

INTERIM REPORT

1 JANUARY – 31 MARCH 2011



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- Net sales rose 19% during the period to SEK 1,816 million [1,527]. The increase for comparable units was 12%.
- Operating profit before amortisation of intangible non-current assets attributable to acquisitions (EBITA) rose 27% to SEK 183 million [144], and the EBITA margin was 10.1% [9.4%].
- Profit after tax rose 17% to SEK 101 million [86].
- Earnings per share for the period were SEK 2.53 [2.15].

FINANCIAL DEVELOPMENT

SEK million	2011 Jan-Mar	2010 Jan-Mar	Change	2010/11 Moving 12 mos	2010 Jan-Dec
Net Sales	1,816	1,527	19%	7,034	6,745
EBITA	183	144	27%	742	703
EBITA margin, %	10.1	9.4		10.5	10.4
Profit after financial items	137	116	18%	574	553
Net profit	101	86	17%	422	407
Earnings per share, SEK	2.53	2.15	17%	10.55	10.18
Return on operating capital, % [12 months]	23	21		23	23

CEO's message

Continued growth

The Group's order intake continues to develop well and reached more than SEK 2 billion during the first quarter, which is the highest level ever during a single quarter. Excluding the negative effect of currency movements when translating the results of foreign units, this corresponds to an increase of 31% compared with the same period a year ago.

Geographically, the strongest countries are Sweden, Germany and now also Finland. In the other Nordic countries and in Benelux we have still not yet seen any clear upturn.

In the Group's product areas we are seeing growth in most areas. Investments that were put on hold in 2009 are now beginning to be activated also in the process industry. Investments in the energy sector are still down, however, the level of activity has increased, and order intake is thereby expected to increase in the coming quarters.

Order intake was 14% higher than net sales, which indicates continued growth in the Group's net sales.

Apart from growth in business volume, maintaining the gross margin is important for the Group's continued development. During the quarter, it was 34%, which is slightly better than in the same quarter a year ago. Historically, Indutrade has always been able to maintain a stable gross margin. Parallel with organic growth in existing businesses, in certain companies, market investments are being made, which has reduced the EBITA margin.

Acquisitions

Four acquisitions were carried out during the quarter. For many years, Indutrade has been looking for suitable acquisition candidates in Switzerland as a base for continued expansion in the region. It was therefore gratifying that we were able to acquire the Abima Group in early January, which is also active in Austria and Germany through subsidiaries.

The Swedish company Abelko is the sixth company that the Group has acquired in measurement and sensor technology, which has been a special focus area for several years.

In Benelux, we acquired Mijnsbergen, with operations in mechanics and electromechanics, and in Finland we acquired Dantherm, which is active in filtration technology.

After the end of the quarter, the company Alcatraz was acquired in the Netherlands, which supplies interlock systems to the process industry.

To be able to continue to grow through acquisitions, Indutrade has developed and established acquisition expertise not only in the Parent Company, but also in the Nordic countries, Benelux and Switzerland. This facilitates Indutrade's continued acquisition-based growth.

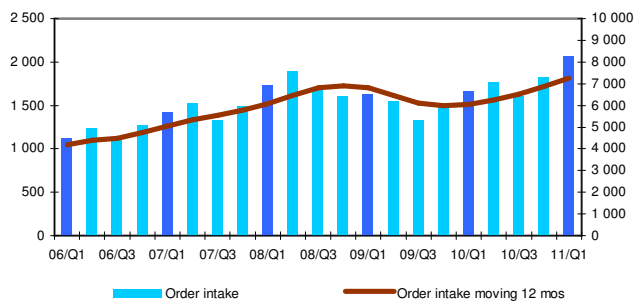
Earnings

The EBITA margin for the Group was 10.1% for the quarter, which is higher than our target of a minimum of 10% during an economic cycle.

