Interim report

1 Jan – 30 Jun 2013

1 JANUARY – 30 JUNE 2013

- Order intake amounted to SEK 4,525 million (4,574).
- Net sales rose 5% to SEK 4,331 million (4,129). For comparable units the increase was 1%.
- Operating profit before amortisation of intangible non-current assets attributable to acquisitions (EBITA) was SEK 455 million (426), corresponding to an EBITA margin of 10.5% (10.3%).
- Profit after tax rose 6% to SEK 264 million (249).
- Earnings per share were SEK 6.58 (6.23).

SECOND QUARTER 2013

- Order intake amounted to SEK 2,327 million (2,319).
- Net sales rose 6% to SEK 2,280 million (2,147). For comparable units the increase was 3%.
- Operating profit before amortisation of intangible non-current assets attributable to acquisitions (EBITA) was SEK 264 million (234), corresponding to an EBITA margin of 11.6% (10.9%).
- Profit after tax rose 13% to SEK 157 million (139).
- Earnings per share were SEK 3.90 (3.48).
- Cash flow from operating activities was SEK 263 million (45). For the last twelve-month period cash flow per share totalled SEK 17.38 (15.00).

FINANCIAL DEVELOPMENT

SEK million	2013 Apr-Jun	2012 Apr-Jun	*Change*	2013 Jan-Jun	2012 Jan-Jun	*Change*	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	2,280	2,147	6%	4,331	4,129	5%	8,586	8,384
EBITA	264	234	13%	455	426	7%	934	905
EBITA margin, %	11.6	10.9		10.5	10.3		10.9	10.8
Profit after financial items	202	185	9%	341	331	3%	724	714
Net profit	157	139	13%	264	249	6%	584	569
Earnings per share, SEK [1)]	3.90	3.48	12%	6.58	6.23	6%	14.58	14.23
Return on operating capital, %	21	24		21	24		21	22

[1)] Attributable to equity holders of the parent company

CEO's message

The market continues to be characterised by great uncertainty, and order intake is varying widely from month to month. In general, we have seen a slowdown in most market segments, however, there are positive exceptions to the general trend. One such area is the international energy sector, which continues to perform at a high level. Another is the group of companies acquired in Switzerland in 2011, which are continuing their favourable performance.

Second quarter

Order intake during the quarter outpaced net sales by 2%. The acquisitions carried out by the Group have compensated for a generally continued weak market. Two of the Group's business areas reached a higher accumulated order intake than a year ago: Industrial Components and Special Products. Both of these business areas have also carried out more acquisitions than the other three business areas.

In the Nordic countries, the market is weak particularly in Finland and Denmark. Sweden – and to some extent Norway – is experiencing a more positive trend, with certain segments that are growing. Outside the Nordic countries, business in Indutrade Switzerland continues to show strong growth, both organic and through acquisitions. Other important countries such as Germany, Benelux, the UK and Ireland, are stable.

Generally speaking, it is companies with own products or own brands that have had the most positive performance of the Group's companies. My conclusion is that the Group's long-term, concerted effort to increase the share of proprietary products with an international base has enhanced growth and stability in the Group.

Net sales during the past quarter rose 6%, and at constant exchange rates the increase was 9%. Without completed acquisitions, sales would have been unchanged.

The Engineering & Equipment business area, comprising companies in Finland, experienced continued weak development coupled to weak performance for Finnish industry. Owing to completed cost reductions, earnings have improved despite lower volume. It is positive to note that order intake exceeded invoicing by 5%.

Flow Technology had weak order intake during the period, although it improved toward the end of the second quarter. Order intake is generally weak in the marine sector as well as from the process industry in Sweden. Customers are keeping maintenance and investments to a minimum. Earnings for the period were down slightly on account of the weak marine sector, owing in part to lower volumes, but also to costs for creating the right long-term conditions for business in this segment.

Fluids & Mechanical Solutions had weak performance in certain segments, such as automotive hydraulics, while it encountered a more favourable business climate in other areas. Order intake was on a par with invoicing. Earnings were down slightly, mainly in the hydraulics business. Cost savings have been achieved, and further measures will be taken.

For Industrial Components, demand was generally weak, but thanks to acquisitions, sales as well as order intake rose by approximately 9% for the business area. Order intake and invoicing were level with each other. Commercial vehicles continues to show positive development at the same time that certain med-tech segments have had a weak start to the year. The earnings improvement of roughly 20% can be credited to completed acquisitions.

Special Products posted growth in both order intake and invoicing by approximately 15%. New acquisitions as well as Indutrade Switzerland have made a strong contribution to the earnings improvement of slightly higher than 20%. In the energy segment, which is important for the business area, activity remains at a high level.

Margins

All of the business areas are upholding their gross margins despite fierce competition. The Group's gross margin remains stable at 34.0%, which is level with 2012.

The EBITA margin was 11.6% (10.9%) for the quarter and 10.5% (10.3%) for the half year, which is higher than the Group's target of a minimum 10% EBITA margin over a business cycle.

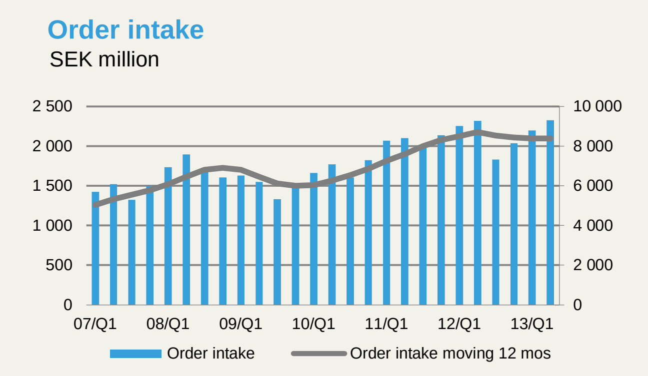
Acquisitions

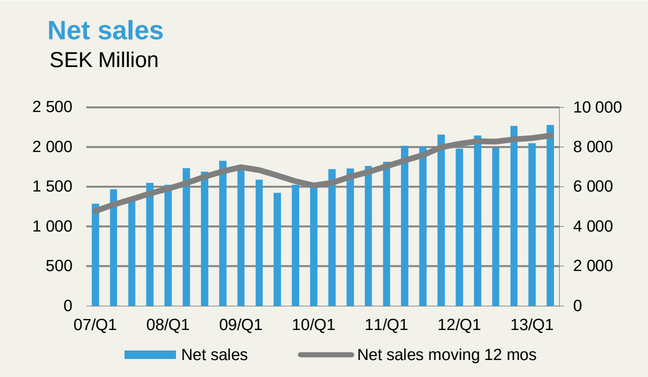
One acquisition was made during the quarter, ESI Technologies Ltd, with business in Ireland and the UK. In early July an additional acquisition was carried out, of AMAB's med-tech business.

