



SYSTEMAIR AB

INTERIM REPORT Q2

1 MAY – 31 OCTOBER 2013



Net sales Q2

SEK 1,414 m.

EBIT Q2

SEK 142 m.

Second quarter, August-October 2013

- Net sales increased by 16 percent to SEK 1,414 million (1,216).
- Operating profit (EBIT) totalled SEK 142 million (141).
- Operating margin was 10.0 percent (11.6).
- Profit after tax increased to SEK 93 million (89).
- Earnings per share totalled SEK 1.78 (1.71).
- Cash flow from operating activities totalled SEK 130 million (143).

First half-year, May-October 2013

- Net sales increased by 19 percent to SEK 2,739 million (2,307).
- Operating profit (EBIT) totalled SEK 244 million (239).
- Operating margin was 8.9 percent (10.4).
- Profit after tax fell to SEK 152 million (162).
- Earnings per share totalled SEK 2.92 (3.11).
- Cash flow from operating activities totalled SEK 199 million (204).

Significant events during the period under review

- Menerga GmbH, Germany, was acquired in May. Menerga is a market-leading producer of extra high-efficiency air handling units for comfort and process ventilation equipment, as well as air handling units for swimming baths.
- The Norwegian company Reftec AS was acquired in May. Reftec supplies commercial chillers and heat pumps to the Norwegian market.
- In July, an agreement to acquire Menerga GmbH, Austria, was signed. The company sells and services Menerga's products.

	2013 Aug-Oct 3 mths	2012 Aug-Oct 3 mths	2013 May-Oct 6 mths	2012 May-Oct 6 mths
Net sales, SEK m.	1,414.5	1,215.7	2,739.2	2,306.6
Growth, %	16.4	18.4	18.8	19.4
Operating profit, SEK m.	141.8	140.9	243.8	239.5
Operating margin, %	10.0	11.6	8.9	10.4
Profit after tax, SEK million	92.6	88.9	151.9	161.9
Earnings per share, SEK	1.78	1.71	2.92	3.11
Operating cash flow per share, SEK	2.50	2.76	3.83	3.92

Organic growth maintained in Q2

Systemair again recorded organic growth, for the 15th successive quarter. Several of the Group's companies posted new sales records in October. The Group's sales increased by 16 percent in Q2. The increase is for the most part attributable to the acquisitions of Menerga in Germany and Holland Heating in the Netherlands. The operating margin of 10 percent is lower than in the corresponding period last year. This was due, above all, to needs for restructuring in some of the recent company acquisitions.

The market

Some markets remain cautious and some are showing clear signs of improvement. October was a very strong month during the quarter. The Nordic markets again performed well. In Western Europe, the German-speaking countries, Germany, Austria and Switzerland, reported growth, while other parts of Western Europe slipped back. However, we feel that improvements in Southern Europe and the United Kingdom are on the way. Our results in other markets were again strong, especially in Malaysia and India.

Companies acquired

We are working hard on restructuring Menerga in Germany and Systemair AC in Italy, where we made personnel cutbacks at both locations during the period. The cost of these measures has been absorbed and will create the scope for better future earnings for these companies. In recent years, we have substantially expanded the Systemair product range. This enables us to establish a stronger presence in the project market and to offer total product deliveries of ventilation equipment. Through the acquisitions we have made, we have also established a base for expanding service and aftermarket sales.

Investments

Our new state-of-the-art air handling unit factory near Istanbul, Turkey, was opened in September and production is operating efficiently in the new plant. Our new R&D Centre in Germany, alongside new production facilities, was also opened in late September. This new, ultra high-technology development centre will open up major opportunities for advanced product development in the future. We are in the



process of expanding our new factory in Malaysia and the facility is expected to be completed at the beginning of 2014.

Outlook

One of Systemair's strengths is our global presence. We have our own operations in 45 countries and regularly supply our products to much more than 100 countries. Despite weak conditions in many markets, Systemair again maintained organic growth, for the 15th successive quarter. We regard our profitability as good, in view of lower margins in acquired companies, along with the restructuring costs we have borne during the period. The strategic acquisitions we have made will provide us with a solid base for further growth. We are continuing to make investments in production equipment, product development and marketing. The market still offers attractive candidates for acquisition. Our strategy has proved to deliver good results and we assume that it will continue to create the scope for positive growth.

