

# Interim report fourth quarter and Year-end report

1 January – 31 December 2015

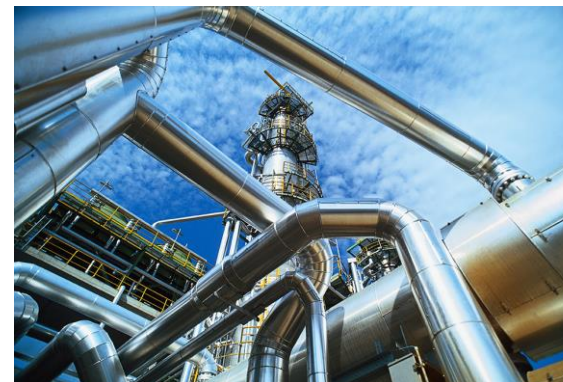
## Fourth quarter

### Continued strong growth

- Order intake rose 20% to SEK 3,086 million (2,579). The increase for comparable units was 8%.
- Net sales rose 21% to SEK 3,219 million (2,654). The increase for comparable units was 9%.
- Operating profit before amortisation of intangible non-current assets attributable to acquisitions (EBITA) rose 19% to SEK 398 million (334), corresponding to an EBITA margin of 12.4% (12.6%).
- Profit after tax rose 17% to SEK 258 million (220).
- Earnings per share grew 17% to SEK 6.43 (5.50).
- Cash flow from operating activities was SEK 493 million (378).

## 1 January – 31 December

- Order intake rose 19% to SEK 11,939 million (10,000). The increase for comparable units was 4%.
- Net sales rose 22% to SEK 11,881 million (9,746). The increase for comparable units was 7%.
- Operating profit before amortisation of intangible non-current assets attributable to acquisitions (EBITA) rose 26% to SEK 1,427 million (1,134), corresponding to an EBITA margin of 12.0% (11.6%).
- Profit after tax rose 27% to SEK 894 million (703).
- Earnings per share grew 27% to SEK 22.33 (17.60).
- Cash flow from operating activities was SEK 1,076 million (904).
- The Board of Directors proposes a dividend of SEK 9.00 (7.75) per share for 2015.
- The Board of Directors proposes a 2-for-1 bonus issue.



## Financial Development

SEK million	2015 Oct-Dec	2014 Oct-Dec	Change	2015 Jan-Dec	2014 Jan-Dec	Change
Net sales	3,219	2,654	21%	11,881	9,746	22%
EBITA	398	334	19%	1,427	1,134	26%
EBITA margin, %	12.4	12.6		12.0	11.6	
Profit after financial items	329	277	19%	1,137	895	27%
Net profit	258	220	17%	894	703	27%
Earnings per share before dilution, SEK	6.43	5.50	17%	22.33	17.60	27%
Return on operating capital, %	22	21		22	21	

# Q4

## CEO's message

*With a strong final quarter, Indutrade can sum up a successful year in 2015. In a time of challenging market conditions, we continue to generate profitable growth through the acquisition and development of stable and profitable companies in selected niches – what we call the Indutrade model.*

In a turbulent market in which demand has varied sharply between markets, customers, segments and countries, we have now reached a new level of order intake and invoicing, approaching SEK 12 billion for the full year. The Group's mix of companies with an international base, together with the long-term work on increasing the share of proprietary products, has strengthened our ability to adapt to changed market conditions.

Demand in the most important countries for Indutrade was again mixed – growth in Sweden and Benelux countered continued weak performance in Finland. In the UK, growth has remained favourable, even though a slight slowing was noted during the final months of the year. For other countries, performance on an annual basis has been relatively stable.

For most industrial segments, demand improved somewhat compared with the preceding year, although exceptions could be found in certain sub-segments, such as the oil and gas industry, and the marine sector. In the energy segment, order intake and invoicing related to valves for power generation were very strong during the year.

All of our business areas posted higher earnings than a year ago, and the EBITA margin for the Group as a whole improved to 12.0% (11.6%).

### Fourth quarter

Overall the fourth quarter was Indutrade's best quarter historically, with both sales and earnings reaching new, record highs. Sales increased by 21%, the EBITA margin was 12.4% (12.6%), pre-tax earnings rose 19%, and earnings per share grew by 17%.

Both order intake and invoicing related to valves for power generation in the energy segment were strong during the quarter, and the order book is at a continued high level. All in all, the companies in our business areas showed stable, positive development in order intake, invoicing and earnings, even though Engineering & Equipment, whose operations are all in Finland,



continues to struggle with a challenging market situation.

All of the business areas reported higher earnings, and for three of the six business areas, the EBITA margin also improved.

### Acquisitions

A total of 13 acquisitions, with possession taking place in 2015, were carried out during the year. After the end of the quarter an additional acquisition was carried out, in January 2016. Annual sales of these 14 companies in total amount to nearly SEK 1.2 billion.

We find that the Indutrade model continues to attract owners who are considering selling their companies, and thus the conditions for continued acquisitions in and outside the Nordic region are very favourable.

### Outlook

My view is that the market volatility will continue, which puts high demands on our companies' ability to adapt to the prevailing opportunities and challenges. Our decentralised business model, in which the managements of our 200 companies can make quick decisions in close proximity to their operations, inspires commitment and responsibility. This Indutrade model creates good conditions for continued profitable growth.

Johnny Alvarsson, President and CEO

## Group performance

### Order intake

Order intake during the fourth quarter totalled SEK 3,086 million (2,579), an increase of 20%. For comparable units, order intake increased by 8%, while acquired growth was 11%. Currency movements had a positive effect on order intake, by 1%.

Order intake developed positively for most of Indutrade's companies, and growth during the fourth quarter was both organic and acquisition-based. All in all the companies experienced continued stable demand, with some exceptions – both geographically and in terms of segments.

Demand in the Nordic countries and Benelux continued to develop favourably during the fourth quarter, which countered continued weak performance in Finland. During the most recent months a slight softening in demand was noted in the UK.

For other countries and markets, the trend was unchanged compared with the preceding quarter.

For most industrial segments, demand improved slightly compared with a year ago, although exceptions could be found in certain sub-segments, such as in the oil

and gas industry and in the marine sector, where demand was weaker during the quarter. Also worthy of noting was the continued favourable order intake for valves used in power generation in the energy segment.

Order intake during the period January–December amounted to SEK 11,939 million (10,000), an increase of 19%. For comparable units, order intake grew 4%, while acquired growth was 12%. Currency movements had a positive effect on order intake, by 3%.

