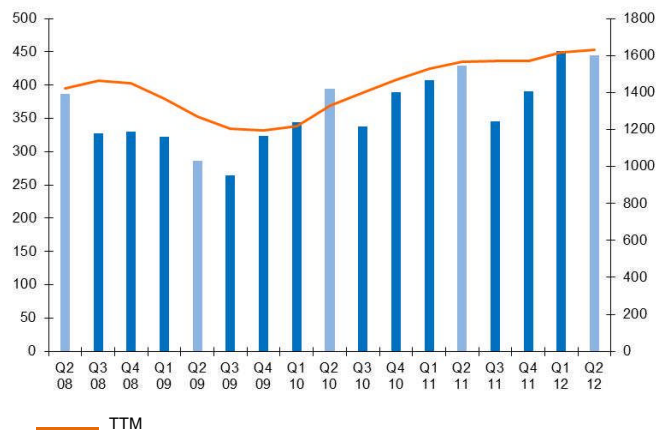
## **Positive trend**

During the first six months of the year, sales increased by 9% and operating profit by 15%. Despite the general uncertainty about economic prospects, operations have continued to develop in a positive direction. Another positive sign is our strong order book which, in the first six months, has exceeded invoicing by SEK 32 million.

Jörgen Zahlin  
Managing Director and Chief Executive Officer

# THE GROUP

## INCOMING ORDERS (SEK million)



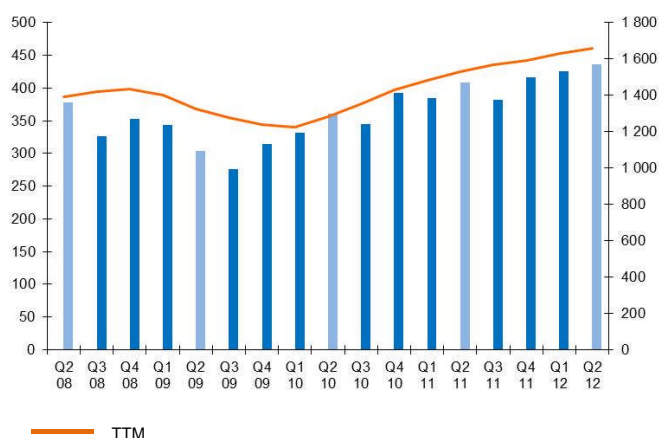
Incoming orders increased during the second quarter by 4% to SEK 445 million (429) compared with the previous corresponding quarter.

In total, for the first six months of 2012, incoming orders exceeded the corresponding period in the previous year by 7%, amounting to SEK 895 million (836).

Incoming orders in the first six months have been 4% higher than net sales.

On 30 June, 2012, order book volumes had fallen by 8% over the same period the previous year to SEK 264 million. This is due to a decrease in orders during the autumn of 2011.

## NET SALES (SEK million)



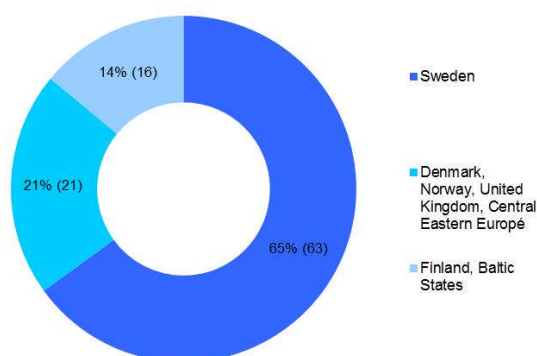
Net sales increased during the second quarter by 7% to SEK 437 million (408) compared with the previous corresponding quarter.

In the first six months of 2012, net sales exceeded the corresponding period in the previous year by 9%, amounting to SEK 863 million (792).

Net sales, excluding acquisitions, increased by 4%.

Most of the Group's operations were able to report a positive trend and the strongest percentage sales growth was delivered by Elektro Elco in Sweden and the operations in Norway, Slovakia and Poland.

