

Interim report

1 Jan – 30 Sep 2012

1 JANUARY – 30 SEPTEMBER 2012

- Net sales rose 5% to SEK 6,117 million (5,836). The increase for comparable units was 2%.
- Operating profit before amortisation of intangible non-current assets attributable to acquisitions (EBITA) decreased by 3% to SEK 645 million (666), and the EBITA margin was 10.5% (11.4%).
- Profit after tax decreased by 2% to SEK 376 million (385).
- Earnings per share were SEK 9.40 (9.63).

THIRD QUARTER 2012

- Net sales decreased by 1% during the third quarter to SEK 1,988 million (2,005). For comparable units sales decreased by 2%.
- Operating profit before amortisation of intangible non-current assets attributable to acquisitions (EBITA) decreased by 11% to SEK 219 million (245), and the EBITA margin was 11.0% (12.2%).
- Profit after tax was SEK 127 million (145).
- Earnings per share were SEK 3.18 (3.63).

FINANCIAL DEVELOPMENT

SEK million	2012 Jul-Sep	2011 Jul-Sep	Change	2012 Jan-Sep	2011 Jan-Sep	Change	2011/12 Moving 12 mos	2011 Jan-Dec
Net Sales	1,988	2,005	-1%	6,117	5,836	5%	8,275	7,994
EBITA	219	245	-11%	645	666	-3%	896	917
EBITA margin, %	11.0	12.2		10.5	11.4		10.8	11.5
Profit after financial items	171	196	-13%	502	522	-4%	709	729
Net profit	127	145	-12%	376	385	-2%	531	540
Earnings per share, SEK ¹⁾	3.18	3.63	-12%	9.40	9.63	-2%	13.28	13.50
Return on operating capital, %	24	24		24	24		24	26

¹⁾ Attributable to equity holders of the parent company

CEO's message

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



Third quarter

Order intake during the quarter totalled SEK 1,832 million (2,008). Adjusted for currency movements, this corresponds to a decrease of 4%. Of our business areas, only Industrial Components achieved higher order intake than the corresponding period a year ago. The increase is attributable to contributions from acquisitions and only limited negative exchange rate effects.

Sales for the quarter totalled SEK 1,988 million (2,005). Adjusted for currency movements, invoicing was marginally higher than the same period in 2011. The strong Swedish krona had a tangibly negative effect on consolidated sales and profit for the quarter.

The Engineering & Equipment business area, which has its markets in Finland and the Baltic countries, is encountering a continued weakened business climate. Despite lower volume than a year ago, earnings were slightly improved as a result of acquisitions.

Flow Technology is showing a decline in volume due to the weak marine sector and fewer international projects during the quarter. The volume decline, combined with a lower gross margin and certain cost increases, has led to a drop in earnings for the business area compared with a year ago.

For Industrial Components, order intake and sales were level with the preceding year. Acquired companies with good profitability and good cost control are contributing to slightly better earnings compared with a year ago.

In the Group's largest business area, Special Products, the energy sector continues to perform strongly. Most of the other companies in the business area are noting weaker demand in essentially all markets. During the period, deliveries began for parts of the large energy projects. Business in Switzerland is showing favourable earnings performance.

Margin

The accumulated gross margin of 33.7% is slightly lower than in 2011. The EBITA margin was 10.5% (11.4%). The lower margin is attributable to weak development in the Flow Technology business area and the generally weaker market trend.

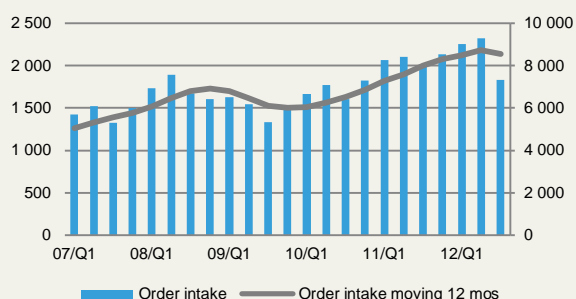
Acquisitions

Two acquisitions were carried out during the quarter in Sweden: Hydnet AB and Euroflon Tekniska Produkter AB. After the end of the quarter, the company Krämer AG was acquired in Switzerland, with possession taking place in October. In all, ten companies with combined annual sales of approximately SEK 570 million have been acquired during the year.

