

# Interim report

1 Jan – 30 Sep 2013

## 1 JANUARY – 30 SEPTEMBER 2013

- Order intake rose 5% to SEK 6,697 million (6,406).
- Net sales rose 6% to SEK 6,479 million (6,117). For comparable units the increase was 1%.
- Operating profit before amortisation of intangible non-current assets attributable to acquisitions (EBITA) rose 10% to SEK 707 million (645), corresponding to an EBITA margin of 10.9% (10.5%).
- Profit after tax rose 9% to SEK 409 million (376).
- Earnings per share were SEK 10.23 (9.40).
- Cash flow from operating activities amounted to SEK 452 million (227). For the last 12-month period, cash flow per share was SEK 18.60 (12.70).

## THIRD QUARTER 2013

- Order intake totalled SEK 2,172 million (1,832), an increase of 19%.
- Net sales rose 8% to SEK 2,148 million (1,988). For comparable units the increase was 2%.
- Operating profit before amortisation of intangible non-current assets attributable to acquisitions (EBITA) rose 15% to SEK 252 million (219), corresponding to an EBITA margin of 11.7% (11.0%).
- Profit after tax rose 14% to SEK 145 million (127).
- Earnings per share were SEK 3.65 (3.18).

## FINANCIAL DEVELOPMENT

SEK million	2013 Jul-Sep	2012 Jul-Sep	Change	2013 Jan-Sep	2012 Jan-Sep	Change	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	2,148	1,988	8%	6,479	6,117	6%	8,746	8,384
EBITA	252	219	15%	707	645	10%	967	905
EBITA margin, %	11.7	11.0		10.9	10.5		11.1	10.8
Profit after financial items	193	171	13%	534	502	6%	746	714
Net profit	145	127	14%	409	376	9%	602	569
Earnings per share, SEK <sup>1)</sup>	3.65	3.18	15%	10.23	9.40	9%	15.05	14.23
Return on operating capital, %	21	23		21	23		21	22

<sup>1)</sup> Attributable to equity holders of the parent company

## CEO's message

Some uncertainty still remains in the market. Following recent years' swings in demand, everyone – customers and suppliers alike – is cautious in their future outlook. The market continues to be weak for forest-related businesses – ranging from the pulp and paper industry to the vehicles used to harvest and transport timber. This is impacting our Engineering & Equipment business area in particular. The general process industry has also had weak performance, although here we see signs of growing activity. Thanks to Indutrade's broad product offering, the Group posted organic growth in order intake of 11% during the past quarter, despite several weak segments. The segments that have had favourable growth have more than adequately compensated for the weaker areas. This growth is being generated by a business upswing in a number of areas as well as by gains in market share by companies. Overall, order intake grew 19% during the quarter, including acquisitions.

### Third quarter

Order intake during the quarter was on par with net sales, with organic growth and acquisitions both making a contribution. During the quarter, three of the Group's business areas achieved higher order intake than the same quarter a year ago – Engineering & Equipment, Industrial Components and Special Products. Company acquisitions were made primarily in the Industrial Components and Special Products business area.

In the Nordic countries, the market is weak particularly in Finland and Denmark. Sweden is experiencing more positive development, with growth in several segments. Outside the Nordic countries, our operations in Switzerland and Ireland continue to show strong growth. Other important countries such as Germany, Benelux and the UK, are stable.

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

Net sales during the past quarter rose 8%. Excluding completed acquisitions, sales would have increased by 2%.

The Engineering & Equipment business area, comprising companies in Finland, experienced continued weak development on account of Finland's strong reliance on the forest industry. It is positive to note that order intake increased during the quarter.

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

Fluids & Mechanical Solutions had weak performance in certain segments, such as automotive hydraulics, while it encountered a more favourable business climate in other areas. Order intake was marginally better than

invoicing. Earnings decreased mainly for the hydraulics business.

Industrial Components experienced favourable development. Several segments are showing growth, and owing to acquisitions, order intake grew 21% for the business area and invoicing by 15% during the quarter. Commercial vehicles continue to show positive development, while the medical technology segment experienced favourable growth during the quarter. The general engineering industry in Sweden is showing positive development. The earnings improvement for the quarter was 34%, owing to completed acquisitions and higher earnings in the medical technology field, among others.

Special Products continued to perform strongly. Order intake rose 55% and invoicing by approximately 31%. The energy segment, Indutrade Switzerland and new acquisitions made strong contributions to the 58% improvement in earnings for the quarter.

### Margins

The Group's gross margin remains stable at 33.7%, which is level with 2012.

The EBITA margin was 11.7% (11.0%) for the quarter and 10.9% (10.5%) accumulated, which is higher than the Group's target of a minimum 10% EBITA margin over a business cycle.

### Acquisitions

Two acquisitions were made during the quarter, AMAB and the operations of Micro Joining KB. After the end of the quarter, Medexa in Sweden and the Dutch company Kin Pompentechniek were acquired. AMAB and Medexa work in the med-tech field, Micro Joining is active in chemical technology and Kin Pompentechniek in flow technology.

### Outlook

In line with our previous expectation, we can now see signs in several – but not all – segments, of an upswing during the autumn.

Johnny Alvarsson, President and CEO

# Group performance

## ORDER INTAKE AND NET SALES

### Order intake

Order intake during the period January–September totalled SEK 6,697 million (6,406), an increase of 5%. For comparable units, order intake decreased marginally, while acquired growth was 7%. Currency movements had a negative impact on order intake, by 2%.

Order intake during the third quarter totalled SEK 2,172 million (1,832), an increase of 19%. For comparable units, order intake increased by 11%, while acquired growth was 7%. Currency movements had a positive impact on order intake, by 1%.

