



Lindab Group presentation Q4 2012



**Carl-Gustav Nilsson,
Acting CEO
Per Nilsson, CFO**



New President and CEO



- Anders Berg, 40, M. Sc. Industrial Engineering
- Will take office on 18 March 2013
- 8 years within the steel manufacturer SSAB, most recently Vice President Operations, Asia-Pacific



Lindab Group – Q4 2012 Highlights

Margin improvement in spite of weak demand

- Sales*: -12% versus Q4, 2011
- EBIT**: Stable at SEK 105 m (SEK 107 m Q4 2011)
 - EBIT margin increased from 5.8% (Q4 2011) to 6.3% (Q4 2012)
 - Main reason is fixed cost savings well ahead of plan
- Cash: Positive cash flow from operations SEK 192 m (SEK 252 m)

* Adjusted for currency and structure

** Excluding one time costs



Lindab Group – Q4 2012 Highlights

Demand declined in almost all markets

- Winter weather more severe in December 2012 versus 2011 (estimated 2% impact on quarter)
- Geographically: -15%* in Nordic and CEE/CIS and -4%* in Western Europe
 - Largest declines: SE, FI, BY, CZ
 - Stable: UK, FR, RU, RO
 - Growth: US, IT
- By BA: Ventilation -9%; Building Components -17%; Building Systems -11%

* Adjusted for currency and structure



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Profit & Loss Q4 2012 - Group

SEK m	Q4 2012	Q4 2011
Sales	1,667	1,855
EBIT*	105	107
EBIT* %	6.3	5.8
Fin net	-34	-43
Tax	-4	-27
Net profit	2	-5

Sales growth	-10%
Structure	4%
Currency effect	-2%
Organic	-12%

*) EBIT excluding one time costs of SEK -65 m in Q4 2012 and SEK -42 m in Q4 2011, net profit not adjusted

- Improvement in EBIT margin explained mainly by lower fixed costs but also higher gross margins



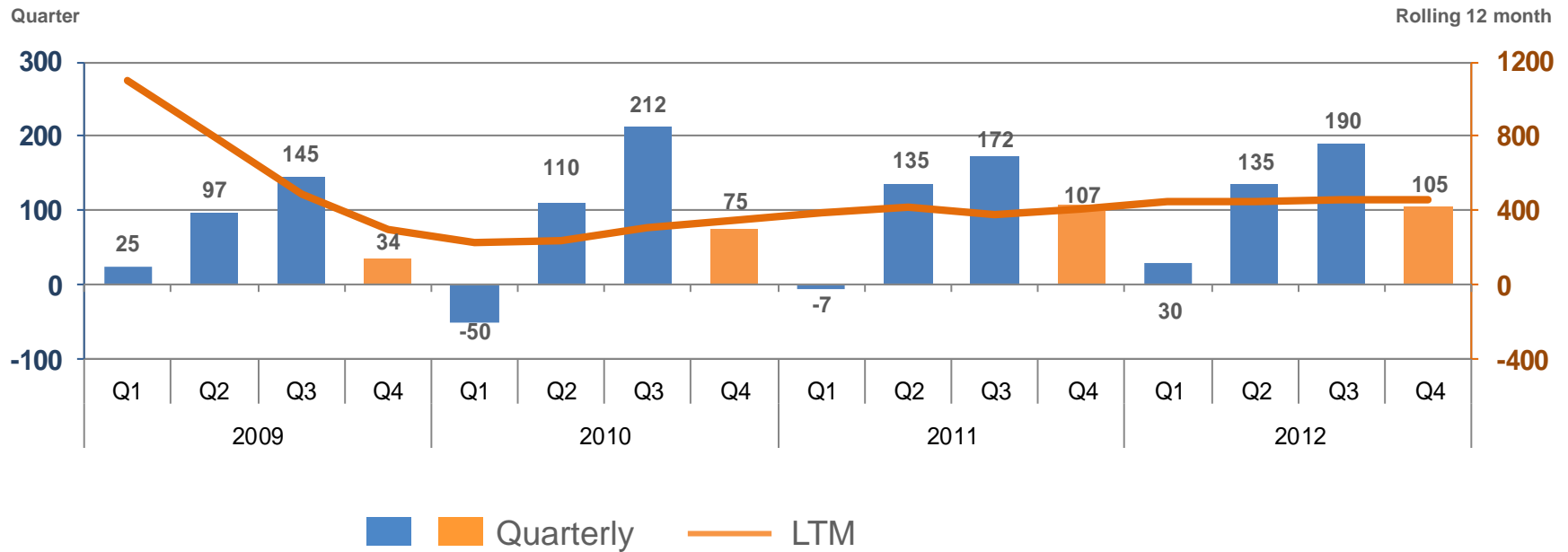
Cost saving plan exceeded → new target 300 m

- January 2012: Target SEK 150 m gross savings; SEK 100 m net (after inflation and sales activities)
- Target doubled to SEK 300 m (SEK 200 m net). Full impact from Q3 2013.
 - Target for 2012 exceeded
- Additional activities added due to weakening markets, for example:
 - Moving production from Finland to Estonia
 - Restructuring in CEE
 - Optimising admin and back-office
 - HQ reduction
- One time costs estimate SEK 170 m. SEK 114 m recorded until end 2012.



