

Interim report from ProfilGruppen AB (publ),
January – March 2011

Åseda, 26 April, 2011

Strengthening of the organisation in the first quarter

- * **Turnover MSEK 225.1 (223.0), up 1 percent compared to previous year.**
- * **Operating profit/loss MSEK 3.3 (7.3) after one-off charges of MSEK 2.1 (0.0) related to recruitments**
- * **Net income MSEK 1.2 (4.2).**
- * **Cash flow from current operations MSEK 4.2 (-12.6).**
- * **Earnings per share SEK 0.24 (0.84)**

Claes Seldeby, President and CEO of ProfilGruppen, says:

“During the first quarter recruitments were made and a reorganisation was implemented with the aim to strengthen ProfilGruppen for the future.”

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This information is published in accordance with applicable laws, listing agreements and regulations. The information was submitted to the media for publication at 14.00 CET on 26 April 2011.

For income, financial position, key figures and other facts about the Group, refer to pages 5-13.
Current information and photographs for free publication are available at www.profilgruppen.se.

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Market

The market for aluminium extrusions in Europe has shown a positive development for the first quarter 2011, however, the growth pace has been significantly lower than under the previous year. Just like in year 2010, the upturn is primarily driven by the transportation industry. The building and construction industry, previously an exception from the general upturn, is again showing growth in several markets.

In the latest forecast from the European Aluminium Association (EAA), the market for aluminium extrusions is assessed to have grown by six percent in the first quarter compared to the corresponding period 2010.

The price of aluminium raw material on London Metal Exchange (LME) has increased by slightly less than seven percent during the first quarter and amounted to slightly more than USD 2 600 per ton at the end of the year, just above 13 percent higher than at the corresponding time previous year. The global LME inventory level amounted to slightly less than 4.6 million tonnes at the end of the first quarter, which is slightly more than seven percent higher than at the beginning of the year.

Turnover

The turnover of the Group amounted to MSEK 225.1 (223.0), an increase by 1 percent compared to the previous year. The delivery volume was 5,150 tonnes (5,250) of aluminium extrusions, a decrease by 2 percent compared to the previous year.

The share of exports amounted to 49 percent (50) of volume, and 48 percent (48) of turnover.

Turnover per country, MSEK	Q 1 2011	Q 1 2010	12 months ongoing	Q 1-4 2010
Sweden	116.3	114.1	464.4	462.2
Germany	26.2	29.9	118.8	122.5
Norway	16.6	17.1	65.1	65.6
Poland	10.5	12.0	39.4	40.9
Denmark	23.1	20.8	77.5	75.2
United Kingdom	12.6	12.9	52.6	52.9
Other countries	19.8	16.2	85.7	82.1
TOTAL	225.1	223.0	903.5	901.4

Income from the Swedish market increased by two percent for the first quarter compared to the corresponding period previous year. The transportation- and building and construction segments showed a strong development while the electrical engineering segment had a negative development.

Income from the export markets was unchanged for the first quarter compared to the corresponding period 2010.

Turnover per sector, MSEK	Q 1 2011	Q 1 2010	12 months ongoing	Q 1-4 2010
Electrical engineering	38.6	48.2	185.4	195.0
Transportation	79.3	70.6	304.5	295.8
Building and construction	34.1	28.5	131.1	125.5
Domestic and office equipment	20.2	23.4	77.6	80.8
General engineering	32.5	33.6	133.8	134.9
Other industries	20.4	18.7	71.1	69.4
TOTAL	225.1	223.0	903.5	901.4

The building and construction and transportation segments have shown the strongest development for the quarter, with increases of turnover by 20 and 12 percent respectively. For the transportation segment the increase is mainly related to heavy commercial vehicles. In the electrical engineering segment the deliveries decreased by 20 percent due to lower demand from customers in the solar energy sector.

During the period, the Group manufactured 5,400 tonnes (5,400) of aluminium extrusions.