Johnny Alvarsson, President and CEO

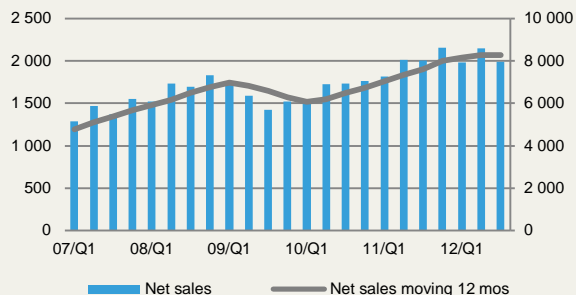
Order intake

SEK million

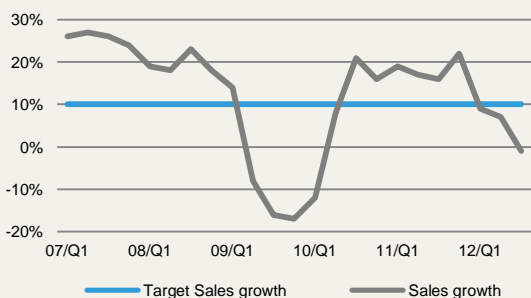


Net sales

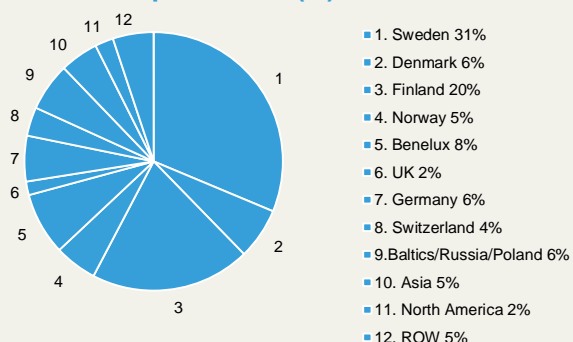
SEK million



Sales growth



Net sales per market (%)



Group performance

ORDER INTAKE AND NET SALES

Order intake

Order intake during the period January–September amounted to SEK 6,406 million (6,179), an increase of 4%. For comparable units, order intake rose 1%, while acquired growth was 4%. Currency movements had a negative effect on order intake by 1%, or SEK -88 million.

Order intake during the third quarter totalled SEK 1,832 million (2,008), a decrease of 9%. For comparable units, order intake decreased by 9%, while acquired growth was 5%. Currency movements had a negative impact on order intake by 5%, or SEK -94 million.

Following a strong start to the year, the trend during subsequent quarters was weaker, resulting in a decrease in order intake for comparable units after the third quarter. The weaker business climate is prevalent in most geographic markets and customer segments of importance for the Group, such as the general engineering industry in the Nordic countries and the rest of Europe, and the water/wastewater segment. Order intake from many customers is showing signs of uncertainty about the future level, resulting in orders on short notice and lower volumes than what would be typical in a stable market situation.

One exception from the decline described above is the international energy sector, which has performed very well since the end of 2011. Demand in this segment has stabilised at a high level.

All business areas noted a drop in order intake during the third quarter for comparable units. On an accumulated basis, Flow Technology and Special Products showed an increase for comparable units due to strong order intake for projects, while Engineering & Equipment and Industrial Components decreased.

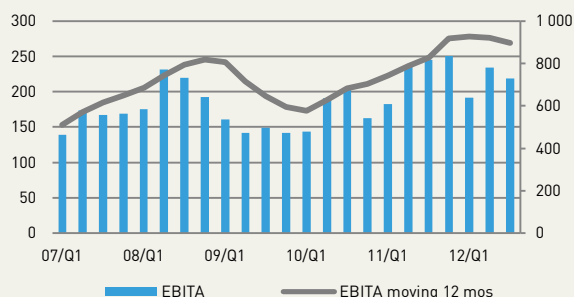
Net sales

Net sales for the period January–September totalled SEK 6,117 million (5,836), an increase of 5%. For comparable units the increase was 2%, while acquired growth was 4%. The negative impact of currency movements was 1%, corresponding to a sales impact of SEK -85 million.

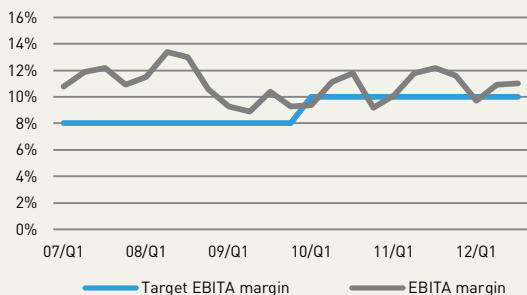
Net sales during the third quarter of the year decreased by 1% to SEK 1,988 million (2,005). The decrease for comparable units was 2%, while acquired growth was 5%. Currency movements impacted net sales negatively by 4%, or SEK -90 million.

EBITA

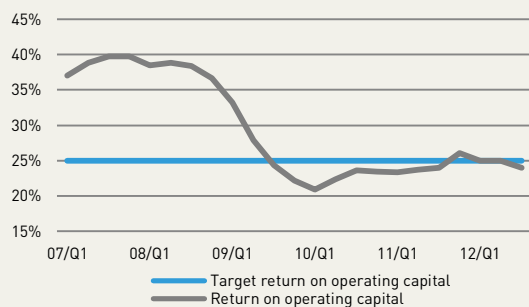
SEK million



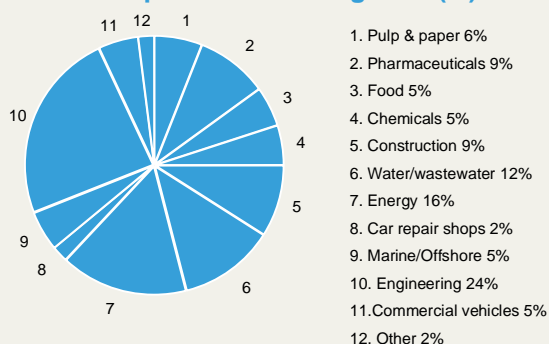
EBITA margin



Return



Net sales per customer segment (%)



Earnings and return

EARNINGS

Operating profit before amortisation of intangible assets (EBITA) amounted to SEK 645 million (666) for the period January–September, a decrease of 3%. The operating margin before amortisation of intangible assets (the EBITA margin) was 10.5% (11.4%).