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Quarterly operating profit (EBIT) SEK m



- Seasonal impact: Q1 lowest result, Q3 highest result
- EBIT LTM SEK 460 m, EBIT margin 6.9%

Note: figures excl. one time items



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Cash flow Q4 2012

SEK m	Q4 2012	Q4 2011
Cash flow from		
- operating activities	116	148
- change in working capital	160	162
- investing activities	-41	-43
- financial net paid	-43	-49
- tax paid	-41	-9
Free cash flow	151	209

- Net debt end of December SEK 2,070 m (1,747)



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Cash flow Q4 – working capital development

SEK m	Q4 2012	Q4 2011
Stock	169	215
Operating receivables	275	245
Operating liabilities	-284	-298
Total change in working capital	-160	-162

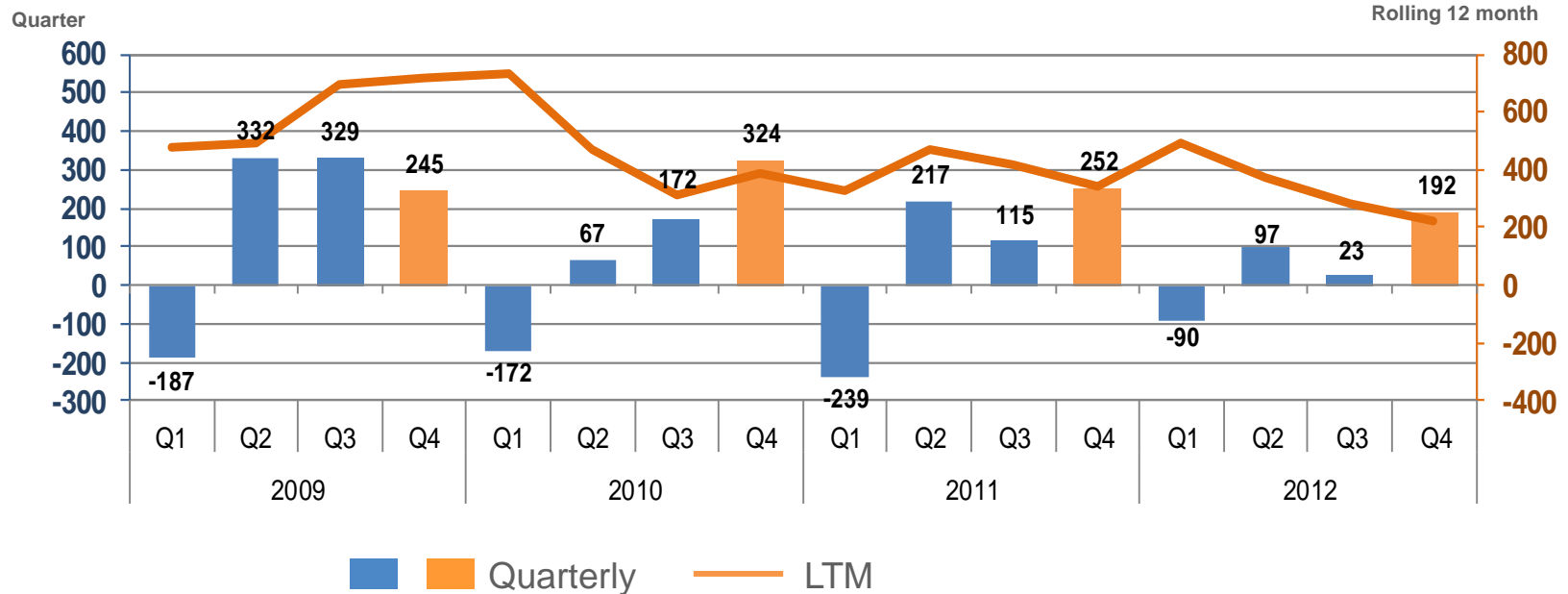
- Cash flow in Q4 from change in working capital in line with previous year
- Some delays in reducing stock of finished goods due to accelerated sale decline



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Cash flow trend

Operating cash flow, SEK m



- LTM cash flow from operating activities amounted to SEK 222 m



Business Areas



BA Ventilation

Profit & Loss Q4 2012

SEK m	Q4 2012	Q4 2011
Sales	876	938
EBIT*	43	45
EBIT* %	4.9	4.8

Sales growth	-7%
Structure	5%
Currency effect	-3%
Organic	-9%

*) excluding one time costs of SEK -11 m in Q4 2012 and SEK -6 m in Q4 2011

- Sales declined particularly in the Nordic region but also in Western Europe meanwhile it grew in CEE due to the acquisition of Centrum Klima
- Lower sales volume was to a large extent compensated by reduced fixed costs. Centrum Klima contributed positively in the quarter.