Johnny Alvarsson, President and CEO

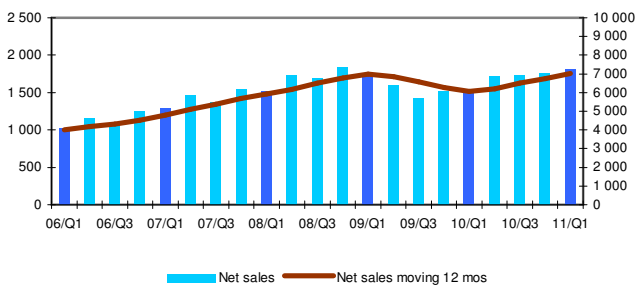
ORDER INTAKE

SEK million

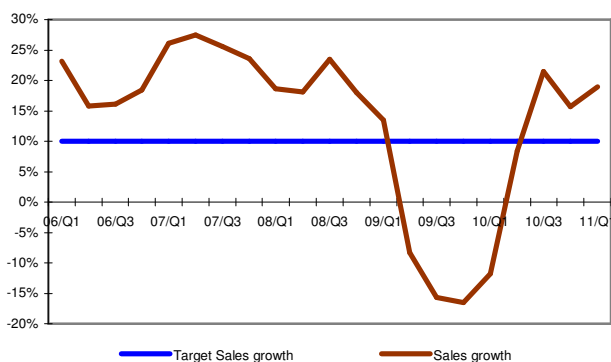


NET SALES

SEK million



SALES GROWTH



Group performance

ORDER INTAKE AND NET SALES

Order intake

Order intake during the period January–March amounted to SEK 2,068 million (1,669), an increase of 24%. For comparable units, order intake rose 15%, while acquired growth was 16%. Currency effects from translation of foreign units reduced order intake by 7%.

The increase in order intake entails that the Group has reported like-for-like sales growth for the last four quarters. The strengthening of the business climate is broad-based, and during the first quarter of the year, all business areas showed increases for comparable units.

In the Finnish market, where Engineering & Equipment conducts most of its business, the improvement in the business climate has grown stronger and broader, and now covers most segments of importance for the business area. Flow Technology has encountered favourable demand from customers in the water/wastewater and process industries. Industrial Components is reporting a continued improvement in order intake from product areas associated with commercial vehicles and the general engineering industry. For Special Products, the business climate is developing well on the whole, with growth in demand primarily from Scandinavian industry. The activity level for companies working in the international energy sector has shown signs of strengthening, while deliveries to this segment are still at a low level.

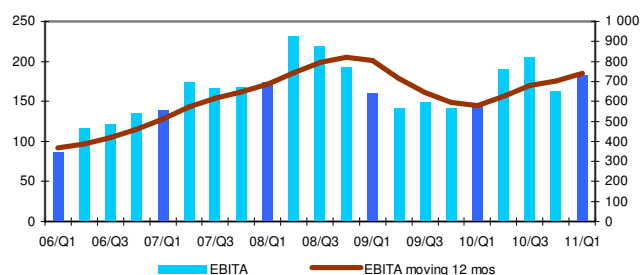
Net sales

Net sales rose 19% during the quarter to SEK 1,816 million (1,527). For comparable units, net sales rose 12%, while acquired growth was 14%. Currency effects from translation of foreign units affected net sales negatively by 7%, or SEK -104 million.

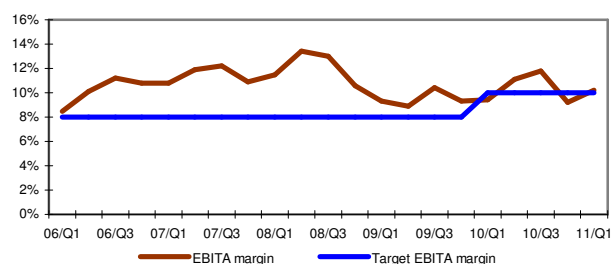
Following the economic downturn in 2008 and 2009, the Group reported growth in net sales for comparable units starting with the third quarter of 2010, and during the first quarter of 2011 all business areas reported growth in like-for-like sales.