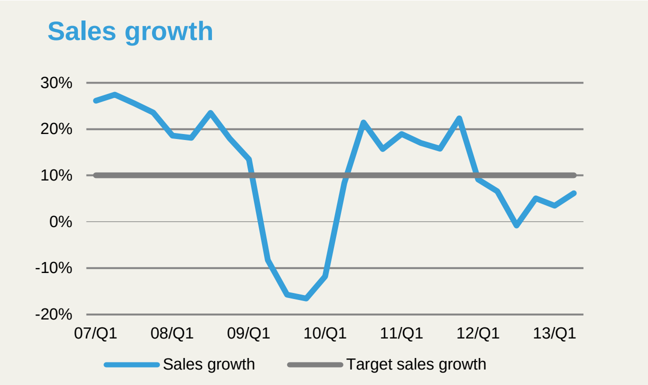
Outlook

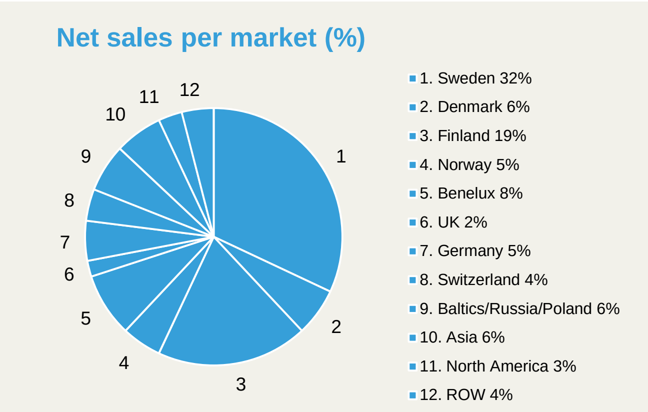
Certain signs of an upswing can be seen, such as for commercial vehicles, while the uncertainty remains great in many other segments. Several customers have indicated that they expect things to improve during the autumn, but this remains to be seen. Indutrade has certain businesses that will increase their sales and earnings in the coming quarters at the same time that uncertainty is great for others. On a positive note, order intake outpaced net sales during the quarter.

Johnny Alvarsson, President and CEO









Group performance

ORDER INTAKE AND NET SALES

Order intake

Order intake during the period January–June totalled SEK 4,525 million (4,574), a decrease of 1%. For comparable units, order intake decreased by 5%, while acquired growth was 6%. Currency movements had a negative effect on order intake, by 2%.

Order intake during the second quarter rose marginally to SEK 2,327 million (2,319). For comparable units, order intake decreased by 3%, while acquired growth was 6%. Currency movements had a negative effect on order intake, by 3%.

The business climate can be summed up as continued generally weak, and the trend from 2012 of gradually weakening demand in many markets and niches has not yet broken. There are exceptions, such as demand from the international energy sector in particular, which has experienced favourable growth since the latter part of 2011 and stabilised at a high level during the second half of 2012. For some of the Group's internationally active companies with proprietary products, such as in the area of measurement technology, demand continued to improve during the second quarter of the year. Similarly, the Group's operations in Switzerland experienced continued favourable demand.

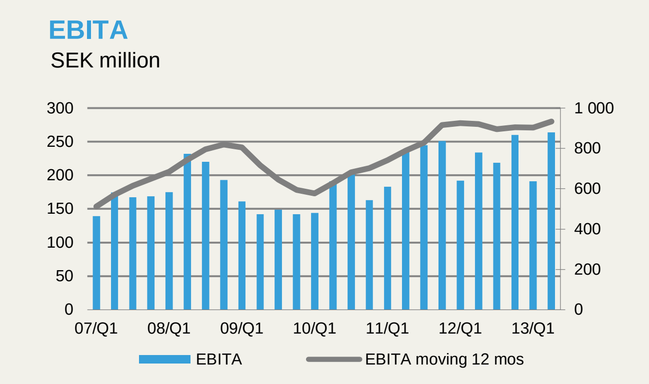
All business areas except for Special Products showed a decrease in order intake for comparable units during the first and second quarters of the year. Special Products posted a rise, mainly driven by favourable performance for the business area's operations in Switzerland, but also for internationally active companies with proprietary products. Flow Technology is the business area that experienced the greatest weakening in demand compared with the first half of 2012. It is mainly international and domestic projects for e.g., the process industry and marine sector that have decreased this year.

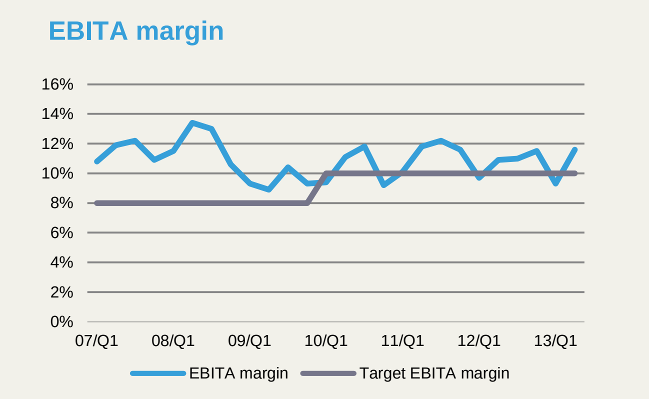
Net sales

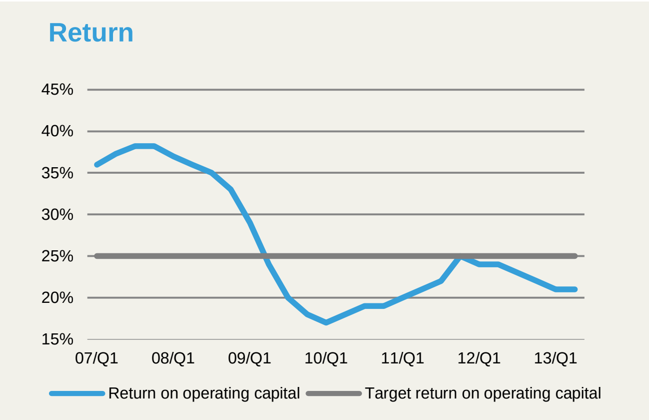
Net sales during the period January–June totalled SEK 4,331 million (4,129), an increase of 5%. The increase for comparable units was 1%, while acquired growth was 7%. Negative currency movements amounted to 3%.