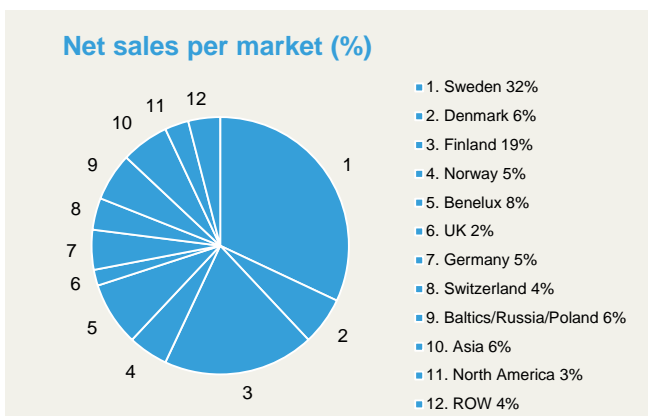
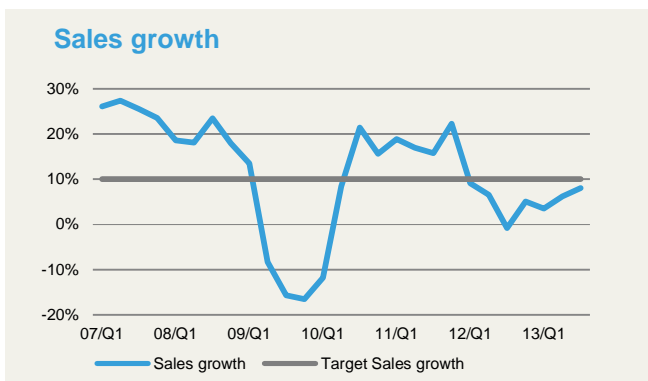
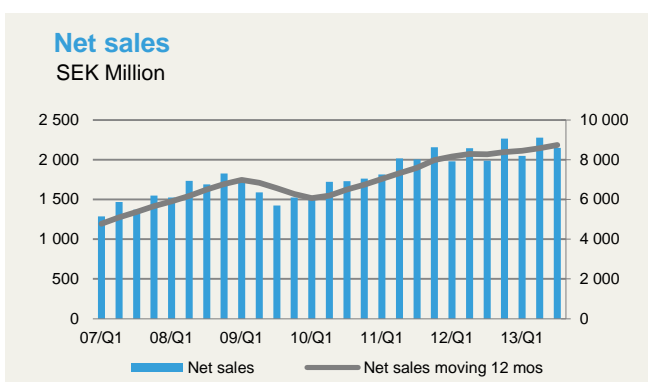
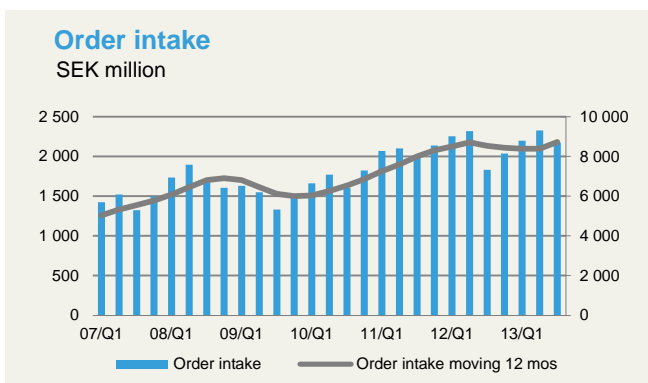
The increase for comparable units during the past quarter reflects a slightly stronger business climate in most segments and geographies. During the first half of the year, only the Special Products business area showed organic growth. During the past quarter, Engineering & Equipment and Industrial Components also reported growth for comparable units. For the other two business areas, the decrease for comparable units was lower during the third quarter than during the start of the year.