EBITA

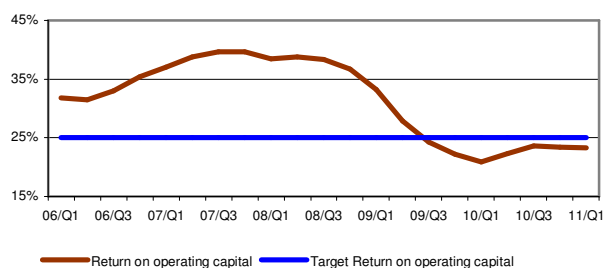
SEK million



EBITA MARGIN



RETURN



EARNINGS AND RETURN

Earnings

During the start of the year, the gross margin was level with the preceding year at 34.0% [33.7%]. Currency movements compared with the preceding year, with a stronger Swedish krona, have had a marginally favourable effect on parts of the Group's operations in Sweden.

Operating profit before amortisation of intangible assets attributable to acquisitions (EBITA) increased by 27% during the quarter, to SEK 183 million [144]. The EBITA margin was 10.1% [9.4%]. All business areas contributed to the earnings improvement. Both acquired and comparable companies made a positive contribution to the earnings increase, while currency effects from translation of foreign units decreased earnings by SEK 9 million. The strengthening of the EBITA margin is attributable to the slightly higher gross margin, a relatively higher EBITA margin for acquired units, and to the fact that the increase in business volume for comparable units could be achieved with a limited strengthening of resources.

Net financial items amounted to SEK -23 million [-8], of which net interest expense accounted for SEK -21 million [-14]. The increase in net interest expense is mainly a result of the Group's higher level of net debt. Tax on profit for the period was SEK -36 million [-30], corresponding to a tax charge of 26.3% [25.9%]. Profit after tax increased by 17% to SEK 101 million [86]. Earnings per share increased by 17% to SEK 2.53 [2.15].

Return

The return on operating capital for the last 12-month period was 23% [21%].

Business areas

Engineering & Equipment

Engineering & Equipment's operations involve sales of components as well as customisation, combinations and installations of products from various suppliers. Compared with the other business areas, sales consist to a slightly higher degree of investment goods.

SEK million	2011 Jan-Mar	2010 Jan-Mar	2010/11 Moving 12 mos	2010 Jan-Dec
Net sales	352	305	1,456	1,409
EBITA	19	14	105	100
EBITA-margin, %	5.4%	4.6%	7.2%	7.1%

Net sales rose 15% during the quarter to SEK 352 million (305). For comparable units, net sales rose 25%. Currency movements had a negative effect on net sales, by 13%, while acquisitions contributed 3%. Demand in Finland, which is the business area's largest market, continued to develop favourably and has become increasingly broader. From having previously been focused primarily on the Finnish export industry, the business area is now also experiencing favourable development in such areas as paper and pulp, investment goods – albeit from a low level – and in the construction sector.

EBITA for the quarter was SEK 19 million (14), corresponding to an EBITA margin of 5.4% (4.6%). Some resource strengthening has taken place within the business area in attractive product areas, which has dampened the earnings contribution and margin strengthening from the increase in net sales.

In early January the company Dantherm Filtration Oy was acquired, with annual sales of SEK 30 million.

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	2011 Jan-Mar	2010 Jan-Mar	2010/11 Moving 12 mos	2010 Jan-Dec
Net sales	446	383	1,806	1,743
EBITA	43	30	168	155
EBITA-margin, %	9.6%	7.8%	9.3%	8.9%

Net sales amounted to SEK 446 million (383) during the period, an increase of 16%. For comparable units, net sales rose 5%, while acquired growth was 15%. Currency movements from translation of foreign units affected net sales negatively by 4%. An increase in net sales for comparable units was reported by most of the areas in which the business area is active. The market situation is still slightly sluggish in Norway and Denmark, which account for approximately 30% of the business area's net sales.