## NET SALES BY REGION (SEK million)



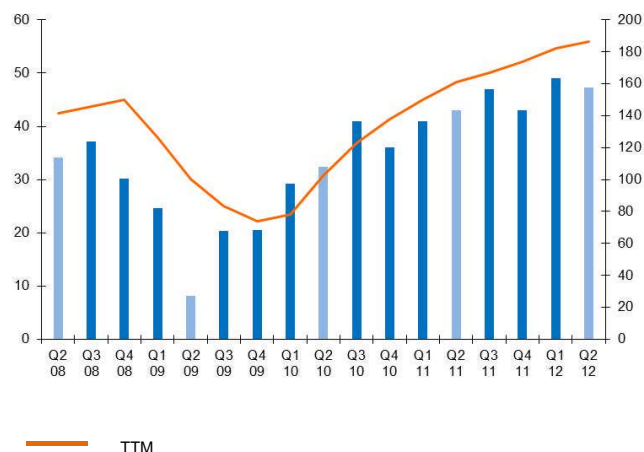
There are small changes across the regions, mainly due to implemented acquisitions.

Region Sweden has increased by 2% compared to the corresponding period last year due to the acquisitions made in 2011 and to Elektro Elco's strong growth.

Region Finland and the Baltic States reported a 2% decline.

The share of the market for Region Denmark, Norway, the UK and Central Eastern Europe remains unchanged which means that this region has experienced growth on a par with the Group.

## OPERATING PROFIT (SEK million)



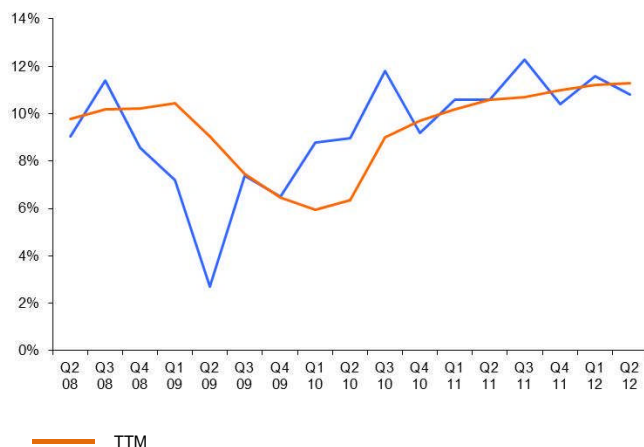
Operating profit increased during the second quarter by 9% to SEK 47 million (43) compared to the corresponding quarter last year.

Most of the operations have seen an upward trend in performance and the strongest development, measured as a percentage, was delivered by the operations in the Region Norway, Denmark, the UK and Central Eastern Europe.

The operating profit for the first six months exceeded the previous year by 15 %.

Operating profit for the trailing twelve months increased by 16% to SEK 186 million (161).

## OPERATING MARGIN (%)

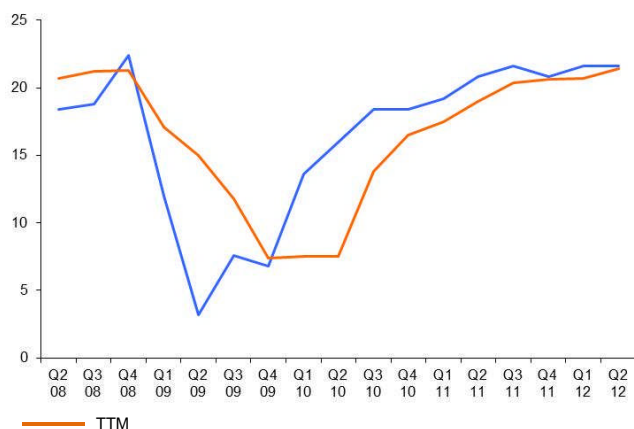


The operating margin increased during the second quarter of the year to 10.8% (10.6%).

The trailing-twelve-month operating margin has increased to 11.3% compared to 10.6% one year ago.

The stronger operating margin is attributable to ongoing efficiency measures and a slightly better gross margin.

## RETURN ON EQUITY (%)



The return on equity was 5.4% (5.2%) which is an improvement over the second quarter in the previous year.

