



# FINANCIAL STATEMENT

## Full year 2012



### FOURTH QUARTER 2012

- Incoming orders were SEK 398 million (391)
- Net sales were SEK 408 million (416)
- Profit before tax amounted to SEK 28 million (43)
- Three acquisitions were completed with an annual sale of approximately SEK 60 million

### FULL YEAR 2012

- Incoming orders rose 4% to SEK 1,630 million (1,573)
- Net sales rose 3% to SEK 1,631 million (1,590)
- Profit before tax amounted to SEK 159 million (172)
- Profit after tax amounted to SEK 127 million (126)
- Earnings per share were SEK 5.47 (5.52)\*
- The Board proposes a dividend of SEK 3.75 per share (3.50)

\*Refers comprehensive income.

# CEO'S REVIEW

## Fourth quarter

Demand in the third and fourth quarters has been lower than in the first two quarters of the year. Although consolidated sales fell by 2% to SEK 408 million, incoming orders were up 2% to SEK 398 million compared to the year-ago quarter.

It is mainly our operations in Sweden and Finland that have experienced decreased demand, with the exception of Elektro Elco AB which continues to report steady demand. The entire Group was also affected by the fact that December had fewer working days. In addition to Elektro Elco AB, the Denmark, Norway, UK and Central Eastern Europe region has shown continued growth.

The drop in turnover caused the operating margin to fall to 7.0% (10.4%) in the fourth quarter. The operating margin for the year as a whole was 9.9% (10.9%).

The year was marked by a record first half followed by six months of weaker demand. Year-end results show 3% growth in sales and a 7% decrease in operating profit. Net sales, excluding acquisitions and the impact of currency translation, increased by 1%.

## Record year for several operations

The operations in Norway, Denmark, Poland, the Czech Republic and the UK, and Elektro Elco AB in Sweden, delivered robust performances and reported a record year. The business units in our newest markets, which are still small, achieved significant growth in sales during the year, 51 percent in China and 24 percent in Slovakia.

## Three acquisitions in the fourth quarter

TemFlow Control AB, with an annual turnover of approximately SEK 13 million, was acquired on 23 October. Vanlid Transmission AB and its subsidiaries Ronson Transmission AB and Fenix Transmission AB, with an annual turnover of approximately SEK 30 million, were acquired on 1 November. The final acquisition of the quarter was made on 1 December with the purchase of the British company, Datasensor UK Ltd, with an annual turnover of GBP 1.5 million. This brings the total number of acquisitions for the year to four, with a combined annual turnover of approximately SEK 70 million. OEM's ambition is to annually acquire businesses with an aggregate annual turnover of at least SEK 100 million.

## Strong financial position

This year, we have generated a positive cash flow from operating activities amounting to SEK 126 million and have paid out SEK 81 million in dividends. Cash and cash equivalents amount to SEK 181 million, despite a cash outflow of about SEK 60 million for investments and acquisitions. Good liquidity with an equity/assets ratio of 63 %, we remain in a strong financial position for developing our business and pursuing further acquisitions.

## Stronger position creates a good starting point

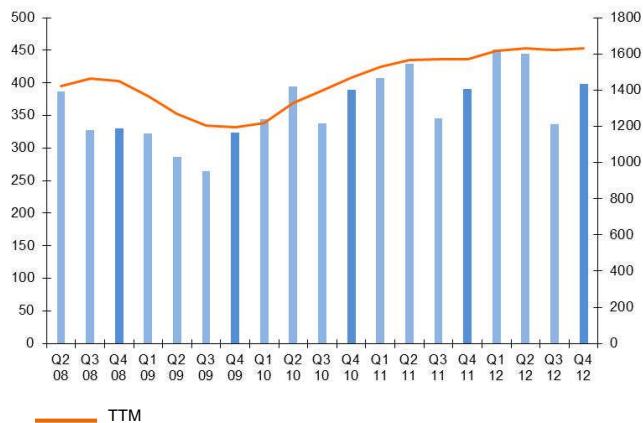
Throughout the year, we continued developing our product portfolio by expanding our range and making acquisitions. We also improved the strength of our business by investing in logistics, e-commerce and a new business management system.