EBITA for the quarter increased by 43% to SEK 43 million (30), and the EBITA margin reached 9.6% (7.8%). Apart from the earnings contribution from acquisitions, the earnings improvement is attributable to the increase in net sales and to a slightly stronger gross margin for comparable units.

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. The companies in the business area typically work in close co-operation with customers' development, production and maintenance departments. Major emphasis is put on identifying and understanding customers' production processes and needs.

	2011	2010	2010/11	2010
SEK million	Jan-Mar	Jan-Mar	Moving 12 mos	Jan-Dec
Net sales	393	340	1,508	1,455
EBITA	48	28	160	140
EBITA-margin, %	12.2%	8.2%	10.6%	9.6%

Net sales rose 16% during the quarter to SEK 393 million (340). For comparable units the increase was 19%, while currency movements had a negative effect of 3%. The positive trend in net sales since spring 2010 has mainly been driven by demand for products in the general engineering industry and for commercial vehicles. During the first quarter, businesses focused on medical technology also experienced increased demand.

EBITA for the quarter was SEK 48 million (28), corresponding to an EBITA margin of 12.2% (8.2%). The EBITA margin was also favourably affected by an increase in delivery volume and a limited increase in costs.

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.

	2011	2010	2010/11	2010
SEK million	Jan-Mar	Jan-Mar	Moving 12 mos	Jan-Dec
Net sales	633	505	2,292	2,164
EBITA	87	82	347	342
EBITA-margin, %	13.7%	16.2%	15.1%	15.8%

Net sales for the period rose 25% to SEK 633 million (505). For comparable units, the increase was 3%, while acquired growth was 29%. Currency movements reduced net sales by 7%. During the quarter, most of the business area's Swedish companies were affected by continued favourable demand from the engineering and export industries. The same also applied for the business area's operations in the German market, while the companies in Benelux, with products for the international energy sector, experienced weak demand.

EBITA was SEK 87 million (82), and the EBITA margin was 13.7% (16.2%). The lower EBITA margin is explained by the fact that newly acquired units on the whole have a lower margin than the business area's average level, combined with lower sales for high-margin products to the international energy sector.

During the period, Indutrade acquired the Abima Group with companies in Switzerland, Austria and Germany; Mijnsbergen B.V. and ATB Automation, with operations in the Netherlands and Belgium; Abelko Innovation AB, in Sweden; and in April the company Alcatraz in the Netherlands. Annual sales of the acquired companies amount to approximately SEK 540 million.

Other financial information

FINANCIAL POSITION

Shareholders' equity amounted to SEK 1,816 million (1,675), and the equity ratio was 33% (37%).

Cash and cash equivalents amounted to SEK 319 million (241). In addition to this, the Group has unutilised credit promises of SEK 769 million (469). Interest-bearing net debt amounted to SEK 1,712 million (1,329). The net debt/equity ratio was 94% (79%) at the end of the period.

CASH FLOW

Cash flow from operating activities was SEK 97 million (57). Cash flow after net capital expenditures in property, plant and equipment (excluding company acquisitions) was SEK 57 million (41). Higher earnings and a limited increase in working capital improved cash flow compared with the same period a year ago.

CAPITAL EXPENDITURES AND DEPRECIATION

The Group's net capital expenditures (excluding company acquisitions) amounted to SEK 40 million (16). Depreciation of property, plant and equipment amounted to SEK 24 million (23). Investments in company acquisitions amounted to SEK 386 million (365), of which earn-out payments pertaining to previous years' acquisitions amounted to SEK 107 million (63).

EMPLOYEES

The number of employees was 3,717 at the end of the period (compared with 3,444 at the start of the year), of whom 247 were added through acquisitions.