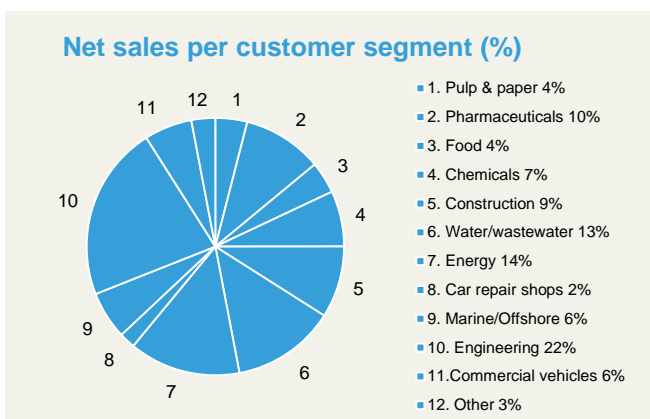
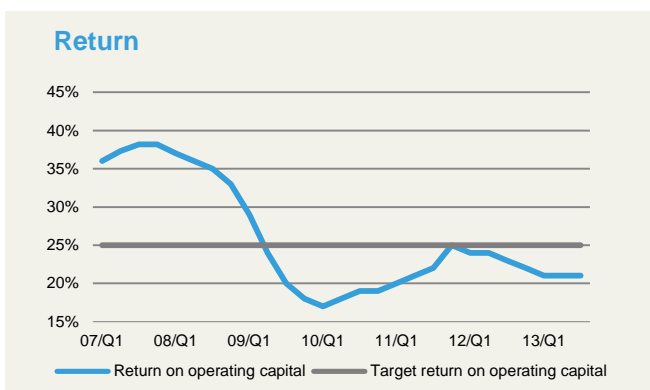
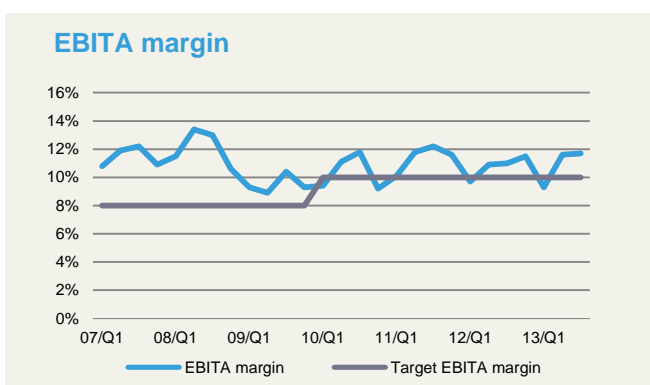
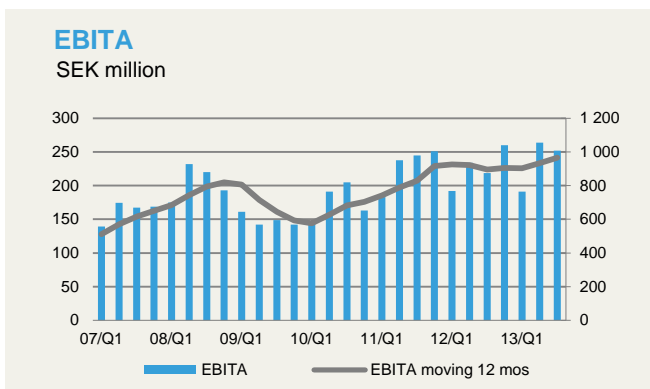
Special Products, which has had the strongest growth during the year, has benefited from favourable business performance in Switzerland as well as for internationally active companies with proprietary products, such as in measurement technology. Activity in the international energy market for conventional power remains at a high level. Industrial Components has been favourably affected by a greater level of activity in the medical technology field, the automotive industry and certain parts of the engineering industry, which has also affected Fluids & Mechanical Solutions. Flow Technology is the business area that has encountered the greatest weakening in demand compared with a year ago. Declines have been noted primarily for international and domestic projects in the process industry and marine sector. Activity in Finland, where Engineering & Equipment does most of its business, has remained weak after the summer.

### Net sales

Net sales during the period January–September totalled SEK 6,479 million (6,117), an increase of 6%. The increase for comparable units was 1%, while acquired growth was 7%. Negative currency effects amounted to 2%.

Net sales during the third quarter rose 8% to SEK 2,148 million (1,988). The increase for comparable units was 2%, while acquired growth was 6%. Currency movements had a marginal impact on net sales.





## Earnings and return

### EARNINGS

Operating profit before amortisation of intangible assets attributable to acquisitions (EBITA) amounted to SEK 707 million (645) for the period January–September, an increase of 10%. The operating margin before amortisation of intangible assets (the EBITA margin) was 10.9% (10.5%).

The gross margin for the Group as a whole was level with the corresponding period a year ago, at 33.7% (33.7%). During the past quarter the gross margin was 33.1%.

The earnings increase and strengthening of the EBITA margin are essentially attributable to the contribution made by acquisitions. With only a marginal increase in net sales for comparable units, good cost control has played a significant role in the Group's earnings performance. During the past quarter, three of the Group's five business areas achieved an EBITA margin in excess of the Group's 10% target.

Currency effects of translation of foreign units had a negative impact on EBITA by SEK -12 million, or -2%.

Net financial items amounted to SEK -74 million (-64), of which net interest expense was SEK -68 million (-60). Net interest expense was favourably affected by a lower average interest rate, which largely compensated for the higher average level of net debt.

Tax on profit for the period was SEK -125 million (-126), corresponding to a tax charge of 23.4% (25.1%). The lower tax charge is attributable to the reduced corporate tax rate in Sweden, which took effect on 1 January 2013.

Profit after tax rose 9% to SEK 409 million (376). Earnings per share increased to SEK 10.23 (9.40).

Operating profit before amortisation of intangible assets (EBITA) for the third quarter of the year amounted to SEK 252 million (219), an increase of 15%. The operating margin before amortisation of intangible assets (the EBITA margin) was 11.7% (11.0%). Net financial items amounted to SEK -26 million (-21) for the third quarter, of which net interest expense was SEK -24 million (-20). Tax on profit for the period was SEK -48 million (-44). Profit after tax totalled SEK 145 million (127). Earnings per share were SEK 3.65 (3.18).

### RETURN

The return on operating capital was 21% (23%), and the return on equity was 26% (26%).

# Business areas<sup>1</sup>

## ENGINEERING & EQUIPMENT

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

SEK Million	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	301	320	931	986	1,270	1,325
EBITA	25	36	75	85	95	105
EBITA margin, %	8.3	11.3	8.1	8.6	7.5	7.9

Net sales during the period January–September decreased by 6% to SEK 931 million (986). For comparable units the decrease was 6%. Acquisitions contributed 2%, while currency movements had a negative impact on net sales, by 2%.

Finnish industrial performance has been weak across a broad front, and this trend remained unbroken during the past quarter. The business area is feeling the effects of low activity in international and domestic projects for the process industry, lower activity in the construction sector and a restrictive stance toward investment in Finland.

EBITA for the period decreased by 12% to SEK 75 million (85), corresponding to an EBITA margin of 8.1% (8.6%). The earnings decline during the past quarter and accumulated for the year is mainly due to lower net sales. Completed cost-cutting and efficiency improvement measures have countered the effect of lower sales.

