

Press release from Elanders AB (publ)

2011-01-28

January-December

- Net sales fell by 2.9 % totaling MSEK 1,705.9 (MSEK 1,756.7).
- Operating result amounted to MSEK -76.2 (MSEK -60.1), of which one-off items were to MSEK -58.6 (MSEK -35.2). Costs concerning structural measures charged the operating result by MSEK -75.2.
- Result before taxes was MSEK -105.2 (MSEK -96.1).
- Net result amounted to MSEK -83.7 (MSEK -74.4) or SEK -6.79 per share (SEK -7.57 per share).
- Operating cash flow amounted to MSEK -90.4 (MSEK 42.1), of which acquisitions were MSEK -26.8 (MSEK 0.0).
- In July Elanders acquired the operations in the packaging printing plant Printpack in Germany that has annual net sales of about MSEK 100.
- A new share issue with preferential rights was carried out in September and raised MSEK 208.1 after issue expenses.
- The Board of Directors and CEO propose that no dividend be distributed for 2010 (SEK 0).
- The forecast for 2011 is a positive result before taxes.
- In January 2011 Elanders signed an agreement with the Swedish printer Fälth & Hässler to take over sections of their operations. Annual net sales in Fälth & Hässler are currently about MSEK 100. The acquired operations are expected to contribute to Elanders net sales in the second half of 2011. The purchase sum for these operations is expected to amount to a maximum of MSEK 4.

The fourth quarter

- Net sales increased by 8.0 % totaling MSEK 490.9 (MSEK 454.7).
- Operating result amounted to MSEK 5.6 (MSEK -28.4), of which one-off items amounted to MSEK -18.9 (MSEK -19.1).
- Result before taxes was MSEK -1.1 (MSEK -39.6).
- Net result amounted to MSEK -1.3 (MSEK -37.2) or SEK -0.07 per share (SEK -3.79 per share).
- Operating cash flow amounted to MSEK -4.9 (MSEK 8.1).

COMMENTS BY THE CEO

For the second quarter in a row Elanders increased its net sales compared to the previous year, which means we can now present a positive operating result for the quarter, despite continued costs for structural measures. We are also on par with the forecast given in the second quarter interim report regarding the result before taxes.

The fourth quarter 2010 was very positive for Elanders and the undeniable signs of recovery on the market continued. Elanders is now growing in the product areas packaging, market and information material and personalized products, which is in line with our stated strategy. Our market shares are on the rise in automotives and volumes in user manuals are improving as this industry gradually increases production. At the same time volumes to our existing Web-to-print customers are also growing.

At the end of December 2010 Elanders applied to the Swedish Tax Agency for a reassessment of the VAT paid in 2004, which, if it turns out well, can be beneficial for Elanders in the coming year or years.

As a part of consolidating the graphic industry Elanders signed a contract with Fälth & Hässler, one of Sweden's leading graphic companies in the segment advanced illustrated books and catalogues, in January 2011, to acquire sections of their operations. This was announced in a press release on 24 January 2011. This deal is expected to contribute positively to Elanders' net sales in the second half of 2011, but its full effect will not materialize until 2012.

The structural measures taken primarily in Swedish operations aimed at reducing personnel and optimizing resource utilization in order to create a more competitive Elanders continue according to plan. No further costs for the action plan are anticipated in 2011.

Magnus Nilsson
President and Chief Executive Officer

NET SALES AND RESULT

Full year	2010	2009	2008
MSEK			
Net sales	1,705.9	1,756.7	2,191.2
Operating expenses	-1,782.1	-1,816.8	-2,175.1
Operating result	-76.2	-60.1	16.0
Net financial items	-29.0	-36.0	-50.4
Result after financial items	-105.2	-96.1	-34.4

Fourth quarter	2010	2009	2008
MSEK			
Net sales	490.9	454.7	620.7
Operating expenses	-485.3	-483.1	-516.8
Operating result	5.6	-28.4	-30.7
Net financial items	-6.7	-11.2	-13.3
Result after financial items	-1.1	-39.6	-44.0

GROUP

Net sales and result

January-December

Consolidated net sales fell by MSEK 50.8 to MSEK 1,705.9 (MSEK 1,756.7) or 2.9 %. The decrease was primarily due to reduced volumes, primarily in China, as well as a weakening of the euro and British pound against the Swedish crown. This was, however, partially compensated by increased net sales in Germany and Poland. If exchange rates had been the same as last year during this period net sales would have been around MSEK 94 higher, or MSEK 59 in comparable units.