ACQUISITIONS

The Group has acquired the following companies, which are consolidated for the first time in 2011.

Month acquired	Acquisitions	Business area	Sales/SEK m*	No. of employees*
January	Dantherm Filtration Oy (name changed to Tecalemit Filtration Oy)	Engineering&Equipment	30	10
	Abima (name changed to Indutrade Switzerland AG) Mijnsbergen B.V and ATB Automation	Special Products	400	170
	Abelko Innovation AB	Special Products	60	23
February			60	44
			550	247

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

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

EVENTS AFTER THE END OF THE REPORTING PERIOD

In April, the Special Products business area acquired all of the shares in the Dutch company Alcatraz Interlocks B.V., with annual sales of approximately SEK 20 million. Alcatraz designs and manufactures interlock systems that secure critical installations. The systems consist of a patented lock system. The applications are used in the oil, gas, chemical and offshore industries.

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 capital expenditures in intangible non-current assets and in property, plant and equipment totalled SEK 0 million (0). The number of employees on 31 March was 9 (9).

RISKS AND UNCERTAINTIES

The Indutrade Group conducts business in 25 countries in four world regions, through some 150 companies. This spread, together with a large number of customers in various industries and a large number of suppliers, mitigates the business and financial risks. In addition to the risks and uncertainties described in Indutrade's 2010 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 report on risks that affect the Group and Parent Company, please see the 2010 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 2010 Annual Report and described under the section "Accounting principles and notes".

There are no new IFRS standards or IFRIC interpretations that have been adopted by the EU that will be applicable for Indutrade or that will have any material impact on the Group's result of operations or financial position in 2011.

FUTURE REPORTING DATES

The Annual General Meeting will be held in Stockholm on 27 April 2011.

The interim report for the period 1 January–30 June 2011 will be published on 3 August 2011.

The interim report for the period 1 January–30 September 2011 will be published on 1 November 2011.

Stockholm, 27 April 2011

Indutrade AB (publ)

Johnny Alvarsson

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 Exchange and Clearing Operations Act and/or the Financial Instruments Trading Act. Submitted for publication at 2 p.m. on 27 April 2011.

Further information

For further information, please contact:

Johnny Alvarsson, President and CEO, Tel. +46 70 589 17 95.

Comments on the report will be provided in the following ways:

- In a conference call/audiocast at the following link:
<http://www.financialhearings.com/hearing/financia1.nsf/{recordednew}/850AE930DBA80AC8C12577B6004B5CA8?OpenDocument>
Participants are instructed to call +46 (08) 5051 3786 or +44 (0) 20 7138 0826, code: 1325545
- Through a film version that is available at the following links:
<http://www.indutrade.se>
<http://www.stockontv.se>

INDUTRADE CONSOLIDATED INCOME STATEMENT

- CONDENSED

SEK million	2011	2010	2010/11	2010
	Jan-Mar	Jan-Mar	Moving 12 mos	Jan-Dec
Net Sales	1,816	1,527	7,034	6,745
Cost of goods sold	-1,198	-1,012	-4,666	-4,480
Gross profit	618	515	2,368	2,265
Development costs	-15	-11	-52	-48
Selling costs	-341	-294	-1,271	-1,224
Administrative expenses	-102	-88	-390	-376
Other operating income and expenses	0	2	-5	-3
Operating profit	160	124	650	614
Net financial items	-23	-8	-76	-61
Profit after financial items	137	116	574	553
Income Tax	-36	-30	-154	-148
Net profit for the period	101	86	420	405
Net profit, attributable to:				
Equity holders of the parent company	101	86	422	407
Non-controlling interests	0	-	-2	-2
	101	86	420	405
Earnings per share for the period, attributable to equity holders of the parent company ¹⁾	2.53	2.15	10.55	10.18
EBITA	183	144	742	703
<i>Operating profit includes:</i>				
Amortisation of intangible assets	-25	-20	-94	-89
Depreciation of property, plant and equipment	-24	-23	-99	-98