The Group's experienced management team has previously shown the ability to be able to respond to the ups and downs of the economy. We are currently working to adapt our operations to the lower level of demand and are keeping a close watch on the many interesting business opportunities that are presenting themselves in the current economic situation.

Jörgen Zahlin  
Managing Director and Chief Executive Officer

# THE GROUP

## INCOMING ORDERS (SEK million)



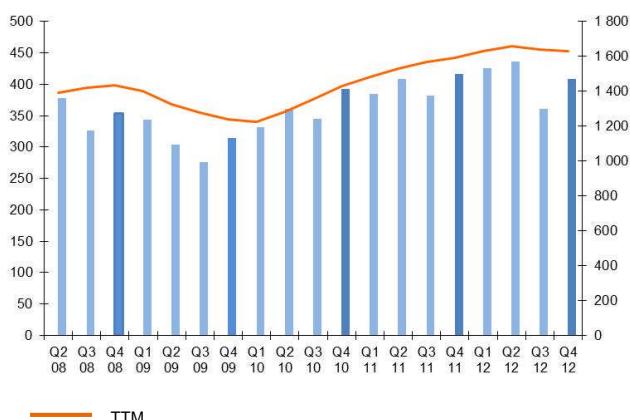
Incoming orders increased by 2% to SEK 398 million (391) compared with last year. During the period, incoming orders were 2% lower than net sales.

Total incoming orders for 2012 exceeded last year's figure by 4%.

Total incoming orders for 2012 have been in line with net sales.

On 31 December 2012, the order book had increased slightly over the previous year to SEK 231 million (229).

## NET SALES (SEK million)



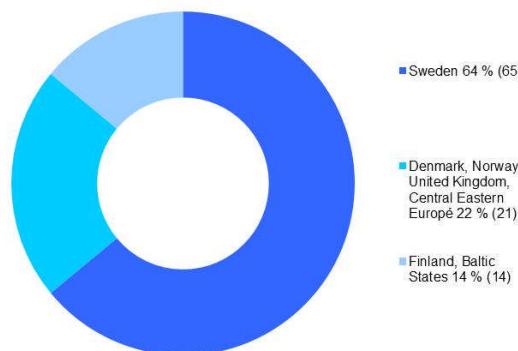
In the fourth quarter, net sales decreased by 2% to SEK 408 million (416) over the year-ago quarter.

Net sales for 2012 were up by 3% on last year's figures to SEK 1,631 million (1,590).

Excluding acquisitions and the impact of foreign currency exchange rate fluctuations, net sales increased by 1%.

Most of the companies are in line with last year's figures, while Elektro Elco AB in Sweden and the operations in Slovakia, Poland, China and Denmark have reported positive percentage net sales growth.

## NET SALES BY REGION



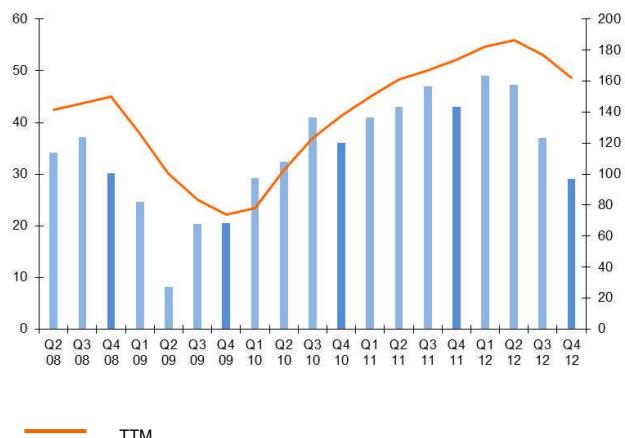
There are small percentage changes across the regions compared to last year, due mainly to implemented acquisitions.