The trailing-twelve-month return on equity was 21% (19%) which exceeds the 20% target.

Shareholders' equity amounted to SEK 634 million (586) with an equity/assets ratio of 62% (61%) at 30 June, 2012.

**Note:**  
The return on equity for each quarter is listed by four to provide a better comparison with the trailing twelve months in the diagram.

# THE REGIONS

## SWEDEN

Sales are conducted under the company names of OEM Automatic, OEM Motor, OEM Electronics, Internordic Bearings, Telfa and Elektro Elco, Svenska Helag, Svenska Batteripoolen and Flexitron.

	Q1- Q2	Q1- Q2	Full year	Trailing
SEK million	2012	2011	2011	12
Incoming orders	579	555	1025	1049
Net sales	559	515	1037	1081
Operating profit/loss	77	70	139	147
Operating margin (%)	14	14	13	14

Net sales increased by 9% in the first six months compared to the corresponding period last year. The effect of acquired business increased net sales by approximately SEK 33 million compared with last year, which represents 6%.

During the first six months, incoming orders were 3% higher than net sales.

Increased net sales and margin improvement resulted in a 10% increase in the operating profit.

## FINLAND AND THE BALTIC STATES

Sales are conducted under the company names of OEM Automatic, OEM Electronics, Internordic Bearings and Akkupojat.

	Q1- Q2	Q1- Q2	Full year	Trailing
SEK million	2012	2011	2011	12
Incoming orders	124	114	224	234
Set sales	119	115	229	233
Operating profit/loss	10	11	22	21
Operating margin (%)	9	10	10	9

Net sales increased by 3% in the first six months, compared to last year's corresponding period. Net sales increased by 4% measured in local currency. The effect of acquired business increased net sales by 3% measured in local currency.

Incoming orders exceed net sales by 4%.

Operating profit decreased during the first six months by 8% compared to last year's corresponding period. This is attributable to a lower gross margin and higher costs.

## DENMARK, NORWAY, UK, AND CENTRAL EASTERN EUROPE

Sales are conducted under the company names of OEM Automatic, OEM Automatic Klitsö and OEM Electronics.

	Q1- Q2	Q1- Q2	Full year	Trailing
SEK million	2012	2011	2011	12
Incoming orders	193	167	324	350
Net sales	185	162	324	346
Operating profit/loss	17	11	22	28
Operating margin (%)	9	7	7	8

Net sales increased by 14 % in the first six months compared to the corresponding period last year. The effect of acquired business increased net sales by approximately SEK 2 million compared with last year, which represents 1%.

During the first six months, incoming orders were 4 % higher than net sales.

Increased net sales and margin improvement resulted in a 51% increase in the operating profit. The business operations in Norway, Denmark and the UK are primarily responsible for the significant improvement in performance.



# INFORMATION

## Cash flow

Cash flow from operating activities was SEK 58 million (42). Cash flow generated by operating activities was SEK 124 million (130) in the trailing twelve months. Total cash flow was SEK -29 million (-31) in the first six months and was affected by investing activities of SEK 32 million (27) and dividends of SEK 81 million (70).

## Investments

The Group's investments in property, plant and equipment totalled SEK 31 million (31). Property, machinery and equipment accounted for SEK 21 million (10), other intangible assets for SEK 5 million (0) and business combinations for SEK 5 million (21).

## Cash and cash equivalents

Cash and cash equivalents, comprising cash and bank balances, amounted to SEK 133 million (143). Together with committed but undrawn credit facilities, cash and cash equivalents amounted to SEK 339 million (358) on 30 June, 2012.

## Intangible assets

Amortisation of intangible assets totalling SEK 7.3 million (6.2) has been charged to the income statement. The value recognised in the Statement of Financial Position on 30 June, 2012, was SEK 141 million (122).

## Equity/assets ratio

On 30 June, 2012, the equity/assets ratio was 62% (61%).

## Employees

The Group's average number of employees for the period was 607 (548). At the end of the period, the number of employees was 610 (567).