The gross margin on an accumulated basis was slightly lower than during the corresponding period a year ago, at 33.7% (34.2%). The gross margin for the third quarter was 33.3%. The main explanation for the decline is the share of large projects and the level of the gross margin for these.

The lower earnings and lower EBITA margin were partly an effect of the lower gross margin as above, but above all the result of a higher share of overheads in all business areas. Against the background of the weakened business situation, efficiency-improvement and cost-savings measures are being taken by a large number of the Group's companies.

Currency effects from translation of foreign units had a negative impact on EBITA by SEK -10 million, or -4%, during the third quarter and by SEK -11 million, or -2%, on an accumulated basis.

Net financial items amounted to SEK -64 million (-74), of which net interest expense accounted for SEK -60 million (-67). Net interest expense was favourably affected by a lower average interest rate, which compensated for the slightly higher average level of net debt. Tax on profit for the period was SEK -126 million (-137), corresponding to a tax charge of 25.1% (26.2%). Profit after tax decreased by 2% to SEK 376 million (385). Earnings per share decreased to SEK 9.40 (9.63).

For the third quarter, operating profit before amortisation of intangible assets (EBITA) totalled SEK 219 million (245), a decrease of 11%. The operating margin before amortisation of intangible assets (the EBITA margin) was 11.0% (12.2%). Net financial items for the third quarter amounted to SEK -21 million (-26), of which net interest expense accounted for SEK -20 million (-23). Tax on profit for the period was SEK -44 million (-51). Profit after tax was SEK 127 million (145). Earnings per share were SEK 3.18 (3.63).

RETURN

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

Business areas¹

ENGINEERING & EQUIPMENT

Engineering & Equipment's operations involve sales of components as well as customisation, combinations and installations of products from various suppliers.

SEK million	2012 Jul-Sep	2011 Jul-Sep	2012 Jan-Sep	2011 Jan-Sep	2011/12 Moving 12 mos	2011 Jan-Dec
Net sales	384	409	1,182	1,136	1,606	1,560
EBITA	40	39	96	87	130	121
EBITA margin, %	10.4	9.5	8.1	7.7	8.1	7.8

Net sales for the period January–September rose 4% to SEK 1,182 million (1,136). The increase for comparable units was 1%. Acquisitions contributed 6%, while currency movements had a negative effect on net sales of 3%.

Demand in the Finnish market, where the business area conducts most of its business, moved in a positive direction during the opening quarter of the year, but turned downward during the second and third quarter. The trend in Finnish industry has been weak across a broad front since the spring, which has affected many of the business area's companies. The water/wastewater segment, which is important for the business area, experienced softer demand as a result of uncertainty associated with structural changes in the municipal sector in Finland. Added to this was unfavourable weather during the autumn, which brought excessive amounts of rain to be able to perform normal work for the season.

EBITA for the period increased by 10% to SEK 96 million (87), corresponding to an EBITA margin of 8.1% (7.7%). Acquisitions made a significant, positive earnings contribution.

In early March the company Geotrim Oy was acquired, with annual sales of approximately SEK 100 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	2012 Jul-Sep	2011 Jul-Sep	2012 Jan-Sep	2011 Jan-Sep	2011/12 Moving 12 mos	2011 Jan-Dec
Net sales	491	513	1,460	1,415	1,975	1,930
EBITA	46	71	137	169	189	221
EBITA margin, %	9.4	13.8	9.4	11.9	9.6	11.5

Net sales for the period January–September totalled SEK 1,460 million (1,415), an increase of 3%. The increase for comparable units was 1%, while acquired growth was 2%. Currency movements had only a marginal impact on net sales.

During the second quarter, the business climate weakened, with a drop in the level of continuing business. At the same time, demand related to various domestic and international projects was favourable in several areas. The lower level of continuing business continued into the third quarter, and projects were not sufficient to compensate for this decline. One area that has shown particularly weak performance since the summer is the marine segment. The level of vessel newbuilding activity has fallen significantly, which has had a negative impact on the business area.

EBITA for the period decreased by 19% to SEK 137 million (169), and the EBITA margin was 9.4% (11.9%). The lower EBITA margin is attributable in part to a lower gross margin, mainly related to large projects, and to investments and cost increases in certain companies, with a higher share of overheads as a result.