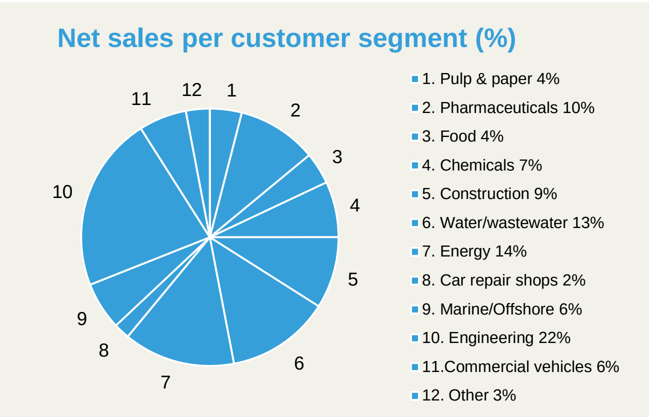
Net sales during the second quarter rose 6% to SEK 2,280 million (2,147). The increase for comparable units was 3%, while acquired growth was 6%. Currency movements had a negative effect on net sales by 3%.

It is positive to note that net sales for comparable units during the second quarter rose in three of the Group's five business areas.









Earnings and return

EARNINGS

Operating profit before amortisation of intangible assets attributable to acquisitions (EBITA) amounted to SEK 455 million (426) for the period January–June, an increase of 7%. The operating margin before amortisation of intangible assets (the EBITA margin) was 10.5% (10.3%).

The gross margin for the Group as a whole was level with the corresponding period a year ago, at 34.0% (34.0%). During the past quarter the gross margin was 34.2% (34.0%).

With an essentially stable gross margin, the strengthening of the EBITA margin is attributable to lower cost share. To counter the effects of the weaker business climate, actions have been initiated in several of the Group's companies, which have made a positive contribution to the strengthened earnings and margin. One example can be seen in the earnings performance for Engineering & Equipment, which grew its profit by 25% during the past quarter despite a drop in net sales. During the past quarter, four of the Group's five business areas achieved an EBITA margin in excess of the Group's 10% target.

Currency effects of translation of foreign units had a negative impact on EBITA by SEK -13 million, or -3%.

Net financial items amounted to SEK -48 million (-43), of which net interest expense was SEK -44 million (-40). Net interest expense was favourably affected by a lower average interest rate, which largely compensated for the higher average level of net debt.

Tax on profit for the period was SEK -77 million (-82), corresponding to a tax charge of 22.6% (24.8%). The lower tax charge is attributable to the reduced corporate tax rate in Sweden, which took effect on 1 January 2013.

Profit after tax rose 6% to SEK 264 million (249). Earnings per share increased to SEK 6.58 (6.23).

Operating profit before amortisation of intangible assets (EBITA) for the second quarter of the year amounted to SEK 264 million (234), an increase of 13%. The operating margin before amortisation of intangible assets (the EBITA margin) was 11.6% (10.9%). Net financial items amounted to SEK -28 million (-22) for the second quarter, of which net interest expense was SEK -22 million (-20). Tax on profit for the quarter was SEK -45 million (-46). Profit after tax totalled SEK 157 million (139). Earnings per share were SEK 3.90 (3.48).

RETURN

The return on operating capital was 21% (24%), and the return on equity was 26% (28%).

Business areas[1]

ENGINEERING & EQUIPMENT

Engineering & Equipment's operations involve sales of components as well as customisation, combinations and installations of products from various suppliers. Business is conducted mainly in Finland.

SEK Million	2013 Apr-Jun	2012 Apr-Jun	2013 Jan-Jun	2012 Jan-Jun	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	331	341	630	666	1,289	1,325
EBITA	30	24	50	49	106	105
EBITA margin, %	9.1	7.0	7.9	7.4	8.2	7.9

Net sales during the period January–June decreased by 5% to SEK 630 million (666). For comparable units the decrease was 4%. Acquisitions contributed 3%, while currency movements had a negative effect on net sales, by 4%.

Finnish industrial performance has been weak across a broad front since spring 2012, and this trend remained unbroken during the past quarter. Certain sectors have stabilised somewhat. These include certain customers in the automotive segment, for example, as well as maintenance and repair work in the water/wastewater segment, while new investment in this segment continues to be at a low level. The business climate in the construction sector is weak, which is having a negative impact on the business area's business.

EBITA for the period rose 1% to SEK 50 million (49), corresponding to an EBITA margin of 7.9% (7.4%). The earnings increase during the past quarter can be credited to completed cost-cutting and efficiency improvement measures that have generated their intended effect.

FLOW TECHNOLOGY

Flow Technology offers components and systems for controlling, measuring, monitoring and regulating flows. The business area includes companies that specialise in various areas of industrial flow technology.

SEK Million	2013 Apr-Jun	2012 Apr-Jun	2013 Jan-Jun	2012 Jan-Jun	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	531	524	1,000	1,030	2,093	2,123
EBITA	54	57	80	97	179	196
EBITA margin, %	10.2	10.9	8.0	9.4	8.6	9.2

Net sales for the period January–June totalled SEK 1,000 million (1,030), a decrease of 3%. For comparable units the decrease was 3%, while acquired growth was 2%. Currency movements had a negative effect on net sales, by 2%.

The business climate remained weak during the period in most areas. At the start of the preceding year, order intake for domestic and international projects in the marine sector, from the process industry and in the water/wastewater segment was very favourable. The level this year has been significantly lower, and demand is described as tentative. As a result, this year there has not been any corresponding build-up of the order book as in the first half of 2012. The weaker business climate is reflected in lower accumulated sales for a number of the business area's companies.