Gerald Engström
CEO

Sales and markets

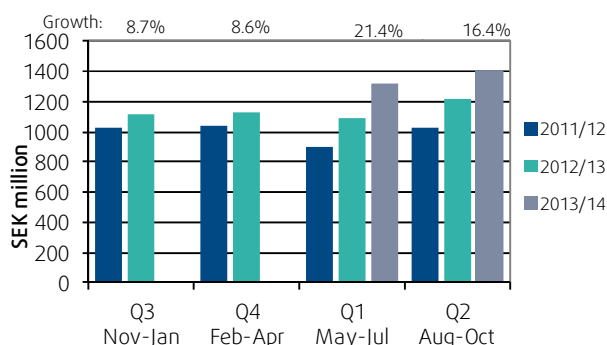
Group sales for the second quarter of 2013/14 totalled SEK 1,414.5 million (1,215.7), corresponding to an increase of 16.4 percent from the same period in the preceding year.

Adjusted for both foreign exchange effects and acquisitions, net sales grew 3.2 percent. This is the 15th successive quarter of organic growth, despite a weak market.

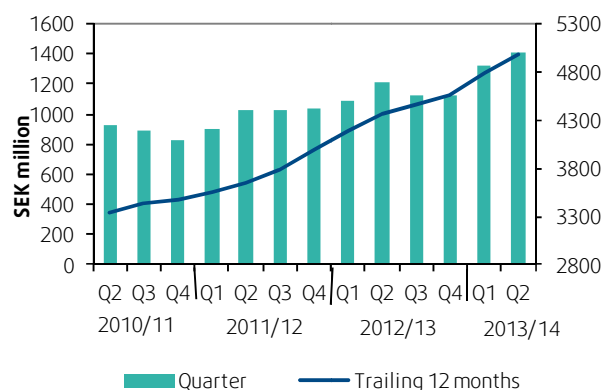
Net sales for the interim report period of May-October 2013/14 totalled SEK 2,739.2 million (2,306.6), which was up 18.8 percent on the same period in the preceding year.

Adjusted for both foreign exchange effects and acquisitions, net sales grew 4.4 percent. Growth in acquired operations was 17.4 percent, while foreign exchange effects reduced sales by 3.0 percent during the period.

Net sales per quarter compared with same period previous years



Net sales



Geographic breakdown of Q2 sales

Nordic region

During the second quarter, sales in the Nordic region were up 11 percent on the same period in the preceding year. Sales in Sweden increased by 19 percent and in Norway by 7 percent. The acquisitions of Reftec and Menerga, which delivers to the region, were factors in the increase. Adjusted for acquisitions and foreign exchange effects, growth was 9 percent for the region.

Western Europe

Sales in the West European market grew 30 percent during the quarter, compared with the corresponding period in the preceding year. Adjusted for the effects of foreign exchange and acquisitions, sales declined 8 percent. Markets that performed strongly in the region include Germany and Austria.

Eastern Europe and CIS

Sales in Eastern Europe and the CIS rose by 14 percent during the quarter. Adjusted for acquisitions and foreign exchange effects, sales rose 8 percent. Russia continues to show strong growth.

	2013 Aug-Oct 3 mths	2012 Aug-Oct 3 mths	Sales – change	Of which organic	2013 May-Oct 6 mths	2012 May-Oct 6 mths
Nordic region	350.1	315.8	11%	9%	619.0	555.3
Western Europe	496.3	381.1	30%	-8%	988.9	742.6
Eastern Europe & CIS	349.0	305.3	14%	8%	657.4	607.4
North America	92.0	95.7	-4%	0%	192.0	200.8
Other markets	127.1	117.8	8%	14%	281.9	200.5
Total	1,414.5	1,215.7	16%	3%	2,739.2	2,306.6

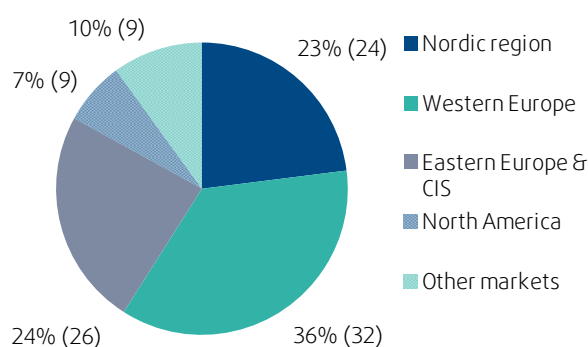
North America

Sales in the North American market during the quarter were 4 percent lower than in the same period in the preceding year. Adjusted for exchange rate effects and acquisitions, sales remained constant.

