



## First quarter 2014

- Sales revenue increased by 12 percent to SEK 1,506 m (1,341), an increase of 11 percent when adjusted for currency and structure.
- Operating profit (EBIT) increased to SEK 60 m (13), excluding one-off items of SEK –3 m (–6).
- The operating margin (EBIT), excluding one-off items, increased to 4.0 percent (1.0).
- The after-tax result increased to SEK 14 m (–28).
- Earnings per share increased to SEK 0.18 (–0.37).
- Cash flow from operating activities amounted to SEK –266 m (3).



## A good start

We are pleased to be able to present a first quarter with the best profit since 2008. Weather conditions in our markets have been more favourable for construction activities this year than in the previous years, which of course has had a positive impact. Overall, the market is showing more positive signals, while we remain cautious about an overly positive interpretation of underlying markets, since seasonally the first quarter is generally the lowest in terms of sales and profitability. It is also important to remember that Lindab's business is late-cyclical.

Looking at the factors we ourselves can influence, we have our new organisation in place, which has begun to generate a positive impact. We now have the platform we want and we are developing and refining our road-map "Back to Basics - Into the Future". During the quarter there were several activities to increase organic growth, in the case of both development in distribution and increased project sales. Our aim is to create more interfaces with our customers, increase availability, and develop products and solutions that help our customers to do better business. A good example of this is the acquisition of NovoClima,

manufacturer of our waterborne indoor climate products, where we have secured availability by controlling the entire value chain, which will strengthen our offering of these products going forward.

In the current climate there is, unfortunately, concern, in particular with regard to Ukraine and Russia, which of course affects all of us. The Russian economy was already showing signs of decline before the events in Crimea and it is difficult to say how much of an effect the prevailing uncertainty in the region will have on our sales. It is quite clear however that the current situation is generating more questions than answers, while we also believe that over time we will be able to develop our business further in the region.

In conclusion, we have had a good start to 2014 and there is good energy in the organisation with many activities with our customers. Let's take this with us moving forward!

Anders Berg, Grevie, April 2014



## Comments on the report

### Important events during the quarter

- New credit agreements with SEB, Nordea and Svensk Exportkredit.
- Acquisition of production facilities in the Czech Republic.
- Acquisition of NovoClima's business.

### Sales and markets

Sales revenue during the first quarter amounted to SEK 1,506 m (1,341), which is an increase of 12 percent compared with the first quarter of 2013. Adjusted for currency and structure the change was 11 percent.

Sales in the quarter were significantly higher compared with the corresponding quarter of the previous year. The increase in sales is explained by the comparatively mild weather for the quarter, along with the new organisation with its focus on profitable growth now beginning to generate a positive effect. All of Lindab's regions and the majority of its markets have shown growth during the quarter.

In the Nordics, which is Lindab's largest region, sales increased by 14 percent during the quarter when adjusted for currency and structure. All of the markets in the region, including Lindab's two largest markets Sweden and Denmark, have shown growth.

Sales in Western Europe increased by 14 percent when adjusted for currency and structure. All the major markets in the region showed growth, which includes the UK and Germany, which are the largest markets in the region.

Sales in CEE/CIS increased by 6 percent when adjusted for currency and structure. Russia and Poland showed growth, while Belarus and the Czech Republic showed a negative sales trend during the quarter. A slowdown in the Russian market was noted towards the end of the quarter following lower demand in underlying markets. The CIS represents 10 percent of the Group's sales for the last twelve months. Russia represents 6 percent, whereas sales in Ukraine are marginal.

### Profit

Operating profit (EBIT) for the first quarter increased to SEK 60 m (13), excluding one-off items of SEK -3 m (-6), see note 7. The operating margin (EBIT), excluding one-off items, increased to 4.0 percent (1.0).

The improvement in profit for the quarter, compared with the same period last year, is due to higher sales volume and an improved gross margin. The improved gross margin is a result of

efficiency and synergy activities that have been implemented. The level of cost for the quarter was higher than in the corresponding quarter of the previous year, which is explained by the higher volume, and investments in strategic sales activities.

The quarter has been affected by one-off costs of SEK 3 m (6), all attributable to structural measures as part of the reorganisation, see note 7.

The pre-tax result for the quarter improved to SEK 20 m (-26). The after-tax result amounted to SEK 14 m (-28). Earnings per share amounted to SEK 0.18 (-0.37).

The profit and net financial items for the quarter were impacted by costs, previously capitalised, attributable to previous credit agreements amounting to SEK 13 m.

The total one-off costs for both the reorganisation and the previously announced cost-reduction programme are estimated at approximately SEK 180 m, of which SEK 163 m have now been expensed.

### Seasonal variations

Lindab's operations are affected by seasonal variations in the construction industry, and the greatest proportion of sales is normally seen during the second half of the year.

There is normally a deliberate stock build-up of mainly finished goods during the first six months, which gradually becomes a stock reduction during the second half of the year as a result of increased activity within the construction market.

### Depreciation/amortisation and write-downs

The depreciation for the quarter is in line with last year, amounting to SEK 39 m (38).

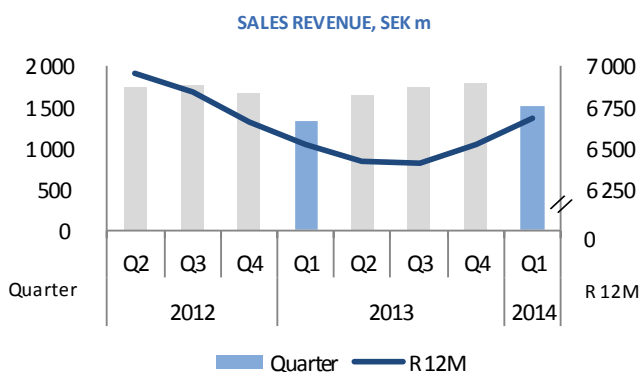
### Tax

Actual tax expenses for the quarter amounted to SEK 6 m (2). The pre-tax result amounted to SEK 20 m (-26).

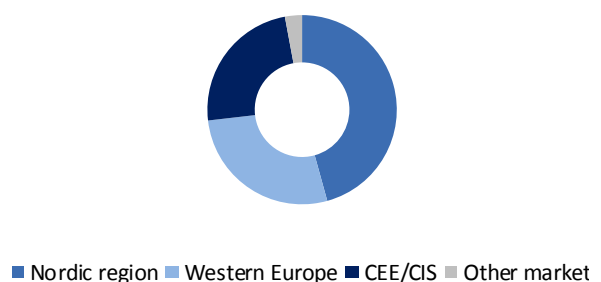
The average tax rate was 20 percent (23) and is based on a weighting of Lindab's profit and tax rate in each country. The actual tax rate was 28 percent. The differences between the actual and the average tax rate are due, among other things, to the fact that the taxable profit differs from the profit before tax (EBT), and that the adjustments have had an impact on the actual tax, such as deferred tax assets on loss carry-forwards have not been capitalised in certain companies or adjustments having been made for deferred tax in respect of previous years.

### Cash flow

Cash flow from operating activities for the first quarter amounted to SEK -226 m compared with SEK 3 m for the same period the previous year.



**BREAKDOWN OF SALES REVENUE BY MARKET, LAST 12 MONTHS**





The change in the cash flow from operating activities is primarily attributable to the development in working capital of SEK –244 m (–21), which is due to the change in operating liabilities of SEK –33 m (170). Operating liabilities were primarily affected by a change in accounts payable, which is an accrual effect of payments to suppliers at the beginning of the quarter, but also by lower advances from customers within Building Systems.