The operating result worsened by MSEK 16.1 to MSEK -76.2 (MSEK -60.1), mainly due to structural costs and developments in the Chinese operations. One-off items of MSEK -58.6 (MSEK -35.2) are included in the operating result.

As a result of the structural measures taken primarily in Swedish operations structural costs of MSEK 75.2 charged the operating result in the second half of the year. No further costs for this action plan are anticipated in 2011. The measures mentioned above in combination with previous notices of redundancy and people leaving of their own accord during the year reduced Swedish operations by about 80 people on a full year basis, compared to 2009.

At the end of December 2010 Elanders applied to the Swedish Tax Agency for a reassessment of the VAT paid in 2004, which, if it turns out well, can be beneficial for Elanders in the coming year or years. Elanders is claiming MSEK 73.9 and this is the sum the Swedish Tax Agency will rule on. Due to a number of uncertain factors it is at present difficult to assess the impact this can have on Elanders' result. During the year Elanders intends to apply for a reassessment of the fiscal years 2005-2007 as well.

Fourth quarter

Group net sales increased by MSEK 36.2 to MSEK 490.9 (MSEK 454.7) or 8.0 %. If exchange rates had been the same as last year during this period the increase would have been about MSEK 67, of which MSEK 47, i.e. 10.2 %, was organic growth. The improvement was mainly due to an increase in net sales in Germany and Poland.

The operating result improved by MSEK 34.0 to MSEK 5.6 (MSEK -28.4), of which MSEK -18.9 (MSEK -19.1) was one-off items. The improved result compared to the same period last year is due to higher net sales and lower operating losses in the Swedish operations as well as positive developments in general in most of the Group's foreign operations.

Personnel*January-December*

The average number of employees during the period was 1,520 (1,581), of which 445 (506) were in Sweden. At the end of the period the Group had 1,564 (1,538) employees.

Fourth quarter

The average number of employees during the period was 1,560 (1,540), of which 419 (463) were in Sweden.

Investments and depreciation*January-December*

Investments for the period totalled MSEK 75.5 (MSEK 73.3), of which MSEK 26.8 (MSEK 0.0) referred to acquisitions. Group depreciation and write-downs amounted to MSEK 102.0 (MSEK 101.0).

Fourth quarter

Investments for the period totalled MSEK 23.3 (MSEK 26.9) and depreciation and write-downs were MSEK 25.5 (MSEK 24.1).

Financial position, cash flow, equity ratio and financing Group net debt amounted to MSEK 732.2 (MSEK 837.4) and operating cash flow for the full year amounted to MSEK -90.4 (MSEK 42.1) of which MSEK -26.8 (MSEK 0.0) referred to acquisitions. Equity amounted to MSEK 819.3 (MSEK 765.1), which resulted in an equity ratio of 40.7 % (36.2 %). A new share issue with preferential rights was carried out in September and raised MSEK 208.1 after issue expenses.

Operating cash flow for the fourth quarter amounted to MSEK -4.9 (MSEK 8.1).

Risks and uncertainties

Elanders divides risks into circumstantial risks (the future of printing, business cycles, structure and the competition), financial risks (currency, interest, financing and credit) as well as operational risks (customer concentration, operations, operating costs, contracts, disputes, insurance and other risk management as well as other operational risks). These risks, together with a sensitivity analysis, are described in detail on pages 43-45 in the Annual Report 2009. No significant changes have occurred that have changed the risks as reported there.