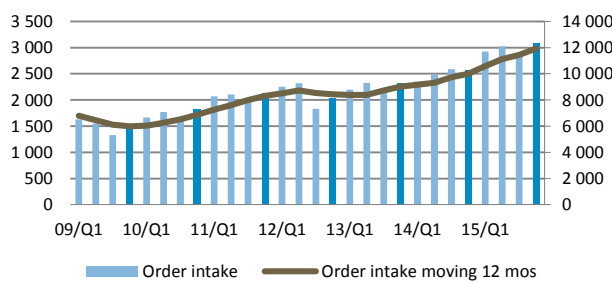
### Net sales

Net sales during the fourth quarter rose 21% to SEK 3,219 million (2,654). The increase for comparable units was 9%, while acquired growth was 11%. Currency movements had a positive effect on net sales, by 1%.

Net sales during the period January–December amounted to SEK 11,881 million (9,746), an increase of 22%. The increase for comparable units was 7%, while acquired growth was 12%. Currency movements had a positive effect on net sales, by 3%.

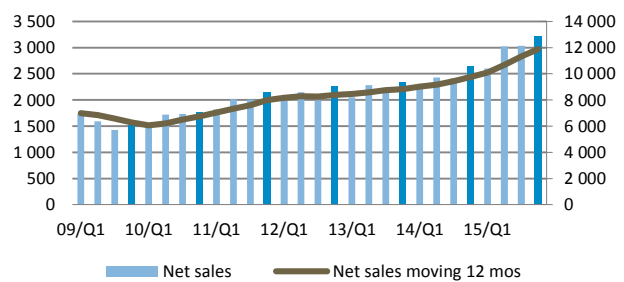
### Order intake

SEK million

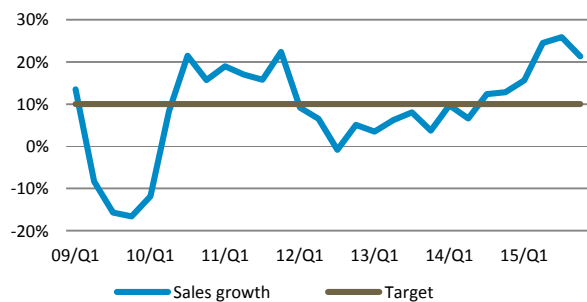


### Net Sales

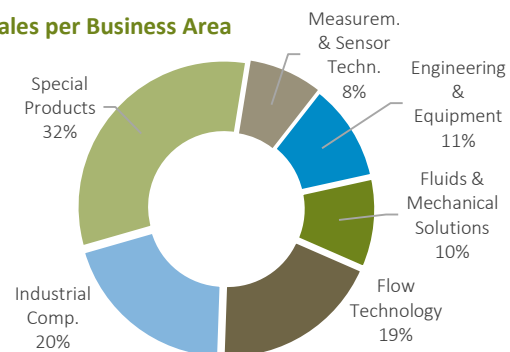
SEK million



### Sales growth



### Net Sales per Business Area



# Q4

## Earnings

Operating profit before amortisation of intangible assets attributable to acquisitions (EBITA) amounted to SEK 398 million (334) for the fourth quarter, an increase of 19%. The increase for comparable units was 8%, acquisitions contributed 9%, and currency movements had a positive effect, by 2%. The EBITA margin decreased marginally, to 12.4% (12.6%).

The gross margin for the Group as a whole increased slightly compared with the corresponding quarter a year ago, to 34.4% (32.7%). For the period January–December, the gross margin was 34.0% (33.7%).

All of the business areas showed higher earnings than in the corresponding quarter a year ago, and three of the six business areas also reported an improved EBITA margin.

Net financial items for the fourth quarter amounted to SEK -20 million (-16), of which net interest expense was SEK -18 million (-13). Tax on profit for the period was SEK -71 million (-57). Profit after tax totalled SEK 258

million (220). Earnings per share before dilution were SEK 6.43 (5.50).

EBITA for the period January–December was SEK 1,427 million (1,134), an increase of 26%. The increase for comparable units was 7%, acquisitions contributed 15%, and currency movements had a positive effect, by 4%. The EBITA margin increased to 12.0% (11.6%).

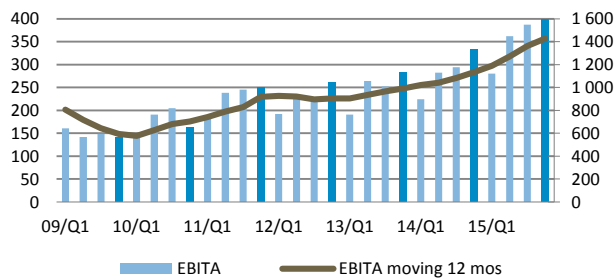
Net financial items amounted to SEK -98 million (-86), of which net interest expense was SEK -78 million (-75). Tax on profit for the period amounted to SEK -243 million (-192), corresponding to a tax charge of 21% (21%). Profit after tax rose 27% to SEK 894 million (703). Earnings per share before dilution grew 27% to SEK 22.33 (17.60).

## Return

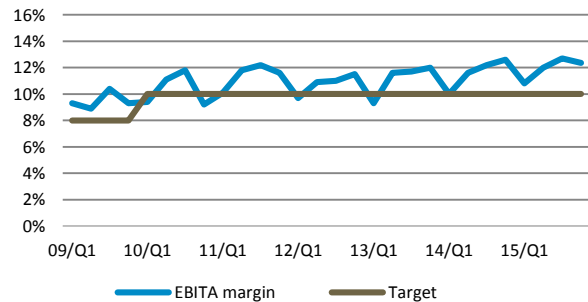
The return on operating capital was 22% (21%), and the return on equity was 26% (25%).

### EBITA

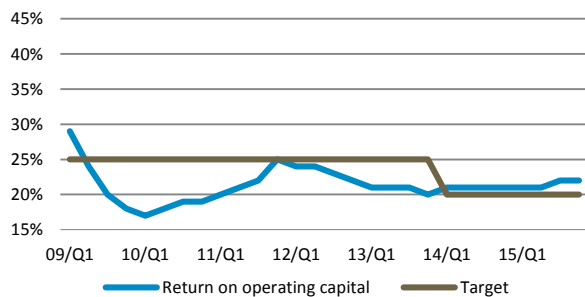
SEK million



### EBITA margin

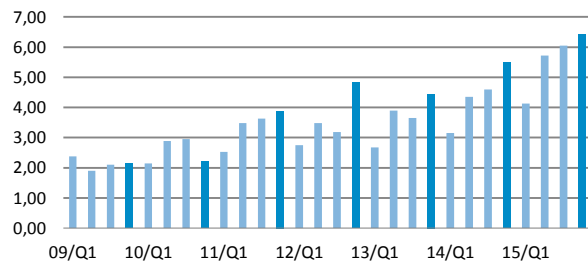


### Return



### Earnings per share

SEK



# Business areas

# Q4

## 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	2015 Oct-Dec	2014 Oct-Dec	Change	2015 Jan-Dec	2014 Jan-Dec	Change
Net sales	326	329	-1%	1,283	1,274	1%
EBITA	25	22	14%	112	93	20%
EBITA margin, %	7.7	6.7		8.7	7.3	

Net sales decreased by 1% during the quarter, to SEK 326 million (329). For comparable units, the decrease was 1%, while currency movements had a marginal effect on net sales.