Other markets

Sales in Other markets grew 8 percent during the quarter compared to the same period the preceding year. Adjusted for foreign exchange effects and acquisitions, sales rose by 14 percent. In several of the countries in the region, the currency has weakened against the Swedish krona. This has had negative impact on the value of sales in the Swedish currency.

Sales by market Q2 2013 (Q2 2012)



Profit in the second quarter

The gross profit for the second quarter amounted to SEK 507.9 million (443.9), an increase of 14.4 percent over the same period in the preceding year. The gross margin fell to 35.9 percent (36.5) as a result mainly of acquisitions of companies with lower margins.

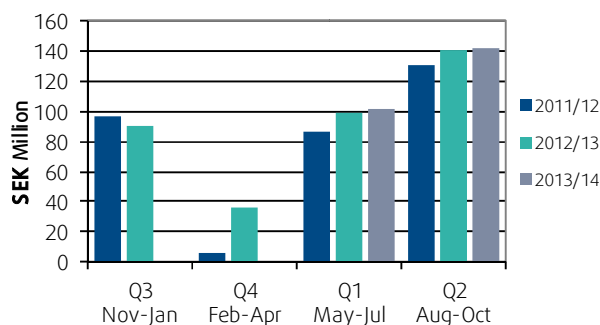
Operating profit for the second quarter amounted to SEK 141.8 million (140.9), an increase of 0.6 percent over the same period in the preceding year. The operating margin was 10.0 percent (11.6). The decline is a consequence of recent company acquisitions.

Selling and administration expenses for the quarter totalled SEK 364.0 million (307.1), a rise of SEK 56.9 million. Selling and administration expenses at acquired companies accounted for SEK 47.9 million of the increase for the quarter.

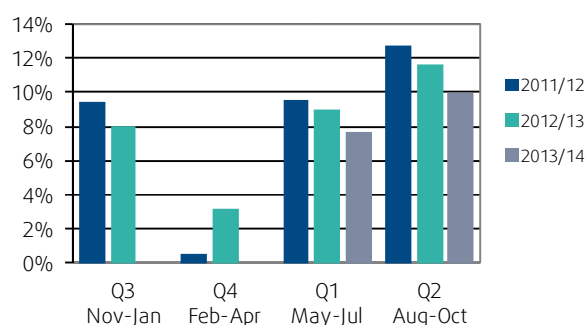
Selling expenses were charged with SEK 9.2 million (2.7) for anticipated bad debts and impairment losses on trade receivables. During the quarter, costs related to acquisitions totalled SEK 0.1 million (0.5).

Net financial items ended the second quarter at SEK -15.4 million (-18.4). The effects of foreign exchange on long-term receivables, loans and bank balances totalled SEK -3.4 million net (-4.4). Interest expense for the quarter increased to SEK -11.6 million (-9.0), as a result of increased borrowing.

Operating profit per quarter, relative to the same period in previous years



Operating margin per quarter, relative to the same period in previous years



Tax expense

Estimated tax for the quarter totalled SEK -33.8 million (-33.6), corresponding to an effective tax rate of 26.8 percent (27.4) based on profit after net financial items.

Acquisitions and new operations

In May, Systemair completed the acquisition of Menerga GmbH, Germany, a leading European producer of air handling units for swimming baths. The company also makes extra high-efficiency comfort and ventilation equipment. Systemair acquired 97 percent of the outstanding shares with an agreement to acquire the remaining 3 percent no later than December 2014. Established in 1981, Menerga has its headquarters and production facilities in Mülheim an der Ruhr, just outside Düsseldorf. Sales in 2012 totalled EUR 56.7 million, 53 percent in Germany. The company currently employs approximately 400 people.

In May, Systemair entered an agreement to acquire Reftec AS, a supplier of commercial chillers and heat pumps to the Norwegian market. Reftec, founded in 2007, has its headquarters in Trondheim and a sales office in Oslo. The company has 11 employees. The company recorded sales of NOK 34 million in 2012 and sales growth of more than 30

percent. The company was formerly a reseller of Systemair products in the Norwegian market.

In September, Systemair finalised the acquisition of Menerga GmbH, Austria, the reseller of Menerga's products in that country. The company, with headquarters in Salzburg and 10 employees, had sales of SEK 20 million in 2012. The company both sells and services Menerga's products.

Menerga Germany and Reftec Norway were consolidated on 1 May 2013, inclusive. Menerga Austria was consolidated on 1 September 2013. If Menerga Austria had been consolidated as of 1 May 2013, net sales for the period May 2013 through October 2013 would have totalled approximately SEK 2,745 million. Operating profit for that period would have been approximately SEK 244 million.