## FLOW TECHNOLOGY

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

SEK Million	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	471	516	1,471	1,546	2,048	2,123
EBITA	40	48	120	145	171	196
EBITA margin, %	8.5	9.3	8.2	9.4	8.3	9.2

Net sales for the period January–September totalled SEK 1,471 million (1,546), a decrease of 5%. For comparable units the decrease was 5%, while acquired growth was 2%. Currency movements had a negative impact on net sales, by 2%.

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

EBITA for the period decreased by 17% to SEK 120 million (145), and the EBITA margin was 8.2% (9.4%). Lower sales for comparable units is resulting in lower earnings and margins.

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

## FLUIDS & MECHANICAL SOLUTIONS

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

SEK Million	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	234	240	735	747	1,008	1,020
EBITA	25	30	84	92	117	125
EBITA margin, %	10.7	12.5	11.4	12.3	11.6	12.3

Net sales decreased by 2% during the period January–September, to SEK 735 million (747). For comparable units, the decrease was 4%. Acquisitions contributed 3%, while currency movements had a negative impact on net sales, by 1%.

Some of the business area's companies have strengthened their positions in their respective markets during the year, including industrial plastic components, construction solutions for façades, and fluid filtration products. Companies with customers in the commercial vehicles segment have been hurt by the market trend. For companies with broader exposure to the Nordic engineering industry, the trend has gradually grown more favourable.

EBITA for the period decreased by 9% to SEK 84 million (92), and the EBITA margin was 11.4% (12.3%). In the companies that have been hurt the most by the weaker business climate and lower sales, actions have been taken to adapt overheads.

## INDUSTRIAL COMPONENTS

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

SEK Million	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	409	357	1,251	1,126	1,656	1,531
EBITA	55	41	148	121	192	165
EBITA margin, %	13.4	11.5	11.8	10.7	11.6	10.8

Net sales rose 11% during the period January–September, to SEK 1,251 million (1,126). For comparable units, sales decreased by 1%. Acquisitions contributed 12%, while currency movements had a marginally negative impact. During the past quarter, the change for comparable units was 7%, while acquisitions contributed 8%.

The business climate for commercial vehicles is showing continued recovery. For companies with a focus on the general engineering industry, the trend was more positive during the past quarter. Following a weak first half of the year, demand for medical technology equipment for ophthalmology and health care applications moved in a positive direction in the third quarter.

EBITA for the period rose 22% to SEK 148 million (121), corresponding to an EBITA margin of 11.8% (10.7%). The accumulated earnings and margin growth can be credited to acquisitions. Cost-cutting measures in the business area have mitigated the effects of the lower net sales for comparable units and thereby helped buoy the EBITA margin. Growth in sales for comparable units had a positive impact on earnings for the past quarter.

In January, the company Thermotech AS was acquired, with annual sales of approximately SEK 70 million. In July the company AMAB (Allen Myrin Aktiebolag) was acquired, with annual sales of approximately SEK 35 million, and in September the operations of Micro Joining KB were acquired, with annual sales of approximately SEK 15 million.

## SPECIAL PRODUCTS

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

SEK Million	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	741	564	2,125	1,748	2,821	2,444
EBITA	120	76	321	240	445	364
EBITA margin, %	16.2	13.5	15.1	13.7	15.8	14.9

Net sales rose 22% during the period January–September, to SEK 2,125 million (1,748). For comparable units, the increase was 13% for the nine-month interim period and 16% for the past quarter. Acquired growth was 11% on an accumulated basis, while currency movements had a negative impact on net sales, by 2%.

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

EBITA increased by 34% to SEK 321 million (240), and the EBITA margin was 15.1% (13.7%). The increase in net sales for comparable units accounted for a considerable share of the earnings and margin improvement. Completed acquisitions also contributed to the earnings improvement.

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

## Other financial information

### FINANCIAL POSITION

Shareholders' equity amounted to SEK 2,405 million (2,090), and the equity ratio was 34% (34%).

Cash and cash equivalents amounted to SEK 244 million (214). In addition to this, the Group had unutilised credit promises of SEK 875 million (906). Interest-bearing net debt amounted to SEK 2,614 million (2,143). The net debt/equity ratio was 109% (103%) at the end of the period.

### CASH FLOW, CAPITAL EXPENDITURES AND DEPRECIATION

Cash flow from operating activities was SEK 452 million (227). Cash flow after net capital expenditures in intangible non-current assets and in property, plant and equipment (excluding company acquisitions) was SEK 300 million (143). The higher cash flow is mainly attributable to a lower level of tied-up working capital compared with the same period a year ago.

The Group's net capital expenditures, excluding company acquisitions, amounted to SEK 152 million (84). Investments in real estate in some of the Group's manufacturing companies have led to an increase in capital expenditures in non-current assets. Depreciation of property, plant and equipment amounted to SEK 83 million (80). Investments in company acquisitions amounted to SEK 216 million (292). In addition contingent earn-out payments for previous years' acquisitions have been paid in the amount of SEK 123 million (68).

### EMPLOYEES

The number of employees was 4,143 at the end of the period (4,086 at the start of the year). A total of 116 employees have been added through acquisitions.

### ACQUISITIONS

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

Month acquired	Acquisitions	Business area	Net sales/SEK m*	No. of employees*
January	Thermotech AS	Industrial Components	70	54
April	ESI Technologies Ltd	Special Products	160	47
July	AMAB	Industrial Components	35	13
September	Micro Joining (assets)	Industrial Components	15	2
			<b>280</b>	<b>116</b>

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

Further information about completed company acquisitions can be found on page 16 of this interim report.