Region Sweden's share has fallen to 64%. The region's 2% growth is attributable to businesses acquired in 2011 and 2012 and Elektro Elco's strong expansion.

The Finland and Baltic States region has a 14% share, which is the same as in 2011.

The share of the market for the Denmark, Norway, UK and Central Eastern Europe region has increased by 1% to 22%. 8% of the region's 9% growth has been realised through organic

## OPERATING PROFIT (SEK million)

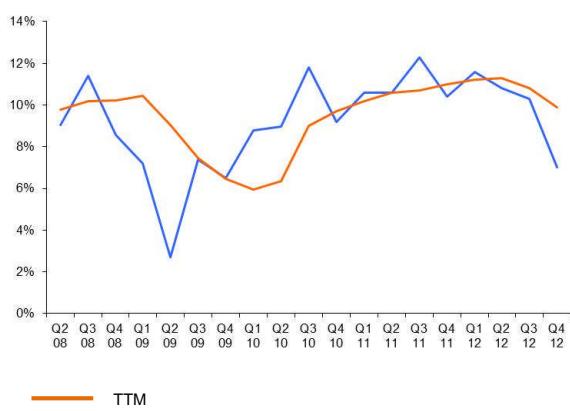


The operating profit decreased during the fourth quarter by 34% to SEK 28 million (43) compared with the year-ago quarter.

The operating profit for 2012 was down 7% on last year, due to operations in Sweden and Finland/Baltic States.

The positive earnings trend continues for the operations in the Norway, Denmark, UK and Central Eastern Europe region.

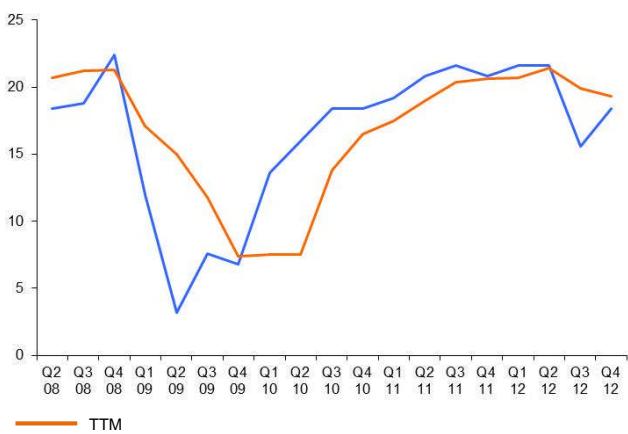
## OPERATING MARGIN (%)



The operating margin was 7.0% (10.4%) in the fourth quarter.

The operating margin was 9.9% (10.9%) for 2012.

## RETURN ON EQUITY (%)



The return on equity was 4.2% compared with 5.2% in the fourth quarter of 2011.

The return on equity for 2012 was 19% (21%) which is slightly below the 20% target.

Shareholders' equity amounted to SEK 689 million (648) with an equity/assets ratio of 63% (63%) at 31 December 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, Elektro Elco, Svenska Helag, Svenska Batteripoolen, Flexitron, TemFlow Control, Vanlid Transmission, Ronson Transmission and Fenix Transmission.

SEK million	Full year 2012	Full year 2011
Incoming orders	1,059	1,025
Net sales	1,054	1,037
Operating profit/loss	127	139
Operating margin (%)	12	13

Fourth quarter net sales were down 4% on the year-ago quarter.

Net sales increased by 2% in 2012. The effect of acquired business increased net sales by approximately SEK 43 million compared with last year, which represents 4%.

The operating profit is down 9% on last year due to a slightly lower gross margin and increased cost base.

## FINLAND AND THE BALTIC STATES

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

SEK million	Full year 2012	Full year 2011
Incoming orders	226	224
Net sales	225	229
Operating profit/loss	17	22
Operating margin (%)	7	10

Fourth quarter net sales were down 2% on the year-ago quarter.