Note 1 in this report contains an acquisition analysis and an account of the effects of the acquisitions on the Group's cash and cash equivalents.

Investments, depreciation and amortisation

Investments for the quarter, excluding divestments, totalled SEK 175.9 million (484.6), including SEK 170.1 million (25.8) in new construction and machinery. The investments consisted for the most part of land and buildings at the production facilities in Italy, Malaysia and Mülheim an der Ruhr in Germany. Considerations for acquisitions of subsidiaries totalled SEK 3.5 million (52.1) for the quarter. Depreciation of non-current assets amounted to SEK 38.6 million (28.4).

Personnel

The average number of employees in the Group was 3,981 (3,375). At the end of the period, Systemair had 4,155 employees (3,401), 754 more than one year previous. New employees were recruited chiefly in Russia (69), Lithuania (50), Germany (20), Slovakia (17) and Turkey (16). Through acquisitions, 558 employees joined the Group, including 397 at Menerga, Germany, 142 at Holland Heating, the Netherlands, 11 at Reftec, Norway, and 8 at Menerga, Austria.

Cash flow and financial position

Cash flow from operating activities before changes in working capital totalled SEK 164.4 million (159.0) for the quarter. Changes in working capital, mainly consisting of an increase in inventories and trade accounts receivable, had an impact of SEK -34.4 million (-15.7) on cash flow. Net cash flow from financing activities totalled SEK 47.2 million (354.3), as a result of new loans. At the end of the period, the Group's net indebtedness was SEK 1,566.0 million (1,246.8). The

consolidated equity/assets ratio was 37.8 percent (39.1) at the end of the period.

Material risks and uncertainty

Systemair is exposed to operational and financial risks in its business. Operational risk is inherent in the international nature of the Company's operations, tough competition and the construction industry's sensitivity to the business cycle. The financial risks that Systemair has identified in its business consist of foreign exchange risk, borrowing and interest rate risk, credit risk and liquidity risk and share price risk in long-term holdings of securities. The material risks and uncertainty affecting Systemair are described in more detail in the Company's 2012/13 Annual Report. No significant change occurred in the risk situation during the period.

Related party transactions

Systemair's significant transactions with related parties concern ebmpapst AB and ebmpapst Mulfingen GmbH & Co. KG. Transactions with related parties are described in detail in Note 37 to the accounts in the Annual Report for the 2012/13 financial year. During the period, no change worthy of mention occurred in the scale of these transactions.

Parent Company

Parent Company sales for the quarter totalled SEK 295.0 million (256.3), while operating profit was SEK 24.2 million (21.2).

The average number of employees in the Parent Company was 435 (417).

Financial calendar

The interim report for the third quarter of 2012/2013 will be published at 8.00 a.m. on 6 March 2014.

The report for the fourth quarter and full year 2013/14 will be published at 8.00 a.m. on 11 June 2014.

About Systemair

The Company established operations in 1974 with a product concept, the circular duct fan, a design that considerably simplified the process of installation. We adopted the motto "the straight way", and this has been developed from a product concept into a business philosophy. Our product range has expanded strongly to span a broad range of fans, air handling units, products for air distribution, air curtains, heating products and refrigeration equipment.

Mission statement

Operating from the core values of simplicity and reliability, our business concept is to develop, manufacture and market

high-quality ventilation products. On the basis of our business concept and with our customers in focus, our aim is to be seen as a company to rely on, with the emphasis on delivery reliability, availability and quality.

Business model

Availability is an important parameter in terms of our competitiveness, and we ensure effective control of our flow of goods, with owned production units, centralised warehouse facilities and an efficient ERP system. With modern production plants and our own sales companies around the world, we reach out directly to our customers. The business model supports stability and development, and today we are a leading producer and supplier of ventilation products with our own production and own sales companies.

Strategies

The following strategies create major strengths and competitive advantages that help us to achieve our goals.

- Innovative product development and a broad product range focusing on energy-efficient air handling products.
- High product availability and fast delivery via an efficient production, logistics and IT organisation.
- Development and expansion of Systemair's own sales organisation.
- Good relationships with ventilation contractors, distributors and consultants.
- A highly diversified customer base reduces our vulnerability to fluctuations in the economy.
- Early presence in growth markets.
- Strategy of acquisition and establishment to expand market shares.

Miscellaneous

The information in this Interim Report is information that Systemair is required to disclose in accordance with the Swedish Securities Markets Act (lagen om värdepappersmarknaden) and/or the Swedish Financial Instruments Trading Act (lagen om handel med finansiella instrument). This information was submitted for publication at 8.00 a.m. on 28 November 2013.