### EVENTS AFTER THE END OF THE REPORTING PERIOD

In October one company acquisition was carried out, when the Industrial Components business area acquired Medexa Diagnostisk Service AB (Sweden), with annual sales of approximately SEK 25 million. The company specialises in high-end technology for healthcare with a focus on foetal surveillance and ultrasound applications.

In the beginning of November the Dutch company Kin Pompentechniek B.V. was acquired, with annual sales of approximately EUR 8.6 million. Kin Pompentechniek sell pumps from leading suppliers. The company is part of the Special Products business area.

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

### PARENT COMPANY

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



## RISKS AND UNCERTAINTIES

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

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

## RELATED PARTY TRANSACTIONS

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

## ACCOUNTING PRINCIPLES

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

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

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

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

## NOMINATION COMMITTEE

At the Annual General Meeting on 6 May 2013, 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 2014 Annual General Meeting shall be based on shareholder information from Euroclear Sweden AB's register as per 31 August 2013 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: Claes Boustedt (L E Lundbergföretagen, committee chair), Fredrik Lundberg (L E Lundbergföretagen, Chairman of Indutrade), Mats Gustafsson (Lannebo Funds), Anders Oscarsson (AMF and AMF Funds), and Håkan Sandberg (Handelsbanken Pension Foundation, Handelsbanken Pension Fund and Handelsbanken Employee Benefit Trust).

Information on how to submit nominations to the Nomination Committee is provided on Indutrade's website: [www.indutrade.se](http://www.indutrade.se).

## FINANCIAL CALENDAR

- The year-end report for the period 1 January–31 December 2013 will be published on 17 February 2014.
- The 2013 Annual Report will be published in early April 2014.
- The interim report for the period 1 January–31 March 2014 will be published on 28 April 2014.
- The Annual General Meeting will be held in Stockholm on 28 April 2014.

Stockholm, 5 November 2013

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 at 11.40 a.m. on 5 November 2013.

---

## FURTHER INFORMATION

For further information, please contact:

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

---

## The report will be commented upon as follows:

- through a conference call/webcast today at 2 p.m. at the following link:  
<http://event.onlineseminarsolutions.com/r.htm?e=697639&s=1&k=7B04F6399A17B4058A90DCB18E53FC54>  
Participlants call SE +46 8 505 564 83, UK +44 203 1940 546 or US + 1 8552 692 606.
  - Via a videotaped version at the following link:
  - <http://www.indutrade.se>
- 

## REVIEW REPORT

We have reviewed this report for the period 1 January to 30 September 2013 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 2013

PricewaterhouseCoopers AB

Michael Bengtsson  
Authorised Public Accountant

## Indutrade consolidated income statement

- condensed

Mkr	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	2,148	1,988	6,479	6,117	8,746	8,384
Cost of goods sold	-1,438	-1,326	-4,296	-4,053	-5,788	-5,545
<b>Gross profit</b>	<b>710</b>	<b>662</b>	<b>2,183</b>	<b>2,064</b>	<b>2,958</b>	<b>2,839</b>
Development costs	-23	-20	-81	-69	-107	-95
Selling costs	-370	-349	-1,162	-1,117	-1,572	-1,527
Administrative expenses	-103	-102	-329	-317	-438	-426
Other operating income and expenses	5	1	-3	5	-2	6
<b>Operating profit</b>	<b>219</b>	<b>192</b>	<b>608</b>	<b>566</b>	<b>839</b>	<b>797</b>
Net financial items	-26	-21	-74	-64	-93	-83
<b>Profit after financial items</b>	<b>193</b>	<b>171</b>	<b>534</b>	<b>502</b>	<b>746</b>	<b>714</b>
Income Tax	-48	-44	-125	-126	-144	-145
<b>Net profit for the period</b>	<b>145</b>	<b>127</b>	<b>409</b>	<b>376</b>	<b>602</b>	<b>569</b>
<i>Net profit, attributable to:</i>						
Equity holders of the parent company	146	127	409	376	602	569
Non-controlling interests	-1	0	0	0	0	0
	<b>145</b>	<b>127</b>	<b>409</b>	<b>376</b>	<b>602</b>	<b>569</b>
Earnings per share for the period, attributable to equity holders of the parent company <sup>1)</sup>	3.65	3.18	10.23	9.40	15.05	14.23
<b>EBITA</b>	<b>252</b>	<b>219</b>	<b>707</b>	<b>645</b>	<b>967</b>	<b>905</b>
<i>Operating profit includes:</i>						
Amortisation of intangible assets	-37	-30	-109	-86	-141	-118
Depreciation of property, plant and equipment	-28	-27	-83	-80	-110	-107

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

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

## Indutrade consolidated statement of comprehensive income

<b>Net profit for the period</b>	<b>145</b>	<b>127</b>	<b>409</b>	<b>376</b>	<b>602</b>	<b>569</b>
<b>Other comprehensive income</b>						
<b>Items that can be reversed into income statement:</b>						
Fair value adjustment of hedge instruments	0	-18	13	-11	11	-13
Tax attributable to fair value adjustments	0	5	-3	3	-4	2
Exchange rate differences	-22	-46	-23	-74	2	-49
<b>Items that can not be reversed into income statement:</b>						
Actuarial gains/losses	-	-	-	-	-19	-19
Tax on actuarial gains/losses	-	-	-	-	4	4
<b>Other comprehensive income for the period, net of tax</b>	<b>-22</b>	<b>-59</b>	<b>-13</b>	<b>-82</b>	<b>-6</b>	<b>-75</b>
<b>Total comprehensive income for the period</b>	<b>123</b>	<b>68</b>	<b>396</b>	<b>294</b>	<b>596</b>	<b>494</b>
<i>Net profit, attributable to:</i>						
Equity holders of the parent company	124	68	396	294	596	494
Non-controlling interests	-1	0	0	0	0	0
	<b>123</b>	<b>68</b>	<b>396</b>	<b>294</b>	<b>596</b>	<b>494</b>