Net sales decreased by 2% in 2012. Net sales increased by 2% measured in local currency. The effect of acquired business increased net sales by 5% measured in local currency.

The operating profit for the year was down 25% on last year. This is attributable to a lower gross margin and higher costs.

## DENMARK, NORWAY, UNITED KINGDOM, AND CENTRAL EASTERN EUROPE

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

SEK million	Full year 2012	Full year 2011
Incoming orders	344	324
Net sales	352	324
Operating profit/loss	30	22
Operating margin (%)	8	7

Fourth quarter net sales were up 6% on the year-ago quarter.

Net sales increased by 9% in 2012. The effect of acquired business increased net sales by approximately SEK 2 million compared with last year, which represents 1%.

Increased net sales and margin improvement resulted in a 35% increase in the operating profit. The business operations in Norway, Poland and Denmark are primarily responsible for the significant improvement in performance.

# OTHER FINANCIAL INFORMATION

## Cash flow

Cash flow from operating activities during the year was SEK 126 million (108). Cash flow totalled SEK 20 million (-11) during the year and was affected by investing activities of SEK -60 million (-57) and dividends of SEK -81 million (-70).

## Investments

The Group's investments in property, plant and equipment totalled SEK 72 million (69). Property, machinery and equipment accounted for SEK 35 million (24), other intangible assets for SEK 13 million (8) and business combinations for SEK 24 million (37).

## Cash and cash equivalents

Cash and cash equivalents, comprising cash and bank balances, amounted to SEK 181 million (162). Cash and cash equivalents, together with committed but undrawn credit facilities, amounted to SEK 383 million (397) on 31 December, 2012.

## Intangible assets

Amortisation of intangible assets totalling SEK 16 million (13) has been charged to the income statement. The value recognised in the Statement of Financial Position on 31 December, 2012, was SEK 157 million (138).

## Equity/assets ratio

The equity/assets ratio on 31 December 2012 was 63% (63%).

## Employees

The Group's average number of employees for the period was 623 (570). At the end of the period, the number of employees was 622 (587). 21 of these employees come from acquired companies.

## Share repurchase

The company has not repurchased any shares during the period. The company's total shareholding was 61,847 shares on 31 December, 2012, which is equivalent to 0.3% of the aggregate 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 were acquired on 1 May.

Akkupojat OY reports annual sales of approximately SEK 13 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 SEK 4.6 million plus contingent consideration, which is based on how the business develops in 2012 and 2013 and is estimated at SEK 1.6 million. The acquisition has had a positive impact on OEM's profit for the year.

All shares in TemFlow Control AB were acquired on 23 October. TemFlow Control AB reports sales of approximately SEK 13 million and markets components and systems for monitoring and control of pressure, flow and temperature, in the Swedish market. The company is part of Region Sweden. The consideration for the business acquired amounted to SEK 4 million as well as a contingent consideration which is based on how the business develops in 2013 and is estimated at SEK 1 million. The acquisition has had a marginal impact on OEM's profit for the year.

All shares in Vanlid Transmission AB, and its subsidiaries Ronson Transmission AB and Fenix Transmission AB, were acquired on 1 November. The Group of companies reports sales of approximately SEK 30 million and markets transmission products in Sweden. The company is part of Region Sweden. The consideration for the business acquired amounted to SEK 8 million. The acquisition has had a marginal impact on OEM's profit for the year.

All shares in the British company, Datasensor UK Ltd, were acquired on 1 December by OEM International's UK subsidiary, OEM Automatic Ltd. Datasensor UK Ltd reports sales of approximately SEK 16 million and markets sensors from Italian Datalogic in the UK. Datasensor UK Ltd will be merged with OEM Automatic in the UK in the beginning of 2013. The company is part of the Denmark, Norway, UK and Central Eastern Europe region. The consideration for the business acquired amounted to SEK 10 million as well as a contingent consideration which, based on how the business develops in 2013, is estimated at SEK 3.6 million. The acquisition has had a marginal impact on OEM's profit for the year.