The undersigned affirm that this six-month report provides a true and fair survey of the Parent Company's and the Group's operations, financial position and profits, and also describes the material risks and uncertainty facing the Parent Company and the companies included in the Group.

Skinnskatteberg, 28 November 2013

Systemair AB (publ)

Gerald Engström
*CEO and member of the
Board of Directors.*

Lars Hansson
Chairman

Hannu Paitula
Director

Göran Robertsson
Director

Elisabeth Westberg
Director

Pär Johansson
President

Åke Henningsson
Employee Representative

Kevin Rowland
Employee Representative

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Systemair in Brief

Systemair is a leading ventilation company with operations in 44 countries in Europe, North America, South America, the Middle East, Asia and South Africa. The Company had sales of approximately SEK 4.55 billion in the 2012/13 financial year and approximately 4,200 employees. Systemair has reported an operating profit every year since 1974, when the Company was founded. During the past 15 years, the Company's growth rate has averaged about 13 percent.

Systemair has well-established operations in growth markets. The Group's products are marketed under the Systemair, Frico, VEAB, Fantech, Menerga and Holland Heating brands. Systemair shares have been quoted on the Mid Cap List of the OMX Nordic Exchange in Stockholm since October 2007. The Group comprises about 60 companies.

Auditors' review report

Introduction

We have reviewed the condensed interim financial information (interim report) for Systemair as per 31 October 2013 and the six-month reporting period ending on that date. The preparation and fair presentation of the interim report in accordance with IAS 34 and the Annual Accounts Act are the responsibility of the Board of Directors and the Chief Executive Officer. Our responsibility is to express our opinion of this interim report based on our review.

Emphasis and scope of the review

We conducted our review in accordance with the Standard on Review Engagements (SÖG) 2410 "Review of Interim Financial Information Performed by the Independent Auditors 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. The emphasis and scope of a review differ considerably from that of an audit in accordance with International Standards on Auditing Standards (ISA) and other generally accepted auditing practices in Sweden. The procedures performed in a review do not enable us to obtain a level of assurance to become aware of all significant matters that could have been identified in an audit. As our opinion is based on a review, the level of assurance is not as high as that of an opinion expressed based on an audit.

Opinion

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

Stockholm, 28 November 2013
Ernst & Young AB

Åsa Lundvall
Authorised Public Accountant

Consolidated Income Statement

SEK m.	2013 Aug-Oct 3 mths	2012 Aug-Oct 3 mths	2013 May-Oct 6 mths	2012 May-Oct 6 mths	2012/13 Nov-Oct trailing 12	2012/13 May-Apr 12 mths
Net sales	1,414.5	1,215.7	2,739.2	2,306.6	4,983.5	4,551.0
Cost of goods sold	-906.6	-771.8	-1,792.2	-1,472.5	-3,243.2	-2,923.6
Gross profit	507.9	443.9	947.0	834.1	1,740.3	1,627.4
Other operating income	16.7	14.1	36.4	27.9	69.9	61.5
Selling expenses	-295.0	-252.5	-562.7	-486.2	-1,117.8	-1,041.4
Administration expenses	-69.0	-54.6	-134.1	-107.8	-252.4	-226.1
Other operating expenses	-18.8	-10.0	-42.8	-28.5	-70.5	-56.2
Operating profit	141.8	140.9	243.8	239.5	369.5	365.2
Net financial items	-15.4	-18.4	-33.1	-18.2	-49.4	-34.6
Profit after financial items	126.4	122.5	210.7	221.3	320.1	330.6
Tax on profit for the period	-33.8	-33.6	-58.8	-59.4	-89.1	-89.6
Profit for the period	92.6	88.9	151.9	161.9	231.0	241.0
Attributable to:						
Parent Company shareholders	92.6	88.9	151.9	161.9	231.0	241.0
Non-controlling interests	0.0	0.0	0.0	0.0	0.0	0.0
Earnings per share, SEK ¹	1.78	1.71	2.92	3.11	4.44	4.63
Average number of shares ¹	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000

¹At present, Systemair does not have any option programme in operation and so no dilution effect is to be taken into account.