## Business area performance

Net Sales, SEK Million	2013	2012	2013	2012	2012/13	2012
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Moving 12 mos	Jan-Dec
Engineering & Equipment	301	320	931	986	1,270	1,325
Flow Technology	471	516	1,471	1,546	2,048	2,123
Fluids & Mechanical Solutions	234	240	735	747	1,008	1,020
Industrial Components	409	357	1,251	1,126	1,656	1,531
Special Products	741	564	2,125	1,748	2,821	2,444
Parent company and Group items	-8	-9	-34	-36	-57	-59
	<b>2,148</b>	<b>1,988</b>	<b>6,479</b>	<b>6,117</b>	<b>8,746</b>	<b>8,384</b>
EBITA, SEK Million	2013	2012	2013	2012	2012/13	2012
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Moving 12 mos	Jan-Dec
Engineering & Equipment	25	36	75	85	95	105
Flow Technology	40	48	120	145	171	196
Fluids & Mechanical Solutions	25	30	84	92	117	125
Industrial Components	55	41	148	121	192	165
Special Products	120	76	321	240	445	364
Parent company and Group items	-13	-12	-41	-38	-53	-50
	<b>252</b>	<b>219</b>	<b>707</b>	<b>645</b>	<b>967</b>	<b>905</b>
EBITA margin, %	2013	2012	2013	2012	2012/13	2012
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Moving 12 mos	Jan-Dec
Engineering & Equipment	8.3	11.3	8.1	8.6	7.5	7.9
Flow Technology	8.5	9.3	8.2	9.4	8.3	9.2
Fluids & Mechanical Solutions	10.7	12.5	11.4	12.3	11.6	12.3
Industrial Components	13.4	11.5	11.8	10.7	11.6	10.8
Special Products	16.2	13.5	15.1	13.7	15.8	14.9
	<b>11.7</b>	<b>11.0</b>	<b>10.9</b>	<b>10.5</b>	<b>11.1</b>	<b>10.8</b>

Net Sales, SEK million	2013			2012			
	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Engineering & Equipment	301	331	299	339	320	341	325
Flow Technology	471	531	469	577	516	524	506
Fluids & Mechanical Solutions	234	258	243	273	240	257	250
Industrial Components	409	438	404	405	357	403	366
Special Products	741	730	654	696	564	632	552
Parent company and Group items	-8	-8	-18	-23	-9	-10	-17
	<b>2,148</b>	<b>2,280</b>	<b>2,051</b>	<b>2,267</b>	<b>1,988</b>	<b>2,147</b>	<b>1,982</b>
EBITA, SEK million	2013			2012			
	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Engineering & Equipment	25	30	20	20	36	24	25
Flow Technology	40	54	26	51	48	57	40
Fluids & Mechanical Solutions	25	29	30	33	30	31	31
Industrial Components	55	53	40	44	41	45	35
Special Products	120	110	91	124	76	91	73
Parent company and Group items	-13	-12	-16	-12	-12	-14	-12
	<b>252</b>	<b>264</b>	<b>191</b>	<b>260</b>	<b>219</b>	<b>234</b>	<b>192</b>
EBITA margin, %	2013			2012			
	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Engineering & Equipment	8.3	9.1	6.7	5.9	11.3	7.0	7.7
Flow Technology	8.5	10.2	5.5	8.8	9.3	10.9	7.9
Fluids & Mechanical Solutions	10.7	11.2	12.3	12.1	12.5	12.1	12.4
Industrial Components	13.4	12.1	9.9	10.9	11.5	11.2	9.6
Special Products	16.2	15.1	13.9	17.8	13.5	14.4	13.2
	<b>11.7</b>	<b>11.6</b>	<b>9.3</b>	<b>11.5</b>	<b>11.0</b>	<b>10.9</b>	<b>9.7</b>

## Indutrade consolidated balance sheet

- condensed

SEK million	2013 30 Sep	2012 30 Sep	2012 31 Dec
Goodwill	1,316	974	1,188
Other intangible assets	1,248	969	1,215
Property, plant and equipment	802	715	741
Financial assets	58	57	59
Inventories	1,470	1,461	1,472
Accounts receivable, trade	1,566	1,446	1,411
Other receivables	290	225	204
Cash and cash equivalents	244	214	243
<b>Total assets</b>	<b>6,994</b>	<b>6,061</b>	<b>6,533</b>
Equity	2,405	2,090	2,290
Non-current interest-bearing liabilities and pension liabilities	1,561	1,482	1,158
Other non-current liabilities and provisions	337	291	333
Current interest-bearing liabilities	1,297	875	1,424
Accounts payable, trade	606	563	586
Other current liabilities	788	760	742
<b>Total equity and liabilities</b>	<b>6,994</b>	<b>6,061</b>	<b>6,533</b>

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

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

## Indutrade consolidated statement of changes in equity

- condensed

Attributable to equity holders of the parent company SEK million	2013 30 Sep	2012 30 Sep	2012 31 Dec
Opening equity	2,288	2,062	2,062
Adjustment of accounting principle IAS 19	-	2	2
<b>Opening equity after adjustment</b>	<b>2,288</b>	<b>2,064</b>	<b>2,064</b>
Total comprehensive income for the period	396	294	494
Dividend	-282 <sup>1)</sup>	-270 <sup>1)</sup>	-270 <sup>1)</sup>
<b>Closing equity</b>	<b>2,402</b>	<b>2,088</b>	<b>2,288</b>
<i>Equity, attributable to:</i>			
Equity holders of the parent company	2,402	2,088	2,288
Non-controlling interests	3	2	2
	<b>2,405</b>	<b>2,090</b>	<b>2,290</b>

<sup>1)</sup> Dividend per share for 2012 was SEK 7.05 (6.75).