Finland's industrial performance has been weak for some time, and no break in this trend has been noted. Order intake as well as sales were affected by low industrial activity, continued weak development in the construction sector, and general investment restraint in Finland.

Despite challenging market conditions, a number of the business area's companies performed well in their respective segments, achieving higher market shares and earnings as a result.

Order intake exceeded net sales by 1% during the fourth quarter.

EBITA for the quarter increased by 14% to SEK 25 million (22), corresponding to an EBITA margin of 7.7% (6.7%). Earnings for comparable units grew 14%, with a marginal impact from currency movements.

The earnings improvement for the quarter is attributable to a higher gross margin combined with a changed mix.

## 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	2015 Oct-Dec	2014 Oct-Dec	Change	2015 Jan-Dec	2014 Jan-Dec	Change
Net sales	612	541	13%	2,234	2,073	8%
EBITA	59	50	18%	217	176	23%
EBITA margin, %	9.6	9.2		9.7	8.5	

Net sales rose 13% during the quarter, to SEK 612 million (541). The increase for comparable units was 16%, while currency movements had a negative effect, by 3%.

The demand situation remains favourable in general for the companies in the business area. Large investments in the chemicals, nuclear power, and pulp and paper industries countered lower demand in parts of the marine and offshore segments.

Net sales exceeded order intake by 10% during the quarter.

EBITA for the quarter increased by 18% to SEK 59 million (50), and the EBITA margin reached 9.6% (9.2%). The increase for comparable units was 23%, while currency movements had a negative effect, by 5%.

The earnings improvement can be credited primarily to higher net sales combined with a changed mix.

# Q4

## 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, water/wastewater products, steel constructions, compressors, product labelling and construction plastics.

SEK million	2015 Oct-Dec	2014 Oct-Dec	Change	2015 Jan-Dec	2014 Jan-Dec	Change
Net sales	339	289	17%	1,249	1,058	18%
EBITA	41	33	24%	163	127	28%
EBITA margin, %	12.1	11.4		13.1	12.0	

Net sales rose 17% during the quarter, to SEK 339 million (289). The increase for comparable units was 2%, acquisitions contributed 15%, while currency movements had a marginal impact.

Demand in most segments remained stable for the business area's companies, and the business area reported yet another quarter of positive development of sales and earnings.

Order intake exceeded net sales by 2% during the quarter.

EBITA for the quarter increased by 24% to SEK 41 million (33), and the EBITA margin reached 12.1% (11.4%). For comparable units, EBITA increased by 4%, acquisitions contributed 20%, and currency movements had a marginal impact.

The earnings improvement for comparable units is attributable to higher invoicing.

## 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	2015 Oct-Dec	2014 Oct-Dec	Change	2015 Jan-Dec	2014 Jan-Dec	Change
Net sales	678	546	24%	2,446	1,925	27%
EBITA	68	56	21%	262	226	16%
EBITA margin, %	10.0	10.3		10.7	11.7	

Net sales rose 24% during the quarter, to SEK 678 million (546). The increase for comparable units was 6%, while acquisitions contributed 18%. Currency movements had a marginal impact.

On the whole, demand strengthened for the business area during the quarter, despite a continued wide variation between companies and segments. While sales for companies in areas such as medical technology showed a continued increase, a slight downturn in demand was noted for companies exposed to the steel, mining and offshore industries.

Net sales exceeded order intake by 5% during the quarter.

EBITA for the quarter rose 21% to SEK 68 million (56), corresponding to an EBITA margin of 10.0% (10.3%). For comparable units, earnings increased by 6% and acquisitions contributed 15%, while currency movements had a marginal impact.

The earnings improvement for comparable units is mainly attributable to higher invoicing.

## Measurement & Sensor Technology

Measurement & Sensor Technology offers design solutions, measurement instruments, measurement systems and sensors for various industries. All of the business area's companies have proprietary products based on advanced technological solutions and own development, design and manufacturing.

SEK million	2015 Oct-Dec	2014 Oct-Dec	Change	2015 Jan-Dec	2014 Jan-Dec	Change
Net sales	246	207	19%	938	753	25%
EBITA	43	40	8%	164	135	21%
EBITA margin, %	17.5	19.3		17.5	17.9	

Net sales rose 19% during the quarter, to SEK 246 million (207). The increase for comparable units was 3%, acquisitions contributed 15%, and currency movements had a positive effect, by 1%.

The business area includes companies with own manufacturing and proprietary products, with a relatively high share of project-related business, and as a result, order intake and invoicing vary between months and quarters.

Demand was generally stable for the business area's companies during the quarter.

Net sales exceeded order intake by 2% during the quarter.

EBITA increased by 8% during the quarter, to SEK 43 million (40), and the EBITA margin was 17.5% (19.3%). The increase for comparable units was 5%, while acquisitions contributed 1% and currency movements 2%.

The earnings improvement for comparable units is mainly attributable to higher net sales.

## Special Products

Special Products offers specially manufactured niche products, design solutions, aftermarket service and assembly, and special processing. The business area includes companies with a considerable amount of own manufacturing and proprietary products.

SEK million	2015 Oct-Dec	2014 Oct-Dec	Change	2015 Jan-Dec	2014 Jan-Dec	Change
Net sales	1,029	753	37%	3,772	2,710	39%
EBITA	166	133	25%	564	418	35%
EBITA margin, %	16.1	17.7		15.0	15.4	

Net sales rose 37% during the quarter, to SEK 1,029 million (753). The increase for comparable units was 16%, while acquisitions contributed 15% and currency movements 6%.

The monthly and quarterly variation in order intake and invoicing remains large for companies in the business area. Order intake and invoicing related to valves for power generation in the energy segment remained strong during the quarter. For companies in Benelux, demand strengthened during the year, which countered a slowing for companies in the UK during the fourth quarter. For

companies in Switzerland, the currency situation remained challenging.

Net sales exceeded order intake by 5%.

EBITA increased by 25% during the quarter, to SEK 166 million (133), and the EBITA margin was 16.1% (17.7%). Earnings for comparable units increased by 8%, while acquisitions contributed 12%. Currency movements had a positive effect on earnings, by 5%.