Comments on profit

The operating profit/loss for the first quarter amounted to MSEK 3.3 (7.3), which is equivalent to an operating margin of 1.5 percent (3.3). The operating result has been charged by one-off costs amounting to MSEK 2.1 (0.0) related to a reorganisation of the operations and recruitments. Excluding the one-off costs the operating result amounted to MSEK 5.4. The remaining part of the profit decline is an effect of higher selling expenses due to increased market focus.

The profit/loss after financial items amounted to MSEK 1.6 (5.6). The profit/loss after tax amounted to MSEK 1.2 (4.2).

Earnings per share totalled SEK 0.24 (0.84). The average number of shares in thousands was 4,933 (4,933).

The return on capital employed amounted to 4.0 percent (10.0).

Investments

Investments during the first quarter amounted to MSEK 2.5 (1.0).

Financing and liquidity

Cash flow from current operations amounted to MSEK 4.2 (-12.6) and cash flow after investments was MSEK 0.9 (-13.8). The improvement of cash flow is mainly explained by the last year's negative working capital changes due to the volume increase.

The balance sheet total as of 31 March 2011 was MSEK 571.6 (554.3).

Net debt amounted to MSEK 128.1 (155.1) as of 31 March 2011 and the net debt/equity ratio was 0.76 (1.04).

Personnel

The average number of Group employees during the period was 388 (364), which included 58 (56) people employed by the processing companies. The number of Group employees as of 31 March 2011 totalled 389 (374).

Significant risks and uncertain factors

The company's risks and risk management have not changed significantly since the publishing of the 2010 annual report.

Outlook for 2011

The positive volume development on the European market for extrusions is expected to continue in 2011, however at a moderate growth rate compared to 2010.

Dates for financial information

Financial information for 2011 will be provided on a quarterly basis.

Interim report, 6 months	19 July 2011
Interim report, 9 months	24 October 2011
Year-end report 2011	16 February 2012

Åseda, April 26, 2011

The Board of Directors, ProfilGruppen AB (publ)
Org no 556277-8943

This report has not been submitted for checking by the company's auditors.

Statement of comprehensive income

The Group, MSEK	Q 1 2011	Q 1 2010	12 months ongoing	Q 1-4 2010
Net turnover	225.1	223.0	903.5	901.4
Cost of goods sold	-194.1	-192.2	-773.2	-771.3
Gross margin	31.0	30.8	130.3	130.1
Other operating revenues	0.0	0.0	0.3	0.3
Selling expenses	-16.5	-12.3	-55.0	-50.8
Administrative expenses	-11.2	-11.2	-50.4	-50.4
Operating profit/loss	3.3	7.3	25.2	29.2
Financial income	0.1	0.0	0.4	0.3
Financial expenses	-1.8	-1.7	-7.7	-7.6
Net financial income/expense	-1.7	-1.7	-7.3	-7.3
Income after financial items	1.6	5.6	17.9	21.9
Tax	-0.4	-1.4	-5.3	-6.3
Net income for the period	1.2	4.2	12.6	15.6
Other comprehensive income				
Changes in hedging reserve	0.7	3.0	7.5	9.8
Translation differences	-0.1	-0.3	0.0	-0.2
Other, reported directly against equity	0.0	0.0	-0.3	-0.3
Comprehensive income for the period	1.8	6.9	19.8	24.9
Earnings per share (before and after dilution), SEK	0.24	0.84	2.57	3.17
Average number of shares, thousands	4 933	4 933	4 933	4 933
Depreciation and write- down of fixed assets				
Land and buildings	1.0	1.0	5.2	5.2
Machinery and equipment	7.5	7.4	27.9	27.8
Total	8.5	8.4	33.1	33.0
of which write-down	0.0	0.0	1.4	1.4