# Indutrade consolidated cash flow statement

- condensed

SEK million	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012/13 Moving 12 mos	2012 Jan-Dec
Cash flow from operating activities						
before change in working capital	213	182	550	518	752	720
Change in working capital	-55	-73	-98	-291	-8	-201
<b>Cash flow from operating activities</b>	<b>158</b>	<b>109</b>	<b>452</b>	<b>227</b>	<b>744</b>	<b>519</b>
Net capital expenditures in non-current assets	-61	-21	-152	-84	-195	-127
Company acquisitions and divestments	-57	-80	-338	-360	-550	-572
Change in other financial assets	2	-1	1	-2	-2	-5
<b>Cash flow from investing activities</b>	<b>-116</b>	<b>-102</b>	<b>-489</b>	<b>-446</b>	<b>-747</b>	<b>-704</b>
Net borrowings	-87	-35	320	449	313	442
Dividend paid out	-	-	-282	-270	-282	-270
<b>Cash flow from financial activities</b>	<b>-87</b>	<b>-35</b>	<b>38</b>	<b>179</b>	<b>31</b>	<b>172</b>
Cash flow for the period	-45	-28	1	-40	28	-13
Cash and cash equivalents at start of period	286	245	243	264	214	264
Exchange rate differences	3	-3	0	-10	2	-8
<b>Cash and cash equivalents at end of period</b>	<b>244</b>	<b>214</b>	<b>244</b>	<b>214</b>	<b>244</b>	<b>243</b>

## Indutrade changes in interest-bearing net debt

	2013 Jul-Sep	2013 Jan-Sep
<b>Beginning of period</b>	<b>-2,677</b>	<b>-2,339</b>
Cash flow from operating activities	158	452
Net capital expenditures in non-current assets	-61	-152
Company acquisitions and divestments	-37	-276
Dividend paid out	-	-282
Other changes *)	3	-17
<b>Total changes</b>	<b>63</b>	<b>-275</b>
<b>End of period</b>	<b>-2,614</b>	<b>-2,614</b>

\*) Other changes relate to revaluation of pension liability and currency effects among others.

## Key data

	2013 30 Sep	2012 31 Dec	2012 30 Sep	2011 31 Dec	2010 31 Dec
<b>Moving 12 mos</b>					
Net sales, SEK million	8,746	8,384	8,275	7,994	6,745
Sales growth, %	6	5	9	19	8
EBITA, SEK million	967	905	896	917	703
EBITA margin, %	11.1	10.8	10.8	11.5	10.4
Operating capital, SEK million	5,019	4,629	4,231	3,720	3,304
Return on operating capital, %	21	22	23	25	19
Return on equity, %	26	27	26	29	24
Interest-bearing net debt, SEK million <sup>1)</sup>	2,614	2,339	2,143	1,656	1,561
Net debt/equity ratio, %	109	102	103	80	90
Net debt/EBITDA, times	2.4	2.3	2.1	1.6	2.0
Equity ratio, %	34	35	34	38	36
Average number of employees	4,114	3,939	3,882	3,778	3,420
Number of employees at end of the period	4,143	4,086	4,000	3,807	3,444
<i>Attributable to equity holders of the parent company</i>					
<i>Key ratios per share <sup>2)</sup></i>					
Earnings per share, SEK	15.05	14.13	13.28	13.50	10.18
Equity per share, SEK	60.05	57.20	52.20	51.55	43.55
Cash flow from operating activities per share, SEK	18.60	12.98	12.70	17.73	16.40

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

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

# Acquisitions

## ACQUISITIONS 2013

All of the shares have been acquired in Thermotech AS (Norway), ESI Technologies Ltd (Ireland) and AMAB (Allen Myrin Aktiebolag, Sweden), as well as the operations of Micro Joining KB (Sweden).

## INDUSTRIAL COMPONENTS

Thermotech AS sells products and services in the areas of heat treatment, machine service and bolt tension. Thermotech AS has annual sales of approximately SEK 70 million and is consolidated in the Group as from 1 January 2013. AMAB is one of the Swedish market's leading suppliers of medical alert systems, monitoring systems and security systems to the healthcare sector. AMAB has annual sales of approximately SEK 35 million and is consolidated in the Group as from 1 July 2013. The operations of Micro Joining KB have been acquired and are consolidated in the Group as from 1 September 2013. Micro Joining sells adhesives, components and materials, with annual sales of approximately SEK 15 million.

## SPECIAL PRODUCTS

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

### Acquired assets in Thermotech AS, ESI Technologies Ltd, AMAB and Micro Joining

#### *Preliminary purchase price allocation*

SEK million

	Book value	Fair value adjustment	Fair value
Purchase price, incl. contingent earn-out payment totalling SEK 60 million			370
<b>Acquired assets</b>			
Goodwill	-	139	139
Agencies, trademarks, customer relations, licences, etc.	-	135	135
Property, plant and equipment	9	-	9
Financial assets	0	-	0
Inventories	31	-	31
Other current assets <sup>1)</sup>	68	-	68
Cash and cash equivalents	94	-	94
Deferred tax liability	0	-27	-27
Other operating liabilities	-79	-	-79
	<b>123</b>	<b>247</b>	<b>370</b>

<sup>1)</sup> Mainly trade accounts receivable

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

Indutrade normally uses an acquisition structure entailing a base level of consideration plus a contingent earn-out payment. Initially, the contingent earn-out payments are valued at the present value of the likely outcome, which for the acquisitions made during the year amount to SEK 60 million. The contingent earn-out payments fall due for payment within 2 years and can amount to a maximum of SEK 64 million. If the conditions are not met, the outcome can be in the range of SEK 0–64 million.