#### **Acquisition cost estimate (SEK million)**

The acquired companies' net assets at the time of acquisition	Company carrying values	Fair value adjustment	Group fair value
Intangible fixed assets	-	20.5	20.5
Other fixed assets	0.5	-	0.5
Inventories	12.4	-	12.4
Other current assets	21.7	-	21.7
Other liabilities	-20.2	-4.7	-24.9
Net identifiable assets/liabilities	14.4	15.8	30.2
Consolidated goodwill	-	2.8	2.8
Cash consideration			33.0

As a result of the acquisition, other intangible assets have increased by SEK 20.5 million. The amount relates to customer and supplier relationships that will be amortised over a 5-year period.

OEM normally uses an acquisition structure with a base consideration and contingent consideration. Contingent consideration is initially valued at the present value of the probable earnings, which amounts to SEK 6.3 million for the acquisitions made during the year. The period for contingent consideration is two years and the earnings may amount to a maximum of SEK 7.9 million.

Acquisition-related transaction expenses for the period amount to SEK 0.5 million.

The impact of acquisition transactions on consolidated sales in 2012 is approximately SEK 19 million and on profit before tax approximately SEK 1 million.

#### **Remeasurement of contingent considerations**

Developments in previously implemented acquisitions have resulted in revaluation of contingent considerations recognised as liability that have decreased by SEK 3.1 million. This has had a positive impact on the operating profit for the year.

#### **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 the Swedish Annual Accounts Act Chapter 9, Interim Report and the Securities Market Act. The Group and the Parent Company have applied the same accounting policies and basis of preparation as in the latest annual report.

In November, the Swedish Government decided to reduce the corporate tax rate from 26.3% to 22% in Sweden, effective from 1 January, 2013. As at 31 December 2012, the reduced corporate tax rate had a SEK 8 million impact on consolidated net earnings and equity.

## **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. This must be complemented with the economic slowdown that the company is experiencing, which is having an impact on net sales and earnings.

## **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 period, except for intra-Group dividend payments.

## **Parent Company**

Net sales were SEK 41 million (41) and profit after financial items was SEK 151 million (134).

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

There are no significant events to report after the close of the reporting period.

## **Nomination Committee**

The Nomination Committee for the Annual General Meeting on 22 April 2013 comprises:

Lars-Åke Rydh (Chairman)

Hans Franzén

Jerker Löfgren, Orvaus AB

Agne Svenberg

Benkt Stillström, AB Traction

The Nomination Committee can be contacted through Lars-Åke Rydh, tel. +46 (0)705-924570 or via e-mail [lasserydh.se](mailto:lasserydh.se)

## **Dividend**

The Board proposes a dividend of SEK 3.75 per share (3.50). The proposed dividend amounts to SEK 87 million (81).

## **Annual Report**

The 2012 Annual Report will be distributed at the end of March 2013 and will be available at Head Office and on the Company's website from week 12.

### **Annual General Meeting**

The Annual General Meeting will be held at 4 p.m. on 22 April 2013, at Badhotellet in Tranås.

### **Financial information**

OEM will release financial information as follows:

AGM 2013	22 April, 2013
Interim report Q1 2013	22 April, 2013
Interim report Q2 2013	15 July, 2013
Interim report Q3 2013	17 October, 2013
Financial statement 2013	19 February, 2014

Tranås, Sweden, 19 February 2013

Jörgen Zahlin  
Managing Director and Chief Executive Officer

The company's auditors have not conducted a special audit of this report.

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 this report is of such a nature that its disclosure by OEM International AB (publ.) is required under the Swedish Securities Market Act. The information was released to the media for publication on 19 February 2013 at 2 p.m.