EBITA for the period decreased by 17% to SEK 80 million (97), and the EBITA margin was 8.0% (9.4%). Lower sales for comparable units is leading to lower earnings and margins. Actions that have been initiated to adapt resources to the weaker business climate resulted in a further, initial burden on earnings.

[1] *Comparative figures for the business areas for 2012 have been changed as a result of the Group's new structure as from 1 January 2013. For further details, see Indutrade's year-end report for 2012.*

FLUIDS & MECHANICALSOLUTIONS

Fluids & Mechanical Solutions offers hydraulic and mechanical components to industries in the Nordic and Baltic countries. Key product areas are filters, hydraulics, tools & transmission, industrial springs, valves, compressors, product labelling and construction plastics.

SEK Million	2013 Apr-Jun	2012 Apr-Jun	2013 Jan-Jun	2012 Jan-Jun	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	258	257	501	507	1,014	1,020
EBITA	29	31	59	62	122	125
EBITA margin, %	11.2	12.1	11.8	12.2	12.0	12.3

Net sales decreased by 1% during the period January–June, to SEK 501 million (507). For comparable units, the decrease was 5%. Acquisitions contributed 5%, while currency movements had a negative impact on net sales, by 1%.

Some of the business area's companies continued to strengthen their positions in their respective markets during the start of the year, including industrial plastic components, design solutions for facades, and products and services for fluid filtration, among others. In other respects, the generally weaker business climate in the Nordic engineering industry and commercial vehicles segment had a negative impact.

EBITA for the period decreased by 5% to SEK 59 million (62), and the EBITA margin was 11.8% (12.2%). In the companies that have been hurt the most by the weaker business climate, actions have been taken to adapt overheads.

INDUSTRIAL COMPONENTS

Industrial Components offers a wide range of technically advanced components and systems for production and maintenance, and medical technology equipment. The products consist mainly of consumables.

SEK Million	2013 Apr-Jun	2012 Apr-Jun	2013 Jan-Jun	2012 Jan-Jun	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	438	403	842	769	1,604	1,531
EBITA	53	45	93	80	178	165
EBITA margin, %	12.1	11.2	11.0	10.4	11.1	10.8

Net sales rose 9% during the period January–June, to SEK 842 million (769). For comparable units, sales decreased by 4%. Acquisitions contributed 14%, while currency movements had a negative effect of 1%.

The business climate for commercial vehicles is showing a recovery at the same time that most industrial customer segments are feeling the effects of the weaker business climate. In addition, a drop in demand has been noted for medical technology equipment for ophthalmology and health care applications.

EBITA for the period rose 17% to SEK 93 million (80), corresponding to an EBITA margin of 11.0% (10.4%). Acquisitions explain the positive contribution to earnings and margin growth. Cost-cutting measures in the business area have mitigated the effects of the lower net sales for comparable units and thereby helped buoy the EBITA margin.

In January, the company Thermotech AS was acquired, with annual sales of approximately SEK 70 million.

SPECIAL PRODUCTS

Special Products offers specially manufactured niche products, design solutions, aftermarket service and assembly, and special processing. The business area includes companies that conduct a considerable amount of own manufacturing. It is also the Indutrade business area with the highest share of proprietary products.

SEK Million	2013 Apr-Jun	2012 Apr-Jun	2013 Jan-Jun	2012 Jan-Jun	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	730	632	1,384	1,184	2,644	2,444
EBITA	110	91	201	164	401	364
EBITA margin, %	15.1	14.4	14.5	13.9	15.2	14.9

Net sales rose 17% during the period January–June to SEK 1,384 million (1,184), with a 12% increase in sales for comparable units. Acquired growth was 10%, while currency movements had a negative impact on net sales, by 5%.

The increase in net sales for comparable units is mainly attributable to deliveries to the international, conventional energy market during the start of the year and by the success of the Group's operations in Switzerland. Despite the substantial level of invoicing in the energy market, order intake in this segment was nevertheless on a par with invoicing during the first half of the year. A number of other business segments also reported some increase in net sales during the start of the year. This applied, for example, for operations in Benelux and certain internationally active companies with proprietary products in the measurement technology field.

EBITA increased by 22% to SEK 201 million (164), and the EBITA margin was 14.5% (13.9%). The earnings increase is attributable to higher net sales for comparable units as well as additions from acquisitions, with a slight overweight in the contribution from comparable units. The same also applies for margin growth.

In April the company ESI Technologies Ltd was acquired, with annual sales of approximately SEK 160 million.

Other financial information

FINANCIAL POSITION

Shareholders' equity amounted to SEK 2,281 million (2,022), and the equity ratio was 32% (33%).

Cash and cash equivalents amounted to SEK 286 million (245). In addition to this, the Group had unutilised credit promises of SEK 817 million (856). Interest-bearing net debt amounted to SEK 2,677 million (2,132). The net debt/equity ratio at the end of the period was 117% (106%).

CASH FLOW, CAPITAL EXPENDITURES AND DEPRECIATION

Cash flow from operating activities was SEK 294 million (118). Cash flow after net capital expenditures in intangible non-current assets and in property, plant and equipment (excluding company acquisitions) was SEK 203 million (55). The higher cash flow is mainly attributable to a lower level of tied up working capital compared with the same period a year ago.

The Group's net capital expenditures, excluding company acquisitions, amounted to SEK 91 million (63). Capital expenditures in properties in a few of the Group's manufacturing companies have led to an increase in capital expenditures in non-current assets. Depreciation of property, plant and equipment amounted to SEK 55 million (53). Investments in company acquisitions amounted to SEK 281 million (280), of which contingent earn-out payments for previous years' acquisitions amounted to SEK 93 million (69).

EMPLOYEES

The number of employees was 4,149 at the end of the period (4,086 at the start of the year). A total of 101 employees were added through acquisitions.

ACQUISITIONS

The Group has acquired the following companies, which are consolidated for the first time in 2013.

Month acquired	Acquisitions	Business area	Net sales/SEK m*	No. of employees*
January	Thermotech AS	Industrial Components	70	54
April	ESI Technologies Ltd	Special Products	160	47
			230	**101**

* Estimated annual sales and number of employees at the time of acquisition.

Further information about completed company acquisitions can be found on page 14 of this interim report.