The development is also somewhat attributable to a lower cash flow from operating activities before the change in working capital SEK 18 m (24). Operating profit for the period improved however, and amounted to SEK 57 m (7). Reversed items not affecting cash flow decreased to SEK 10 m (38), with the greatest change attributable to provisions. Tax paid has also affected cash flow negatively by SEK –29 m compared with SEK 8 m in repaid tax for the corresponding period of the previous year.

Cash flow from investing activities is explained under the headings “Investments” and “Business combinations”.

Financing activities for the quarter resulted in a cash flow of SEK 309 m (30). The increase in borrowings is explained by the negative cash flow from operating activities, but also by investment in the production facility in the Czech Republic, and the acquisition of the assets of NovoClima.

## Investments

Investments in fixed assets amounted to SEK 162 m (19) for the quarter, while disposals amounted to SEK 0 m (1). The increase was mainly due to the acquisition of a production facility in the Czech Republic previously operationally leased. The purchase price amounted to SEK 139 m, which corresponds to the current market value of the property. The property is used by the Group primarily for the central production of ventilation products. The positive full-year effect on operating profit (EBIT) is estimated at approximately SEK 4 m. Net cash flow from investing activities amounted to SEK –162 m (–18), excluding acquisitions and divestments of subsidiaries.

## Business combinations

During the quarter, the business of NovoClima were acquired through an acquisition of assets, which were placed in a newly formed company, Lindab Götene AB. The company is based in Götene and has annual sales of approximately SEK 40 m, of which only a marginal proportion were to customers outside the Lindab Group. The number of employees is 26 and activities include the manufacture of waterborne indoor climate products included in the Lindab range. The purchase price amounted to SEK 16 m and affected Lindab's cash flow negatively by the corresponding amount. With the acquisition of NovoClima, Lindab has assured and increased efficiency in the value chain.

No acquisitions were made during 2013. The cash flow relates to regulated payments for the acquisition of Centrum Klima S.A.,

which happened in 2012.

The net cash flow from acquisitions for the period January–March amounted to SEK –16 m (–10).

## Financial position

The net debt amounted to SEK 2,038 m (2,140) as of 31 March 2014. Currency fluctuations have had a marginal effect on the net debt during the quarter. The equity/assets ratio amounted to 44 percent (38) and the net debt-equity ratio was 0.7 (0.9). Net financial items during the quarter totalled SEK –37 m (–33).

New credit agreements were entered into with Nordea, SEB and Svensk Exportkredit in February 2014. As of 31 March 2014, these new long-term credits amount to SEK 1,600 m from Nordea and SEB, and SEK 500 m from Svensk Exportkredit. The credit limit with SEB/Nordea is valid for 3 years and the credit limit with Svensk Exportkredit is valid for 5 years. These agreements replace the previous credit agreements of SEK 2,800 m as of 31 December 2013. The agreements contain covenants, which are monitored quarterly. Lindab fulfills the terms of these credit agreements.

The lower credit limit compared to the previous agreements is mainly due to a number of short-term overdraft facilities and guarantee frameworks having been signed, primarily with Nordea and SEB. These facilities were previously part of the long-term credit limit. Overall, the new agreements offer substantially improved terms with regard to margins and flexibility.

## Pledged assets and contingent liabilities

By reason of the new credit agreement which was signed in February, the amount for floating charges in pledged assets had decreased by SEK 330 m at the end of the quarter and now amounts to SEK 15 m (345). There have not been any significant changes to pledged assets and contingent liabilities in 2014.

## The parent company

Sales revenue for the quarter amounted to SEK 1 m (0). The after-tax result for the period amounted to SEK –13 m (–18).

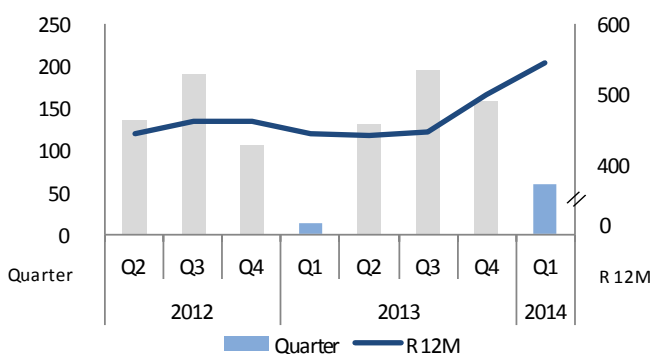
## Significant risks and uncertainties

There have been no significant changes to what was stated by Lindab in its Annual Report for 2013 under Risks and risk management (pages 81–85).

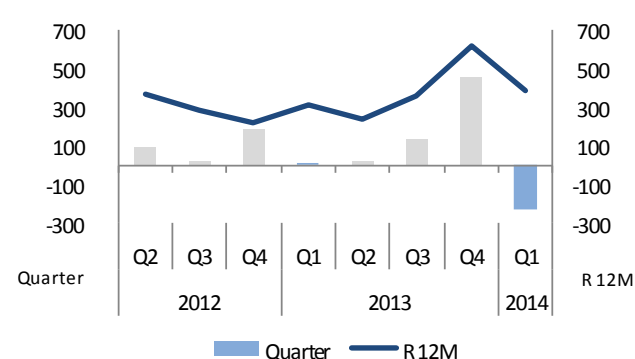
## Employees

The number of employees at the end of the quarter, converted to equivalent full-time employment, amounted to 4,558 (4,350). Adjusted for acquisitions, the net increase in the number of employees was 182 compared with the corresponding quarter of last year, mainly in production, and explained by higher volumes.

OPERATING PROFIT (EBIT), SEK m (adjusted for one-off items)



CASH FLOW FROM OPERATING ACTIVITIES, SEK m





## Annual General Meeting

The Board has decided that the Annual General Meeting will be held on 29 April 2014. Notice to attend the meeting has been sent out in due order.

## The Lindab Share

The highest price paid for Lindab shares during the period January–March was SEK 83.70 on 28 February, and the lowest was SEK 61.25 on 4 February. The closing price on 31 March was SEK 77.95. The average daily trading volume of Lindab shares was 421,908 shares per day (142,682).

Lindab holds 2,375,838 treasury shares (2,375,838), equivalent to 3.0 percent (3.0) of the total number of Lindab shares. The number of outstanding shares totals 76,331,982 (76,331,982), while the total number of shares is 78,707,820.

The biggest shareholders at the end of the quarter in relation to the number of outstanding shares are Creades AB with 10.3 percent (12.2), Lannebo Fonder with 7.6 percent (8.9), Livförsäkringsaktieföretaget Skandia with 7.6 percent (8.8), Handelsbanken Fonder with 6.6 percent (4.0), and Swedbank Robur Fonder with 5.7 percent (8.4). The ten largest holdings constitute 55.3 percent of the shares (66.6), excluding Lindab's own holding.

Systemair AB (publ), which was Lindab's biggest shareholder in 2013 with 12 percent, sold its entire holding on 3 March 2014.

## Proposed dividend to shareholders

Lindab's Board of Directors will propose a zero-dividend for 2013 at the Annual General Meeting on 29 April. The proposal is due to the Board seeing increased opportunities for continued growth both organically and through acquisitions, combined with the expectation that the net debt in relation to earnings (EBITDA) will improve. No dividend was paid in the previous year either.

## Incentive programme

As part of the LTIP 2011-2014 Incentive programme decided on by the Annual General Meeting, shares will be allocated after end of May 2014.

In the programme only matching shares consisting of one share for each share held at the end of May 2014 will be allocated and the allocation is predicated on continued employment at that point in time. Currently, it is estimated that a total of 39,341 shares will be allocated.

There will be no allocation of performance shares, since none of the set targets have been met.

The LTIP Incentive programme 2012-2015 decided on by the Annual General Meeting continues and allocations under this programme will be made after 31 May 2015.

There was no Incentive programme decided by the Annual General Meeting of 2013, and there is no proposal from the Board of Directors to the Annual General Meeting of 2014 to introduce an Incentive programme.