# REGIONS' SALES AND EARNINGS

## SALES & EARNINGS BY REGION \*

### Net sales (SEK million) \*

	Jan-Dec 2012	Jan-Dec 2011	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011
Sweden, external income	1 054	1 037	267	228	279	280	278
Sweden, income from other segments	84	66	23	17	22	22	19
Finland and the Baltic States, external income	225	229	55	51	62	57	57
Finland and the Baltic States, income from other segments	2,4	2,4	0,5	0,7	0,7	0,5	0,8
Denmark, Norway, the United Kingdom and Central Eastern Europe, external income	352	324	86	81	96	89	81
Denmark, Norway, the United Kingdom and Central Eastern Europe, income from other segments	1,1	3,7	0,3	0,3	0,3	0,2	0,2
Other operating segments/elimination	-88	-72	-24	-18	-23	-23	-20
	1 631	1 590	408	361	437	426	416

### Operating profit (SEK million) \*

	Jan-Dec 2012	Jan-Dec 2011	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011
Sweden	127	139	23	26	36	42	32
Finland and the Baltic States	17	22	1,9	4,6	5,5	4,6	4,4
Denmark, Norway, the United Kingdom and Central Eastern Europe	30	22	6,5	6,3	9,9	7,1	3,7
	174	183	32	37	51	54	40

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

	Jan-Dec 2012	Jan-Dec 2011	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011
Operating profit segment above	174	183	32	37	51	54	40
Group functions	-11	-9,6	-3,4	-0,1	-3,7	-4,2	3,3
Net financial items	-3,7	-1,4	-0,3	-1,9	-0,5	-0,9	0,2
Profit/loss before tax	159	172	28	35	47	48	43

### Other disclosures (SEK million) \*

	Jan-Dec 2012	Jan-Dec 2011	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011
Sweden							
Assets	490	478	490	516	509	554	478
Liabilities	267	276	267	187	201	277	276
Finland and the Baltic States							
Assets	86	82	86	106	109	92	82
Liabilities	30	31	30	45	47	40	31
Denmark, Norway, the United Kingdom and Central Eastern Europe							
Assets	161	134	161	158	166	169	134
Liabilities	55	46	55	67	79	68	46

\* Continuing operations

# THE GROUP'S PERFORMANCE AND FINANCIAL POSITION

## CONDENSED CONSOLIDATED COMPREHENSIVE INCOME STATEMENT (SEK MILLION)

	Jan-Dec 2012	Jan-Dec 2011	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011
<b>Continuing operations</b>							
Net sales	<b>1 631</b>	1 590	408	361	437	426	416
Other operating income	<b>3,1</b>	0,3	0,7	2,2	0,3	0,0	0,3
Operating costs	<b>-1 439</b>	-1 388	-371	-318	-382	-369	-365
Amortisation of intangible assets	<b>-16</b>	-13	-4,6	-3,9	-3,7	-3,6	-3,6
Depreciation of property, plant and equipment	<b>-17</b>	-15	-4,7	-4,3	-4,2	-4,2	-3,8
<b>Operating profit/loss</b>	<b>162</b>	174	29	37	47	49	43
Net financial income/expense	<b>-3,7</b>	-1,4	-0,3	-1,9	-0,5	-0,9	0,2
<b>Profit/loss before tax</b>	<b>159</b>	172	28	35	47	48	43
Taxes	<b>-32</b>	-47	2,7	-8,7	-13	-13	-11
<b>Profit/loss for the period from continuing operations</b>	<b>127</b>	126	31	27	33	36	32
<b>Discontinued operations</b>							
Profit/loss for the period from discontinued operations, net after tax	<b>-0,1</b>	2,2	-0,1	0,0	0,0	0,1	2,3
<b>Profit/loss for the period</b>	<b>127</b>	128	31	27	33	36	34
<b>Other comprehensive income</b>							
Exchange differences for the period on translation of overseas operations	<b>-4,2</b>	-1,2	3,2	-5,6	-1,1	-0,6	-5,9
<b>Other comprehensive income for the period</b>	<b>-4,2</b>	-1,2	3,2	-5,6	-1,1	-0,6	-5,9
<b>Total comprehensive income for the period</b>	<b>122</b>	127	34	21	32	35	29
Earnings per outstanding share, SEK*	<b>5,47</b>	5,52	1,32	1,15	1,45	1,55	1,49
Earnings per outstanding share from continuing operations, SEK*	<b>5,47</b>	5,43	1,33	1,15	1,44	1,55	1,39
Earnings per total shares, SEK*	<b>5,45</b>	5,52	1,31	1,15	1,44	1,55	1,49
Earnings per total shares from continuing operations, SEK*	<b>5,46</b>	5,42	1,33	1,14	1,44	1,55	1,38