In January the company Rostfria VA-system i Storfors AB was acquired, with annual sales of approximately SEK 15 million, and in September the company Euroflon Tekniska Produkter AB was acquired, with annual sales of approximately SEK 40 million.

¹ Comparative figures for the business areas in 2011 have been changed as a result of the transfer of companies between the various business areas. For further details, see separate press release issued on 27 April 2012.

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.

SEK million	2012 Jul-Sep	2011 Jul-Sep	2012 Jan-Sep	2011 Jan-Sep	2011/12 Moving 12 mos	2011 Jan-Dec
Net sales	357	350	1,126	1,087	1,527	1,488
EBITA	41	38	120	124	163	167
EBITA margin, %	11.5	10.9	10.7	11.4	10.7	11.2

Net sales for the period January–September rose 4% to SEK 1,126 million (1,087). For comparable units, net sales decreased by 3%. Acquisitions contributed 8%, while currency movements had a marginal, negative impact of 1%.

Following a stabilisation of the business climate during the second quarter of the year, demand turned down again during the third quarter. Several industrial customer segments are feeling the effects of the weaker business climate, with the exception of demand for investment goods in the vehicle and automotive industries, which remained stable. Some weakness was noted in demand for medical technology equipment.

EBITA for the period decreased by 3% to SEK 120 million (124), corresponding to an EBITA margin of 10.7% (11.4%). Acquisitions made a positive contribution to earnings performance, while a higher share of overheads for comparable units led to lower earnings and margins.

In April the company Rubin Medical AB was acquired, with annual sales of approximately SEK 100 million, in June the company Conroy Medical AB was acquired, with annual sales of approximately SEK 30 million, and in August the company Hydnet AB was acquired, with annual sales of approximately SEK 80 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	2012 Jul-Sep	2011 Jul-Sep	2012 Jan-Sep	2011 Jan-Sep	2011/12 Moving 12 mos	2011 Jan-Dec
Net sales	764	740	2,381	2,219	3,214	3,052
EBITA	105	107	330	323	459	452
EBITA margin, %	13.7	14.5	13.9	14.6	14.3	14.8

Net sales for the period January–September rose 7% to SEK 2,381 million (2,219), with a 5% increase in sales for comparable units. Acquired growth was 4%, while currency movements affected net sales negatively by 2%.

The strong demand and substantial order intake from the international energy market toward the end of 2011 and opening quarters of 2012 has stabilised at a high level. During the third quarter, invoicing exceeded order intake in this segment. Aside from the energy sector, the engineering industry is the business area's most important customer segment, where demand overall has been somewhat subdued, as was the situation earlier in the year. Development for the business area's companies in this segment is essentially the same in the Nordic countries as in the rest of Europe.

EBITA increased by 2% to SEK 330 million (323), and the EBITA margin was 13.9% (14.6%). The gross margin was slightly lower than for the comparison period, which is attributable to the share of large projects, which normally have a lower gross margin. This, together with a slightly higher share of overheads, explains the lower EBITA margin.

In January, the company Dasa Control Systems AB was acquired, with annual sales of approximately SEK 50 million, and in March the Swiss company Eco Analytics AG was acquired, with annual sales of SEK 22 million. During the second quarter, the company Topflight AB was acquired, with annual sales of approximately SEK 60 million.

Other financial information

FINANCIAL POSITION

Shareholders' equity amounted to SEK 2,088 million (1,942), and the equity ratio was 34% (34%).

Cash and cash equivalents amounted to SEK 214 million (245). In addition to this, the Group had unutilised credit promises of SEK 906 million (646). Interest-bearing net debt amounted to SEK 1,965 million (1,737). The net debt/equity ratio at the end of the period was 94% (89%).

CASH FLOW

Cash flow from operating activities was SEK 227 million (428). Cash flow after net capital expenditures in intangible non-current assets and property, plant and equipment (excluding company acquisitions) was SEK 143 million (316). The lower cash flow is mainly attributable to a higher level of tied up working capital during the year.

CAPITAL EXPENDITURES AND DEPRECIATION

The Group's net capital expenditures, excluding company acquisitions, amounted to SEK 84 million (112). Depreciation of property, plant and equipment amounted to SEK 80 million (77). Investments in company acquisitions amounted to SEK 360 million (449), of which earn-out payments pertaining to previous years' acquisitions amounted to SEK 68 million (117).

EMPLOYEES

The number of employees was 4,000 at the end of the period (3,807 at start of year). A total of 173 employees were added through acquisitions.

ACQUISITIONS

The Group has acquired the following companies, which are consolidated for the first time in 2012.

Month acquired	Acquisitions	Business area	Net sales/ SEK m*	No. of employees*
January	Rostfria VA-System i Storfors AB	Flow Technology	15	5
	Dasa Control Systems AB	Special Products	50	27
March	Geotrim Oy	Engineering & Equipment	100	30
	Eco Analytics AG	Special Products	22	8
April	Rubin Medical AB	Industrial Components	100	18
June	Conroy Medical AB	Industrial Components	30	17
	Topflight AB	Special Products	60	42
August	Hydnet AB	Industrial Components	80	10
September	Euroflon Tekniska Produkter AB	Flow Technology	40	16
			497	173

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

Further information about company acquisitions can be found on page 15 in this interim report.