## Events after the reporting period

No events to report.

## Accounting principles

See note 1, page 14.

From 1 January 2014, a new business segment structure has been introduced. For more information, see note 4, page 14.

Unless otherwise specified in this Interim Report, all statements refer to the Group. Figures in parentheses indicate the outcome

for the corresponding period in the previous year. A compilation of key ratios can be found on pages 12-13.

One-off items are specified in note 7, page 16.

# Segments

## Products & Solutions

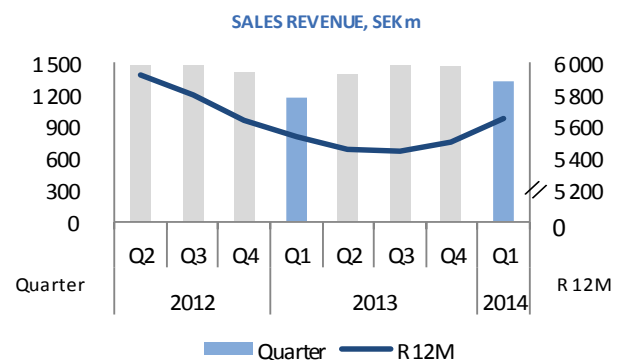
- Sales revenue during the first quarter amounted to SEK 1,325 m (1,168), an increase of 13 percent. Adjusted for currency and structure, sales increased by 11 percent.
- The operating margin (EBIT) for the first quarter, excluding one-off items, amounted to 5.4 (1.8) percent.

## Sales and markets

Sales revenue for Products & Solutions during the first quarter increased by 13 percent compared with the corresponding period the previous year, amounting to SEK 1,325 m (1,168). Adjusted for currency and structure, sales revenue increased by 11 percent.

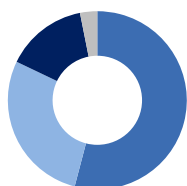
All European regions and their markets, with some minor exceptions, showed growth in the quarter. In the Nordic region, Norway stands out with very good growth and growth rate. In Western Europe, Germany showed growth for the second quarter in a row due to the start of the reorganisation, notably with a change in management. Hungary, which is the largest market for the CEE/CIS segment, has continued to strongly increase its sales.

The improved sales are coming from all four product areas: Ventilation products, Building products, Indoor climate solutions and Building solutions. The improvement is primarily explained by the comparatively mild weather, along with the new organisation with its focus on profitable growth now beginning to generate a positive effect. Sales within Building products, particularly in Denmark, have also benefited from storms during the previous quarter.





**BREAKDOWN OF SALES REVENUE BY MARKET, LAST 12 MONTHS**



■ Nordic region ■ Western Europe ■ CEE/CIS ■ Other market

**Profit**

The operating profit (EBIT) for Products & Solutions for the first quarter, excluding one-off items, increased to SEK 71 m (21). The operating margin (EBIT) amounted to 5.4 (1.8) percent. The improvement in the quarter was due to greater volume and improved gross margin as a result of the efficiency and synergy measures implemented. Costs in the quarter were slightly higher due to the higher level of activity.

One-off items for the quarter amounted to SEK -3 m (-4) and related to restructuring costs as a result of the reorganisation, see note 7.

**Activities – Products & Solutions**

Project sales of Lindab's indoor climate solutions continue to show an upward trend. Notable during the quarter were orders for indoor climate solutions for Sanofi's new office buildings in the Paris region, as well as a large order for specially designed chilled beams for one of Norway's biggest construction projects, Fornebuporten. Both projects have a strong focus on sustainability and energy efficiency.

Activities within residential ventilation continue. The largest project to date with 1,000 custom-made InCapsa boxes (encapsulated ductwork for renovations) was installed during the quarter in a Green Building-certified office building in Malmö. In all partition walls, Lindab's rapid-mount, pre-cut wall studs are also used.

During the quarter, two new branches were opened in strategically important places in Ålesund, Norway and in Basel, Switzerland.

A simpler roof drainage system in the lower price range has been launched on certain price sensitive markets, primarily in CEE.

At the Nordbygg trade fair in Stockholm at the beginning of April, Lindab launched several new products. Particularly popular was the new product line, Lindab Airy, extremely quiet designer vents with a large range of choice in colour and shape.

**Building Systems**

- Sales revenue during the first quarter amounted to SEK 181 m (173), an increase of 5 percent. Adjusted for currency and structure, sales increased by 9 percent.
- The operating margin (EBIT) for the first quarter, excluding one-off items, amounted to -1.7 (0.0) percent.

**Sales and markets**

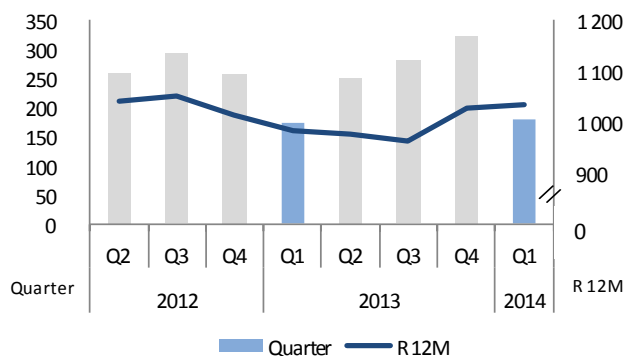
Sales revenue for Building Systems increased by 5 percent to SEK 181 m (173) during the first quarter. Adjusted for currency

and structure, sales increased by 9 percent.

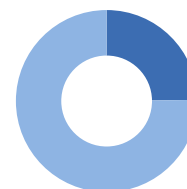
Sales for the segment were higher than in the corresponding period of the previous year mainly due to good development in Western Europe. The mild weather during the quarter has favoured deliveries and therefore sales. Sales in CEE/CIS were, in principle, unchanged from the previous year. In Russia, which is the largest market in the segment, sales increased. However, a slowdown in sales and order intake has been noted towards the end of the quarter due to a lower demand in underlying markets.

The order intake during the first quarter of 2014 was lower than for the same quarter last year, which combined with high delivery and sales during the quarter means that the order book is now at a lower level than last year.

**SALES REVENUE, SEK m**



**BREAKDOWN OF SALES REVENUE BY MARKET, LAST 12 MONTHS**



■ Western Europe ■ CEE/CIS

**Profit**

Operating profit (EBIT) for Building Systems for the quarter, excluding one-off items, amounted to SEK -3 m (0). The operating margin (EBIT) amounted to -1.7 percent (0.0) during the quarter.

The somewhat weaker result is explained by a higher cost level due to investments in a number of strategic sales activities, e.g. reinforcements within sales and engineering, as well as negative currency effects due to a weakened rouble.

**Activities – Building Systems**

During the quarter, four major orders have been received, each with a value exceeding SEK 10 m, of which two were for Russia, one for Belarus and one for Belgium.

The digital application for configuring EcoBuild (smaller single-storey buildings) which was launched during the third quarter of 2013, has been upgraded with four new building types, more variations and building accessories, more colours, and expanded choice of service. During the quarter, this application has been downloaded 4,500 times and generated 400 quotation requests.