Statement of financial position

The Group, MSEK	31 March 2011	31 March 2010	31 December 2010
Assets			
Fixed assets			
Intangible fixed assets	10.0	10.0	10.0
Tangible fixed assets	238.5	263.7	244.5
Financial fixed assets	0.2	0.2	0.2
Total fixed assets	248.7	273.9	254.7
Current assets			
Inventories	113.1	92.4	100.6
Current receivables	166.9	167.5	146.7
Liquid assets	42.9	20.5	43.2
Total current assets	322.9	280.4	290.5
Total assets	571.6	554.3	545.2
Shareholders' equity and liabilities			
Shareholders' equity	169.1	149.3	167.3
Long-term liabilities			
Interest-bearing liabilities	77.5	89.3	80.4
Interest-free liabilities	47.0	46.3	46.3
Total long-term liabilities	124.5	135.6	126.7
Short-term liabilities			
Interest-bearing liabilities	93.4	86.3	90.9
Interest-free liabilities	184.6	183.1	160.3
Total short-term liabilities	278.0	269.4	251.2
Total shareholders' equity and liabilities	571.6	554.3	545.2
Pledged assets and contingent liabilities			
Property mortgages	84,8	84,8	84,8
Floating charges	174,0	174,0	174,0
Shares in subsidiaries	206,7	206,7	202,8
Trade receivables pledged as collateral	132,1	-	108,4
Guarantees for other companies	1,0	1,0	1,0
Guarantee commitments FPG/PRI	0,2	0,2	0,2

Statement of changes in equity

The Group, MSEK	Q 1 2011	Q 1 2010	Q 1-4 2010
Opening balance	167.3	142.4	142.4
Dividend	0.0	0.0	0.0
Comprehensive income for the period	1.8	6.9	24.9
Closing balance	169.1	149.3	167.3

Statement of cash flows

The Group, MSEK	Q 1 2011	Q 1 2010	12 months ongoing	Q 1-4 2010
Operating cash flow ¹⁾	8.6	13.6	46.8	51.8
Working capital changes	-4.4	-26.2	-11.6	-33.4
Cash flow from operating activities	4.2	-12.6	35.2	18.4
Cash flow from investing activities	-3.3	-1.2	-8.2	-6.1
Cash flow from financing activities	-0.9	31.1	-3.6	28.4
Cash flow for the period	0.0	17.3	23.4	40.7
Liquid assets, opening balance	43.2	4.2	20.5	4.2
Translation differences in liquid assets	-0.3	-1.0	-1.0	-1.7
Liquid assets, closing balance	42.9	20.5	42.9	43.2

¹⁾ Cash flow from operating activities before working capital changes.

Accounting Principles

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act (ÅRL) and the Swedish Financial Reporting Standards Council's RFR 2.3 Accounting for Legal Entities. The accounting principles applied are identical to the ones used for the latest annual report with the exception for the new standards, updates and alterations that came into effect as of 1 January 2011. The new standards, updates and alterations approved by the EU, which came into effect as of 1 January 2011 are changes to IAS 24 Related party disclosures, IAS 32 Financial instruments: Classification of rights issues, IFRIC 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction, IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments and other improvements of IFRS. Currently, these changes have had no impact on the financial reporting.

Key ratios

The Group	Q 1 2011	Q 1 2010	12 months ongoing	Q 1-4 2010
Net turnover, MSEK	225.1	223.0	903.5	901.4
Income before depreciation, MSEK	11.8	15.7	58.3	62.2
Operating income/loss, MSEK	3.3	7.3	25.2	29.2
Operating margin, %	1.5	3.3	2.8	3.2
Income after financial items, MSEK	1.6	5.6	17.9	21.9
Profit margin, %	0.7	2.5	2.0	2.4
Return on equity, %	2.9	11.4	8.0	10.1
Return on capital employed, %	4.0	10.0	7.6	9.4
Cash flow from operating activities, MSEK	4.2	-12.6	35.2	18.4
Investments, MSEK	2.5	1.0	9.3	7.8
Liquidity reserve, MSEK	105.8	77.7	-	105.2
Net debt, MSEK	128.1	155.1	-	128.2
Interest-bearing liabilities and interest-bearing provisions, MSEK	170.9	175.7	-	171.3
Net debt/equity ratio	0.76	1.04	-	0.77
Total assets, MSEK	571.6	554.3	-	545.2
Equity ratio, %	29.6	27.0	-	30.7
Capital turnover	2.7	2.9	2.7	2.9
Proportion of risk-bearing capital, %	37.8	35.3	-	39.2
Interest coverage ratio	1.9	3.8	3.4	3.9
Average number of employees	388	364	385	378
Net turnover per employee (average), TSEK	581	613	2 347	2 385
Income after fin, per employee (average), TSEK	4	16	46	58
Average number of shares, thousands (No dilution,)	4 933	4 933	4 933	4 933
Number of shares, end of period, thousands	4 933	4 933	4 933	4 933
Earnings per share, SEK	0.24	0.84	2.57	3.17
Equity per share, SEK	34.29	30.27	-	33.92