EVENTS AFTER THE END OF THE REPORTING PERIOD

In October, one company acquisition was carried out, when the Special Products business area acquired Krämer AG, Switzerland, with annual sales of approximately SEK 70 million. The company manufactures equipment for the pharmaceutical market and specialises in tablet dedusters and related equipment.

No other important events for the Group have occurred after the end of the reporting period.

TAXES

The government has proposed a reduction in the Swedish company tax rate from 26.3% to 22%, effective 1 January 2013. If this reduction is enacted, deferred tax liabilities and thus the tax expense for the fourth quarter will decrease by approximately SEK 30 million, based on the conditions that prevailed as per 30 September 2012.

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 year to date, the Parent Company has acquired shares in three new companies. The Parent Company has not made any major investments in intangible non-current assets or in property, plant and equipment. The number of employees on 30 September was 10 (10).

RISKS AND UNCERTAINTIES

The Indutrade Group conducts business in 23 countries in four world regions, through some 160 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 2011 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 2011 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 2011 Annual Report.

There are no new IFRSs 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 2012.

NOMINATION COMMITTEE

At the Annual General Meeting on 3 May 2012, it was resolved that the company's Nomination Committee shall consist of representatives of four of the largest shareholders in terms of votes as well as the Chairman of the Board. The member representing the largest shareholder shall serve as committee chair. In the event a member resigns from the Nomination Committee prior to the completion of its work, if the Nomination Committee finds it suitable, a replacement representing the same shareholder shall be appointed or, if such shareholder is no longer one of the largest shareholders, a replacement representing the shareholder that is next in turn in terms of size shall be appointed. The composition of the Nomination Committee ahead of the 2013 Annual General Meeting shall be based on shareholder information from Euroclear Sweden AB's register as per 31 August 2012 and shall be announced as soon as the members are appointed, but not later than six months prior to the Annual General Meeting. The Nomination Committee's mandate period continues until the composition of the subsequent Nomination Committee has been made public.

Accordingly, the following persons have been appointed as members of the Nomination Committee: Anders Nyberg (Industrivärden, committee chair), Claes Boustedt (L E Lundbergföretagen), Anders Algotsson (AFA Insurance), Håkan Sandberg (Handelsbanken Pension Foundation, Handelsbanken Pension Fund and Handelsbanken Employee Benefit Trust), and Bengt Kjell (Chairman of Indutrade).

Information on how to submit nominations to the Nomination Committee is provided on Indutrade's website: www.indutrade.se.

FINANCIAL CALENDAR

- The year-end report for the period 1 January–31 December 2012 will be released on 14 February 2013.
- The 2012 Annual Report will be published in early April 2013.
- The interim report for the period 1 January–31 March 2013 will be published on 6 May 2013.
- The Annual General Meeting will be held in Stockholm on 6 May 2013.

Stockholm, 5 November 2012

Indutrade AB (publ)

Johnny Alvarsson
President and CEO

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 11 a.m. on 5 November 2012.

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 conference call/webcast today at 2 p.m. at the following link:
<https://www.anywhereconference.com/?Conference=108275811&PIN=538855>
Participants call SE +46 (08) 505 598 12, UK +44 (0) 207 108 6303 or US +1 866 676 5869.
 - Via a videotaped version at the following links:
<http://www.indutrade.se>
<http://www.playontv.se>
-

REVIEW REPORT

We have reviewed this report for the period 1 January 2012 to 30 September 2012 for Indutrade AB (publ). The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 5 November 2012
PricewaterhouseCoopers AB

Lennart Danielsson
Authorised Public Accountant

Indutrade consolidated income statement

- condensed

SEK million	2012 Jul-Sep	2011 Jul-Sep	2012 Jan-Sep	2011 Jan-Sep	2011/12 Moving 12 mos	2011 Jan-Dec
Net Sales	1,988	2,005	6,117	5,836	8,275	7,994
Cost of goods sold	-1,326	-1,335	-4,053	-3,841	-5,480	-5,268
Gross profit	662	670	2,064	1,995	2,795	2,726
Development costs	-20	-17	-69	-50	-93	-74
Selling costs	-349	-336	-1,117	-1,041	-1,506	-1,430
Administrative expenses	-102	-94	-317	-299	-416	-398
Other operating income and expenses	1	-1	5	-9	12	-2
Operating profit	192	222	566	596	792	822
Net financial items	-21	-26	-64	-74	-83	-93
Profit after financial items	171	196	502	522	709	729
Income Tax	-44	-51	-126	-137	-178	-189
Net profit for the period	127	145	376	385	531	540
<i>Net profit, attributable to:</i>						
Equity holders of the parent company	127	145	376	385	531	540
Non-controlling interests	0	0	0	0	0	0
	127	145	376	385	531	540
Earnings per share for the period, attributable to equity holders of the parent company ¹⁾	3.18	3.63	9.40	9.63	13.28	13.50
EBITA	219	245	645	666	896	917
<i>Operating profit includes:</i>						
Amortisation of intangible assets	-30	-26	-86	-77	-113	-104
Depreciation of property, plant and equipment	-27	-26	-80	-77	-105	-102