Seasonal variations

The Group's net sales, and thereby income, are affected by the seasonal variations described on page 45 of the Annual Report 2009.

Events after the balance sheet date

In January 2011 Elanders signed an agreement with Fälth & Hässler, one of Sweden's leading graphic companies in the segment advanced illustrated books and catalogues, to take over sections of their operations such as sales and parts of prepress through a transfer of assets and liabilities. This was announced in a press release on 24 January 2011. This deal is expected to contribute positively to Elanders' net sales in the second half of 2011, but its full effect will not materialize until 2012. The purchase sum for these operations is expected to amount to a maximum of MSEK 4.

No significant events beside these have taken place after the balance sheet date and the date this report was signed.

Forecast

The forecast for the full year 2011 remains unchanged with an expected positive result before taxes.

PARENT COMPANY

Parent company has provided joint Group services. The average number of employees was 10 (12) in the fourth quarter, for the full year 18 (12) and at the end of the year 10 (14).

REVIEW AND ACCOUNTING PRINCIPLES

The interim report for the Group has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting and for the parent company in accordance with the Annual Accounts Act. The company auditors have not reviewed this report.

A number of amendments of existing standards, new interpretations etc. have been made by Elanders starting 1 January 2010. Of them the IFRS 3 Business Combination (amended) has had a certain impact on some of our financial reports since new acquisitions must be dealt with according to this standard.

In all other aspects the same accounting principles and calculation methods as those in the last Annual Report have been used.

OTHER INFORMATION**Nomination committee**

The following are members of the nomination committee for the Annual General Meeting on 5 May 2011:

Carl Bennet (chair)	Carl Bennet AB
Göran Erlandsson	Representative for minor shareholders
Hans Hedström	Carnegie Funds
Thomas Ramsälv	Odin Funds
Caroline af Ugglas	Skandia Liv

Please find the nomination committee's contact information on the company's website www.elanders.com under "Corporate Governance".

Future reports from Elanders

Annual Report	7 April 2011
Interim report first quarter 2011	5 May 2011
Interim report second quarter 2011	13 July 2011
Interim report third quarter 2011	21 October 2011

Mölnlycke, 28 January 2011

Magnus Nilsson
President and Chief Executive Officer

Further information can be found on Elanders' website www.elanders.com or via e-mail info@elanders.com.
Questions concerning this report can be made to:

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This document is a translation of the Swedish original. In the event of any discrepancies between this translation and the Swedish original, the latter shall prevail.

GROUP

Group - Income statements

MSEK	Full year	
	2010	2009
Net sales	1,705.9	1,756.7
Cost of products and services sold	-1,450.3	-1,429.6
Gross profit	255.6	327.1
Sales and administrative expenses	-334.6	-389.2
Other operating income	56.7	39.3
Other operating expenses	-47.6	-33.2
Income from jointly controlled entities	-6.3	-4.0
Operating result	-76.2	-60.1
Net financial items	-29.0	-36.0
Result after financial items	-105.2	-96.1
Income Taxes	21.4	21.7
Result for the year	-83.7	-74.4
Attributable to:		
- parent company shareholders	-83.7	-74.0
- minority interests	0.0	-0.4
Earnings per share, SEK ^{1) 2)}	-6.79	-7.57
Average number of shares, in thousands	12,342	9,765
Outstanding shares at the end of the period, in thousands	19,530	9,765

¹⁾ Earnings per share before and after dilution. No adjustment of the historic number of shares has been made since the new share issue in 2010 did not entail any bonus issue element.

²⁾ Earnings per share calculated by dividing the result for the year by the average number of outstanding shares during the year.