## Share repurchase

The company has not repurchased any shares during the period. The company's total shareholding was 61,847 shares on 30 June, 2012, which is equivalent to 0.3% of the total number of shares. The Annual General Meeting is authorised to repurchase up to 10% of the shares, which is the equivalent of 2,316,930 shares.

## Acquisitions

All shares in Akkupojat OY have been acquired.

Akkupojat OY reports annual sales of approximately EUR 1.5 million and markets batteries in Finland. The company became part of the Finland and Baltic States region on 1 May, 2012. The consideration for the business acquired amounted to

EUR 0.5 million plus an additional consideration, based on how the business develops in 2012 and 2013, estimated at EUR 0.2 million. The acquisition is expected to have a marginal positive impact on OEM's profit this year.

## Preliminary acquisition cost estimate

	Recognised value in the company	Fair value adjustment	Group fair value
The acquired company's net assets at the time of acquisition			
Intangible fixed assets	-	3.2	3.2
Other non-current assets	0.3	-	0.3
Inventories	3.8	-	3.8
Other current assets	1.1	-	1.1
Other liabilities	-3.3	-0.8	-4.1
Net identifiable assets/liabilities	1.9	2.4	4.3
Consolidated goodwill	-	1.8	1.8
Consideration			6.1

As a result of the acquisition, other intangible assets have increased by SEK 3.2 million. The amount relates to customer relationships that will be amortised over a 5-year period.

OEM normally uses an acquisition structure with a base consideration and additional contingent consideration. The additional consideration is initially valued at the present value of the probable earnings, which amounts to SEK 1.6 million for this year's acquisition. The period for the additional consideration is two years and the earnings may amount to a maximum of SEK 1.8 million.

Transaction expenses for the acquisition completed during the period amount to SEK 0 million. A revaluation of additional contingent considerations has not yet been carried out.

The effect of the implemented acquisition on consolidated sales during the first six months is approximately SEK 3.3 million and on profit before tax approximately SEK 0.4 million.

## Accounting policies

This condensed consolidated interim report has been prepared in compliance with IAS 34 Interim Financial Reporting and applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in compliance with Chapter 9, Interim Reports, of the Swedish Annual Accounts Act. The Group and the Parent Company have applied the same accounting policies and basis of preparation as in the latest annual report.

## Risks and uncertainties

The OEM Group is exposed to both business-related risks and financial risks through its activities. Business-related risks include competition and operational risks, and financial risks include liquidity risk, interest rate risk and currency risk. The OEM Group's financial activities and management of financial risks are conducted primarily by the Parent Company. Frameworks for risk management procedures and risk mitigation are in place. These frameworks are characterised by a low risk level. The basis is the structured and efficient management of the financial risks that arise in the business. For a complete report on the risks affecting the Group, please refer to page 7 and pages 46-49 of the 2011 annual report. No changes have occurred during the period.

## Estimates and assessments

Preparation of the interim report requires company management to make estimates, assessments and assumptions that affect the application of the accounting policies and the reported amounts for assets, liabilities, income and expenses. Actual outcomes may differ from these estimates and assessments. The critical assessments and sources of uncertainty in the estimates are the same as in the latest annual report, page 51.

**Related party transactions**

No related party transactions have been entered into that materially affected the financial position or the performance of the Group and Parent Company during the year.

**Parent Company**

Net sales were SEK 9.1 million (9.3) and profit after financial items was SEK 19 million (0.5).

**Events after the close of the reporting period**

There were no significant events after the reporting date.

**Date of next report**

The interim report for the period January – September 2012 will be published on 22 October 2012.

**Assurance**

The Board of Directors and the Managing Director declare that the six-month interim report gives a true and fair view of the Group's and the Parent Company's operations, position and income and describes the principal risks and uncertainties faced by the Parent Company and the Group's Companies.

Tranås, Sweden, 16 July 2012

Lars-Åke Rydh  
Chairman of the Board

Ulf Barkman  
Member of the Board

Hans Franzén  
Member of the Board

Jerker Löfgren  
Member of the Board

Petter Stillström  
Member of the Board

Agne Svenberg  
Member of the Board

Jörgen Zahlin  
Managing Director and Chief Executive Officer

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

For further information, please contact Managing Director Jörgen Zahlin, on +46 (0)75-242 40 22 or Finance Director Jan Cnattingius on +46 (0)75-242 40 03.