EVENTS AFTER THE END OF THE REPORTING PERIOD

In July one company acquisition was carried out, when the Industrial Components business area acquired the Swedish company AMAB (Allen Myrin Aktiebolag), with annual sales of approximately SEK 35 million. The company is one of the market's leading suppliers of medical alert systems, monitoring systems and security systems to the healthcare sector.

In other respects, no significant events for the Group have occurred after the end of the reporting period.

PARENT COMPANY

The main functions of Indutrade AB are to take responsibility for business development, acquisitions, financing, business control and analysis. The Parent Company's sales, which consist exclusively of intercompany invoicing of services, amounted to SEK 0 million (0) during the period. The Parent Company's financial assets consist mainly of shares in subsidiaries. During the period, the Parent Company acquired shares in two new companies. The Parent Company did not make any major investments in intangible non-current assets or in property, plant and equipment. The number of employees on 30 June was 10 (10).

RISKS AND UNCERTAINTIES

The Indutrade Group conducts business in 26 countries in four world regions, through some 180 companies. This diversification, together with a large number of customers in various industries and a large number of suppliers, mitigates the business and financial risks. Apart from the risks and uncertainties described in Indutrade's 2012 Annual Report, no significant risks or uncertainties are judged to have emerged or been eliminated. Since the Parent Company is responsible for the Group's financing, it is exposed to financing risk.

The Parent Company's other activities are not exposed to risks other than indirectly via subsidiaries. For a more detailed account of risks that affect the Group and Parent Company, please see the 2012 Annual Report.

RELATED PARTY TRANSACTIONS

No transactions took place during the period between Indutrade and related parties that have significantly affected the Company's financial position or result of operations.

ACCOUNTING PRINCIPLES

Indutrade reports in accordance with International Financial Reporting Standards (IFRS). This interim report has been prepared in accordance with IAS 34 and RFR 1. The Parent Company applies RFR 2. The same accounting principles and calculation methods are used in this report as those used in Indutrade's 2012 Annual Report.

Starting in 2013 the Group applies the revised IAS 19 Employee Benefits. The impact on the Group is not significant, since actuarial gains and losses have previously been recognised in other comprehensive income. The changeover to the revised accounting principle has entailed a decrease in the pension liability by SEK 2 million and an increase in shareholders' equity by SEK 2 million as per 1 January 2012. The pension liability and shareholders' equity are unchanged as per 31 December 2012. The change entails an increase in financial income by SEK 4 million, and a decrease in other comprehensive income by SEK 6 million during the fourth quarter of 2012. There is no earnings impact for the first three quarters of the year. The recalculation entails an increase in earnings per share by SEK 0.10 for the full year 2012. Comparative figures have been recalculated.

Starting in 2013, the new IFRS 13 – Fair Value Measurement and amendments to IFRS 7 – Financial Instruments: Disclosures, are applied. These changes have given rise to additional disclosures.

Apart from the standards specified above, no new IFRSs or IFRIC interpretations have been adopted by the EU that will be applicable for Indutrade or will have any material impact on the Group's result of operations or financial position in 2013.

EXTRAORDINARY GENERAL MEETING

Indutrade's largest shareholder, L E Lundbergföretagen AB, has requested that Indutrade summons an extraordinary general meeting, which will be held on 21 August 2013 at 4 p.m., to decide on an adjusted board composition.

FINANCIAL CALENDAR

- The interim report for the period 1 January–30 September 2013 will be published on 5 November 2013.
- The year-end report for the period 1 January–31 December 2013 will be published on 13 February 2014.

THE BOARD'S ASSURANCE

The Board of Directors and President certify that the half-year interim report gives a true and fair view of the Company's and Group's operations, position and result of operations, and describes material risks and uncertainties facing the Company and companies included in the Group.

Stockholm, 24 July 2013
Indutrade AB (publ)

Bengt Kjell Chairman of the Board	Eva Färnstrand Director	Martin Lindqvist Director	Ulf Lundahl Director
Krister Mellvé Director	Mats Olsson Director	Johnny Alvarsson Director, President and CEO	

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

NOTE

The information provided herein is such that Indutrade AB (publ) is obligated to publish pursuant to the Securities Market Act, the Financial Instruments Trading Act, and/or in accordance with the Issuers Rules and Regulations for the Nasdaq OMX Stockholm. Submitted for publication at 9.40 a.m. on 24 July 2013.

FURTHER INFORMATION

For further information, please contact:
Johnny Alvarsson, President and CEO, tel: +46 70 589 17 95.

The report will be commented upon as follows:

- Through a videotaped version available under the following link: http://www.indutrade.se

Indutrade consolidated income statement

- condensed

Mkr	2013 Apr-Jun	2012 Apr-Jun	2013 Jan-Jun	2012 Jan-Jun	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	2,280	2,147	4,331	4,129	8,586	8,384
Cost of goods sold	-1,500	-1,416	-2,858	-2,727	-5,676	-5,545
Gross profit	**780**	**731**	**1,473**	**1,402**	**2,910**	**2,839**
Development costs	-30	-25	-58	-49	-104	-95
Selling costs	-398	-394	-792	-768	-1,551	-1,527
Administrative expenses	-116	-108	-226	-215	-437	-426
Other operating income and expenses	-6	3	-8	4	-6	6
Operating profit	**230**	**207**	**389**	**374**	**812**	**797**
Net financial items	-28	-22	-48	-43	-88	-83
Profit after financial items	**202**	**185**	**341**	**331**	**724**	**714**
Income Tax	-45	-46	-77	-82	-140	-145
Net profit for the period	**157**	**139**	**264**	**249**	**584**	**569**
Net profit, attributable to:						
Equity holders of the parent company	156	139	263	249	583	569
Non-controlling interests	1	0	1	0	1	0
	157	**139**	**264**	**249**	**584**	**569**
Earnings per share for the period, attributable to equity holders of the parent company [1)]	3.90	3.48	6.58	6.23	14.58	14.23
EBITA	264	234	455	426	934	905
Operating profit includes:						
Amortisation of intangible assets	-36	-29	-72	-56	-134	-118
Depreciation of property, plant and equipment	-28	-27	-55	-53	-109	-107

[1)] Earnings for the period divided by 40,000,000 shares. There is no dilutive effect.

Comparative figures for 2012 have been recalculated as a result of application of the revised IAS 19 Employee Benefits.