MSEK	Fourth quarter	
	2010	2009
Net sales	490.9	454.7
Cost of products and services sold	-392.1	-365.9
Gross profit	98.8	88.8
Sales and administrative expenses	-85.2	-107.9
Other operating income	4.4	9.7
Other operating expenses	-9.2	-17.4
Income from jointly controlled entities	-3.2	-1.5
Operating result	5.6	-28.4
Net financial items	-6.7	-11.2
Result after financial items	-1.1	-39.6
Income taxes	-0.2	2.4
Result for the period	-1.3	-37.2
Attributable to:		
- parent company shareholders	-1.3	-37.1
- minority interests	-	-0.1
Earnings per share, SEK ^{1) 2)}	-0.07	-3.79
Average number of shares, in thousands	19,530	9,765
Outstanding shares at the end of the period, in thousands	19,530	9,765

¹⁾ Earnings per share before and after dilution. No adjustment of the historic number of shares has been made since the new share issue in 2010 did not entail any bonus issue element.

²⁾ Earnings per share calculated by dividing the result for the period by the average number of outstanding shares during the period.

Group - Statements of comprehensive income

MSEK	Full year	
	2010	2009
Result for the year	-83.7	-74.4
Other comprehensive income		
Translation differences, net after tax	-75.9	-39.5
Cash flow hedges, net after tax	-0.3	0.5
Hedging of net investment abroad, net after tax	6.6	0.8
Other comprehensive income, net after tax	-69.6	-38.2
Total comprehensive income for the year	-153.3	-112.6
Total comprehensive income attributable to:		
- parent company shareholders	-153.3	-112.3
- minority interests	-	-0.3

MSEK	Fourth quarter	
	2010	2009
Result for the period	-1.3	-37.2
Other comprehensive income		
Translation differences, net after tax	-5.7	15.6
Cash flow hedges, net after tax	-0.3	0.4
Hedging of net investment abroad, net after tax	1.3	-0.3
Other comprehensive income, net after tax	-4.7	15.7
Total comprehensive income for the period	-6.0	-21.5
Total comprehensive income attributable to:		
- parent company shareholders	-6.0	-21.4
- minority interests	-	-0.1

Group - Statements of cash flow

MSEK	Full year	
	2010	2009
Result after financial items	-105.2	-96.1
Adjustments for items not included in cash flow	119.1	86.8
Paid taxes	-7.6	-7.9
Changes in working capital	-64.1	71.8
Cash flow from operating activities	-57.8	54.6
Cash flow from investing activities	-69.2	-52.2
Changes in long and short-term borrowing	-106.0	-59.7
New share issue	208.1	0.0
Cash flow from financing activities	102.1	-59.7
Cash flow for the year	-24.9	-57.2
Liquid funds at the beginning of the year	78.9	141.7
Translation difference	-3.8	-5.7
Liquid funds at the end of the year	50.1	78.9
Net debt at the beginning of the year	837.4	843.3
Translation difference in net debt	-16.9	-1.7
Net debt in acquisitions	8.6	-
Change in net debt	-96.9	-4.2
Net debt at the end of the year	732.2	837.4
Operating cash flow	-90.4	42.1

MSEK	Fourth quarter	
	2010	2009
Result after financial items	-1.1	-39.6
Adjustments for items not included in cash flow	25.5	36.7
Paid taxes	1.2	6.2
Changes in working capital	-13.9	28.1
Cash flow from operating activities	11.7	31.4
Cash flow from investing activities	-22.1	-23.8
Changes in long and short-term borrowing	-31.5	-9.6
New share issue	-31.5	-9.6
Cash flow from financing activities	-41.9	-2.0
Cash flow for the period	92.7	80.2
Liquid funds at the beginning of the period	-0.6	0.7
Translation difference	50.2	78.9
Liquid funds at the end of the period	722.4	835.4
Net debt at the beginning of the period	15.1	-0.1
Translation difference in net debt	-5.3	2.1
Net debt in acquisitions	732.2	837.4
Change in net debt	-4.9	8.1