Consolidated Statement of Comprehensive Income

	2013 Aug-Oct 3 mths	2012 Aug-Oct 3 mths	2013 May-Oct 6 mths	2012 May-Oct 6 mths	2012/13 Nov-Oct trailing 12	2012/13 May-Apr 12 mths
Profit for the period	92.6	88.9	151.9	161.9	231.0	241.0
Other comprehensive income, net of tax						
Items that may later be transferred to profit for the period:						
Translation differences, foreign operations	2.6	29.5	-13.4	-40.3	-29.3	-56.1
Hedging of net assets in foreign operations, net of tax	-	-0.2	-	-0.2	-0.4	-0.6
Change in fair value, financial assets available for sale	38.9	48.3	113.5	48.3	122.9	57.7
Other comprehensive income, net after tax	41.5	77.6	100.1	7.8	93.2	1.0
Total comprehensive income for the period	134.1	166.5	252.0	169.7	324.2	242.0
Attributable to:						
Parent Company shareholders	134.1	166.5	252.0	169.7	324.2	242.0
Non-controlling interests	0.0	0.0	0.0	0.0	0.0	0.0

Consolidated Balance Sheet

SEK m.	31/10/2013	31/10/2012	30/04/2013
ASSETS			
Goodwill	520.2	445.9	457.7
Other intangible assets	263.8	161.0	171.7
Property, plant and equipment	1,030.1	771.6	813.4
Financial and other assets	665.9	563.4	550.9
Total non-current assets	2,480.0	1,941.9	1,993.7
Inventory	871.4	778.9	790.0
Current receivables	1,114.7	1,018.5	992.6
Cash and cash equivalents	151.2	102.6	98.4
Total current assets	2,137.3	1,900.0	1,881.0
TOTAL ASSETS	4,617.3	3,841.9	3,874.7
EQUITY AND LIABILITIES			
Equity	1,744.5	1,503.8	1,576.0
Non-current liabilities, provisions	181.6	151.5	154.5
Non-current liabilities, interest-bearing	669.9	531.0	586.3
Total non-current liabilities	851.5	682.5	740.8
Current liabilities, interest-bearing	1,010.5	793.8	724.0
Current liabilities, non-interest-bearing	1,010.8	861.8	833.9
Total current liabilities	2,021.3	1,655.6	1,557.9
TOTAL EQUITY AND LIABILITIES	4,617.3	3,841.9	3,874.7

Consolidated Cash Flow Statement

SEK m.	2013 Aug-Oct 3 mths	2012 Aug-Oct 3 mths	2013 May-Oct 6 mths	2012 May-Oct 6 mths	2012/13 May-Apr 12 mths
Operating profit	141.8	140.9	243.8	239.5	365.2
Adjustment for non-cash items	41.3	41.3	78.1	75.3	147.3
Financial items	-11.8	-6.8	-19.3	-11.5	-27.4
Income tax paid	-6.9	-16.4	-27.1	-32.0	-76.9
Cash flow from operating activities before changes in working capital	164.4	159.0	275.5	271.3	408.2
Changes in working capital	-34.4	-15.7	-76.4	-67.4	-64.3
Cash flow from operating activities	130.0	143.3	199.1	203.9	343.9
Cash flow from investing activities	-158.3	-482.9	-361.8	-561.3	-692.5
Cash flow from financing activities	47.2	354.3	219.3	374.6	364.5
Cash flow for the period	18.9	14.7	56.6	17.2	15.9
Cash and cash equivalents at start of period	133.4	86.1	98.4	91.6	91.6
Translation differences, cash and cash equivalents	-1.1	1.8	-3.8	-6.2	-9.1
Cash and cash equivalents at close of period	151.2	102.6	151.2	102.6	98.4

Statement of Changes in Equity – Group

SEK m.	2013 May-Oct			2012 May-Oct		
	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
Amount at beginning of year	1,576.0	0.0	1,576.0	1,399.0	0.1	1,399.1
Impact of change in accounting policy IAS 19R (net)	-5.5	-	-5.5	-	-	-
Adjusted amount at beginning of year	1,570.5	0.0	1,570.5	1,399.0	0.1	1,399.1
Dividend	-78.0	-	-78.0	-65.0	-	-65.0
Comprehensive income	252.0	-	252.0	169.7	0.0	169.7
Amount at end of period	1,744.5	0.0	1,744.5	1,503.7	0.1	1,503.8