### SALES REVENUE AND GROWTH

	Jan-Mar 2014	Jan-Mar 2013	Jan-Dec 2013
Sales revenue, SEK m	1 506	1 341	6 523
Change, SEK m	165	-138	-133
Change, %	12	-9	-2
Of which			
Volumes and prices, %	11	-10	-1
Acquisitions/divestments, %	0	4	1
Currency effects, %	1	-3	-2

### SALES REVENUE PER MARKET

SEK m	Jan-Mar 2014	%	Jan-Mar 2013	%	Jan-Dec 2013	%
Nordic region	725	48	636	47	2 968	46
Western Europe	476	32	400	30	1 761	27
CEE/CIS	267	18	258	19	1 590	24
Other markets	38	2	47	4	204	3
<b>Total</b>	<b>1 506</b>	<b>100</b>	<b>1 341</b>	<b>100</b>	<b>6 523</b>	<b>100</b>

### SALES REVENUE PER SEGMENT

SEK m	Jan-Mar 2014	%	Jan-Mar 2013	%	Jan-Dec 2013	%
Products & Solutions	1 325	88	1 168	87	5 496	84
Building Systems	181	12	173	13	1 027	16
Other operations	-	-	-	-	-	-
<b>Total</b>	<b>1 506</b>	<b>100</b>	<b>1 341</b>	<b>100</b>	<b>6 523</b>	<b>100</b>
<b>Gross internal sales all segments</b>	<b>2</b>		<b>2</b>		<b>5</b>	

### OPERATING PROFIT (EBIT), OPERATING MARGIN AND RESULT BEFORE TAX (EBT)

SEK m	Jan-Mar 2014	%	Jan-Mar 2013	%	Jan-Dec 2013	%
Products & Solutions	71	5,4	21	1,8	360	6,6
Building Systems	-3	-1,7	0	0,0	159	15,5
Other operations	-8	-	-8	-	-21	-
<b>Total (EBIT), excluding one-off items</b>	<b>60</b>	<b>4,0</b>	<b>13</b>	<b>1,0</b>	<b>498</b>	<b>7,6</b>
One-off items*	-3	-	-6	-	-46	-
<b>Total (EBIT), including one-off items*</b>	<b>57</b>	<b>3,8</b>	<b>7</b>	<b>0,5</b>	<b>452</b>	<b>6,9</b>
Net financial income	-37	-	-33	-	-123	-
<b>Result before tax (EBT)</b>	<b>20</b>	<b>-</b>	<b>-26</b>	<b>-</b>	<b>329</b>	<b>-</b>

\*) One-off items are described in note 7.

### NUMBER OF EMPLOYEES AT CLOSE OF PERIOD

	Jan-Mar 2014	Jan-Mar 2013	Jan-Dec 2013
Products & Solutions	3 787	3 586	3 605
Building Systems	724	713	720
Other operations	47	51	46
<b>Total</b>	<b>4 558</b>	<b>4 350</b>	<b>4 371</b>





# Statement of comprehensive income

(Income statement)

<i>Amounts in SEK m</i>			Rolling 12 M	Rolling 12 M	
	Jan-Mar 2014	Jan-Mar 2013	Apr 2013 - Mar 2014	Apr 2012 - Mar 2013	Jan-Dec 2013
Sales revenue	1 506	1 341	6 688	6 518	6 523
Cost of goods sold	-1 084	-985	-4 742	-4 688	-4 643
<b>Gross profit</b>	<b>422</b>	<b>356</b>	<b>1 946</b>	<b>1 830</b>	<b>1 880</b>
Other operating income	13	19	114	92	120
Selling expenses	-231	-216	-920	-887	-905
Administrative expenses	-113	-116	-443	-473	-446
R & D expenses	-13	-11	-47	-44	-45
Other operating expenses	-21	-25	-148	-169	-152
<b>Total operating expenses</b>	<b>-365</b>	<b>-349</b>	<b>-1 444</b>	<b>-1 481</b>	<b>-1 428</b>
<b>Operating profit (EBIT)*</b>	<b>57</b>	<b>7</b>	<b>502</b>	<b>349</b>	<b>452</b>
Interest income	1	2	8	13	9
Interest expenses	-36	-34	-129	-158	-127
Other financial income and expenses	-2	-1	-6	-6	-5
<b>Net financial items</b>	<b>-37</b>	<b>-33</b>	<b>-127</b>	<b>-151</b>	<b>-123</b>
<b>Result before tax (EBT)</b>	<b>20</b>	<b>-26</b>	<b>375</b>	<b>198</b>	<b>329</b>
Tax on profit for the period	-6	-2	-100	-58	-96
<b>Profit for the period</b>	<b>14</b>	<b>-28</b>	<b>275</b>	<b>140</b>	<b>233</b>
<i>–attributable to the parent company's shareholders</i>	<i>14</i>	<i>-28</i>	<i>275</i>	<i>140</i>	<i>233</i>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to the income statement</b>					
Actuarial gains/losses, defined benefit plans	-7	0	4	-6	11
Deferred tax attributable to defined benefit plans	1	0	-1	1	-2
	<b>-6</b>	<b>0</b>	<b>3</b>	<b>-5</b>	<b>9</b>
<b>Items that can later be reclassified to the income statement</b>					
Translation differences, foreign operations	-19	-157	193	-242	55
Hedging of net investments	-1	-	-19	-	-18
Deferred tax attributable to hedging of net investments	0	-	4	-	4
Cash flow hedges	-	-	-	8	-
Deferred tax attributable to cash flow hedges	-	-	-	-2	-
	<b>-20</b>	<b>-157</b>	<b>178</b>	<b>-236</b>	<b>41</b>
<b>Other comprehensive income, net of tax</b>	<b>-26</b>	<b>-157</b>	<b>181</b>	<b>-241</b>	<b>50</b>
<b>Total comprehensive income</b>	<b>-12</b>	<b>-185</b>	<b>456</b>	<b>-101</b>	<b>283</b>
<i>–attributable to the parent company's shareholders</i>	<i>-12</i>	<i>-185</i>	<i>456</i>	<i>-101</i>	<i>283</i>
<b>Earnings per share, SEK</b>					
Undiluted	0,18	-0,37	3,60	1,83	3,05
Diluted	0,18	-0,37	3,60	1,83	3,05

\*) One-off items are described in note 7.



# Statement of cash flows

(Indirect method)

<i>Amounts in SEK m</i>			Rolling 12 M	Rolling 12 M	
	Jan-Mar 2014	Jan-Mar 2013	Apr 2013 - Mar 2014	Apr 2012 - Mar 2013	Jan-Dec 2013
<b>Operating activities</b>					
Operating profit	57	7	502	349	452
Reversal of depreciation/amortisation	39	38	158	157	157
Reversal of capital gains (-) / losses (+) reported in operating profit	0	0	2	1	2
Provisions, not affecting cash flow	-19	1	-30	12	-10
Adjustment for other items not affecting cash flow	-10	-1	-15	6	-6
<b>Total</b>	<b>67</b>	<b>45</b>	<b>617</b>	<b>525</b>	<b>595</b>
Interest received	1	1	10	7	10
Interest paid	-21	-30	-106	-146	-115
Tax paid / repaid	-29	8	-99	-90	-62
<b>Cash flow from operating activities before change in working capital</b>	<b>18</b>	<b>24</b>	<b>422</b>	<b>296</b>	<b>428</b>
<b>Change in working capital</b>					
Stock (increase - /decrease +)	-124	-140	24	-18	8
Operating receivables (increase - /decrease +)	-87	-51	40	39	76
Operating liabilities (increase + /decrease -)	-33	170	-95	-2	108
<b>Total change in working capital</b>	<b>-244</b>	<b>-21</b>	<b>-31</b>	<b>19</b>	<b>192</b>
<b>Cash flow from operating activities</b>	<b>-226</b>	<b>3</b>	<b>391</b>	<b>315</b>	<b>620</b>
<b>Investing activities</b>					
Acquisition of Group companies	-16	-10	-27	-247	-21
Investments in intangible fixed assets	-2	-4	-15	-21	-17
Investments in tangible fixed assets	-160	-15	-221	-113	-76
Change in financial fixed assets	0	0	0	0	0
Sale/disposal of tangible fixed assets	0	1	2	7	3
<b>Cash flow from investing activities</b>	<b>-178</b>	<b>-28</b>	<b>-261</b>	<b>-374</b>	<b>-111</b>
<b>Financing activities</b>					
Proceeds from borrowings	2 216	30	2 216	208	-
Repayment of borrowings	-1 907	-	-2 419	-	-482
Sale of treasury shares	-	-	-	52	-
Dividend to shareholders	-	-	-	-76	-
<b>Cash flow from financing activities</b>	<b>309</b>	<b>30</b>	<b>-203</b>	<b>184</b>	<b>-482</b>
<b>Cash flow for the period</b>	<b>-95</b>	<b>5</b>	<b>-73</b>	<b>125</b>	<b>27</b>
Cash and cash equivalents at start of the period	331	301	294	187	301
Effect of exchange rate changes on cash and cash equivalents	-4	-12	11	-18	3
<b>Cash and cash equivalents at end of the period</b>	<b>232</b>	<b>294</b>	<b>232</b>	<b>294</b>	<b>331</b>