The earnings improvement for comparable units is mainly attributable to higher invoicing, which countered the negative effect of a changed mix.

# Q4

## Other financial information

### Financial position

Shareholders' equity amounted to SEK 3,707 million (3,162), and the equity ratio was 40% (39%).

Cash and cash equivalents amounted to SEK 339 million (357). In addition to this, the Group had unutilised credit promises of SEK 2,580 million (1,858). Interest-bearing net debt amounted to SEK 2,949 million (2,494).

The net debt/equity ratio was 80% at end of the period (79%).

### Cash flow, Capital expenditures and Depreciation

Cash flow from operating activities was SEK 1,076 million (904) for the full year 2015. Cash flow after net capital expenditures in intangible non-current assets and in property, plant and equipment (excluding company acquisitions) was SEK 855 million (780).

The Group's net capital expenditures, excluding company acquisitions, totalled SEK 221 million (124).

Depreciation of property, plant and equipment totalled SEK 156 million (127). Investments in company acquisitions amounted to SEK 774 million (512). In addition, earn-out payments for previous years' acquisitions totalled SEK 106 million (73). During the year, businesses were divested for an amount of SEK 2 million (0).

### Employees

The number of employees was 5,107 at the end of the period, compared with 4,578 at the start of the year. A total of 433 employees were added during the year through acquisitions.

### Company acquisitions

The Group has acquired the following companies, which are consolidated for the first time in 2015.

Month acquired	Acquisitions	Business area	Net Sales/SEK m*	No. of employees*
January	Flowtec Industrieteknik GmbH	Special Products	80	23
January	Adaero Precision Components Ltd	Special Products	50	59
January	Cepro International BV	Special Products	70	28
January	Sepab Fordonsprodukter AB	Measurement & Sensor Technology	50	23
March	Filtration Ltd	Special Products	30	12
March	Combilent A/ S	Measurement & Sensor Technology	100	24
March	Milltech Precision Engineering Ltd	Special Products	45	41
April	Geomek Stockholms Geomekaniska AB	Industrial Components	140	15
April	Relekta Group	Industrial Components	270	105
June	Professional Parts Sweden AB	Fluids & Mechanical Solutions	130	31
July	Trelawny SPT Ltd	Special Products	60	47
September	Fergin Sverige AB	Fluids & Mechanical Solutions	50	9
October	EPE-Goldman BV	Special Products	80	16
<b>Total</b>			<b>1,155</b>	<b>433</b>

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

Further information about completed company acquisitions can be found on page 18 of this interim report.



### Events after the end of the reporting period

Effective 1 January 2016 the Indutrade Group transferred four companies from the Industrial Components business area to the Engineering & Equipment business area. The motivation for the change was to strengthen focus and thus the conditions for continued growth in the Group. Pro forma information on the new structure for the 2015 and 2014 financial years is provided on page 22.

In January 2016 Joakim Skantze assumed the position as President of Indutrade's Industrial Components business area. He succeeded Olof Paulsson, who will retire this year. Joakim Skantze served most recently as Venture Manager at AB Traction.

In January 2016 one company acquisition was carried out. For further information, see the section "Acquisitions" on page 18.

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

### Incentive programme

In April 2014 the Annual General Meeting of Indutrade AB resolved to introduce a long-term incentive programme, LTI 2014, comprising a combined maximum of 460,000 warrants in two series for senior executives and other key persons in the Indutrade Group.

Within the framework of Series I, which was directed at 135 individuals, the participants subscribed for a total of 257,500 warrants for a combined total of SEK 3,914,000. The price per warrant was SEK 15.20, which corresponded to the market price. The subscription price for Indutrade shares under the warrants was set at SEK 356.30 per share.

Within the framework of Series II, which was directed at 13 individuals, a total of 27,500 warrants were subscribed for a combined total of SEK 319,000. The price per warrant was SEK 11.60, which corresponded to the market price. The subscription price for Indutrade shares under the warrants was set at SEK 350.00 per share.

Shares can be purchased during specially stipulated subscription periods through Friday, 18 May 2018. Upon full exercise, the number of shares outstanding will increase by 285,000, corresponding to 0.7% of the total number of shares and votes. A marginal dilutive effect of 0.08% (–) arose during the reporting period January–December, and of 0.13% (–) during the fourth quarter.

### 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 4 million (4) during the period January–December. The Parent Company's financial assets consist mainly of shares in subsidiaries. During the period, the Parent Company acquired shares in eight 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 31 December was 10 (10).

### Risks and uncertainties

The Indutrade Group conducts business in 27 countries on four continents, through some 200 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 2014 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 2014 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 2014 Annual Report.

No new IFRSs or IFRIC interpretations that have been endorsed by the EU are applicable for Indutrade or have had any material impact on the Group's result of operations or financial position in 2015.

# Q4

## The Board's proposal to the AGM

The Annual General Meeting will be held in Stockholm on 27 April 2016.

The Board of Directors proposes a dividend of SEK 9.00 per share (7.75), corresponding to SEK 360 million (310). The proposed dividend is in line with Indutrade's dividend policy to distribute 30%-60% of net profit.

The Board proposes a 2-for-1 bonus issue, whereby each existing share carries entitlement to two new shares. The share quota value will increase from SEK 1 to SEK 2. The number of shares will increase by 80,000,000 to 120,000,000. In total the company's share capital will increase by SEK 200 million to SEK 240 million.

## Nomination Committee

The Nomination Committee intends to propose to the Annual General Meeting the re-election of board members Fredrik Lundberg, Bengt Kjell, Johnny Alvarsson, Ulf Lundahl, Katarina Martinson, Krister Mellvé and Lars Petterson. Eva Färnstrand has informed the company that she is not available for re-election. Annica Bresky has been proposed as a new director.

Annica Bresky (b. 1975), M.Sc. Civil Engineering and Executive MBA, is CEO and Business Area Manager at Iggesund Paperboard AB, a subsidiary of Holmen AB.

In addition, the Nomination Committee proposes the re-election of Fredrik Lundberg as Chairman of the Board.

## Financial calendar

- The 2015 Annual Report will be published in early April 2016.
- The interim report for the period 1 January–31 March 2016 will be published on 27 April 2016.
- The Annual General Meeting will be held in Stockholm on 27 April 2016.
- The interim report for the period 1 January–30 June 2016 will be published on 22 July 2016.
- The interim report for the period 1 January–30 September 2016 will be published on 25 October 2016.