Indutrade consolidated statement of comprehensive income

	2013 Apr-Jun	2012 Apr-Jun	2013 Jan-Jun	2012 Jan-Jun	2012/13 Moving 12 mos	2012 Jan-Dec
Net profit for the period	157	139	264	249	584	569
Other comprehensive income						
Items that can be reversed into income statement:						
Fair value adjustment of hedge instruments	5	-5	13	7	-7	-13
Tax attributable to fair value adjustments	-1	1	-3	-2	1	2
Exchange rate differences	60	0	-1	-28	-22	-49
Items that can not be reversed into income statement:						
Actuarial gains/losses	-	-	-	-	-19	-19
Tax on actuarial gains/losses	-	-	-	-	4	4
Other comprehensive income for the period, net of tax	**64**	**-4**	**9**	**-23**	**-43**	**-75**
Total comprehensive income for the period	**221**	**135**	**273**	**226**	**541**	**494**
Net profit,attribuable to:						
Equity holders of the parent company	220	135	272	226	540	494
Non-controlling interests	1	0	1	0	1	0
	221	**135**	**273**	**226**	**541**	**494**

Business area performance

Net Sales, SEK Million	2013 Apr-Jun	2012 Apr-Jun	2013 Jan-Jun	2012 Jan-Jun	2012/13 Moving 12 mos	2012 Jan-Dec
Engineering & Equipment	331	341	630	666	1,289	1,325
Flow Technology	531	524	1,000	1,030	2,093	2,123
Fluids & Mechanical Solutions	258	257	501	507	1,014	1,020
Industrial Components	438	403	842	769	1,604	1,531
Special Products	730	632	1,384	1,184	2,644	2,444
Parent company and Group items	-8	-10	-26	-27	-58	-59
	2,280	**2,147**	**4,331**	**4,129**	**8,586**	**8,384**

EBITA, SEK Million	2013 Apr-Jun	2012 Apr-Jun	2013 Jan-Jun	2012 Jan-Jun	2012/13 Moving 12 mos	2012 Jan-Dec
Engineering & Equipment	30	24	50	49	106	105
Flow Technology	54	57	80	97	179	196
Fluids & Mechanical Solutions	29	31	59	62	122	125
Industrial Components	53	45	93	80	178	165
Special Products	110	91	201	164	401	364
Parent company and Group items	-12	-14	-28	-26	-52	-50
	264	**234**	**455**	**426**	**934**	**905**

EBITA margin, %	2013 Apr-Jun	2012 Apr-Jun	2013 Jan-Jun	2012 Jan-Jun	2012/13 Moving 12 mos	2012 Jan-Dec
Engineering & Equipment	9.1	7.0	7.9	7.4	8.2	7.9
Flow Technology	10.2	10.9	8.0	9.4	8.6	9.2
Fluids & Mechanical Solutions	11.2	12.1	11.8	12.2	12.0	12.3
Industrial Components	12.1	11.2	11.0	10.4	11.1	10.8
Special Products	15.1	14.4	14.5	13.9	15.2	14.9
	11.6	**10.9**	**10.5**	**10.3**	**10.9**	**10.8**

	2013		2012			
Net Sales, SEK million	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Engineering & Equipment	331	299	339	320	341	325
Flow Technology	531	469	577	516	524	506
Fluids & Mechanical Solutions	258	243	273	240	257	250
Industrial Components	438	404	405	357	403	366
Special Products	730	654	696	564	632	552
Parent company and Group items	-8	-18	-23	-9	-10	-17
	2,280	**2,051**	**2,267**	**1,988**	**2,147**	**1,982**

	2013		2012			
EBITA, SEK million	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Engineering & Equipment	30	20	20	36	24	25
Flow Technology	54	26	51	48	57	40
Fluids & Mechanical Solutions	29	30	33	30	31	31
Industrial Components	53	40	44	41	45	35
Special Products	110	91	124	76	91	73
Parent company and Group items	-12	-16	-12	-12	-14	-12
	264	**191**	**260**	**219**	**234**	**192**

	2013		2012			
EBITA margin, %	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Engineering & Equipment	9.1	6.7	5.9	11.3	7.0	7.7
Flow Technology	10.2	5.5	8.8	9.3	10.9	7.9
Fluids & Mechanical Solutions	11.2	12.3	12.1	12.5	12.1	12.4
Industrial Components	12.1	9.9	10.9	11.5	11.2	9.6
Special Products	15.1	13.9	17.8	13.5	14.4	13.2
	11.6	**9.3**	**11.5**	**11.0**	**10.9**	**9.7**

Indutrade consolidated balance sheet

- condensed

SEK million	2013 30 Jun	2012 30 Jun	2012 31 Dec
Goodwill	1,311	929	1,188
Other intangible assets	1,266	949	1,215
Property, plant and equipment	779	735	741
Financial assets	58	55	59
Inventories	1,470	1,431	1,472
Accounts receivable, trade	1,593	1,502	1,411
Other receivables	281	246	204
Cash and cash equivalents	286	245	243
Total assets	**7,044**	**6,092**	**6,533**
Equity	2,281	2,022	2,290
Non-current interest-bearing liabilities and pension liabilities	1,551	1,393	1,158
Other non-current liabilities and provisions	342	279	333
Current interest-bearing liabilities	1,412	982	1,424
Accounts payable, trade	689	595	586
Other current liabilities	769	821	742
Total equity and liabilities	**7,044**	**6,092**	**6,533**

Estimated earn-out from acquisitions have been reclassified to interest-bearing liabilities from year-end 2012.

The revised IAS 19 Employee Benefits applies as from 2013. Comparative figures for 2012 have been recalculated.

Indutrade consolidated statement of changes in equity

- condensed

Attributable to equity holders of the parent company SEK million	2013 30 Jun	2012 30 Jun	2012 31 Dec
Opening equity	2,288	2,062	2,062
Adjustment of accounting principle IAS 19	-	2	2
Opening equity after adjustment	**2,288**	**2,064**	**2,064**
Total comprehensive income for the period	272	226	494
Dividend	-282 [1)]	-270 [1)]	-270 [1)]
Closing equity	**2,278**	**2,020**	**2,288**

[1)] Dividend per share for 2012 was SEK 7.05 (6.75).