# Statement of financial position

(Condensed Balance sheet)

<i>Amounts SEK m</i>	<b>31 Mar 2014</b>	<b>31 Mar 2013</b>	<b>31 Dec 2013</b>
<b>Assets</b>			
Fixed assets			
Goodwill	2 734	2 601	2 734
Other intangible fixed assets	59	63	60
Tangible fixed assets	1 257	1 156	1 144
Financial fixed assets, interest bearing	41	39	42
Other financial fixed assets	158	168	152
<b>Total fixed assets</b>	<b>4 249</b>	<b>4 027</b>	<b>4 132</b>
Current assets			
Stock	1 090	1 078	958
Accounts receivable	1 018	987	942
Other current assets	179	197	153
Other receivables, interest bearing	2	6	1
Cash and bank	232	294	331
<b>Total current assets</b>	<b>2 521</b>	<b>2 562</b>	<b>2 385</b>
<b>TOTAL ASSETS</b>	<b>6 770</b>	<b>6 589</b>	<b>6 517</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' equity</b>	<b>2 955</b>	<b>2 498</b>	<b>2 967</b>
Long-term liabilities			
Provisions, interest-bearing	176	178	169
Liabilities, interest-bearing	2 024	2 114	1 645
Provisions	163	162	176
Other long-term liabilities	8	10	10
<b>Total long-term liabilities</b>	<b>2 371</b>	<b>2 464</b>	<b>2 000</b>
Current liabilities			
Other Liabilities, interest-bearing	113	186	171
Provisions	50	73	62
Accounts payable	653	679	681
Other short-term liabilities	628	689	636
<b>Total current liabilities</b>	<b>1 444</b>	<b>1 627</b>	<b>1 550</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>6 770</b>	<b>6 589</b>	<b>6 517</b>



## Statement of changes in equity

<i>Amounts in SEK m</i>	Equity relating to the parent company's shareholders					
	Share Capital	Other contributed capital	Hedging reserve	Foreign currency transl. adj.	Profit brought forward	Total Equity
<b>Opening balance, 1 January 2013</b>	<b>79</b>	<b>2 227</b>	<b>-</b>	<b>-96</b>	<b>473</b>	<b>2 683</b>
Profit for the period					233	233
Other comprehensive income, net of tax						
Actuarial gains/losses, defined benefit plans					9	9
Translation differences, foreign operations				55		55
Hedging of net investments				-14		-14
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41</b>	<b>242</b>	<b>283</b>
Incentive programme <sup>1)</sup>		1				1
<b>Closing balance, 31 December 2013</b>	<b>79</b>	<b>2 228</b>	<b>-</b>	<b>-55</b>	<b>715</b>	<b>2 967</b>
<b>Opening balance, 1 January 2014</b>	<b>79</b>	<b>2 228</b>	<b>-</b>	<b>-55</b>	<b>715</b>	<b>2 967</b>
Profit for the period					14	14
Other comprehensive income, net of tax						
Actuarial gains/losses, defined benefit plans					-6	-6
Translation differences, foreign operations				-19		-19
Hedging of net investments				-1		-1
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-20</b>	<b>8</b>	<b>-12</b>
Incentive programme <sup>1)</sup>		0				0
<b>Closing balance, 31 March 2014</b>	<b>79</b>	<b>2 228</b>	<b>-</b>	<b>-75</b>	<b>723</b>	<b>2 955</b>

- 1) The 2011 and 2012 Annual General Meetings decided to introduce a long-term Incentive programme for each year. To ensure that Lindab holds shares for the maximum allocation, futures contracts have been signed with third parties to acquire treasury shares, meaning that no dilution occurs. Provisions for the Incentive programme initiated in 2012 are continuing during 2014. The Incentive program initiated in 2011 fell due in 2013 and will be regulated during the second quarter 2014.

### Share capital

The share capital of SEK 78,707,820 is divided among 78,707,820 shares with a face value of SEK 1.00. Lindab International AB (publ) holds 2,375,838 (2,375,838) treasury shares, corresponding to 3.0 percent (3.0) of the total number of Lindab shares.

### Proposed distribution of earning

The Annual Report for 2013 will be presented at the Annual General Meeting on 29 April 2014. The Lindab Board of Directors propose that no dividend be paid for the financial year 2013.



# Parent company

## Income statement

<i>Amounts SEK m</i>	Jan-Mar 2014	Jan-Mar 2013	Jan-Dec 2013
Sales revenue*	1	0	3
Administrative expenses	-1	0	-4
Other operating income/costs	0	0	0
<b>Operating profit</b>	<b>0</b>	<b>0</b>	<b>-1</b>
Profit from subsidiaries	-	-	94
Interest expenses, internal	-18	-23	-93
<b>Result before tax</b>	<b>-18</b>	<b>-23</b>	<b>0</b>
Tax on profit for the period	5	5	0
<b>Profit for the period**</b>	<b>-13</b>	<b>-18</b>	<b>0</b>

\*) Other operating income has been reclassified to Sales revenue.

\*\*) Comprehensive income corresponds to profit for the period.

## Condensed Balance sheet

<i>Amounts SEK m</i>	31 Mar 2014	31 Mar 2013	31 Dec 2013
<b>Assets</b>			
Fixed assets			
Shares in Group companies	3 467	3 467	3 467
Financial fixed assets, interest bearing	7	7	7
Other long-term receivables	2	7	2
<b>Total fixed assets</b>	<b>3 476</b>	<b>3 481</b>	<b>3 476</b>
Current assets			
Other receivables	6	0	1
Cash and bank	1	3	2
<b>Total current assets</b>	<b>7</b>	<b>3</b>	<b>3</b>
<b>TOTAL ASSETS</b>	<b>3 483</b>	<b>3 484</b>	<b>3 479</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' equity</b>	<b>1 370</b>	<b>1 365</b>	<b>1 383</b>
Provisions			
Provisions, interest-bearing	7	7	8
Long-term liabilities			
Liabilities to Group companies, interest-bearing	2 104	2 109	2 086
<b>Total provisions and long-term liabilities</b>	<b>2 111</b>	<b>2 116</b>	<b>2 094</b>
Current liabilities			
Other liabilities	2	3	2
<b>Total current liabilities</b>	<b>2</b>	<b>3</b>	<b>2</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>3 483</b>	<b>3 484</b>	<b>3 479</b>