\* Earnings attributable to parent company shareholders. There are no dilution effects.

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

	2012-12-31	2011-12-31
Fixed assets		
Goodwill	66	64
Other intangible assets	91	74
<b>Total intangible assets</b>	<b>157</b>	138
Property, plant and equipment	202	188
<b>Total property, plant and equipment</b>	<b>202</b>	188
Financial assets	0,1	0,6
<b>Total financial assets</b>	<b>0,1</b>	0,6
<b>Total fixed assets</b>	<b>359</b>	327
Deferred tax assets	1,4	2,2
Current assets		
Inventories	295	269
Current receivables	264	262
Cash and cash equivalents	181	162
<b>Total current assets</b>	<b>740</b>	693
<b>Total assets</b>	<b>1 101</b>	1 023
Equity	689	648
Non-current interest-bearing liabilities	19	21
Provisions for pensions	0,5	0,5
Non-current non-interest-bearing liabilities	0,7	7,4
Deferred tax liabilities	62	65
<b>Total non-current liabilities</b>	<b>82</b>	94
Current interest-bearing liabilities	101	65
Current non-interest-bearing liabilities	228	216
<b>Total current liabilities</b>	<b>329</b>	281
<b>Total equity and liabilities</b>	<b>1 101</b>	1 023

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

	2012-12-31	2011-12-31
At beginning of year	648	594
Total comprehensive income for the period	122	127
Repurchase of own shares for the period	0,0	-3,3
Dividends paid	-81	-70
<b>At the end of the period</b>	<b>689</b>	648

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT (SEK MILLION)

	Jan-Dec 2012	Jan-Dec 2011	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011
<b>Cash flows from operating activities</b>							
<b>before changes in working capital</b>	<b>154</b>	166	36	34	41	43	51
Changes in working capital	-28	-58	12	-13	-5,7	-21	-9,1
<b>Cash flows from operating activities</b>							
	<b>126</b>	108	47	21	35	23	41
Cash flows from investing activities	-60	-57	-18	-10	-18	-14	-23
<b>Cash flows after investing activities</b>							
	<b>66</b>	51	29	11	17	9	18
<b>Cash flows from financing activities</b>							
- Change in financial liabilities	35	10	16	-7,2	8,9	18	-2,8
- Dividends paid	-81	-70	0,0	0,0	-81	0,0	0,0
- Repurchase of own shares	0,0	-3,3	0,0	0,0	0,0	0,0	-3,3
<b>Cash flows from financing activities</b>	<b>-46</b>	-62	16	-7,2	-72	18	-6,1
<b>Cash flows for the period</b>	<b>20</b>	-11	45	3,6	-55	27	12
Cash and cash equivalents at the beginning of the period	<b>162</b>	173	135	133	188	162	151
Exchange rate differences	-0,7	-0,3	0,5	-1,0	-0,1	-0,1	-1,7
<b>Cash and cash equivalents at the end of the period</b>	<b>181</b>	162	181	135	133	188	162