Key Ratios for the Group

		2013 Aug-Oct 3 mths	2012 Aug-Oct 3 mths	2013 May-Oct 6 mths	2012 May-Oct 6 mths	2012/13 May-Apr 12 mths
Net sales	SEK m.	1,414.5	1,215.7	2,739.2	2,306.6	4,551.0
Growth	%	16.4	18.4	18.8	19.4	13.9
Operating profit	SEK m.	141.8	140.9	243.8	239.5	365.2
Operating margin	%	10.0	11.6	8.9	10.4	8.0
Profit after net fin. items	SEK m.	126.4	122.5	210.7	221.3	330.6
Profit margin	%	8.9	10.1	7.7	9.6	7.3
Return on capital employed	%	12.2	13.9	12.2	13.9	13.8
Return on equity	%	14.2	15.9	14.2	15.9	16.1
Equity/assets ratio	%	37.8	39.1	37.8	39.1	40.7
Investments	SEK m.	158.3	482.8	361.8	561.2	692.5
Depreciation/Amortisation	SEK m.	38.6	28.4	75.8	56.7	116.6
Per share ratios						
Basic earnings per share	SEK	1.78	1.71	2.92	3.11	4.63
Diluted earnings per share	SEK	1.78	1.71	2.92	3.11	4.63
Basic equity per share	SEK	33.55	28.92	33.55	28.92	30.31
Diluted equity per share	SEK	33.55	28.92	33.55	28.92	30.31
Basic operating cash flow per share	SEK	2.50	2.76	3.83	3.92	6.61
Diluted operating cash flow per share	SEK	2.50	2.76	3.83	3.92	6.61
No. of shares at end of period	No.	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000

Quarterly Key Ratios – Group

		2013/14			2012/13			2011/12		
		Aug-Oct Q2	May-Jul Q1	Feb-Apr Q4	Nov-Jan Q3	Aug-Oct Q2	May-Jul Q1	Feb-Apr Q4	Nov-Jan Q3	Aug-Oct Q2
Net sales	SEK m.	1,414.5	1,324.7	1,123.7	1,120.6	1,215.7	1,091.0	1,034.9	1,030.6	1,026.6
Growth	%	16.4	21.4	8.6	8.7	18.4	20.6	25.0	15.4	10.5
Gross margin	%	35.9	33.2	33.7	37.0	36.5	35.8	35.9	37.5	39.1
Operating profit	SEK m.	141.8	102.0	36.0	89.8	140.9	98.5	5.6	97.3	130.2
Operating margin	%	10.0	7.7	3.2	8.0	11.6	9.0	0.5	9.4	12.7
Return on capital employed	%	12.2	12.7	13.8	13.1	13.9	14.3	14.7	18.7	19.3
Return on equity	%	14.2	14.5	16.1	14.6	15.9	16.8	15.7	18.9	21.5
Equity/assets ratio	%	37.8	38.6	40.7	41.4	39.1	45.2	45.1	45.3	45.4
Basic equity per share	SEK	33.55	32.47	30.31	28.86	28.92	26.97	26.90	27.02	25.59
Basic earnings per share	SEK	1.78	1.14	0.46	1.06	1.71	1.40	-0.09	1.35	1.83

Parent Company Income Statement

SEK m.	2013 Aug-Oct 3 mths	2012 Aug-Oct 3 mths	2013 May-Oct 6 mths	2012 May-Oct 6 mths	2012/13 May-Apr 12 mths
Net sales	295.0	256.3	541.7	487.7	946.8
Cost of goods sold	-209.4	-190.0	-393.9	-368.2	-716.9
Gross profit	85.6	66.3	147.8	119.5	229.9
Other operating income	11.5	9.6	22.1	19.3	47.7
Selling expenses	-44.6	-40.5	-83.3	-75.1	-165.3
Administration expenses	-15.7	-15.7	-29.9	-29.5	-62.3
Other operating expenses	-12.6	1.5	-22.7	-4.9	-15.5
Operating profit	24.2	21.2	34.0	29.3	34.5
Net financial items	-5.6	-9.6	254.0	123.7	148.2
Profit after financial items	18.6	11.6	288.0	153.0	182.7
Appropriations ¹	6.9	5.1	14.3	13.8	-20.7
Pre-tax profit	25.5	16.7	302.3	166.8	162.0
Tax on profit for the period ²	-5.8	-4.7	-8.7	-9.8	-0.1
Profit for the period	19.7	12.0	293.6	157.0	161.9

¹Accelerated depreciation, tax allocation reserve and Group contributions.