The information in the report is such that OEM International AB (publ) is obliged to publish in accordance with the Securities Act. The information was released to the media for publication on 16 July 2012 at 2 p.m.



# REGIONS' SALES AND EARNINGS

## TURNOVER AND RESULTS BY REGION \*

### Net turnover (SEK million) \*

	Jan- June 2012	Jan- June 2011	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Trailing 12 mth	Full year 2011
Sweden, external income	559	515	279	280	277	244	270	1 081	1 037
Sweden, income from other segments	44	30	22	22	19	17	15	80	66
Finland and the Baltic States, external income	119	115	62	57	57	57	58	233	229
Finland and the Baltic States, income from other segments	1,2	1,3	0,7	0,5	0,8	0,4	0,6	2,4	2,4
Denmark, Norway, the United Kingdom and Central Eastern Europe, external income	185	162	96	89	81	80	80	346	324
Denmark, Norway, the United Kingdom and Central Eastern Europe, income from other segments	0,5	3,3	0,3	0,2	0,2	0,3	3,0	0,9	3,7
Other operating segments/elimination	-45	-35	-23	-23	-20	-17	-19	-83	-72
	863	792	437	426	415	382	408	1 660	1 590

### Operating profit (SEK million) \*

	Jan- June 2012	Jan- June 2011	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Trailing 12 mth	Full year 2011
Sweden	77	70	36	42	32	37	39	147	139
Finland and the Baltic States	10	11	5,5	4,6	4,4	6,7	5,2	21	22
Denmark, Norway, the United Kingdom and Central Eastern Europe	17	11	9,9	7,1	3,7	7,0	4,9	28	22
	105	93	51	54	40	51	49	195	183

### Consolidated profit/loss (SEK million) \*

	Jan- June 2012	Jan- June 2011	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Trailing 12 mth	Full year 2011
Operating profit, above segments	105	93	51	54	40	51	49	195	183
Group functions	-7,9	-8,4	-3,7	-4,2	3,3	-4,4	-5,3	-9,0	-9,6
Net financial items	-1,4	-1,7	-0,5	-0,9	0,2	0,1	-0,8	-1,2	-1,4
Profit/loss before tax	95	82	47	48	43	47	43	185	172

### Other disclosures (SEK million) \*

	Jan- June 2012	Jan- June 2011	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Trailing 12 mth	Full year 2011
<u>Sweden</u>									
Assets	509	460	509	554	538	477	460	520	538
Liabilities	201	179	201	277	300	161	179	235	300
<u>Finland and the Baltic States</u>									
Assets	109	88	109	92	87	88	88	94	87
Liabilities	47	42	47	40	38	36	42	40	38
<u>Denmark, Norway, the United Kingdom and Central Eastern Europe</u>									
Assets	166	162	166	169	153	167	162	164	153
Liabilities	79	72	79	68	68	67	72	70	68