Group - Statements of financial position

MSEK	December 31	
	2010	2009
Assets		
Intangible assets	875.2	953.0
Tangible assets	371.7	435.1
Other fixed assets	164.6	131.4
Total fixed assets	1,411.5	1,519.5
Inventories	118.7	95.1
Accounts receivable	365.0	351.5
Other current assets	67.0	68.8
Cash and cash equivalents	50.1	78.9
Total current assets	600.8	594.3
Total assets	2,012.3	2,113.8
Equity and liabilities		
Equity	819.3	765.1
Liabilities		
Non-interest-bearing long-term liabilities	36.1	42.7
Interest-bearing long-term liabilities	434.8	87.6
Total long-term liabilities	470.9	130.3
Non-interest-bearing current liabilities	374.6	389.7
Interest-bearing current liabilities	347.5	828.7
Total current liabilities	722.1	1,218.4
Total equity and liabilities	2,012.3	2,113.8

Group - Statements of changes in equity

MSEK	Equity attributable to parent company shareholders	Equity attributable to minority owners	Total equity
Equity at year-end 2008	875.6	2.1	877.7
Total comprehensive income for the year	-112.3	-0.3	-112.6
Equity at year-end 2009	763.3	1.8	765.1
Equity at year-end 2009	763.3	1.8	765.1
Transactions with minority owners	1.2	-1.8	-0.6
New share issue	208.1	-	208.1
Total comprehensive income for the year	-153.3	-	-153.3
Equity at year-end 2010	819.3	-	819.3

Segment reporting

Effective the fourth quarter 2009 Group operations are reported as one reportable segment, since this is how the Group is now governed. This analysis identified the President as the highest decision-maker and the units in different countries were identified as operating segments. The operating segments were then merged to create a single operating segment, consisting of the entire Group, since the units have similar economic characteristics and resemble each other regarding the nature of their products and services, production processes, customer types etc. Regarding the financial information for the operating segment please see the consolidated income statements and the statement of financial position along with related notes.

PARENT COMPANY

Parent company - Income statements

MSEK	Full year 2010 2009	
Net sales	-	-
Cost of products and services sold	-	-
Gross profit	-	-
Operating expenses	-29.4	-37.4
Operating result	-29.4	-37.4
Net financial items	13.8	83.2
Result after net financial items	-15.6	45.8
Income taxes	6.9	13.8
Result for the year	-8.7	59.6

MSEK	Fourth quarter 2010 2009	
Net sales	-	-
Cost of products and services sold	-	-
Gross profit	-	-
Operating expenses	-6.0	-7.9
Operating result	-6.0	-7.9
Net financial items	2.1	2.3
Result after net financial items	-3.9	-5.6
Income taxes	1.4	3.0
Result for the period	-2.5	-2.6

Parent company - Statements of comprehensive income

MSEK	Full year	
	2010	2009
Result for the year	-8.7	59.6
Other comprehensive income	-	-
Total comprehensive income	-8.7	59.6

MSEK	Fourth quarter	
	2010	2009
Result for the period	-2.5	-2.6
Other comprehensive income	-	-
Total comprehensive income	-2.5	-2.6

Parent company - Balance sheets

MSEK	December 31	
	2010	2009
Assets		
Fixed assets	1,272.4	1,254.9
Current assets	76.6	61.4
Total assets	1,349.0	1,316.3
Equity, provisions and liabilities		
Equity	700.7	552.9
Provisions	3.8	3.9
Long-term liabilities	238.2	0.1
Current liabilities	406.3	759.4
Total equity and liabilities	1,349.0	1,316.3

Parent company - Statements of changes in equity

MSEK	Share capital	Statutory reserve	Retained earnings and result for the period	Total equity
Equity at year-end 2008	97.7	332.4	113.1	543.2
Total comprehensive income for the year	-	-	59.5	59.5
Paid group contribution, net	-	-	-67.6	-67.6
Tax effect on paid group contribution, net	-	-	17.8	17.8
Equity at year-end 2009	97.7	332.4	122.8	552.9
Equity at year-end 2009	97.7	332.4	122.8	552.9
New share issue	97.7	-	110.4	208.1
Total comprehensive income for the year	-	-	-8.7	-8.7
Paid group contribution, net	-	-	-70.0	-70.0
Tax effect on paid group contribution, net	-	-	18.4	18.4
Equity at year-end 2010	195.3	332.4	173.0	700.7