² The relatively low tax burden for the parent company is explained by the large amount of non-taxable revenues, e.g. dividends from subsidiaries, within net Net financial items

Parent Company Balance Sheet

SEK m.	31/10/2013	31/10/2012	30/04/2013
ASSETS			
Other intangible assets	5.0	4.4	4.8
Property, plant and equipment	125.5	104.6	129.9
Financial and other assets	2,340.0	1,897.1	2,004.7
Total non-current assets	2,470.5	2,006.1	2,139.4
Inventory	155.5	104.1	127.8
Current receivables	757.7	667.6	560.9
Cash and cash equivalents	-	-	-
Total current assets	913.2	771.7	688.7
TOTAL ASSETS	3,383.7	2,777.8	2,828.1
EQUITY AND LIABILITIES			
Equity	1,220.6	881.0	892.4
Untaxed reserves	49.0	78.8	63.3
Non-current liabilities, provisions	2.4	2.8	2.8
Non-current liabilities, interest-bearing	477.9	597.2	743.3
Total non-current liabilities	480.3	600.0	746.1
Current liabilities, interest-bearing	1,174.5	1,054.8	664.5
Current liabilities, non-interest-bearing	459.3	163.2	461.8
Total current liabilities	1,633.8	1,218.0	1,126.3
TOTAL EQUITY AND LIABILITIES	3,383.7	2,777.8	2,828.1

General accounting policies and principles

Systemair applies International Financial Reporting Standards (IFRS). This interim report was prepared for the Group in accordance with the Swedish Annual Accounts Act, the Swedish Financial Reporting Board's recommendation RFR 1 and IAS 34 Interim Financial Reporting, and for the Parent Company in accordance with the Swedish Annual Accounts Act and RFR 2. The accounting policies and methods of calculation applied for the Group and Parent Company accord with those used in preparing the most recent Annual Report, with the exception of application of IAS 19 Employee benefits - amendments, and IAS 1 Presentation of Financial Statements. These have however not had any major impact on the Group's financial reporting.

Note 1 – Acquisition analysis

The price paid to acquire 100 percent of the shares outstanding in Menerga Germany, Reftec Norway and Menerga Austria was provisionally made up as follows:

Total historical cost, less transaction costs SEK 137.0 million

Identifiable net assets	Total
Goodwill	75.3
Brands and customer relationships	111.9
Buildings and land	29.9
Machinery and equipment	10.6
Financial and other assets	0.4
Inventory	48.4
Other current assets	69.5
Cash and cash equivalents	13.9
Non-interest-bearing liabilities (incl. deferred tax liability)	-26.9
Interest-bearing liabilities	-38.5
Other operating liabilities	-157.5
	137.0

Transaction costs in the acquisition of subsidiaries totalled SEK 5.1 million, the major share of which was charged to Q4 earnings in 2012/13.

The total effect on cash flow from the acquisitions, including payment of a formerly withheld additional purchase consideration for prior years' acquisitions, amounted to SEK -119.7 million.

Brands and customer relationships have been measured at the net present value of future cash flows. The useful life of these assets has been estimated at 5-10 years.

The goodwill upon acquisition is attributable to the strong market position of the companies acquired, synergy effects expected to emerge after the acquisitions and the company's estimated future earning capacity.

Note 2 – Financial instruments

Systemair's financial instruments consist of derivatives, trade accounts receivable, cash and cash equivalents, available-for-sale financial assets, trade accounts payable, accrued supplier costs and interest-bearing liabilities. Liabilities to credit institutions carry variable interest rates or, in certain cases, fixed rates for a short period. Derivatives are recognised at fair value via the income statement, based on input data corresponding to level 2 in IFRS 7. Available-for-sale financial assets are recognised at fair value based on input data corresponding to level 1 in IFRS 7. Other financial assets and liabilities are short term. For that reason, the fair values of all financial instruments are considered to equate approximately to the carrying amounts. Systemair has not recognised any financial assets and liabilities net.

Definitions of key ratios

Operating profit (EBIT)

Earnings before financial items and tax.

Growth

Growth is defined as the change in net sales, relative to net sales for the preceding period.

Operating margin

Operating profit divided by net sales.

Profit margin

Profit after financial items divided by net sales.

Return on capital employed

Profit after financial income, for the trailing 12 months (TTM), divided by average capital employed.

Capital employed

Total assets less non-interest-bearing liabilities.

Return on equity

Profit after tax before non-controlling interest, for the trailing 12 months (TTM), divided by average equity excluding non-controlling interest.

Number of employees

The number of employees at the end of the accounting period. New employees, appointments terminated, part-time employees and paid overtime are converted into full-time equivalents.

Earnings per share

Profit for the period attributable to Parent Company shareholders, divided by the average number of shares during the period.

Operating cash flow per share

Cash flow from operating activities for the period, divided by the average number of shares during the period.

Equity/assets ratio

Adjusted equity divided by total assets.

Equity per share

Equity divided by the number of shares at the end of the period.