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

INDUTRADE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Net profit for the period	101	86	420	405
Other comprehensive income				
Fair value adjustments of hedge instruments	6	-	24	18
Tax attributable to fair value adjustments	-1	-	-5	-4
Actuarial gains/losses	-	-	-35	-35
Tax on actuarial gains/losses	-	-	9	9
Exchange rate differences	-34	-55	-104	-125
Other comprehensive income for the period, net of tax	-29	-55	-111	-137
Total comprehensive income for the period	72	31	309	268
Net profit, attributable to:				
Equity holders of the parent company	72	31	311	270
Non-controlling interests	0	-	-2	-2
	72	31	309	268

BUSINESS AREA PERFORMANCE

	2011	2010	2010/11	2010
Net sales, SEK million	Jan-Mar	Jan-Mar	Moving 12 mos	Jan-Dec
Engineering & Equipment	352	305	1,456	1,409
Flow Technology	446	383	1,806	1,743
Industrial Components	393	340	1,508	1,455
Special Products	633	505	2,292	2,164
Parent company and Group items	-8	-6	-28	-26
	1,816	1,527	7,034	6,745

	2011	2010	2010/11	2010
EBITA, SEK million	Jan-Mar	Jan-Mar	Moving 12 mos	Jan-Dec
Engineering & Equipment	19	14	105	100
Flow Technology	43	30	168	155
Industrial Components	48	28	160	140
Special Products	87	82	347	342
Parent company and Group items	-14	-10	-38	-34
	183	144	742	703

	2011	2010	2010/11	2010
EBITA margin, %	Jan-Mar	Jan-Mar	Moving 12 mos	Jan-Dec
Engineering & Equipment	5.4%	4.6%	7.2%	7.1%
Flow Technology	9.6%	7.8%	9.3%	8.9%
Industrial Components	12.2%	8.2%	10.6%	9.6%
Special Products	13.7%	16.2%	15.1%	15.8%
	10.1%	9.4%	10.5%	10.4%

INDUTRADE CONSOLIDATED BALANCE SHEET

- CONDENSED

	2011	2010	2010
SEK million	31 Mar	31 Mar	31 Dec
Goodwill	752	681	712
Other intangible assets	880	701	761
Property, plant and equipment	680	606	657
Financial assets	51	47	50
Inventories	1,253	1,071	1,183
Accounts receivable, trade	1,233	1,040	1,047
Other receivables	259	196	164
Cash and cash equivalents	319	241	219
Total assets	5,427	4,583	4,793
Equity	1,816	1,675	1,744
Long-term borrowings and pension liabilities	1,272	837	893
Other non-current liabilities	364	189	277
Short-term borrowings	759	733	716
Accounts payable, trade	572	468	493
Other current liabilities	644	681	670
Total equity and liabilities	5,427	4,583	4,793

INDUTRADE CHANGE IN GROUP EQUITY

- CONDENSED

Attributable to equity holders of the parent company	2011	2010	2010
SEK million	Jan-Mar	Jan-Mar	Jan-Dec
Opening equity	1,742	1,644	1,644
Total comprehensive income for the period	72	31	270
Dividend	- ¹⁾	-	-172 ²⁾
Closing equity	1,814	1,675	1,742

¹⁾ The proposed dividend per share for 2010 is SEK 5.10.

²⁾ Dividend per share for 2009 was SEK 4.30.