KEY RATIOS - GROUP

Quarterly data

MSEK	2010 Q4	2010 Q3	2010 Q2	2010 Q1	2009 Q4	2009 Q3	2009 Q2	2009 Q1	2008 Q4
Net sales	491	406	409	401	455	381	445	477	621
Operating result	6	-62	-8	-12	-28	-21	-22	12	-31
Operating margin, %	1.1	-15.2	-2.0	-3.0	-6.2	-5.6	-4.9	2.5	-5.0
Result after financial items	-1	-71	-14	-19	-40	-28	-32	3	-44
Result after tax	-1	-52	-12	-19	-37	-17	-24	3	-30
Earnings per share, SEK	-0.07	-5.04	-1.21	-1.92	-3.79	-1.67	-2.46	0.34	-3.03
Operating cash flow	-5	-14	-37	-34	8	-33	45	22	126
Net cash flow per share, SEK	-2.15	4.63	0.19	-3.35	-0.22	-1.76	-3.32	-0.56	6.98
Depreciation	25	33	22	22	24	26	24	27	31
Net investments	22	21	9	17	24	12	12	4	-3
Goodwill	836	843	863	868	895	889	920	923	918
Total assets	2,012	2,041	2,032	2,020	2,114	2,083	2,203	2,342	2,387
Equity	819	825	715	720	765	787	860	894	878
Net debt	732	722	906	868	837	836	806	838	843
Capital employed	1,552	1,548	1,621	1,588	1,602	1,622	1,667	1,732	1,721
Return on total assets, % ¹⁾	1.7	-11.1	-1.5	-1.9	-5.3	-4.1	-4.0	3.0	-3.2
Return on equity, % ¹⁾	-0.6	-27.0	-6.6	-10.0	-19.3	-8.1	-10.9	1.5	-13.9
Return on capital employed, % ¹⁾	1.4	-15.6	-2.0	-3.0	-7.0	-4.6	-5.2	2.8	-7.2
Debt/equity ratio	0.9	0.9	1.3	1.2	1.1	1.1	0.9	0.9	1.0
Equity ratio, %	40.7	40.4	35.2	35.6	36.2	37.8	39.0	38.2	36.8
Interest coverage ratio ²⁾	neg.	neg.	neg.	neg.	neg.	neg.	neg.	1.3	0.4
Number of employees at the end of the period	1,564	1,556	1,523	1,457	1,538	1,541	1,557	1,652	1,812

¹⁾ Return ratios have been annualized.

²⁾ Interest coverage ratio calculation is based on a moving 12 month period.

Five year overview – full year

	2010	2009	2008	2007	2006
Net sales, MSEK	1,705.9	1,756.7	2,191.2	2,035.6	1,988.2
Result after financial items, MSEK	-105.2	-96.1	-34.3	184.1	-31.8
Result after tax, MSEK	-83.7	-74.4	-25.7	172.2	-49.0
Earnings per share, SEK ¹⁾	-6.79	-7.57	-2.62	18.06	-5.54
Dividends per share, SEK	0.00 ²⁾	0.00	0.00	4.50	2.36
Operating margin, %	-4.5	-3.4	0.7	11.1	-0.4
Return on equity, %	-10.6	-9.1	-3.0	24.2	-8.2
Return on total assets, %	-3.2	-2.2	1.7	12.0	-0.3
Return on capital employed, %	-4.8	-3.6	0.9	16.0	-0.7
Debt/equity ratio	0.9	1.1	1.0	0.9	1.1
Equity ratio, %	40.7	36.2	36.8	38.9	33.9
Average number of shares, in thousands	12,342	9,765	9,765	9,537	8,855

Key ratios correspond to those presented in the Annual Report for each year.

¹⁾ There is no dilution.

²⁾ As proposed by the Board of Directors.