Stockholm, 16 February 2016  
Indutrade AB (publ)

Fredrik Lundberg  
Chairman

Bengt Kjell  
Vice chairman

Eva Färnstrand  
Director

Katarina Martinson  
Director

Ulf Lundahl  
Director

Krister Mellvé  
Director

Lars Petterson  
Director

Johnny Alvarsson  
Director, President and CEO

## Note

The information provided in this report is published in accordance with the Securities Market Act, the Financial Instruments Trading Act, and/or the Issuers Rules and Regulations for NASDAQ Stockholm. Submitted for publication at 1 p.m. on 16 February 2016.

## Further information

For further information, please contact:  
Johnny Alvarsson, President and CEO,  
Tel.: +46 70 589 17 95 or  
Jan Öhman, CFO, Tel.: +46 70 226 75 34

## This report will be commented upon as follows:

- Through a conference call/webcast today at 3 p.m. (CET) under the following link:  
<http://event.onlineseminarsolutions.com/r.htm?e=1121938&s=1&k=244E9591AD8DAE305FF94E7362408696>  
To participate, call  
SE: +46 8 566 426 66, UK: +44 203 008 98 13 or  
US: +1 855 831 59 46
- Through a videotaped version available under the following link:  
<http://www.indutrade.se>

### Auditor's review report

We have reviewed the condensed interim financial information (interim report) of Indutrade AB (publ), Corporate Identity Number 556017-9367, as of 31 December 2015 and the twelve-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information 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 International Standard on Review Engagements ISRE 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, 16 February 2016  
PricewaterhouseCoopers AB

Michael Bengtsson  
Authorised Public Accountant  
Auditor in charge

Q4

# Indutrade consolidated income statement – condensed

SEK million	2015 Oct-Dec	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
Net sales	3,219	2,654	11,881	9,746
Cost of goods sold	-2,113	-1,786	-7,847	-6,464
<b>Gross profit</b>	<b>1,106</b>	<b>868</b>	<b>4,034</b>	<b>3,282</b>
Development costs	-36	-28	-133	-107
Selling costs	-580	-448	-2,044	-1,708
Administrative expenses	-150	-149	-635	-535
Other operating income and expenses	9	50	13	49
<b>Operating profit</b>	<b>349</b>	<b>293</b>	<b>1,235</b>	<b>981</b>
Net financial items	-20	-16	-98	-86
<b>Profit after financial items</b>	<b>329</b>	<b>277</b>	<b>1,137</b>	<b>895</b>
Income tax	-71	-57	-243	-192
<b>Net profit for the period</b>	<b>258</b>	<b>220</b>	<b>894</b>	<b>703</b>
<i>Net profit, attributable to:</i>				
Equity holders of the parent company	257	220	893	704
Non-controlling interests	1	0	1	-1
<b>EBITA</b>	<b>398</b>	<b>334</b>	<b>1,427</b>	<b>1,134</b>
<i>Operating profit includes:</i>				
Amortisation of intangible assets <sup>1)</sup>	-54	-47	-209	-171
<i>of which attributable to acquisitions</i>	-49	-41	-192	-153
Depreciation of property, plant and equipment	-40	-32	-156	-127
Earnings per share before dilution, SEK	6.43	5.50	22.33	17.60
Earnings per share after dilution, SEK	6.42	5.50	22.31	17.60
Average number of shares before dilution, '000	40,000	40,000	40,000	40,000
Average number of shares after dilution, '000	40,054	40,000	40,031	40,000

<sup>1)</sup> Excluding write-downs

## Indutrade consolidated statement of comprehensive income

SEK million	2015 Oct-Dec	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
<b>Net profit for the period</b>	<b>258</b>	<b>220</b>	<b>894</b>	<b>703</b>
<b>Other comprehensive income</b>				
<b>Items that can be reversed into income statement</b>				
Fair value adjustment of hedge instruments	3	-3	16	-27
Tax attributable to fair value adjustments	0	1	-3	7
Exchange rate differences	-77	61	-50	172
<b>Items that cannot be reversed into income statement</b>				
Actuarial gains/losses	-5	-51	-5	-51
Tax on actuarial gains/losses	2	11	2	11
<b>Other comprehensive income for the period, net of tax</b>	<b>-77</b>	<b>19</b>	<b>-40</b>	<b>112</b>
<b>Total comprehensive income for the period</b>	<b>181</b>	<b>239</b>	<b>854</b>	<b>815</b>
<i>Total comprehensive income, attributable to:</i>				
Equity holders of the parent company	180	239	853	816
Non-controlling interests	1	0	1	-1

# Indutrade consolidated balance sheet – condensed

# Q4

SEK million	2015 31 Dec	2014 31 Dec
Goodwill	1,942	1,572
Other intangible assets	1,636	1,445
Property, plant and equipment	1,117	971
Financial assets	101	87
Inventories	1,931	1,617
Accounts receivable, trade	1,995	1,702
Other receivables	300	336
Cash and cash equivalents	339	357
<b>Total assets</b>	<b>9,361</b>	<b>8,087</b>
Equity	3,707	3,162
Non-current interest-bearing liabilities and pension liabilities	1,260	1,216
Other non-current liabilities and provisions	480	412
Current interest-bearing liabilities	2,028	1,635
Accounts payable, trade	848	763
Other current liabilities	1,038	899
<b>Total equity and liabilities</b>	<b>9,361</b>	<b>8,087</b>

# Indutrade consolidated statement of changes in equity – condensed

Attributable to equity holders of the parent company SEK million	2015 31 Dec	2014 31 Dec
Opening equity	3,160	2,623
Total comprehensive income for the period	853	816
Payment for issued warrants	-	4
Dividend	-310 <sup>1)</sup>	-282 <sup>1)</sup>
Acquisition of non-controlling interests	-	-1
<b>Closing equity</b>	<b>3,703</b>	<b>3,160</b>
<i>Equity, attributable to:</i>		
Equity holders of the parent company	3,703	3,160
Non-controlling interests	4	2
	<b>3,707</b>	<b>3,162</b>

<sup>1)</sup> Dividend per share for 2014 was SEK 7.75 (7.05).