Equity, attributable to:			
Equity holders of the parent company	1,814	1,675	1,742
Non-controlling interests	2	-	2
	1,816	1,675	1,744

INDUTRADE CONSOLIDATED CASH FLOW STATEMENT

- CONDENSED

SEK million	2011	2010	2010/11	2010
	Jan-Mar	Jan-Mar	Moving 12 mos	Jan-Dec
Cash flow from operating activities				
before change in working capital	123	115	624	616
Change in working capital	-26	-58	72	40
Cash flow from operating activities	97	57	696	656
Net capital expenditures in non-current assets	-40	-16	-135	-111
Company acquisitions and divestments	-386	-365	-705	-684
Change in other financial assets	14	0	14	0
Cash flow from investing activities	-412	-381	-826	-795
Net borrowings	418	344	395	321
Dividend paid out	-	-	-172	-172
Cash flow from financing activities	418	344	223	149
Cash flow for the period	103	20	93	10
Cash and cash equivalents at start of period	219	229	241	229
Exchange rate differences	-3	-8	-15	-20
Cash and cash equivalents at end of period	319	241	319	219

KEY DATA

	2011	2010	2010/11	2010
	Jan-Mar	Jan-Mar	Moving 12 mos	Jan-Dec
Net sales, SEK million	1,816	1,527	7,034	6,745
Sales growth, %	19	-12	16	8
EBITA, SEK million	183	144	742	703
EBITA margin, %	10.1	9.4	10.5	10.4
Operating capital, SEK million	3,528	3,004	3,528	3,134
Return on operating capital, % (12 months)	23	21	23	23
Interest-bearing net debt, SEK million	1,712	1,329	1,712	1,390
Net debt/equity ratio, %	94	79	94	80
Equity ratio, %	33	37	33	36

Attributable to equity holders of the parent company

Key ratios per share ¹⁾

Earnings per share, SEK	2.53	2.15	10.55	10.18
Equity per share, SEK	45.35	41.88	43.35	43.55
Cash flow from operating activities per share, SEK	2.43	1.43	17.40	16.40

¹⁾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 2011

All of the shares have been acquired in the Abima Group's parent company Aschera AG (name changed to Indutrade Switzerland), Switzerland; in Dantherm Filtration Oy (name changed to Tecalemit Filtration Oy), Finland; in Mijnsbergen B.V., the Netherlands; and in ATB Automation, Belgium; and in Abelko Innovation AB, Sweden.

Engineering & Equipment

Tecalemit Filtration Oy, with annual sales of approximately SEK 30 million, is consolidated in the Group as from 1 January 2011. The company specialises in air filtration and provides customised solutions and components to customers in the forestry, paper, metal and recycling industries, among others.

Special Products

The Swiss industrial group Abima, with annual sales of approximately SEK 400 million. Abima is active in control and regulation of flows, insulation against cold, heat and sound, rust/corrosion prevention and fire safety. Mijnsbergen B.V. and ATB Automation, with combined annual sales of approximately SEK 60 million. The companies deliver customized solutions with a broad product range in power transmission and motion control. These companies are consolidated in the Indutrade Group as from 1 January 2011. Abelko Innovation AB, with annual sales of approximately SEK 60 million, is consolidated in the Group as from 1 February 2011. Abelko offers specially adapted solutions for energy measurement, remote control, building automation, energy optimisation and operational monitoring.

Acquired assets in Indutrade Switzerland AG, Tecalemit Filtration Oy, Mijnsbergen B.V., ATB Automation and Abelko Innovation AB.

Preliminary purchase price allocation

SEK million

Purchase price, incl. earn-out payment 57 SEK million			358
Acquired assets	Book value	Fair value adjustment	Fair value
Goodwill	-	47	47
Agencies, trademarks, customer relations, licences, etc.	2	146	148
Property, plant and equipment	18	-	18
Financial assets	14	-	14
Inventories	64	-	64
Other current assets	157	-	157
Cash and cash equivalents	22	-	22
Deferred tax liability	-3	-34	-37
Interest-bearing loans and pension liabilities	-4	-	-4
Other operating liabilities	-71	-	-71
	199	159	358

Agencies, customer relationships, licences, etc. will be amortised over a 10-year period, while trademarks are assumed to have a perpetual lifetime. Trademarks are included in the amount of SEK 34 million.