Equity, attributable to:			
Equity holders of the parent company	2,278	2,020	2,288
Non-controlling interests	3	2	2
	2,281	**2,022**	**2,290**

Indutrade consolidated cash flow statement

- condensed

SEK million	2013 Apr-Jun	2012 Apr-Jun	2013 Jan-Jun	2012 Jan-Jun	2012/13 Moving 12 mos	2012 Jan-Dec
Cash flow from operating activities before change in working capital	208	182	337	336	721	720
Change in working capital	55	-137	-43	-218	-26	-201
Cash flow from operating activities	**263**	**45**	**294**	**118**	**695**	**519**
Net capital expenditures in non-current assets	-36	-28	-91	-63	-155	-127
Company acquisitions and divestments	-131	-144	-281	-280	-573	-572
Change in other financial assets	0	0	-1	-1	-5	-5
Cash flow from investing activities	**-167**	**-172**	**-373**	**-344**	**-733**	**-704**
Net borrowings	259	399	407	484	365	442
Dividend paid out	-282	-270	-282	-270	-282	-270
Cash flow from financial activites	**-23**	**129**	**125**	**214**	**83**	**172**
Cash flow for the period	73	2	46	-12	45	-13
Cash and cash equivalents at start of period	210	245	243	264	245	264
Exchange rate differences	3	-2	-3	-7	-4	-8
Cash and cash equivalents at end of period	**286**	**245**	**286**	**245**	**286**	**243**

Key data

Moving 12 mos	2013 30 Jun	2012 31 Dec	2012 30 Jun	2011 31 Dec	2010 31 Dec
Net sales, SEK million	8,586	8,384	8,292	7,994	6,745
Sales growth, %	4	5	13	19	8
EBITA, SEK million	934	905	922	917	703
EBITA margin, %	10.9	10.8	11.1	11.5	10.4
Operating capital, SEK million	4,958	4,629	4,152	3,720	3,304
Return on operating capital, %	21	22	24	25	19
Return on equity, %	26	27	28	29	24
Interest-bearing net debt, SEK million [1)]	2,677	2,339	2,130	1,656	1,561
Net debt/equity ratio, %	117	102	105	80	90
Net debt/EBITDA, times	2.5	2.3	2.1	1.6	2.0
Equity ratio, %	32	35	33	38	36
Average number of employees	4,070	3,939	3,835	3,778	3,420
Number of employees at end of the period	4,149	4,086	3,978	3,807	3,444
Attributable to equity holders of the parent company					
Key ratios per share [2)]					
Earnings per share, SEK	14.58	14.13	13.73	13.50	10.18
Equity per share, SEK	57.03	57.20	50.45	51.55	43.55
Cash flow from operating activities per share, SEK	17.38	12.98	15.00	17.73	16.40

[1)] Interest-bearing net debt and related key ratios include earn-outs from acquisitions from year-end 2012. Comparative years have been adjusted.

[2)] Based on 40,000,000 shares which corresponds to the number of shares outstanding during all periods in the table. There is no dilutive effect.

Acquisitions

ACQUISITIONS 2013

All of the shares have been acquired in Thermotech AS (Norway) and ESI Technologies Ltd (Ireland).

INDUSTRIAL COMPONENTS

Thermotech AS sells products and services in the areas of heat treatment, machine service and bolt tension. Thermotech AS has annual sales of approximately SEK 70 million and is consolidated in the Group as from 1 January 2013.

SPECIAL PRODUCTS

ESI Technologies Ltd, with annual sales of approximately SEK 160 million, is a technology sales company specialising in flow technology. Business is conducted in Ireland and the UK. Customers are mainly in the pharmaceutical, chemical, and oil and gas industries. The company is consolidated in the Group as from 1 April 2013.

Acquired assets in Thermotech AS and ESI Technologies Ltd.

Preliminary purchase price allocation
SEK million

Purchase price, incl. contingent earn-out payment totalling SEK 51 million			332
Acquired assets	Book value	Fair value adjustment	Fair value
Goodwill	-	126	126
Agencies, trademarks, customer relations, licences, etc.	-	115	115
Property, plant and equipment	8	-	8
Financial assets	0	-	0
Inventories	19	-	19
Other current assets [1)]	63	-	63
Cash and cash equivalents	93	-	93
Deferred tax liability	0	-23	-23
Other operating liabilities	-69	-	-69
	114	**218**	**332**

[1)] Mainly trade accounts receivable

Agencies, customer relationships, licences, etc. will be amortised over a period of 10-20 years.

Indutrade normally uses an acquisition structure entailing a base level of consideration plus a contingent earn-out payment. Initially, the contingent earn-out payments are valued at the present value of the likely outcome, which for the acquisitions made during the year amount to SEK 51 million. The contingent earn-out payments fall due for payment within 2 years and can amount to a maximum of SEK 55 million. If the conditions are not met, the outcome can be in the range of SEK 0-55 million.

Transaction costs for the acquisitions carried out during the period totalled SEK 4 million (2) and are included in "Other income and expenses" in the income statement. Contingent earn-out payments have been revalued at SEK -2 million (0). The expense is reported among Other income and expenses in the income statement.

The purchase price allocations for Geotrim Oy, Eco Analytics AG, Rubin Medical AB, Conroy AB and Topflight AB, which were acquired in 2012, are definitive. No significant adjustments have been made in the calculations. For other acquisitions, the purchase price allocations are preliminary. Indutrade regards the calculations as preliminary during the time that uncertainty exists with respect to, for example, the outcome of guarantees in the acquisition agreements concerning inventories and trade accounts receivable.

Cash flow impact	
Purchase price, incl. contingent earn-out payments	332
Contingent earn-out payments not paid out	-51
Cash and cash equivalents in acquired companies	-93
Contingent earn-out payments pertaining to previous years´acquisitions	93
Total cash flow impact	**281**

EFFECTS OF ACQUISITIONS CARRIED OUT IN 2012 AND 2013

SEK million	Net sales		EBITA	
Business area	**Apr-Jun**	**Jan-Jun**	**Apr-Jun**	**Jan-Jun**
Engineering & Equipment	0	18	0	1
Flow Technology	10	20	1	3
Fluids & Mechanical Solutions	10	26	1	4
Industrial Components	39	109	11	23
Special Products	95	143	16	21
Effect on Group	**154**	**316**	**29**	**52**
Acquisitions carried out in 2012	95	239	20	40
Acquisitions carried out in 2013	59	77	9	12
Effect on Group	**154**	**316**	**29**	**52**

If all acquired units had been consolidated as from 1 January 2013, Group net sales for the period would have amounted to SEK 4,374 million, and EBITA would have totalled SEK 460 million.