# Indutrade consolidated cash flow statement

## – condensed

SEK million	2015 Oct-Dec	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
Operating profit	349	293	1,235	981
Non-cash items	79	71	383	293
Interests and other financial items, net	-17	-12	-88	-76
Paid tax	-10	-32	-215	-228
Change in working capital	92	58	-239	-66
<b>Cash flow from operating activities</b>	<b>493</b>	<b>378</b>	<b>1,076</b>	<b>904</b>
Net capital expenditures in non-current assets	-97	-12	-221	-124
Company acquisitions and divestments	-70	-171	-878	-585
Change in other financial assets	0	0	-1	3
<b>Cash flow from investing activities</b>	<b>-167</b>	<b>-183</b>	<b>-1,100</b>	<b>-706</b>
Net borrowings	-428	-122	303	165
Dividend paid out	-	-	-310	-282
<b>Cash flow from financial activities</b>	<b>-428</b>	<b>-122</b>	<b>-7</b>	<b>-117</b>
<b>Cash flow for the period</b>	<b>-102</b>	<b>73</b>	<b>-31</b>	<b>81</b>
Cash and cash equivalents at start of period	431	279	357	261
Exchange rate differences	10	5	13	15
<b>Cash and cash equivalents at end of period</b>	<b>339</b>	<b>357</b>	<b>339</b>	<b>357</b>

# Key data

# Q4

<b>Moving 12 mos</b>	<b>2015 31 Dec</b>	<b>2014 31 Dec</b>	<b>2013 31 Dec</b>	<b>2012 31 Dec</b>
Net sales, SEK million	11,881	9,746	8,831	8,384
Sales growth, %	22	10	5	5
EBITA, SEK million	1,427	1,134	990	905
EBITA margin, %	12.0	11.6	11.2	10.8
Operating capital, SEK million	6,656	5,656	4,947	4,629
Return on operating capital, %	22	21	20	22
Return on equity, %	26	25	25	27
Interest-bearing net debt, SEK million	2,949	2,494	2,321	2,339
Net debt/equity ratio, %	80	79	88	102
Net debt/EBITDA, times	1.8	1.9	2.1	2.3
Equity ratio, %	40	39	38	35
Average number of employees	4,978	4,418	4,151	3,939
Number of employees at end of the period	5,107	4,578	4,218	4,086
<i>Attributable to equity holders of the parent company</i>				
<i>Key ratios per share</i>				
Earnings per share before dilution, SEK <sup>1)</sup>	22.33	17.60	14.68	14.23
Earnings per share after dilution, SEK <sup>2)</sup>	22.31	17.60	14.68	14.23
Equity per share, SEK	92.58	79.00	65.58	57.20
Cash flow from operating activities per share, SEK	26.90	22.60	21.48	12.98

<sup>1)</sup> Based on 40,000,000 shares during all periods in the table.

<sup>2)</sup> Based on 40,031,342 shares for 2015, Other periods 40,000,000 shares.

# Q4 Business area performance

	2015	2014	2015	2014
<b>Net sales, SEK million</b>	<b>Oct-Dec</b>	<b>Oct-Dec</b>	<b>Jan-Dec</b>	<b>Jan-Dec</b>
Engineering & Equipment	326	329	1,283	1,274
Flow Technology	612	541	2,234	2,073
Fluids & Mechanical Solutions	339	289	1,249	1,058
Industrial Components	678	546	2,446	1,925
Measurement & Sensor Technology	246	207	938	753
Special Products	1,029	753	3,772	2,710
Parent company and Group items	-11	-11	-41	-47
	<b>3,219</b>	<b>2,654</b>	<b>11,881</b>	<b>9,746</b>
<b>EBITA, SEK million</b>	<b>2015 Oct-Dec</b>	<b>2014 Oct-Dec</b>	<b>2015 Jan-Dec</b>	<b>2014 Jan-Dec</b>
Engineering & Equipment	25	22	112	93
Flow Technology	59	50	217	176
Fluids & Mechanical Solutions	41	33	163	127
Industrial Components	68	56	262	226
Measurement & Sensor Technology	43	40	164	135
Special Products	166	133	564	418
Parent company and Group items	-4	0	-55	-41
	<b>398</b>	<b>334</b>	<b>1,427</b>	<b>1,134</b>
<b>EBITA margin, %</b>	<b>2015 Oct-Dec</b>	<b>2014 Oct-Dec</b>	<b>2015 Jan-Dec</b>	<b>2014 Jan-Dec</b>
Engineering & Equipment	7.7	6.7	8.7	7.3
Flow Technology	9.6	9.2	9.7	8.5
Fluids & Mechanical Solutions	12.1	11.4	13.1	12.0
Industrial Components	10.0	10.3	10.7	11.7
Measurement & Sensor Technology	17.5	19.3	17.5	17.9
Special Products	16.1	17.7	15.0	15.4
	<b>12.4</b>	<b>12.6</b>	<b>12.0</b>	<b>11.6</b>



# Q4

Net sales, SEK million	2015				2014			
	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Engineering & Equipment	326	328	325	304	329	319	332	294
Flow Technology	612	545	593	484	541	533	547	452
Fluids & Mechanical Solutions	339	316	307	287	289	252	266	251
Industrial Components	678	602	635	531	546	437	495	447
Measurement & Sensor Technology	246	227	246	219	207	190	193	163
Special Products	1,029	1,030	928	785	753	697	609	651
Parent company and Group items	-11	-12	-9	-9	-11	-16	-12	-8
	<b>3,219</b>	<b>3,036</b>	<b>3,025</b>	<b>2,601</b>	<b>2,654</b>	<b>2,412</b>	<b>2,430</b>	<b>2,250</b>

EBITA, SEK million	2015				2014			
	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Engineering & Equipment	25	38	28	21	22	31	25	15
Flow Technology	59	52	63	43	50	47	52	27
Fluids & Mechanical Solutions	41	43	40	39	33	29	34	31
Industrial Components	68	75	72	47	56	52	69	49
Measurement & Sensor Technology	43	42	38	41	40	43	32	20
Special Products	166	154	140	104	133	107	81	97
Parent company and Group items	-4	-17	-19	-15	0	-15	-11	-15
	<b>398</b>	<b>387</b>	<b>362</b>	<b>280</b>	<b>334</b>	<b>294</b>	<b>282</b>	<b>224</b>

EBITA margin, %	2015				2014			
	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Engineering & Equipment	7.7	11.6	8.6	6.9	6.7	9.7	7.5	5.1
Flow Technology	9.6	9.5	10.6	8.9	9.2	8.8	9.5	6.0
Fluids & Mechanical Solutions	12.1	13.6	13.0	13.6	11.4	11.5	12.8	12.4
Industrial Components	10.0	12.5	11.3	8.9	10.3	11.9	13.9	11.0
Measurement & Sensor Technology	17.5	18.5	15.4	18.7	19.3	22.6	16.6	12.3
Special Products	16.1	15.0	15.1	13.2	17.7	15.4	13.3	14.9
	<b>12.4</b>	<b>12.7</b>	<b>12.0</b>	<b>10.8</b>	<b>12.6</b>	<b>12.2</b>	<b>11.6</b>	<b>10.0</b>

# Q4 Acquisitions

## Acquisitions 2015

All of the shares were acquired in Flowtec Industrietechnik GmbH (Austria), Adaero Precision Components Ltd (UK), Cepro International BV (Netherlands), Sepab Fordonsprodukter AB (Sweden), Filtration Ltd (UK), Combilent A/S (Denmark), Milltech Precision Engineering Ltd (UK), Geomek Stockholms Geomekaniska AB (Sweden), Relekt group (Norway), Professional Parts Sweden AB (Sweden), Trelawny SPT Ltd (UK), Fergin Sverige AB (Sweden) and EPE-Goldman BV (Netherlands).