BA Building Components Profit & Loss Q4 2012

SEK m	Q4 2012	Q4 2011
Sales	533	622
EBIT	29	44
EBIT %	5.4	7.1

Sales growth	-14%
Structure	4%
Currency effect	-1%
Organic	-17%

*) excluding one time costs of SEK -20 m in Q4 2012 and SEK -20 m in Q4 2011

- Continued negative sales trend in all regions with harsh winter weather in December having additional negative effect
- EBIT decreased due to large sales decline, which was partly offset by lower fixed costs



BA Building Systems Profit & Loss Q4 2012

SEK m	Q4 2012	Q4 2011
Sales	258	295
EBIT	38	31
EBIT %	14.7	10.5

Sales growth	-13%
Structure	0%
Currency effect	-2%
Organic	-11%

*) excluding one time costs of SEK -4 m in Q4 2012 and SEK -16 m in Q4 2011

- Sales declined in both Western Europe and CEE/CIS, though flat in Russia.
- Order intake in Q4 higher than in same period previous year. Increase most notable in CEE/CIS.
- EBIT improvement due to reduced costs, which more than compensated for the sales decline



Business highlights



Key news

- Russia
 - Yaroslavl expansion (+40%) completed
 - Decision to start up small scale Ventilation fittings production in 2013

- USA
 - Decision to start up Rainline distribution

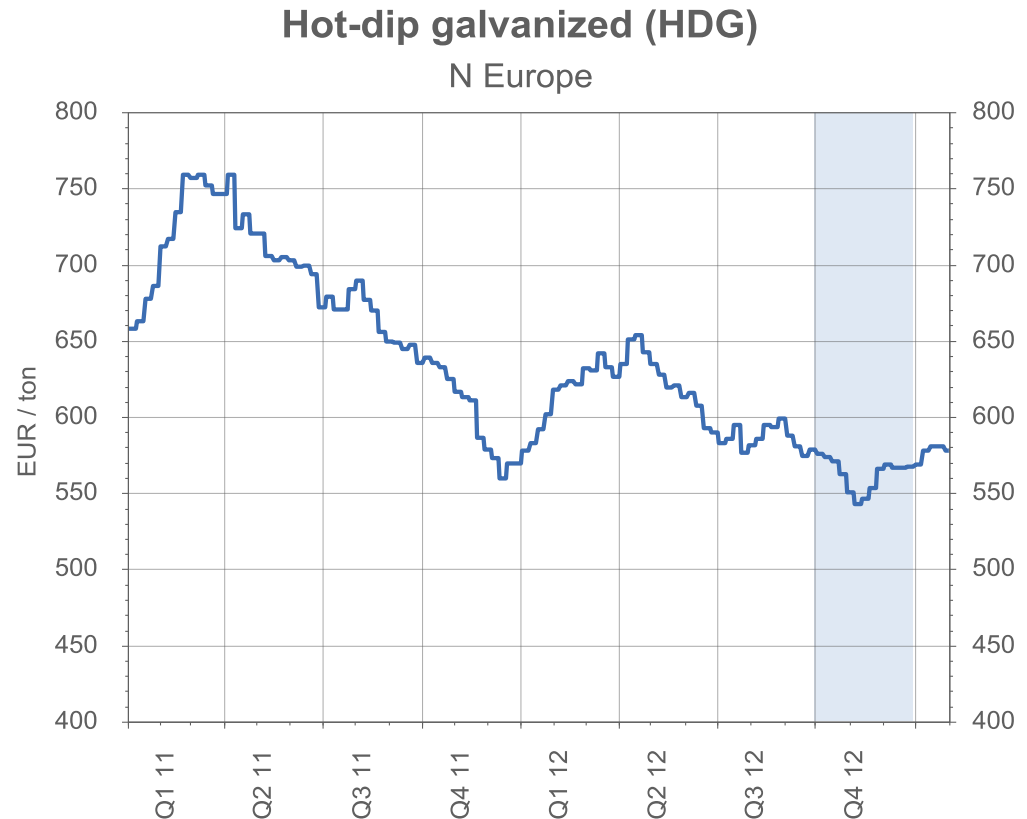
- Products
 - Small building product launch ready for start of 2013
 - Residential concept “Lindab Inside” to be rolled out in additional markets





Steel spot prices – bottomed out in Q4

- Decline in spot steel prices bottomed out in Q4
- Modest steel cost increases expected for Lindab in Q1



Source: Thomson Reuters Datastream & the Steel Index



Outlook



Outlook – comment from the Chairman

In addition to our cost and efficiency programme, we will have a clear focus on improving profitability through increased volumes.

We will achieve this through reinforcing our distribution and taking advantage of our strong brand, our market leading position and our high quality products.

By intensifying our efforts to increase volumes and take market share, we will also increase capacity utilisation of our production units and further increase profitability.



Thank You