Transaction costs for the acquisitions carried out during the period totalled SEK 4 million (2) and are included in Other income and expenses in the income statement. Contingent earn-out payments have been revalued at SEK -2 million (3). The expense is reported among Other income and expenses in the income statement.

The purchase price allocations for Geotrim Oy, Eco Analytics AG, Rubin Medical AB, Conroy Medical AB, Topflight AB, Hydnet AB and Euroflon Tekniska Produkter AB, which were acquired in 2012, are definitive. No significant adjustments have been made in the calculations. For other acquisitions, the purchase price allocations are preliminary. Indutrade regards the calculations as preliminary during the time that uncertainty exists with respect to,



for example, the outcome of guarantees in the acquisition agreements concerning inventories and trade accounts receivable.

#### Cash flow impact

Purchase price, incl. contingent earn-out payment	370
Contingent earn-out payments not paid out	-60
Cash and cash equivalents in acquired companies	-94
Contingent earn-out payments pertaining to previous years' acquisitions	123
<b>Total cash flow impact</b>	<b>339</b>

#### EFFECTS OF ACQUISITIONS CARRIED OUT IN 2012 AND 2013

SEK million Business area	Net sales		EBITA	
	Jul-Sep	Jan-Sep	Jul-Sep	Jan-Sep
Engineering & Equipment	-	18	-	1
Flow Technology	4	24	0	3
Fluids & Mechanical Solutions	-	26	-	4
Industrial Components	29	138	8	31
Special Products	92	235	7	28
<b>Effect on Group</b>	<b>125</b>	<b>441</b>	<b>15</b>	<b>67</b>
Acquisitions carried out in 2012	51	290	4	44
Acquisitions carried out in 2013	74	151	11	23
<b>Effect on Group</b>	<b>125</b>	<b>441</b>	<b>15</b>	<b>67</b>

If all acquired units had been consolidated as from 1 January 2013, net sales for the year would have amounted to SEK 6,540 million, and EBITA would have totalled SEK 714 million.

#### ACQUISITIONS AFTER THE END OF THE REPORTING PERIOD

In October Indutrade acquired Medexa Diagnostisk Service AB (Sweden), with annual sales of approximately SEK 25 million. The company specialises in high-end technology for healthcare with a focus on foetal surveillance and ultrasound applications, and is included in the Industrial Components business area.

In the beginning of November the Dutch company Kin Pompentechniek B.V. was acquired, with annual sales of approximately EUR 8.6 million. Kin Pompentechniek sells pumps from leading suppliers. The company is part of the Special Products business area.

Preliminary purchase price allocations will be presented in the fourth quarter interim report for 2013.

## FAIR VALUE

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

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

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

	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Available-for-sale financial assets	-	-	6	6
Derivative instruments held for hedging purposes	-	4	-	4
<b>Liabilities</b>				
Derivative instruments held for hedging purposes	-	19	-	19

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

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

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

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

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

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

## Parent company income statement

- condensed

SEK million	2013 Jul-Sep	2012 Jul-Sep	2013 Jan-Sep	2012 Jan-Sep	2012/13 Moving 12 mos	2012 Jan-Dec
Net Sales	0	0	0	0	3	3
<b>Gross profit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>3</b>
Administrative expenses	-12	-12	-42	-40	-51	-49
Other income and expenses	3	-1	3	-1	3	-1
<b>Operating profit</b>	<b>-9</b>	<b>-13</b>	<b>-39</b>	<b>-41</b>	<b>-45</b>	<b>-47</b>
Financial income/expenses	-13	-4	-33	-19	-45	-31
Profit from participation in Group companies	29	-	299	375	580	656
<b>Profit after financial items</b>	<b>7</b>	<b>-17</b>	<b>227</b>	<b>315</b>	<b>490</b>	<b>578</b>
Appropriations	-	-	-	-	-62	-62
Income tax	4	4	14	15	-49	-48
<b>Net profit for the period</b>	<b>11</b>	<b>-13</b>	<b>241</b>	<b>330</b>	<b>379</b>	<b>468</b>
Amortisation/depreciation of intangible assets and property, plant and equipment	-1	0	-1	0	-1	0

## Parent company balance sheet

- condensed

Mkr	2013 30 Sep	2012 30 Sep	2012 31 Dec
Intangible assets	0	1	1
Property, plant and equipment	1	1	1
Financial assets	2,953	2,276	2,578
Current receivables	1,761	1,517	1,719
Cash and cash equivalent	0	0	0
<b>Total assets</b>	<b>4,715</b>	<b>3,795</b>	<b>4,299</b>
Equity	1,634	1,537	1,675
Untaxed reserves	221	160	221
Non-current interest-bearing liabilities and pension liabilities	1,237	1,178	837
Current interest-bearing liabilities	1,593	899	1,464
Current noninterest-bearing liabilities	30	21	102
<b>Total equity and liabilities</b>	<b>4,715</b>	<b>3,795</b>	<b>4,299</b>

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

Figures for the comparative year have been recalculated.

## Definitions

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

---

### Indutrade in brief

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

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

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

The Group is structured into five business areas:

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

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

---