## Fluids & Mechanical Solutions

On 16 June Professional Parts Sweden AB (Sweden) was acquired, with annual sales of SEK 130 million. Proparts is a technology sales company that supplies replacement parts to the automobile aftermarket.

On 9 September Fergin Sverige AB (Sweden) was acquired, with annual sales of SEK 50 million. Fergin sells a wide range of encapsulated lighting fixtures for use in demanding environments.

## Industrial components

On 14 April Geomek Stockholms Geomekaniska AB (Sweden) was acquired, with annual sales of SEK 140 million. Geomek markets and sells solutions, products and services in geotechnical surveying and the foundation drilling industry.

On 24 April Relekt group (Norway – Relekt AS, Norsk Industrielje AS and Relekt Service AS) was acquired, with annual sales of SEK 270 million. Relekt is a Norwegian technology sales company that supplies products for construction, repair and maintenance primarily for the construction industry, automotive workshops and general industry.

## Measurement & Sensor Technology

On 22 January Sepab Fordonsprodukter AB (Sweden) was acquired, with annual sales of SEK 50 million. With focus on commercial vehicles, Sepab develops products for safety, national adaptation, efficiency and comfort.

On 12 March Combilent A/S (Denmark) was acquired, with annual sales of SEK 100 million. Combilent is a leading manufacturer of combiners and filters for communication systems.

## Special Products

In early January the acquisition of Flowtec Industrietechnik GmbH (Austria) was completed, with annual sales of SEK 80 million. Flowtec is a technology sales company that sells industrial components to companies in Austria and Eastern Europe.

On 9 January Adaero Precision Components Ltd (UK) was acquired, with annual sales of SEK 50 million. Adaero manufactures customised, high precision industrial components.

Also on 9 January, Cepro International BV (Netherlands) was acquired, with annual sales of SEK 70 million. Cepro manufactures work station products for welding and grinding workshops.

On 6 March Filtration Ltd (UK) was acquired, with annual sales of SEK 30 million. Filtration sells high quality filters from leading manufacturers.

On 18 March Milltech Precision Engineering Ltd (UK) was acquired, with annual sales of SEK 45 million. Milltech conducts manufacturing and assembly of high precision components.

On 1 July Trelawny SPT Ltd (UK) was acquired, with annual sales of SEK 60 million. Trelawny manufactures and installs pneumatic tools and equipment for various types of surface treatment.

On 2 October EPE-Goldman BV (Netherlands) was acquired, with annual sales of SEK 80 million. EPG supplies hydraulic products from leading manufacturers to industrial customers.

## Acquired assets in 2015

### Preliminary purchase price allocation

#### SEK million

Purchase price, incl. contingent earn-out payment totalling SEK 120 million			974
	<b>Book Value</b>	<b>Fair value adjustment</b>	<b>Fair value</b>
<b>Acquired assets</b>			
Goodwill	2	402	404
Agencies, trademarks, customer relations, licences, etc.	5	377	382
Property, plant and equipment	83	3	86
Financial assets	1	-	1
Inventories	199	-	199
Other current assets <sup>1)</sup>	228	-	228
Cash and cash equivalents	79	-	79
Deferred tax liability	-8	-90	-98
Other operating liabilities	-305	-	-305
Non-controlling interests	-2	-	-2
	<b>282</b>	<b>692</b>	<b>974</b>

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

Agencies, customer relationships, licences, etc. will be amortised over a period of 10–20 years, while trademarks are assumed to have indefinite life. Trademarks are included to a value of SEK 5 million.

Indutrade normally uses an acquisition structure entailing a base level of consideration plus a contingent earn-out payment. Initially, the contingent earn-out payment is valued at the present value of the likely outcome, which for the acquisitions made during the year amount to SEK 120 million. These contingent earn-out payments fall due for payment within four years and can amount to a maximum of SEK 127 million. If the conditions are not met, the outcome can be in the range of SEK 0–127 million.

Transaction costs for the acquisitions carried out during the period totalled SEK 6 million (5) and are included in Other income and expenses in the income statement. Contingent earn-out payments have been restated in the amount of SEK 7 million (101). Income recognised as a result of this restatement is reported under Other income and expenses in the amount of SEK 7 million (94) and Net financial items in the amount of SEK 0 million (7).

The purchase price allocation calculations for Gelins-KGK AB, Winab Vikväggar AB and Verbeeck Packaging Group BV, which were acquired in October and December 2014, have now been finalised. No significant adjustments have been made to the calculations. For other acquisitions, the purchase price allocation calculations 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

### SEK million

Purchase price, incl. contingent earn-out payment	974
Purchase price not paid out	-121
Cash and cash equivalents in acquired companies	-79
Payments pertaining to previous years' acquisitions	106
<b>Total cash flow impact</b>	<b>880</b>

## Effects of acquisitions carried out in 2014 and 2015

SEK million Business area	Net sales		EBITA	
	Oct-Dec	Jan-Dec	Oct-Dec	Jan-Dec
Engineering & Equipment	-	-	-	-
Flow Technology	-	-	-	-
Fluids & Mechanical Solutions	45	152	7	30
Industrial Components	97	402	9	51
Measurement & Sensor Technology	30	100	-	3
Special Products	111	545	16	91
<b>Effect on Group</b>	<b>283</b>	<b>1,199</b>	<b>32</b>	<b>175</b>
Acquisitions carried out in 2014	10	401	1	67
Acquisitions carried out in 2015	273	798	31	108
<b>Effect on Group</b>	<b>283</b>	<b>1,199</b>	<b>32</b>	<b>175</b>

If all acquired units had been consolidated as from 1 January 2015, net sales for the year would have amounted to SEK 12,192 million, and EBITA would have totalled SEK 1,467 million.

## Acquisitions after the end of the reporting period

On 8 January Indutrade acquired PECO Select Fasteners BV (Netherlands) with annual sales of SEK 30 million. The company supplies special and customised fasteners to manufacturers of steel constructions in wind power, cranes, vessels and buildings.

A preliminary purchase price allocation calculation will be presented in the first quarter interim report for 2016.