Definitions are given in ProfilGruppen's Annual Report 2010. Rounding differences may occur.
When not specified the information regards the total Group.

The parent company

The turnover of the parent company amounted to MSEK 6.3 (6.1) and comprised payments for rents and services from companies in the Group. Profit/loss after financial items amounted to MSEK 2.9 (2.9).

Investments in the parent company amounted to MSEK 0.6 (0.0). This year's investments comprised investments in real estate. The parent company's interest-bearing liabilities amounted to MSEK 49.2 (59.6) as of 31 March 2011. The change in the parent company's liquidity during the period has been MSEK 0 (0).

The parent company employs one (1) person.

The parent company's risks and uncertain factors have not changed significantly compared to that described in the 2010 annual report.

No significant related transactions apart from above mentioned transactions with subsidiaries have been implemented during the period.

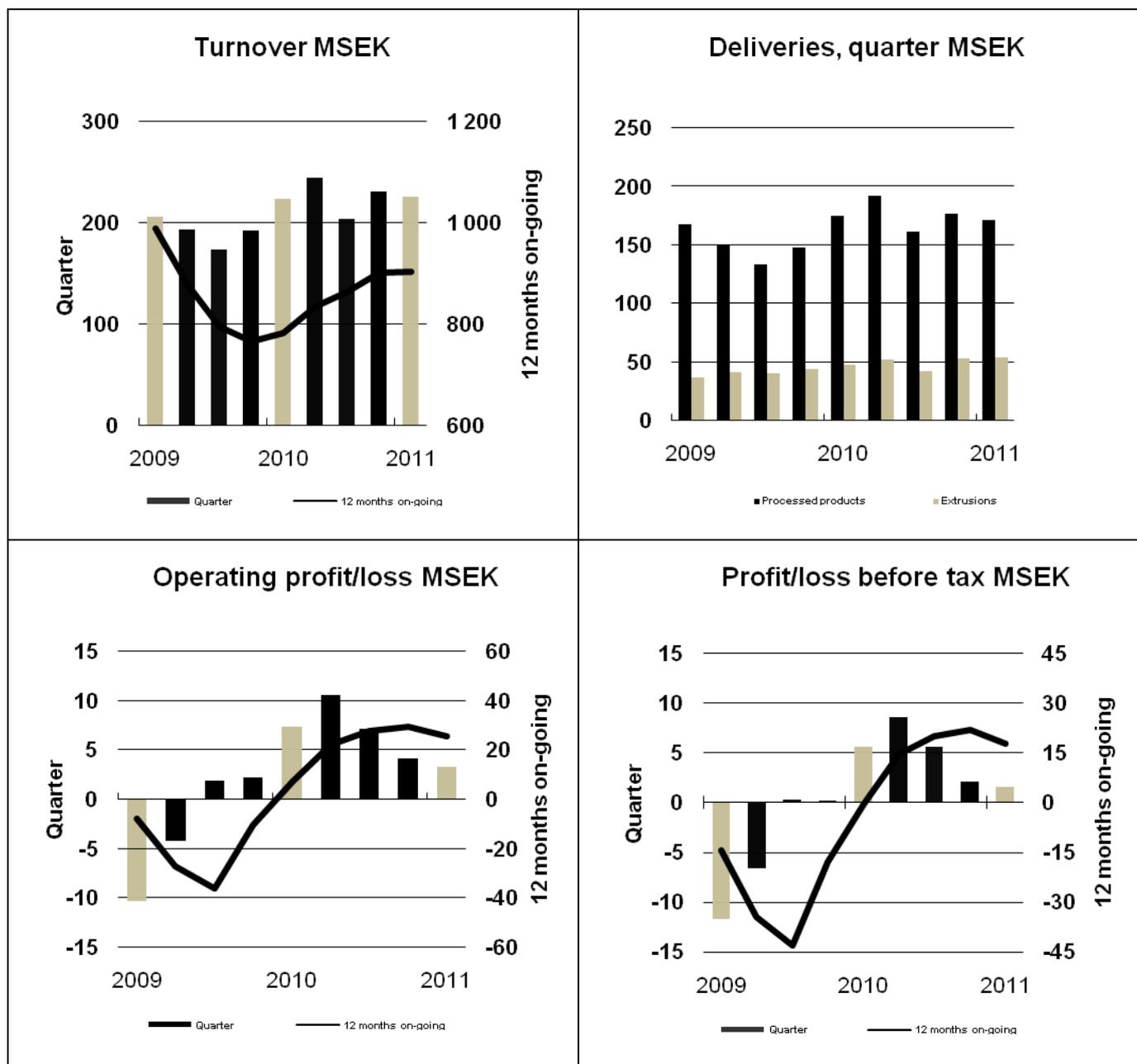
Income Statement – the parent company

Parent company, MSEK	Q 1 2011	Q 1 2010	Q 1-4 2010
Turnover	6.3	6.1	28.3
Cost of goods sold	-0.9	-0.9	-4.9
Gross margin	5.4	5.2	23.4
Other operating revenues	0.0	0.0	0.0
Administrative expenses	-2.2	-2.0	-16.8
Operating income	3.2	3.2	6.6
Interest income	0.0	0.3	6.0
Interest expenses	-0.3	-0.6	-4.8
Income after financial items	2.9	2.9	7.8
Appropriations	0.0	0.0	-1.4
Income before tax	2.9	2.9	6.4
Tax	-0.8	-0.8	-1.8
Result of the year	2.1	2.1	4.6