## KEY PERFORMANCE INDICATORS

	Jan-Dec 2012	Jan-Dec 2011	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011
<b>Return on equity, %</b>							
Return on equity, %	<b>18,9</b>	20,6	4,2	3,9	5,4	5,4	5,2
Return on capital employed, % *	<b>21,7</b>	25,3	3,7	4,7	6,7	6,6	6,1
Return on total capital % *	<b>15,8</b>	18,3	2,6	3,6	4,8	4,8	4,2
<b>Equity/assets ratio, %</b>	<b>62,6</b>	63,3					
Earnings per outstanding share, SEK	<b>5,47</b>	5,52	1,32	1,15	1,45	1,55	1,49
Earnings per outstanding share from continuing operations, SEK*	<b>5,47</b>	5,43	1,33	1,15	1,44	1,55	1,39
Earnings per total shares, SEK	<b>5,45</b>	5,52	1,31	1,15	1,44	1,55	1,49
Earnings per total shares from continuing operations, SEK*	<b>5,46</b>	5,42	1,33	1,14	1,44	1,55	1,38
<b>Equity per total shares, SEK</b>	<b>29,74</b>	27,95					
Average number of outstanding shares (thousands)	<b>23 107</b>	23 164	23 107	23 107	23 107	23 107	23 147
Average total shares (thousands)	<b>23 169</b>	23 169	23 169	23 169	23 169	23 169	23 169
Operating margin, % *	<b>9,9</b>	10,9	7,0	10,2	10,8	11,6	10,4

\* 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-Dec 2012	Jan-Dec 2011	Q4 2012	Q3 2012	Q2 2012	Q1 2012	Q4 2011
Net sales	41	41	27	4,9	4,4	4,7	28
Operating costs	-38	-38	-10	-7,7	-10	-9,8	-8,3
Depreciation	-4,2	-3,2	-1,7	-1,0	-0,8	-0,8	-0,9
<b>Operating profit/loss</b>	<b>-0,7</b>	<b>0,2</b>	<b>15</b>	<b>-3,8</b>	<b>-6,4</b>	<b>-5,9</b>	<b>18</b>
Income from investments in Group companies	151	132	120	0,0	31	0,0	119
Net financial income/expense	1,3	2,1	0,2	0,2	0,5	0,4	0,5
<b>Profit/loss after financial items</b>	<b>151</b>	<b>134</b>	<b>136</b>	<b>-3,6</b>	<b>25</b>	<b>-5,5</b>	<b>138</b>
Appropriations	-23	-32	-23	0,0	0,0	0,0	-32
<b>Profit/loss before tax</b>	<b>129</b>	<b>102</b>	<b>113</b>	<b>-3,6</b>	<b>25</b>	<b>-5,5</b>	<b>106</b>
Taxes	-26	-25	-30	0,9	1,5	1,4	-29
<b>Profit/loss for the period</b>	<b>103</b>	<b>76</b>	<b>83</b>	<b>-2,6</b>	<b>26</b>	<b>-4,1</b>	<b>76</b>

## CONDENSED PARENT COMPANY BALANCE SHEET (SEK MILLION)

<b>Assets</b>	<b>2012-12-31</b>	<b>2011-12-31</b>
Intangible fixed assets	21	10
Property, plant and equipment	21	22
Financial assets	326	307
<b>Total fixed assets</b>	<b>368</b>	<b>339</b>
Current receivables	226	223
Cash and bank balances	124	102
<b>Total current assets</b>	<b>350</b>	<b>325</b>
<b>Total assets</b>	<b>718</b>	<b>664</b>
<b>Equity and liabilities</b>		
<b>Equity</b>	<b>385</b>	<b>363</b>
Untaxed reserves	153	130
Deferred tax liabilities	1,7	2,0
Non-current non-interest-bearing liabilities	0,7	7,4
<b>Total non-current liabilities</b>	<b>0,7</b>	<b>7,4</b>
Current interest-bearing liabilities	0,0	0,0
Current non-interest-bearing liabilities	178	162
<b>Total current liabilities</b>	<b>178</b>	<b>162</b>
<b>Total equity and liabilities</b>	<b>718</b>	<b>664</b>
Pledged assets	7,5	7,5
Contingent liabilities	182	212

OEM is one of Europe's leading technology trading companies and consists of 28 operating units in 14 countries.