# Q4

## 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

SEK million	31 Dec 2015			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Available-for-sale financial assets	-	-	5	5
Derivative instruments held for hedging purposes	-	3	-	3
<b>Liabilities</b>				
Derivative instruments held for hedging purposes	-	38	-	38
Contingent consideration	-	-	259	259

SEK million	31 Dec 2014			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Available-for-sale financial assets	-	-	4	4
Derivative instruments held for hedging purposes	-	14	-	14
<b>Liabilities</b>				
Derivative instruments held for hedging purposes	-	66	-	66
Contingent consideration	-	-	241	241

Derivative instruments consist of currency forward contracts and interest rate swaps. No transfers were made between levels 2 and 3 during the period. Assets in level 3 consist essentially of holdings of shares and participations in unlisted companies. Fair value is considered to be equal to cost. Contingent earn-out payments have been discounted to present value using an interest rate that is judged to be in line with the market rate at the time of acquisition. Adjustments are not made on a regular basis for changes in the market interest rate, since the effects of these are judged to be negligible. Essentially all long- and short-term loans carry variable interest rates, which is why fair value is equal to the carrying amount. For the Group's other financial assets and liabilities, such as trade accounts receivable, cash and cash equivalents, and trade accounts payable, fair value is estimated to be equal to the carrying amount.

Contingent earn-out payments SEK million	2015	2014
	31 Dec	31 Dec
Opening book value	241	268
Acquisitions during the year	120	115
Consideration paid	-106	-68
Reclassified via income statement	-7	-94
Interest expenses	10	4
Exchange rate differences	1	16
<b>Closing book value</b>	<b>259</b>	<b>241</b>

# Parent company income statement

## – condensed

# Q4

SEK million	2015 Oct-Dec	2014 Oct-Dec	2015 Jan-Dec	2014 Jan-Dec
Net sales	4	4	4	4
<b>Gross profit</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
Administrative expenses	-8	-16	-55	-62
Other income and expenses	-	-1	-	5
<b>Operating profit</b>	<b>-4</b>	<b>-13</b>	<b>-51</b>	<b>-53</b>
Financial income/expenses	-5	-2	-44	-47
Profit from participation in Group companies	-	-18	573	624
<b>Profit after financial items</b>	<b>-9</b>	<b>-33</b>	<b>478</b>	<b>524</b>
Appropriations	419	324	419	324
Income tax	-90	-68	-73	-49
<b>Net profit for the period</b>	<b>320</b>	<b>223</b>	<b>824</b>	<b>799</b>
Amortisation/depreciation of intangible assets and property, plant and equipment	0	0	0	-1

# Parent company balance sheet

## – condensed

SEK million	2015 31 Dec	2014 31 Dec
Intangible assets	0	0
Property, plant and equipment	1	1
Financial assets	4,133	3,521
Current receivables	2,928	2,480
Cash and cash equivalent	29	0
<b>Total assets</b>	<b>7,091</b>	<b>6,002</b>
Equity	2,882	2,356
Untaxed reserves	498	388
Non-current interest-bearing liabilities and pension liabilities	846	818
Other non-current liabilities and provisions	3	2
Current interest-bearing liabilities	2,679	2,267
Current noninterest-bearing liabilities	183	171
<b>Total equity and liabilities</b>	<b>7,091</b>	<b>6,002</b>
Pledged assets	1	8
Contingent liabilities	112	114

# Pro forma Business Areas according to new structure valid from 1 Jan 2016

Net Sales, SEK million	2015					2014				
	Total	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Total	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Engineering & Equipment	1,466	376	373	371	346	1,449	372	365	376	336
Flow Technology	2,234	612	545	593	484	2,073	541	533	547	452
Fluids & Mechanical Solutions	1,249	339	316	307	287	1,058	289	252	266	251
Industrial Components	2,263	628	557	589	489	1,750	503	391	451	405
Measurement & Sensor Technology	938	246	227	246	219	753	207	190	193	163
Special Products	3,772	1,029	1,030	928	785	2,710	753	697	609	651
Parent company and Group items	-41	-11	-12	-9	-9	-47	-11	-16	-12	-8
	<b>11,881</b>	<b>3,219</b>	<b>3,036</b>	<b>3,025</b>	<b>2,601</b>	<b>9,746</b>	<b>2,654</b>	<b>2,412</b>	<b>2,430</b>	<b>2,250</b>

EBITA, SEK million	2015					2014				
	Total	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Total	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Engineering & Equipment	125	29	41	32	23	105	23	35	30	17
Flow Technology	217	59	52	63	43	176	50	47	52	27
Fluids & Mechanical Solutions	163	41	43	40	39	127	33	29	34	31
Industrial Components	249	64	72	68	45	214	55	48	64	47
Measurement & Sensor Technology	164	43	42	38	41	135	40	43	32	20
Special Products	564	166	154	140	104	418	133	107	81	97
Parent company and Group items	-55	-4	-17	-19	-15	-41	0	-15	-11	-15
	<b>1,427</b>	<b>398</b>	<b>387</b>	<b>362</b>	<b>280</b>	<b>1,134</b>	<b>334</b>	<b>294</b>	<b>282</b>	<b>224</b>

EBITA margin, %	2015					2014				
	Total	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Total	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Engineering & Equipment	8.5	7.7	11.0	8.6	6.6	7.2	6.2	9.6	8.0	5.1
Flow Technology	9.7	9.6	9.5	10.6	8.9	8.5	9.2	8.8	9.5	6.0
Fluids & Mechanical Solutions	13.1	12.1	13.6	13.0	13.6	12.0	11.4	11.5	12.8	12.4
Industrial Components	11.0	10.2	12.9	11.5	9.2	12.2	10.9	12.3	14.2	11.6
Measurement & Sensor Technology	17.5	17.5	18.5	15.4	18.7	17.9	19.3	22.6	16.6	12.3
Special Products	15.0	16.1	15.0	15.1	13.2	15.4	17.7	15.4	13.3	14.9
	<b>12.0</b>	<b>12.4</b>	<b>12.7</b>	<b>12.0</b>	<b>10.8</b>	<b>11.6</b>	<b>12.6</b>	<b>12.2</b>	<b>11.6</b>	<b>10.0</b>

# Definitions

# Q4

## Earnings per share before dilution

Net profit for the period attributable to equity holders of the parent company divided by the average number of shares outstanding.

## Earnings per share after dilution

Net profit for the period attributable to equity holders of the parent company divided by the average number of shares outstanding after dilution.

## 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.

## 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

Shareholders' equity and interest-bearing net debt.

## Return on equity

Net profit for the period divided by average equity per month.

## Return on operating capital

EBITA divided by average operating capital per month.

## 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 six business areas: Engineering & Equipment, Flow Technology, Fluids & Mechanical Solutions, Industrial Components, Measurement & Sensor Technology and Special Products.

The Group's financial targets (per year across a business cycle) are to grow by a minimum of 10%, to attain a minimum EBITA margin of 10% and a minimum return on operating capital of 20%.

## Indutrade AB (publ.)

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