## Key figures

	Quarterly periods								2012 Jan- Mar
	2014 Jan- Mar	2013 Oct- Dec	2013 Jul- Sep	2013 Apr- Jun	2013 Jan- Mar	2012 Oct- Dec	2012 Jul- Sep	2012 Apr- Jun	
<i>SEK m unless otherwise specified</i>									
Sales revenue	1 506	1786	1753	1643	1 341	1667	1773	1737	1 479
Operating profit, (EBITDA) <sup>1)</sup>	97	194	206	164	45	84	219	158	29
Operating profit, (EBITA) <sup>2)</sup>	57	154	165	126	7	40	183	119	-8
Depreciation/amortisation and write-downs	39	40	41	38	38	44	36	39	37
Operating profit, (EBIT) <sup>3)</sup>	57	154	165	126	7	40	183	119	-8
Operating profit, (EBIT), excluding one-off items	60	158	195	132	13	105	190	135	30
After tax result	14	99	101	61	-28	2	110	56	-46
Total comprehensive income	-12	191	73	204	-185	62	-10	32	-48
Operating margin, (EBITA), % <sup>4)</sup>	3,8	8,6	9,4	7,7	0,5	2,4	10,3	6,9	-0,5
Operating margin, (EBITA), % <sup>5)</sup>	3,8	8,6	9,4	7,7	0,5	2,4	10,3	6,9	-0,5
Operating margin (EBIT), excluding one-off items, %	4,0	8,8	11,1	8,0	1,0	6,3	10,7	7,8	2,0
Undiluted average number of shares, (000's)	76 332	76 332	76 332	76 332	76 332	76 332	76 332	75 980	75 332
Diluted average number of shares, (000's) <sup>6)</sup>	76 332	76 332	76 332	76 332	76 332	76 332	76 332	75 980	75 332
Undiluted number of shares, (000's)	76 332	76 332	76 332	76 332	76 332	76 332	76 332	76 332	75 332
Diluted number of shares, (000's) <sup>6)</sup>	76 332	76 332	76 332	76 332	76 332	76 332	76 332	76 332	75 332
Undiluted earnings per share, SEK <sup>7)</sup>	0,18	1,30	1,32	0,80	-0,37	0,03	1,44	0,74	-0,61
Diluted earnings per share, SEK <sup>8)</sup>	0,18	1,30	1,32	0,80	-0,37	0,03	1,44	0,74	-0,61
Cash flow from operating activities	-226	455	136	26	3	192	23	97	-90
Cash flow from operating activities per share, SEK <sup>9)</sup>	-2,96	5,96	1,78	0,34	0,04	2,52	0,30	1,28	-1,19
Total assets	6 770	6 517	6 726	6 815	6 589	6 623	7 031	7 153	6 521
Net debt <sup>10)</sup>	2 038	1612	2 020	2 139	2 140	2 106	2 252	2 224	1 962
Net debt/equity ratio, times <sup>11)</sup>	0,7	0,5	0,7	0,8	0,9	0,8	0,9	0,8	0,7
Equity	2 955	2 967	2 776	2 703	2 498	2 683	2 621	2 647	2 630
Undiluted equity per share, SEK <sup>12)</sup>	38,71	38,87	36,37	35,41	32,73	35,15	34,34	34,68	34,91
Diluted equity per share, SEK <sup>13)</sup>	38,71	38,87	36,37	35,41	32,73	35,15	34,34	34,68	34,91
Equity/asset ratio, % <sup>14)</sup>	43,6	45,5	41,3	39,7	37,9	40,5	37,3	37,0	40,3
Return on equity, % <sup>15)</sup>	9,9	8,5	5,1	5,5	5,4	4,6	4,3	3,4	3,6
Return on capital employed, % <sup>16)</sup>	10,0	9,1	6,7	7,0	7,0	6,8	7,4	7,0	7,4
Return on operating capital, % <sup>17)</sup>	10,5	9,6	7,1	7,4	7,3	7,1	7,6	7,4	7,8
Return on operating capital, excluding one-off items, %	11,4	10,5	9,3	9,2	9,3	9,8	9,8	9,5	9,5
Return on total assets, % <sup>18)</sup>	7,6	6,9	5,1	5,2	5,2	5,0	5,4	5,2	5,5
Interest coverage ratio, times <sup>19)</sup>	1,5	4,9	5,5	3,7	0,3	1,2	4,1	2,9	-0,2
No. of employees at close of period <sup>20)</sup>	4 558	4 371	4 387	4 368	4 350	4 363	4 438	4 593	4 344

\* Not restated. Changes in IAS 19R are not reflected.

For Definitions, see page 17.



## Key figures

	Quarterly periods, cont.						Full-year periods					
	2011 *Oct- Dec	2011 *Jul- Sep	2011 *Apr- Jun	2011 *Jan- Mar	2010 *Jan- Mar	2009 *Jan- Mar	2013	2012	*2011	*2010	*2009	*2008
<i>SEK m unless otherwise specified</i>												
Sales revenue	1855	1891	1755	1377	1234	1771	6 523	6 656	6 878	6 527	7 019	9 840
Operating profit, (EBITDA) <sup>1)</sup>	110	211	174	15	72	80	609	490	511	565	479	1 388
Operating profit, (EBITA) <sup>2)</sup>	65	172	135	-24	27	27	452	334	348	401	265	1 172
Depreciation/amortisation and write-downs	45	40	39	39	47	56	157	156	163	280	225	225
Operating profit, (EBIT) <sup>3)</sup>	65	172	135	-24	25	25	452	334	348	284	254	1 163
Operating profit, (EBIT), excluding one-off items	107	172	135	-7	-50	25	498	460	407	347	301	1 279
After tax result	-5	88	60	-52	-28	-21	233	122	91	27	34	723
Total comprehensive income	-128	86	153	-75	-157	-74	283	36	36	-298	-142	1 124
Operating margin, (EBITA), % <sup>4)</sup>	3,5	9,1	7,7	-1,7	2,2	1,5	6,9	5,0	5,1	6,1	3,8	11,9
Operating margin, (EBITA), % <sup>5)</sup>	3,5	9,1	7,7	-1,7	2,0	1,4	6,9	5,0	5,1	4,4	3,6	11,8
Operating margin (EBIT), excluding one-off items, %	5,8	9,1	7,7	-0,5	-4,1	1,4	7,6	6,9	5,9	5,3	4,3	13,0
Undiluted average number of shares, (000's)	75 332	75 332	75 332	75 332	74 810	74 772	76 332	75 998	75 332	75 203	74 772	77 548
Diluted average number of shares, (000's) <sup>6)</sup>	75 332	75 332	75 332	75 332	74 810	74 772	76 332	75 998	75 332	75 203	74 772	77 548
Undiluted number of shares, (000's)	75 332	75 332	75 332	75 332	75 332	74 772	76 332	76 332	75 332	75 332	74 772	74 772
Diluted number of shares, (000's) <sup>6)</sup>	75 332	75 332	75 332	75 332	75 332	74 772	76 332	76 332	75 332	75 332	74 772	74 772
Undiluted earnings per share, SEK <sup>7)</sup>	-0,07	1,17	0,80	-0,69	-0,37	-0,28	3,05	1,61	1,21	0,36	0,45	9,32
Diluted earnings per share, SEK <sup>8)</sup>	-0,07	1,17	0,80	-0,69	-0,37	-0,28	3,05	1,61	1,21	0,36	0,45	9,32
Cash flow from operating activities	252	115	217	-239	-172	-187	620	222	345	391	719	673
Cash flow from operating activities per share, SEK <sup>9)</sup>	3,35	1,54	2,88	-3,17	-2,30	-2,50	8,12	2,92	4,58	5,20	9,62	8,68
Total assets	6 479	7 207	7 122	6 674	7 206	8 492	6 517	6 623	6 479	6 570	7 442	8 625
Net debt <sup>10)</sup>	1 747	1 945	2 043	2 097	2 286	3 004	1 612	2 106	1 747	1 856	2 422	2 774
Net debt/equity ratio, times <sup>11)</sup>	0,6	0,7	0,7	0,8	0,8	0,9	0,5	0,8	0,6	0,7	0,8	0,8
Equity	2 699	2 827	2 758	2 680	2 889	3 272	2 967	2 683	2 699	2 755	3 003	3 346
Undiluted equity per share, SEK <sup>12)</sup>	35,83	37,53	36,61	35,58	38,35	43,76	38,87	35,15	35,83	36,57	40,16	44,75
Diluted equity per share, SEK <sup>13)</sup>	35,83	37,53	36,61	35,58	38,35	43,76	38,87	35,15	35,83	36,57	40,16	44,75
Equity/asset ratio, % <sup>14)</sup>	41,7	39,2	38,7	40,2	40,1	38,5	45,5	40,5	41,7	41,9	40,4	38,8
Return on equity, % <sup>15)</sup>	3,3	0,4	1,3	0,1	0,9	18,6	8,5	4,6	3,3	0,9	1,1	23,4
Return on capital employed, % <sup>16)</sup>	7,1	5,0	5,6	4,7	4,5	16,0	9,1	6,8	7,1	5,5	4,3	20,0
Return on operating capital, % <sup>17)</sup>	7,4	5,2	5,8	4,8	4,5	16,9	9,6	7,1	7,4	5,6	4,3	20,7
Return on operating capital, excluding one-off items, %	8,7	7,8	8,5	7,9	4,0	18,8	10,5	9,8	8,7	6,9	5,1	22,8
Return on total assets, % <sup>18)</sup>	5,2	3,6	4,1	3,5	3,4	11,6	6,9	5,0	5,2	4,1	3,3	14,3
Interest coverage ratio, times <sup>19)</sup>	1,5	4,1	3,4	-0,6	0,6	0,1	3,5	2,1	2,1	1,6	1,8	6,1
No. of employees at close of period <sup>20)</sup>	4 347	4 446	4 487	4 395	4 394	4 981	4 371	4 363	4 347	4 381	4 435	5 291