\* Continuing operations

# THE GROUP'S PERFORMANCE AND FINANCIAL POSITION

## CONDENSED CONSOLIDATED COMPREHENSIVE INCOME STATEMENT (SEK MILLION)

	Jan- June 2012	Jan- June 2011	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Trailing 12 mth	Full year 2011
<b>Continuing operations</b>									
Net sales	863	792	437	426	415	382	408	1 660	1 590
Other operating income	0,3	0,0	0,3	0,0	0,3	0,0	0,0	0,6	0,3
Operating costs	-751	-694	-382	-369	-365	-328	-358	-1 444	-1 388
Intangible asset amortisation	-7,3	-6,2	-3,7	-3,6	-3,6	-3,2	-3,2	-14	-13
Depreciation of property, plant and equipment	-8,4	-7,7	-4,2	-4,2	-3,8	-3,9	-3,9	-16	-15
<b>Operating profit/loss</b>	<b>97</b>	<b>84</b>	<b>47</b>	<b>49</b>	<b>43</b>	<b>47</b>	<b>43</b>	<b>186</b>	<b>174</b>
Net financial income/expense	-1,4	-1,7	-0,5	-0,9	0,2	0,1	-0,8	-1,2	-1,4
<b>Profit/loss before tax</b>	<b>95</b>	<b>82</b>	<b>47</b>	<b>48</b>	<b>43</b>	<b>47</b>	<b>43</b>	<b>185</b>	<b>172</b>
Tax	-26	-23	-13	-13	-11	-13	-12	-50	-47
<b>Profit/loss for the period from continuing operations</b>	<b>69</b>	<b>60</b>	<b>33</b>	<b>36</b>	<b>32</b>	<b>34</b>	<b>31</b>	<b>135</b>	<b>126</b>
<b>Discontinued operations</b>									
Profit/loss for the period from discontinued operations, net after tax	0,1	-0,2	0,0	0,1	2,3	0,1	-0,1	2,5	2,2
<b>Profit/loss for the period</b>	<b>69</b>	<b>59</b>	<b>33</b>	<b>36</b>	<b>34</b>	<b>34</b>	<b>31</b>	<b>138</b>	<b>128</b>
<b>Other comprehensive income</b>									
Exchange differences for the period arising on translation of foreign operations	-1,7	2,4	-1,1	-0,6	-5,9	2,2	3,9	-5,3	-1,2
<b>Other comprehensive income for the period</b>	<b>-1,7</b>	<b>2,4</b>	<b>-1,1</b>	<b>-0,6</b>	<b>-5,9</b>	<b>2,2</b>	<b>3,9</b>	<b>-5,3</b>	<b>-1,2</b>
<b>Comprehensive income for the period</b>	<b>68</b>	<b>62</b>	<b>32</b>	<b>35</b>	<b>29</b>	<b>36</b>	<b>35</b>	<b>133</b>	<b>127</b>
Earnings per share outstanding, SEK *	3,00	2,55	1,45	1,55	1,49	1,48	1,31	5,97	5,52
Earnings per share outstanding from continuing operations, SEK*	2,99	2,56	1,44	1,55	1,39	1,48	1,32	5,86	5,43
Earnings per total shares, SEK *	2,99	2,55	1,44	1,55	1,49	1,48	1,31	5,96	5,52
Earnings per total shares from continuing operations, SEK*	2,99	2,56	1,44	1,55	1,38	1,48	1,32	5,85	5,42

\* Earnings are attributable to shareholders of the parent company.

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (SEK MILLION)

	2012-06-30	2011-06-30	2011-12-31
<b>Fixed assets</b>			
Goodwill	66	60	64
Other intangible assets	75	63	74
<b>Total intangible assets</b>	<b>141</b>	<b>122</b>	<b>138</b>
Property, plant and equipment	200	182	188
Financial fixed assets	0,1	3,5	0,6
<b>Total property, plant and equipment</b>	<b>200</b>	<b>186</b>	<b>189</b>
Deferred tax assets	2,2	4,0	2,2
<b>Total financial fixed assets</b>	<b>2,2</b>	<b>4,0</b>	<b>2,2</b>
<b>Total fixed assets</b>	<b>343</b>	<b>312</b>	<b>330</b>
<b>Current assets</b>			
Inventories	258	230	269
Current receivables	293	274	262
Cash and cash equivalents	133	143	162
<b>Total current assets</b>	<b>684</b>	<b>647</b>	<b>693</b>
<b>Total assets</b>	<b>1 027</b>	<b>959</b>	<b>1 023</b>
<b>Equity</b>	<b>634</b>	<b>586</b>	<b>648</b>
Non-current interest-bearing liabilities	21	19	21
Provisions for pensions	0,5	0,0	0,5
Non-current, non-interest-bearing liabilities	4,6	0,0	7,4
Deferred tax liabilities	65	54	65
<b>Total non-current liabilities</b>	<b>90</b>	<b>74</b>	<b>94</b>
Current interest-bearing liabilities	95	86	65
Current non-interest-bearing liabilities	207	213	216
<b>Total current liabilities</b>	<b>302</b>	<b>299</b>	<b>281</b>
<b>Total equity and liabilities</b>	<b>1 027</b>	<b>959</b>	<b>1 023</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SEK MILLION)