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	127	145	376	385	531	540
Other comprehensive income						
Fair value adjustments of hedge instruments	-18	-27	-11	-26	-18	-33
Tax attributable to fair value adjustments	5	7	3	7	5	9
Actuarial gains/losses	-	-	-	-	15	15
Tax on actuarial gains/losses	-	-	-	-	-5	-5
Exchange rate differences	-46	23	-74	36	-112	-2
Other comprehensive income for the period, net of tax	-59	3	-82	17	-115	-16
Total comprehensive income for the period	68	148	294	402	416	524
<i>Net profit, attributable to:</i>						
Equity holders of the parent company	68	148	294	402	416	524
Non-controlling interests	0	0	0	0	0	0
	68	148	294	402	416	524

Business area performance

	2012 Jul-Sep	2011 Jul-Sep	2012 Jan-Sep	2011 Jan-Sep	2011/12 Moving 12 mos	2011 Jan-Dec
Net sales, SEK million						
Engineering & Equipment	384	409	1,182	1,136	1,606	1,560
Flow Technology	491	513	1,460	1,415	1,975	1,930
Industrial Components	357	350	1,126	1,087	1,527	1,488
Special Products	764	740	2,381	2,219	3,214	3,052
Parent company and Group items	-8	-7	-32	-21	-47	-36
	1,988	2,005	6,117	5,836	8,275	7,994
EBITA, SEK million						
Engineering & Equipment	40	39	96	87	130	121
Flow Technology	46	71	137	169	189	221
Industrial Components	41	38	120	124	163	167
Special Products	105	107	330	323	459	452
Parent company and Group items	-13	-10	-38	-37	-45	-44
	219	245	645	666	896	917
EBITA margin, %						
Engineering & Equipment	10.4	9.5	8.1	7.7	8.1	7.8
Flow Technology	9.4	13.8	9.4	11.9	9.6	11.5
Industrial Components	11.5	10.9	10.7	11.4	10.7	11.2
Special Products	13.7	14.5	13.9	14.6	14.3	14.8
	11.0	12.2	10.5	11.4	10.8	11.5

	2012			2011			
	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Net sales, SEK million							
Engineering & Equipment	384	418	380	424	409	388	339
Flow Technology	491	490	479	515	513	479	423
Industrial Components	357	403	366	401	350	366	371
Special Products	764	844	773	833	740	788	691
Parent company and Group items	-8	-8	-16	-15	-7	-6	-8
	1,988	2,147	1,982	2,158	2,005	2,015	1,816

	2012			2011			
	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
EBITA, SEK million							
Engineering & Equipment	40	29	27	34	39	29	19
Flow Technology	46	53	38	52	71	56	42
Industrial Components	41	44	35	43	38	42	44
Special Products	105	121	104	129	107	124	92
Parent company and Group items	-13	-13	-12	-7	-10	-13	-14
	219	234	192	251	245	238	183

	2012			2011			
	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
EBITA-margin, %							
Engineering & Equipment	10.4	6.9	7.1	8.0	9.5	7.5	5.6
Flow Technology	9.4	10.8	7.9	10.1	13.8	11.7	9.9
Industrial Components	11.5	10.9	9.6	10.7	10.9	11.5	11.9
Special Products	13.7	14.3	13.5	15.5	14.5	15.7	13.3
	11.0	10.9	9.7	11.6	12.2	11.8	10.1

Indutrade consolidated balance sheet

- condensed

SEK million	2012 30 Sep	2011 30 Sep	2011 31 Dec
Goodwill	974	806	822
Other intangible assets	969	911	888
Property, plant and equipment	715	715	706
Financial assets	57	48	45
Inventories	1,461	1,349	1,328
Accounts receivable, trade	1,446	1,387	1,263
Other receivables	225	177	149
Cash and cash equivalents	214	245	264
Total assets	6,061	5,638	5,465
Equity	2,088	1,942	2,064
Long-term borrowings and pension liabilities	1,428	1,094	745
Other non-current liabilities	347	342	347
Short-term borrowings	751	888	1,007
Accounts payable, trade	563	606	556
Other current liabilities	884	766	746
Total equity and liabilities	6,061	5,638	5,465

Indutrade change in group equity

- condensed

Attributable to equity holders of the parent company SEK million	2012 Jan-Sep	2011 Jan-Sep	2011 Jan-Dec
Opening equity	2,062	1,742	1,742
Total comprehensive income for the period	294	402	524
Dividend	-270 ¹⁾	-204 ¹⁾	-204 ¹⁾
Closing equity	2,086	1,940	2,062
<i>Equity, attributable to:</i>			
Equity holders of the parent company	2,086	1,940	2,062
Non-controlling interests	2	2	2
	2,088	1,942	2,064

¹⁾ Dividend per share for 2011 is SEK 6.75 (5.10).