\* Not restated. Changes in IAS 19R are not reflected.

For Definitions, see page 17.



## Notes

### NOTE 1 ACCOUNTING POLICIES

The consolidated accounts for the first quarter of 2014, as for the annual accounts for 2013, have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU, the Annual Accounts Act and the Swedish Financial Reporting Board RFR 1, Supplementary Accounting Rules for Groups.

This quarterly report has been prepared in accordance with IAS 34. The Group has used the same accounting policies as described in the Annual Report for 2013.

From 1 January 2014, Lindab will be applying the following new and amended accounting standards:

- IFRS 10 Consolidated Financial Statements and the Amendment in IAS 27 Consolidated Financial Statements and separate financial reports
- IFRS 11 Joint Arrangements and the amendment in IAS 28 Investments in Associates and Joint Ventures
- IFRS 12 Disclosure of Interests in Other Entities
- IAS 32 Financial Instruments: Presentation – Amendment
- IAS 36 Impairment of Assets – Amendment
- IAS 39 Financial Instruments: Recognition and Measurement – Amendment.

None of the new or revised standards, interpretations and improvements adopted by the EU have had any effect on the Group.

The parent company's financial statements are prepared in accordance with the Swedish Annual Accounts Act (ÅRL) and RFR 2, Accounting for legal entities, and according to the same accounting principles that were applied to the Annual Report for 2013.

### NOTE 2 EFFECTS OF CHANGES IN ACCOUNTING ESTIMATES

Significant estimates and assumptions are described in note 4 in the Annual Report for 2013.

There have not been any changes made to anything that could have a material impact on the interim report.

### NOTE 3 BUSINESS COMBINATIONS

	Acquisitions	
	2014	2013
<b>Purchase price</b>	<b>16</b>	<b>10</b>
<b>Identifiable net assets</b>		
Tangible fixed assets	6	-
Stock	12	-
Current liabilities	-2	-
<b>Acquired net assets</b>	<b>16</b>	<b>-</b>

During the quarter, the business activities of NovoClima were acquired through an acquisition of assets, which were placed in a newly formed company, Lindab Götene AB. The purchase price amounted to SEK 16 m and affected Lindab's cash flow negatively by the corresponding amount. The direct costs related to the acquisition amounted to SEK 0 m. The fair value of the

acquired assets and liabilities are in line with their carrying amount. The purchase price analysis is preliminary pending the final valuation.

No acquisitions were made during 2013.

The total cash flow effect for acquisitions amounts to SEK -16 m (-10). The cash flow for 2013 is attributable to regulated payments for the acquisition of Centrum Klima S.A., which was acquired in 2012.

### NOTE 4 OPERATING SEGMENTS

Lindab's business was operated in three business areas up until the reorganisation of 1 October 2013. The previous business area structure for Ventilation and Building Components has been replaced by a geographically-based sales organisation to take advantage of Lindab's strong market presence and is supported by four product and system areas plus central production and purchasing functions. Throughout 2013, the segments were reported in accordance with the previous structure. From 1 January 2014 onwards, reports will be issued under the new reporting structure, which means that the group now consists of two segments, Products & Solutions and Building Systems. Products & Solutions consists of the former business areas Ventilation and Building Components, and Building Systems will continue as its own segment as was previously the case. The segment Other, as previously, covers the parent company's functions.

Information about revenues from external customers and operating profit by operating segment is shown in the tables on page 6.

Revenues from other segments total small amounts and a breakdown of this sum by segment therefore does not offer any additional value.

Inter-segment transfer pricing is determined on an arms-length basis i.e. between parties that are independent of one another, are well informed and have an interest in the implementation of the transaction. Assets and investments are reported wherever the asset is located.

Assets and liabilities per segment that have changed by more than 10 percent compared with the end of 2013 are shown below:

- Products & Solutions: Inventories have increased by 16 percent, Other assets have increased by 11 percent, and Other liabilities have decreased by 12 percent.
- Building Systems: Other assets have decreased by 16 percent, and Other liabilities have decreased by 20 percent.

### NOTE 5 TRANSACTIONS WITH RELATED PARTIES

Lindab's related parties and the extent of transactions with its related parties are described in note 29 of the 2013 Annual Report.

Systemair AB (publ), which was Lindab's biggest shareholder in 2013 with 12 percent, sold its entire holding on 3 March 2014. Other transactions described in the Annual Report 2013 have continued to the same extent during 2014. These have not had a significant impact on the company's position and profit.





## NOTE 6 FINANCIAL INSTRUMENTS

### Disclosures regarding the fair value by class

	31 Mar 2014		31 Dec 2013	
	Total carrying amount	Fair value	Total carrying amount	Fair value
<b>Financial assets</b>				
Other investments held as fixed assets	3	-	3	-
Other long-term receivables	2	-*	2	-*
Accounts receivable	1 018	-*	942	-*
Other receivables	5	-*	14	-*
Accrued income	3	-*	5	-*
Cash and cash equivalents	232	-*	331	-*
<b>Total financial assets</b>	<b>1 263</b>	<b>0</b>	<b>1 297</b>	<b>0</b>
	Total carrying amount	Fair value	Total carrying amount	Fair value
<b>Financial liabilities</b>				
Overdraft facilities	106	106	160	160
Liabilities to credit institutions	2 030	2 035	1 607	1 607
Derivative liabilities	2	2	2	2
Accounts payable	653	-*	682	-*
Other liabilities	2	-*	102	-*
Accrued expenses	60	-*	329	-*
<b>Total financial liabilities</b>	<b>2 853</b>	<b>2 143</b>	<b>2 882</b>	<b>1 769</b>

#### Description of fair value

##### *Other investments held as fixed assets*

No information about fair value with respect to unlisted shares and participations is provided. Lindab considers that a fair value cannot be calculated in a reliable manner, and that the market for these holdings is limited.

##### *Other long-term receivables*

Other long-term receivables consists of cash deposited as security for rent, which means that the carrying amount is considered to be a reasonable approximation of fair value.