	2012-06-30	2011-06-30	2011-12-31
At beginning of year	648	594	594
Comprehensive income for the period	68	62	127
Repurchase of own shares in the period	0,0	0,0	-3,3
Dividends paid	-81	-70	-70
At the end of the period	634	586	648

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT (SEK MILLION)

	Jan- June 2012	Jan- June 2011	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Trailing 12 mth	Full year 2011
<b>Cash flows from operating activities</b>									
<b>before changes in working capital</b>	<b>84</b>	<b>70</b>	<b>41</b>	<b>43</b>	<b>51</b>	<b>46</b>	<b>34</b>	<b>181</b>	<b>166</b>
Changes in working capital	-26	-28	-5,7	-21	-9,1	-21	-7,0	-57	-58
<b>Cash flows from operating activities</b>	<b>58</b>	<b>42</b>	<b>35</b>	<b>23</b>	<b>41</b>	<b>24</b>	<b>27</b>	<b>124</b>	<b>108</b>
Cash flows from investing activities	-32	-27	-18	-14	-23	-6,8	-13	-62	-57
<b>Cash flows after investing activities</b>	<b>26</b>	<b>15</b>	<b>17</b>	<b>9,1</b>	<b>18</b>	<b>18</b>	<b>14</b>	<b>62</b>	<b>51</b>
Cash flows from financing activities									
- Changes in financing liabilities	26	23	8,9	18	-2,8	-9,9	6,5	14	10
- Dividends paid	-81	-70	-81	0,0	0,0	0,0	-70	-81	-70
- Repurchase of own shares	0,0	0,0	0,0	0,0	-3,3	0,0	0,0	-3,3	-3,3
<b>Cash flows from financing activities</b>	<b>-54</b>	<b>-46</b>	<b>-72</b>	<b>18</b>	<b>-6,1</b>	<b>-9,9</b>	<b>-63</b>	<b>-70</b>	<b>-62</b>
<b>Cash flows for the period</b>	<b>-29</b>	<b>-31</b>	<b>-55</b>	<b>27</b>	<b>12</b>	<b>7,8</b>	<b>-49</b>	<b>-9</b>	<b>-11</b>
Cash and cash equivalents at the beginning of the period	162	173	188	162	151	143	191	143	173
Exchange rate differences	-0,2	1,0	-0,1	-0,1	-1,7	0,4	1,2	-1,6	-0,3
<b>Cash and cash equivalents at the end of the period</b>	<b>133</b>	<b>143</b>	<b>133</b>	<b>188</b>	<b>162</b>	<b>151</b>	<b>143</b>	<b>133</b>	<b>162</b>

## KEY PERFORMANCE INDICATORS

	Jan- June 2012	Jan- June 2011	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Trailing 12 mth	Full year 2011
Return on equity, %	10,8	10,0	5,4	5,4	5,2	5,4	5,2	21,4	20,6
Return on capital employed, % *	13,3	12,5	6,7	6,6	6,1	6,7	6,7	26,1	25,3
Return on total capital % *	9,6	9,1	4,8	4,8	4,2	5,0	4,8	18,8	18,3
Equity/assets ratio, %	61,8	61,1							63,3
Earnings per share outstanding, SEK	3,00	2,55	1,45	1,55	1,49	1,48	1,31	5,97	5,52
Earnings per share outstanding from continuing operations, SEK*	2,99	2,56	1,44	1,55	1,39	1,48	1,32	5,86	5,43
Earnings per total shares, SEK	2,99	2,55	1,44	1,55	1,49	1,48	1,31	5,96	5,52
Earnings per total shares from continuing operations, SEK*	2,99	2,56	1,44	1,55	1,38	1,48	1,32	5,85	5,42
Equity per total shares, SEK	27,38	25,29							27,95
Average number of shares outstanding (thousands)	23 107	23 169	23 107	23 107	23 147	23 169	23 169	23 133	23 164
Total average shares (thousands)	23 169	23 169	23 169	23 169	23 169	23 169	23 169	23 169	23 169
Operating margin, % *	11,2	10,6	10,8	11,6	10,4	12,3	10,6	11,3	10,9

\* Marked KPIs apply to continuing operations. Comparative figures do not include discontinued operations.