Five year overview – fourth quarter

	2010 Q4	2009 Q4	2008 Q4	2007 Q4	2006 Q4 ¹⁾
Net sales, MSEK	491	455	621	586	576
Result after tax, MSEK	-1	-37	-30	63	-80
Earnings per share, SEK ³⁾	-0.07	-3.79	-3.03	6.49	-9.08
Return on equity, % ²⁾	-0.6	-19.3	-13.9	30.5	-53.7
Return on capital employed, % ²⁾	1.4	-7.0	-7.2	20.3	-22.9
Operating margin, %	1.1	-6.2	-5.0	14.3	-12.2
Average number of shares, in thousands	19,530	9,765	9,765	9,765	8,855

¹⁾ The figures include discontinued operations in Kungsbacka, i.e. directories production, that were discontinued in the first quarter 2007.

²⁾ Return ratios have been annualized.

³⁾ There is no dilution.

NOTES

Note 1. Acquisition of operations

Specification of acquisitions made in 2010

Acquisition date	Company	Country	Number of employees
1 August 2010	Printpack – CW GmbH	Germany	44

In August 2010 Elanders acquired the assets and liabilities in Printpack CW – GmbH in Stuttgart, Germany. The company is specialized in packaging production and has many international customers. The agreed purchase price amounted to MEUR 2.5 in addition to the transfer of a leasing debt of MEUR 0.9. The acquisition resulted in negative goodwill amounting to MEUR 0.4 that has been as accounted for as income.

Assets and liabilities in acquisitions

MSEK	Recorded values in acquired operations	Adjustments to fair value	Recorded value in the group
Intangible assets	-	4.7	4.7
Tangible assets	21.4	-	21.4
Inventories	11.5	-	11.5
Non-interest-bearing long-term liabilities	-	-1.5	-1.5
Interest-bearing long-term liabilities	-8.6	-	-8.6
Identifiable net assets	24.3	3.2	27.5
Negative goodwill			-3.9
Total purchase price			23.6
<u>Less:</u>			
Unpaid purchases sums			-
Cash and cash equivalents in acquired operations			-
Negative effect on cash and cash equivalents			23.6

In March 2010 the remaining minority in the subsidiary in Brazil was acquired. The purchase price amounted to MUSD 0.5.

Definitions

Capital employed	Total assets less cash and cash equivalents and non-interest-bearing liabilities.
Debt/equity ratio	Interest-bearing liabilities less cash and cash equivalents in relation to reported equity, including minority interests.
Equity ratio	Equity (including minority interests) in relation to total assets.
Interest coverage ratio	Operating result plus interest income divided by interest costs.
Operating cash flow	Cash flow from operating activities and investing activities adjusted for paid taxes and net financial items.
Operating margin	Operating profit/loss in relation to net turnover.
Return on capital employed	Operating result in relation to average capital employed.
Return on equity	Result for the year in relation to average equity.
Return on total assets	Operating result plus financial income in relation to total assets.

ELANDERS – A GLOBAL PRINTING GROUP

- FROM INDIVIDUAL PRODUCTS TO TOTAL SOLUTIONS

Elanders handles customers' information and printed matter logistics via a single contact, no matter how voluminous the material nor how many languages it is published in. We create solutions based on our customers' needs and ability. No matter how the information is delivered to Elanders we process it and then produce and distribute it, directly to the recipient of the information when that is an advantage. We provide technical support for our customers' information management through a platform of systems that help to automate customers' information processes.

Some of our products:

- Shop material
- Books & Catalogues
- Photo products
- Packaging
- Information and marketing material
- Office material
- Manuals and product information
- Periodicals

Some of our services:

- Online services
- Arts & Graphics
- Translation
- Personalized print
- Global print
- Fulfillment
- Storage & Distribution
- Order & Invoicing
- Just-in-time deliveries

Production and sales in:

Falköping, Göteborg, Lund, Malmö, Stockholm, Uppsala, Västerås (Sweden), Oslo (Norway), Harrogate and Newcastle (Great Britain), Stuttgart (Germany), Atlanta (USA), São Paulo (Brazil), Beijing (China), Płonsk (Poland), Treviso (Italy) and Zalaölvő (Hungary).