##### *Interest-bearing liabilities*

The fair value of interest-bearing liabilities is provided for the purposes of disclosure and is calculated by discounting the future cash flows of principals and interest payments, discounted at current market interest rates.

##### *Derivatives*

Forward exchange contracts are valued at fair value by discounting the difference between the contracted forward rate and the rate that can be subscribed for on the balance sheet date for the remaining contract term.

##### *\* Other financial assets and liabilities*

For cash and cash equivalents, accounts receivable, other receivables, accrued income, accounts payable, overdraft facilities, other liabilities and accrued expenses with a remaining maturity of less than six (6) months, the carrying amount is considered to reflect the fair value.

#### Valuation hierarchy

The derivative assets, derivative liabilities and interest-bearing liabilities that exist can all be found at Level 2 in the valuation hierarchy.



## NOTE 7 SPECIFICATION OF ONE-OFF ITEMS

<i>Quarter Current year</i>	Products & Solutions	Building Systems	Other Operations	Total	<i>Reporting period outcome</i>	
					Operating profit (EBIT) incl. one-off items	Operating profit (EBIT) excl. one-off items
1/2014	-3	-	-	-3	57	60
<b>Total</b>	<b>-3</b>	<b>-</b>	<b>-</b>	<b>-3</b>	<b>57</b>	<b>60</b>
Operating profit (EBIT) incl. one-off items, acc. 2014	68	-3	-8	57		
<b>Operating profit (EBIT) excl. one-off items</b>	<b>71</b>	<b>-3</b>	<b>-8</b>	<b>60</b>		
<i>The previous year, acc. reporting period</i>						
1/2013	-4	-	-2	-6	7	13
2/2013	-6	-	-	-6	126	132
3/2013	-10	-1	-19	-30	165	195
4/2013	-4	-	-	-4	154	158
<b>Total</b>	<b>-24</b>	<b>-1</b>	<b>-21</b>	<b>-46</b>	<b>452</b>	<b>498</b>
Operating profit (EBIT) incl. one-off items, acc. 2013	336	158	-42	452		
<b>Operating profit (EBIT) excl. one-off items</b>	<b>360</b>	<b>159</b>	<b>-21</b>	<b>498</b>		

**Operating profit (EBIT) has been adjusted by the following one-off items per quarter:**

1/2014	SEK -3m relating to restructuring costs resulting from the reorganisation.
1/2013	SEK -6m relating to restructuring costs resulting from the cost-reduction programme.
2/2013	SEK -6m relating to restructuring costs resulting from the cost-reduction programme.
3/2013	SEK -30m relating to restructuring costs resulting from the cost-reduction programme and reorganisation.
4/2013	SEK -4m relating to restructuring costs resulting from the cost-reduction programme and reorganisation.

This interim report for Lindab International AB (publ) has been submitted following approval by the Board of Directors.

Båstad, 29 April 2014

Anders Berg  
President and CEO

This report has not been subject to examination by Lindab's auditors.



## Definitions

- 1) **Operating profit (EBITDA)** comprises the results before depreciation and before consolidated amortisation of the surplus value on intangible assets.
- 2) **Operating profit (EBITA)** comprises the results after planned depreciation but before consolidated amortisation of the surplus value in intangible assets.
- 3) **Operating profit (EBIT)** comprises the results before financial items and tax.
- 4) **Operating margin (EBITA)** has been calculated as operating profit (EBITA) as a percentage of sales revenue during the period.
- 5) **Operating margin (EBIT)** has been calculated as operating profit (EBIT) expressed as a percentage of sales revenue during the period.
- 6) **Diluted average number of shares** The weighted average number of shares outstanding at the end of the period plus any additional shares in accordance with IAS 33.
- 7) **Undiluted earnings per share, SEK** Profit for the period in relation to the undiluted average number of outstanding shares.
- 8) **Diluted earnings per share, SEK** Profit for the period in relation to the diluted average number of outstanding shares.
- 9) **Cash flow from operating activities per share, SEK** Cash flow from operating activities in relation to the undiluted average number of outstanding shares during the period.
- 10) **Net debt** The net debt consists of interest bearing liabilities and assets, as well as cash and bank.
- 11) **Net debt/equity ratio** The net debt/equity ratio is expressed as the net debt in relation to shareholders' equity.
- 12) **Undiluted equity per share, SEK** Shareholders' equity in relation to the outstanding undiluted number of shares at the end of the period.
- 13) **Diluted equity per share, SEK** Shareholders' equity in relation to the outstanding diluted number of shares at the end of the period.
- 14) **Equity/asset ratio, %** The equity ratio has been calculated as shareholders' equity as a percentage of total assets according to the balance sheet.
- 15) **Return on equity, %** Return on equity comprises the profit after tax for the period, rolling twelve-month value, as a percentage of the average shareholders' equity\* excluding shares without controlling interests.
- 16) **Return on capital employed, %** Return on capital employed comprises the profit before tax (EBT) plus financial expenses, rolling twelve-month value, as a percentage of capital employed\*. Capital employed refers to total assets less non-interest-bearing provisions and liabilities.
- 17) **Return on operating capital, %** Return on operating capital comprises the operating profit (EBIT), rolling twelve months, as a percentage of average operating capital\*. Operating capital refers to the total of net debt and shareholders' equity.
- 18) **Return on total assets, %** The return on total assets comprises the profit before tax (EBT) plus financial expenses, rolling twelve months, as a percentage of average total assets\*.
- 19) **Interest coverage ratio** The interest coverage ratio has been calculated as the profit after financial items plus financial expenses in relation to financial expenses.
- 20) **Number of employees at the end of the period** The number of employees at the end of the period consists of the number of employees converted to full-time positions.

*\*) Average capital is based on the quarterly value.*



## 2014 financial reporting dates

Annual General Meeting	29 April 2014
Interim Report January-June	18 July 2014
Interim Report January-September	28 October 2014

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Subscribe to our customer magazine (Lindab Direct), press releases, Annual Reports and Interim Reports.

## Lindab in brief

The Group had sales revenue of SEK 6,523 m in 2013 and is established in 32 countries with approximately 4,400 employees.

The main market is non-residential construction, which accounts for 80 percent of sales, while residential accounts for 20 percent of sales. During 2013, the Nordic market accounted for 46 percent, the CEE/CIS (Central and Eastern Europe plus other former Soviet states) for 24 percent, Western Europe for 27 percent and other markets for 3 percent of total sales.

The share is listed on the Nasdaq OMX Nordic Exchange, Stockholm List, Large Cap, under the ticker symbol LIAB.

### Business concept

Lindab develops, manufactures, markets and distributes products and system solutions for simplified construction and improved indoor climate.

### Business model

Lindab's product and solution offering includes products and entire systems for ventilation, cooling and heating, as well as construction products and building solutions such as roof drainage in steel, roof and wall cladding, steel profiles for wall, roof and beam constructions and large span buildings. Lindab



also offers complete, pre-engineered steel construction systems under the Astron brand. These are complete building solutions comprising the outer shell with the main structure, wall, roof and accessories.

The products are characterised by their high quality, ease of assembly, energy efficiency and environmental design and are delivered with high levels of service.

Lindab's value chain is characterised by a good balance between centralised and decentralised functions. Steel is purchased and processed centrally. Parts of the production are highly automated (pressed ventilation and roof drainage fittings), while others are located in low cost countries (mainly the Czech Republic) and some are local (e.g. bulky products). The distribution has been developed in order to be close to the customer. Sales are made through more than 120 Lindab branches and more than 2,000 stock-keeping retailers, with the exception of Building Systems, which conducts sales through a network of more than 280 building contractors.

The information provided here is what Lindab International AB has willingly chosen to make public, or what it is obliged to make public under the Swedish Securities Market Act and/or the Financial Instruments Trading Act. This information was made public on 29 April 2014 at 07.40 (CET).

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