Other KPIs apply for the total operations (including discontinued operations) when the Statement of Financial Position for the comparison periods, in accordance with IFRS 5, is not recalculated.

# THE PARENT COMPANY'S PERFORMANCE AND FINANCIAL POSITION

## CONDENSED INCOME STATEMENT OF THE PARENT COMPANY (SEK MILLION)

	Jan- June 2012	Jan- June 2011	Q2 2012	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Trailing 12 mth	Full year 2011
Net sales	9,1	9,3	4,4	4,7	28	4,4	4,9	41	41
Operating costs	-20	-20	-10	-10	-8,3	-9,2	-11	-37	-38
Depreciation	-1,5	-1,5	-0,8	-0,8	-0,9	-0,8	-0,8	-3,2	-3,2
<b>Operating profit/loss</b>	<b>-12</b>	<b>-13</b>	<b>-6,4</b>	<b>-5,9</b>	<b>18</b>	<b>-5,5</b>	<b>-7,3</b>	<b>0,5</b>	<b>0,2</b>
Income from investments in Group companies	31	12	31	0,0	119	0,0	12	150	132
Net financial income/expense	0,9	1,0	0,5	0,4	0,5	0,5	0,6	1,9	2,1
<b>Profit/loss after financial items</b>	<b>19</b>	<b>0,5</b>	<b>25</b>	<b>-5,5</b>	<b>138</b>	<b>-5,0</b>	<b>5,4</b>	<b>152</b>	<b>134</b>
Appropriations	0,0	0,0	0,0	0,0	-32	0,0	0,0	-32	-32
<b>Profit/loss before tax</b>	<b>19</b>	<b>0,5</b>	<b>25</b>	<b>-5,5</b>	<b>106</b>	<b>-5,0</b>	<b>5,4</b>	<b>120</b>	<b>102</b>
Tax	3,0	3,0	1,5	1,4	-29	1,2	1,8	-25	-25
<b>Profit/loss for the period</b>	<b>22</b>	<b>3,6</b>	<b>26</b>	<b>-4,1</b>	<b>76</b>	<b>-3,8</b>	<b>7,2</b>	<b>94</b>	<b>76</b>

## CONDENSED PARENT COMPANY BALANCE SHEET (SEK MILLION)

Assets	2012-06-30	2011-06-30	2011-12-31
Intangible fixed assets	15	3,5	10
Property, plant and equipment	21	20	22
Financial fixed assets	316	307	307
<b>Total fixed assets</b>	<b>352</b>	<b>330</b>	<b>339</b>
Current receivables	174	121	223
Cash and bank balances	89	101	102
<b>Total current assets</b>	<b>263</b>	<b>222</b>	<b>325</b>
<b>Total assets</b>	<b>615</b>	<b>552</b>	<b>664</b>
<b>Equity and liabilities</b>			
Equity	304	293	363
Untaxed reserves	130	98	130
Deferred tax liabilities	2,0	2,0	2,0
Non-current, non-interest-bearing liabilities	4,6	0,0	7,4
<b>Total non-current liabilities</b>	<b>4,6</b>	<b>0,0</b>	<b>7,4</b>
Current interest-bearing liabilities	0,0	0,0	0,0
Current non-interest-bearing liabilities	174	159	162
<b>Total current liabilities</b>	<b>174</b>	<b>159</b>	<b>162</b>
<b>Total equity and liabilities</b>	<b>615</b>	<b>552</b>	<b>664</b>
Pledged assets	7,5	7,5	7,5
Contingent liabilities	202	196	212

OEM is one of Europe's leading technology trading companies and consists of 25 operating units in 14 countries.