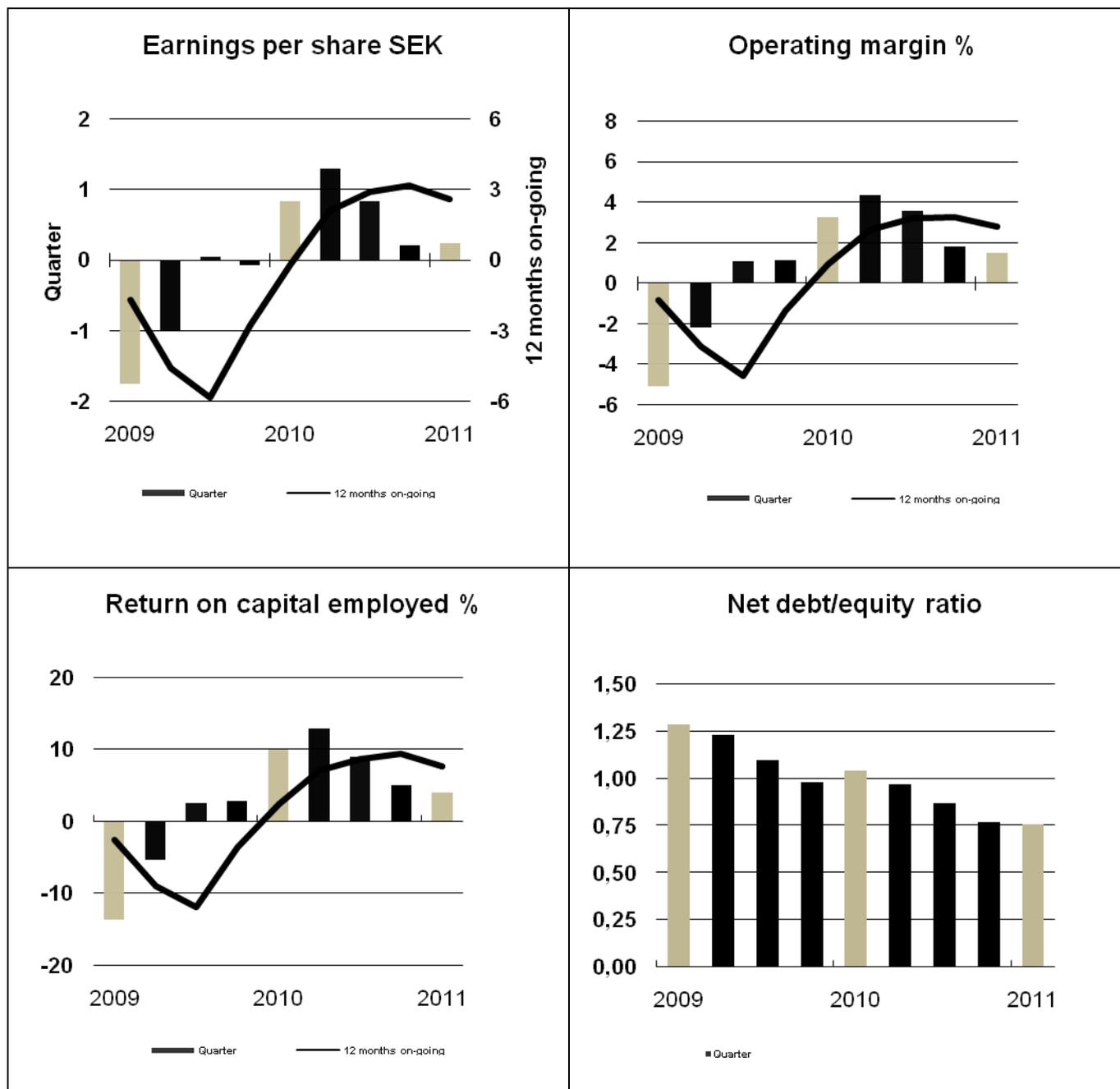
Balance sheet – the parent company

Parent company, MSEK	31 March 2011	31 March 2010	31 December 2010
Assets			
Tangible assets			
Tangible fixed assets	94.3	97.9	94.5
Financial assets	108.9	108.9	108.9
Total fixed assets	203.2	206.8	203.4
Current assets			
Current receivables	4.2	5.3	3.0
Cash and bank balances	0.4	0.4	0.4
Total current assets	4.6	5.7	3.4
Total assets	207.8	212.5	206.8
Equity and liabilities			
Equity	39.1	34.5	36.9
Untaxed reserves	24.8	23.4	24.8
Provisions for taxes	2.9	3.2	2.8
Long-term liabilities	32.7	42.2	35.3
Current liabilities	108.3	109.2	107.0
Total equity and liabilities	207.8	212.5	206.8

The Group



The Group



Brief facts about the Group

- ProfilGruppen AB in Åseda, Småland in Sweden develops, manufactures and delivers customised extrusions and components in aluminium.
- The company has customers in several European countries and during 2010 50 per cent of the volume was exported.
- Aluminium extrusions are used within many industries, for example construction, automotive industry, telecommunications/electronics and furnishings.
- The manufacture of extrusions takes place on three modern press lines at the company's facilities at ProfilGruppen Extrusions AB.
- The processing subsidiaries ProfilGruppen Manufacturing AB and ProfilGruppen Components AB are equipped for cutting processing, surface treatment, friction stir welding, bending and mounting.
- Over the last few years ProfilGruppen has invested heavily in equipment for the manufacturing and processing of aluminium extrusions.
- The company cooperates with around ten regional suppliers who process products on behalf of ProfilGruppen.
- The Group had 386 employees at the end of 2010.
- The company is quality-certified in accordance with ISO/TS 16949, ISO 9001 and ISO 14001.
- ProfilGruppen AB was listed on the Stockholm Stock Exchange in June 1997 and is listed as Small Cap.