Indutrade consolidated cash flow statement

- condensed

SEK million	2012 Jul-Sep	2011 Jul-Sep	2012 Jan-Sep	2011 Jan-Sep	2011/12 Moving 12 mos	2011 Jan-Dec
Cash flow from operating activities						
before change in working capital	182	231	518	541	741	764
Change in working capital	-73	-30	-291	-113	-233	-55
Cash flow from operating activities	109	201	227	428	508	709
Net capital expenditures in non-current assets	-21	-31	-84	-112	-111	-139
Company acquisitions and divestments	-80	-11	-360	-449	-378	-467
Change in other financial assets	-1	0	-2	14	-3	13
Cash flow from investing activities	-102	-42	-446	-547	-492	-593
Net borrowings	-35	-129	449	345	238	134
Dividend paid out	-	-	-270	-204	-270	-204
Cash flow from financing activities	-35	-129	179	141	-32	-70
Cash flow for the period	-28	30	-40	22	-16	46
Cash and cash equivalents at start of period	245	212	264	219	245	219
Exchange rate differences	-3	3	-10	4	-15	-1
Cash and cash equivalents at end of period	214	245	214	245	214	264

Key data

Moving 12 mos	2012 30 Sep	2011 31 Dec	2011 30 Sep	2010 31 Dec	2009 31 Dec
Net sales, SEK million	8,275	7,994	7,600	6,745	6,271
Sales growth, %	9	19	17	8	-8
EBITA, SEK million	896	917	829	703	594
EBITA margin, %	10.8	11.5	10.9	10.4	9.5
Operating capital, SEK million	4,053	3,552	3,679	3,134	2,584
Return on operating capital, %	24	26	24	23	22
Return on equity, %	26	29	26	24	21
Interest-bearing net debt, SEK million	1,965	1,488	1,737	1,390	940
Net debt/equity ratio, %	94	72	89	80	57
Net debt/EBITDA, times	1.9	1.4	1.9	1.7	1.4
Equity ratio, %	34	38	34	36	41
Average number of employees	3,882	3,778	3,683	3,420	3,122
Number of employees at the end of the period	4,000	3,807	3,799	3,444	3,040
<i>Attributable to equity holders of the parent company</i>					
<i>Key ratios per share ¹⁾</i>					
Earnings per share, SEK	13.28	13.50	11.83	10.18	8.53
Equity per share, SEK	52.15	51.55	48.50	43.55	41.10
Cash flow from operating activities per share, SEK	12.70	17.73	17.30	16.40	13.95

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 2012

All of the shares have been acquired in the Swedish companies Rostfria VA-system i Storfors AB, Dasa Control Systems AB, Rubin Medical AB, Conroy Medical AB, Topflight AB, Hydnet AB and Euroflon Tekniska Produkter AB; in Eco Analytics AG (Switzerland); and in Geotrim Oy (Finland).

ENGINEERING & EQUIPMENT

Geotrim Oy, in Helsinki, Finland, supplies instruments, systems and software for geospatial solutions in qualified, satellite-based positioning. The company provides networks with nationwide coverage in Finland. Geotrim Oy has annual sales of approximately SEK 100 million and is consolidated in the Group as from 1 March 2012.

FLOW TECHNOLOGY

Rostria VA-system i Storfors AB, with annual sales of approximately SEK 15 million, is consolidated in the Group as from 1 January 2012. The company supplies pump stations and pipe systems to water treatment plants. Euroflon Tekniska Produkter AB, with annual sales of approximately SEK 40 million, is consolidated in the Group as from 1 September 2012. The company supplies customised metal, PTFE and silicon tubing, compensators and quick-connect fittings.

INDUSTRIAL COMPONENTS

Rubin Medical AB supplies medical technology products with a focus on diabetes therapy in Scandinavia. The company has annual sales of approximately SEK 100 million and is consolidated in the Group as from 1 April 2012. Conroy Medical AB, with annual sales of approximately SEK 30 million, is consolidated in the Group as from 1 June 2012. The company manufactures and sells medical technology products mainly for blood handling. Hydnet AB supplies hydraulic components and industrial shock absorbers from leading manufacturers in hydraulics and motion control. The company has annual sales of approximately SEK 80 million and is consolidated in the Group as from 1 August 2012.

SPECIAL PRODUCTS

Dasa Control Systems AB, with annual sales of approximately SEK 50 million, supplies proprietary advanced control and communication systems for heavy vehicles. The company is consolidated in the Group as from 1 January 2012. Eco Analytics AG, with annual sales of approximately SEK 22 million, is active in gas and water analysis and offers a comprehensive production programme of gas meters for toxic or explosive gases. Eco Analytics AG is consolidated in the Group as from 1 March 2012. Topflight AB develops, manufactures and supplies labelling solutions for industrial use. The company has annual sales of approximately SEK 60 million and is consolidated in the Group as from 1 June 2012.