ACQUISITIONS AFTER THE END OF THE REPORTING PERIOD

In July Indutrade acquired the Swedish company AMAB, with annual sales of approximately SEK 35 million. The company is one of the market’s leading suppliers of medical alert systems, monitoring systems and security systems to the healthcare sector. AMAB is part of the Industrial Components business area.

A preliminary purchase price allocation will be presented in the third quarter interim report for 2013.

FAIR VALUE

The table below shows financial instruments at fair value, based on the classification of the fair value hierarchy. The various levels are defined as follows:

1. Quoted prices (unadjusted) in active markets for identical assets and liabilities [level 1]
2. Other observable data for assets and liabilities than quoted prices included in level 1, either directly (i.e., through price listings) or indirectly (i.e., stemming from price listings) [level 2]
3. Data for the assets or liabilities that is not based on observable market data (i.e., non-observable market data) [level 3]

The Group's assets and liabilities measured at fair value as per 30 June 2013

	Level 1	Level 2	Level 3	Total
Assets				
Available-for-sale financial assets	-	-	6	6
Derivative instruments held for hedging purposes	-	2	-	2
Liabilities				
Derivative instruments held for hedging purposes	-	17	-	17

Derivative instruments consist of currency forward contracts and interest rate swaps.

No transfers were made between levels 2 and 3 during the period. Reclassification has been made between levels 1 and 2, and the comparative figures for 2012 have been recalculated. Assets in level 3 consists of holdings of shares and participations in unlisted companies. Fair value is considered to be equal to cost.

Long- and short-term loans carry variable interest in all essential respects, which is why their fair value is considered to be equal to the carrying amount.

For the Group's other financial assets and liabilities, such as trade accounts receivable, cash and cash equivalents, contingent considerations and trade accounts payable, fair value is estimated to be equal to the carrying amount.

The Group's assets and liabilities measured at fair value as per 31 December 2012

	Level 1	Level 2	Level 3	Total
Assets				
Available-for-sale financial assets	-	-	6	6
Derivative instruments held for hedging purposes	-	2	-	2
Liabilities				
Derivative instruments held for hedging purposes	-	29	-	29

Parent company income statement

- condensed

SEK million	2013 Apr-Jun	2012 Apr-Jun	2013 Jan-Jun	2012 Jan-Jun	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	0	0	0	0	3	3
Gross profit	**0**	**0**	**0**	**0**	**3**	**3**
Administrative expenses	-15	-15	-30	-28	-51	-49
Other income and expenses	1	0	0	0	-1	-1
Operating profit	**-14**	**-15**	**-30**	**-28**	**-49**	**-47**
Financial income/expenses	-17	-8	-20	-15	-36	-31
Profit from participation in Group companies	270	375	270	375	551	656
Profit after financial items	**239**	**352**	**220**	**332**	**466**	**578**
Appropriations	-	-	-	-	-62	-62
Income tax	7	6	10	11	-49	-48
Net profit for the period	**246**	**358**	**230**	**343**	**355**	**468**
Amortisation/depreciation of intangible assets and property, plant and equipment	0	0	0	0	0	0

Parent company balance sheet

- condensed

Mkr	2013 30 Jun	2012 30 Jun	2012 31 Dec
Intangible assets	1	1	1
Property, plant and equipment	1	1	1
Financial assets	2,923	2,145	2,578
Current receivables	1,850	1,566	1,719
Cash and cash equivalent	0	0	0
Total assets	**4,775**	**3,713**	**4,299**
Equity	1,622	1,550	1,675
Untaxed reserves	221	160	221
Non-current interest-bearing liabilities and pension liabilities	1,229	1,081	837
Current interest-bearing liabilities	1,676	900	1,464
Current noninterest-bearing liabilities	27	22	102
Total equity and liabilities	**4,775**	**3,713**	**4,299**

Estimated earn-outs from acquisitions have been reclassified to interest-bearing liabilities from year-end 2012.
Figures for the comparative year have been recalculated.

Definitions

Earnings per share	Net profit for the period divided by the average number of shares outstanding.
EBITA	Operating profit before amortisation of intangible assets arising in connection with company acquisitions (Earnings Before Interest, Tax and Amortisation).
EBITA margin	EBITA as a percentage of net sales for the period.
EBITDA	Operating profit before depreciation and amortisation (Earnings Before Interest, Tax, Depreciation and Amortisation).
Equity per share	Equity divided by the number of shares outstanding.
Equity ratio	Shareholders' equity as a percentage of total assets.
Gross margin	Gross profit divided by net sales.
Interest-bearing net debt	Interest-bearing liabilities including pension liability and estimated earn-outs from acquisitions, less cash and cash equivalents.
Net capital expenditures	Purchases less sales of intangible assets, and of property, plant and equipment, excluding those included in acquisitions and divestments of subsidiaries and operations.
Net debt/equity ratio	Interest-bearing net debt divided by shareholders' equity.
Operating capital	Interest-bearing net debt and shareholders' equity.
Return on equity	Net profit for the period divided by average equity per quarter.
Return on operating capital	EBITA as a percentage of average operating capital per quarter.

Indutrade in brief

Indutrade markets and sells components, systems and services with a high-tech content to industrial customers in selected niches. The Group creates value for its customers by structuring the value chain and increasing the efficiency of its customers' use of technological components and systems. For the Group's suppliers, value is created through the offering of an efficient sales organisation with high technical expertise and well developed customer relations.

Indutrade's business is distinguished by the following factors, among others:

- High-tech products for recurring needs
- Growth through a structured and tried-and-tested acquisition strategy
- A decentralised organisation characterised by an entrepreneurial spirit

The Group is structured into five business areas:
Engineering & Equipment, Flow Technology, Fluids & Mechanical Solutions, Industrial Components and Special Products.

The Group's financial targets (per year across a business cycle) are to grow by 10%, to attain a minimum EBITA margin of 10% and a return on operating capital exceeding 25%.