Indutrade normally uses an acquisition structure entailing a base level of consideration plus a conditional earn-out payment. Initially, the earn-out payment is valued at the present value of the most likely payment, which for the acquisitions made during the year to date is SEK 57 million. The earn-out payments fall due for payment within two to four years and can amount to a maximum of SEK 64 million. If the conditions are not met for the maximum earn-out payment, the outcome may be SEK 0 million.

Transaction costs for the acquisitions carried out during the period amounted to SEK 1 million and are included in "Other income and expenses" in the income statement. No revaluation of conditional earn-out payments has been made to date.

Cash flow impact

Purchase price, incl. earn-out payment	358
Purchase price not paid out	-57
Cash and cash equivalents in acquired companies	-22
Earn-out payments pertaining to previous years' acquisitions	107
Total cash flow impact	386

Effects of acquisitions carried out in 2010 and 2011

SEK million	Net sales	EBITA
Business area	Jan-Mar	Jan-Mar
Engineering & Equipment	9	-1
Flow Technology	59	7
Industrial Components	-	-
Special Products	146	18
Effect on Group	214	24
Acquisitions carried out in 2010	91	14
Acquisitions carried out in 2011	123	10
Effect on Group	214	24

If the acquired units had been consolidated effective 1 January 2011, net sales for the period would have amounted to SEK 1,822 million, and EBITA would have amounted to SEK 183 million.

Acquisitions after the end of the reporting period

In April, the Special Products business area acquired all of the shares in the Dutch company Alcatraz Interlocks B.V., with annual sales of approximately 20 million. Alcatraz designs and manufactures interlock systems that secure critical installations. The systems consist of a patented lock system. The applications are used in the oil, gas, chemical and offshore industries.

Preliminary acquisition calculations will be presented in the second quarter interim report for 2011.

PARENT COMPANY INCOME STATEMENT

- CONDENSED

SEK million	2011 Jan-Mar	2010 Jan-Mar	2010/11 Moving 12 mos	2010 Jan-Dec
Net sales	-	-	4	4
Gross profit	-	-	4	4
Administrative expenses	-12	-10	-46	-44
Other income and expenses	0	0	-1	-1
Operating profit	-12	-10	-43	-41
Financial income/expenses	-9	7	-30	-14
Profit from participation in Group companies	-	-	628	628
Profit after financial items	-21	-3	555	573
Appropriations	-	-	-53	-53
Income Tax	5	0	-40	-45
Net profit for the period	-16	-3	462	475
Depreciation of property, plant and equipment	0	0	-1	-1

PARENT COMPANY BALANCE SHEET

- CONDENSED

SEK million	2011 31 Mar	2010 31 Mar	2010 31 Dec
Intangible assets	2	2	2
Property, plant and equipment	1	2	1
Financial assets	1,987	1,680	1,678
Current receivables	1,117	746	1,083
Cash and cash equivalent	14	19	5
Total assets	3,121	2,449	2,769
Equity	1,168	878	1,184
Untaxed reserves	54	1	54
Non-current liabilities	851	459	475
Non-current provisions	52	7	8
Current provisions	17	147	121
Current interest-bearing liabilities	918	900	866
Current noninterest-bearing liabilities	61	57	61
Total equity and liabilities	3,121	2,449	2,769

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.
Equity ratio	Shareholders' equity as a percentage of total assets.
Gross margin	Gross profit divided by net sales.
Intangible non-current assets	Goodwill, agencies, customer relationships, trademarks, software, licences and other intangible non-current assets.
Interest-bearing net debt	Borrowings incl. pension liability, 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.
Property, plant and equipment	Buildings, land, machinery and equipment.
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 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 solidity 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 four business areas:

Engineering & Equipment, Flow Technology, Industrial Components and Special Products.

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

Indutrade is listed on Nasdaq OMX Stockholm.