Acquired assets in Rostfria VA-system i Storfors AB, Dasa Control Systems AB, Eco Analytics AG, Geotrim Oy, Rubin Medical AB, Conroy Medical AB, Topflight AB, Hydnet AB and Euroflon Tekniska Produkter AB.

Preliminary purchase price allocation
SEK million

	Book value	Fair value adjustment	Fair value
Purchase price, incl. contingent earn-out payment totalling SEK 79 million			501
Acquired assets			
Goodwill	-	168	168
Agencies, trademarks, customer relations, licences, etc.	1	168	169
Property, plant and equipment	29	8	37
Financial assets	0	-	0
Inventories	94	-	94
Other current assets	84	-	84
Cash and cash equivalents	130	-	130
Deferred tax liability	-12	-45	-57
Interest-bearing loans and pension liabilities	-1	-	-1
Other operating liabilities	-123	-	-123
	202	299	501

Agencies, customer relationships, licences, etc. are amortised over a 10-year period.

Indutrade normally uses an acquisition structure entailing a base level of consideration plus a contingent earn-out payment. Initially, earn-out payments are valued at the present value of the likely outcome, which for the acquisitions made during the year to date amount to SEK 79 million. The earn-out payments fall due for payment within 1–2 years and can amount to a maximum of SEK 84 million. If the conditions are not met for the maximum earn-out payment, the outcome may be SEK 0.

Transaction costs for the acquisitions carried out during the period totalled SEK 2 million (2) and are included in "Other income and expenses" in the income statement. Contingent earn-out payments for previous years' acquisitions have been revaluated by SEK 3 million (0). The revenue is reported in "Other income and expenses" in the income statement.

Cash flow impact

Purchase price, incl. contingent earn-out payment	501
Contingent earn-out payments not paid out	-79
Cash and cash equivalents in acquired companies	-130
Contingent earn-out payments pertaining to previous years' acquisitions	68
Total cash flow impact	360

EFFECTS OF ACQUISITIONS CARRIED OUT IN 2011 AND 2012

SEK million Business area	Net Sales		EBITA	
	Jul-Sep	Jan-Sep	Jul-Sep	Jan-Sep
Engineering & Equipment	22	67	4	14
Flow Technology	8	33	1	3
Industrial Components	45	85	8	11
Special Products	30	80	4	9
Effect on Group	105	265	17	37
Acquisitions carried out in 2011	9	55	1	4
Acquisitions carried out in 2012	96	210	16	33
Effect on Group	105	265	17	37

If all of the acquired units had been consolidated as from 1 January 2012, net sales for the year would have amounted to SEK 6,272 million and EBITA would have amounted to SEK 677 million.

ACQUISITIONS AFTER THE END OF THE REPORTING PERIOD

In October Indutrade acquired Krämer AG, Switzerland, with annual sales of approximately SEK 70 million. Krämer is a leading manufacturer of equipment for the pharmaceutical market and specialises in tablet dedusters and related equipment for pharmaceutical manufacturers. The company will be part of the Special Products business area.

A preliminary purchase price allocation will be presented in the interim report for the fourth quarter of 2012.

Parent company income statement

- condensed

SEK million	2012 Jul-Sep	2011 Jul-Sep	2012 Jan-Sep	2011 Jan-Sep	2011/12 Moving 12 mos	2011 Jan-Dec
Net sales	0	0	0	0	4	4
Gross profit	0	0	0	0	4	4
Administrative expenses	-12	-12	-40	-37	-50	-47
Other income and expenses	-1	1	-1	0	-1	0
Operating profit	-13	-11	-41	-37	-47	-43
Financial income/expenses	-4	-9	-19	-30	-28	-39
Profit from participation in Group companies	-	-	375	266	876	767
Profit after financial items	-17	-20	315	199	801	685
Appropriations	-	-	-	-	-106	-106
Income Tax	4	5	15	17	-84	-82
Net profit for the period	-13	-15	330	216	611	497
Depreciation of property, plant and equipment	0	0	0	0	-1	-1

Parent company balance sheet

- condensed

SEK million	2012 30 Sep	2011 30 Sep	2011 31 Dec
Intangible assets	1	2	1
Property, plant and equipment	1	1	1
Financial assets	2,276	1,987	2,031
Current receivables	1,517	900	1,294
Cash and cash equivalent	0	14	7
Total assets	3,795	2,904	3,334
Equity	1,537	1,196	1,477
Untaxed reserves	160	54	160
Non-current liabilities	1,173	675	475
Non-current provisions	5	49	59
Current provisions	95	22	26
Current interest-bearing liabilities	804	879	1,068
Current noninterest-bearing liabilities	21	29	69
Total equity and liabilities	3,795	3,904	3,334

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	Borrowings including 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.
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 four business areas:

Engineering & Equipment, Flow Technology, 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%.
