



# SYSTEMAIR AB

## YEAR-END REPORT

### 1 MAY 2012 – 30 APRIL 2013



#### Fourth quarter, February 2013 – April 2013

- Net sales increased by 9 percent to SEK 1,124 million (1,035).
- Operating profit (EBIT) totalled SEK 36 million (6\*).
- The operating margin was 3.2 percent (0.5\*).
- Profit after tax increased to SEK 24 million (-5\*).
- Earnings per share totalled SEK 0.46 (-0.09\*).
- Cash flow from operating activities totalled SEK 15 million (6).

#### 12 months, May 2012 – April 2013

- Net sales increased by 14 percent to SEK 4,551 million (3,997).
- Operating profit (EBIT) increased by 14 percent, to SEK 365 million (320\*).
- The operating margin was 8.0 percent (8.0\*).
- Profit after tax increased to SEK 241 million (215\*).
- Earnings per share totalled SEK 4.63 (4.14\*).
- Cash flow from operating activities totalled SEK 344 million (290).
- The Board of Directors proposes a dividend of SEK 1.50 (1.25) per share.

\*Including non-recurring items of SEK -40 million in Q4 2011/12.

Net sales Q4

## SEK 1,124 m.

EBIT Q4

## SEK 36 m.

#### Significant events during the year

- In March 2013, Systemair acquired Holland Heating, a leading manufacturer of air handling units in the Netherlands.
- In August 2012, 11.6 percent of the shares in Lindab were acquired.
- In August 2012, Systemair acquired 70 percent of the shares in Turkish air handling unit manufacturer HSK. In December 2012, Systemair acquired a further 20 percent of the shares in the company.
- In June 2012, Change Air, Canada, was acquired. The company is one of North America's leading manufacturers of air handling units for classrooms.

	2012/13 Feb-Apr 3 mths	2011/12 Feb-Apr 3 mths	2012/13 May-Apr 12 mths	2011/12 May-Apr 12 mths
Net sales, SEK million	1,123.7	1,034.9	4,551.0	3,996.9
Growth, %	8.6	25.0	13.9	15.3
Operating profit, SEK million	36.0	5.6*	365.2	319.8*
Operating margin, %	3.2	0.5*	8.0	8.0*
Profit after tax, SEK million	23.8	-4.7*	241.0	215.5*
Earnings per share, SEK	0.46	-0.09*	4.63	4.14*
Operating cash flow per share, SEK	0.30	0.11	6.61	5.58

## Organic growth for 13th successive quarter

Our last quarter is normally our weakest, and unfortunately that was the case again this year. Results felt the effects not only of weakness in the economy but also the harsh winter and a stronger Swedish krona. Low volumes in a number of manufacturing companies were another factor underlying low gross margins. That we, despite this head wind, were able to achieve organic growth again in this quarter is encouraging.

### The market

The economic situation unfortunately remains tough in many of the markets in which we operate. Nevertheless, good growth is evident in the fourth quarter, for example in France, Russia, the Baltic States, the USA and Asia. We established a sales company in Croatia and converted our representative office in the Ukraine into a sales company. As a result of our acquisitions in recent years, we can also offer our customers a broader range of products and so gain access to more projects.

### Companies acquired during the year

Change Air, Canada, continued to develop satisfactorily, but has now experienced a period of slower demand. The summer half of the year is traditionally the company's strongest period. Our Turkish subsidiary Systemair-HSK was merged with our sales company in that country. We also relocated into a new, modern production facility. These movements led to certain production disruptions in recent months. Two months' results for Holland Heating are included in our last quarter, indicating a minor loss.

### Investments

We moved into our newly built premises in Greater Noida, just outside Delhi, India. Production from three plants has been consolidated within one modern facility, while offices and a development centre are still under construction. We also carried out investments and modifications at our Spanish production facility. As a result we can produce Eurovent-certified modular air handling units for the Iberia region. In Germany, we are building a new development center and another 3,000 square meter production area alongside our factory. The construction was delayed by the long winter.



### Menerga

After the end of the period, we acquired Menerga GmbH, Germany. Menerga is a market-leading producer of air handling units for swimming baths and also makes extra high-efficiency comfort and process ventilation equipment. The acquisition widens our product offering, and we see major opportunities for synergies in sales and product development. With approximately 400 employees and sales of around EUR 56 million in 2012, Menerga is our biggest acquisition to date.

### Outlook

We have made acquisitions and major investments in production equipment, product development and marketing. At the same time, we are careful to keep costs down at our manufacturing units when volumes are low. Saving and efficiency drives are in progress at several of these units. We are, nevertheless, pleased to be able to report organic growth and a reasonably strong operating profit for the full year. We feel that we are well equipped to meet the upturn in the economy when it comes about.

Gerald Engström  
President and CEO

## Sales and markets

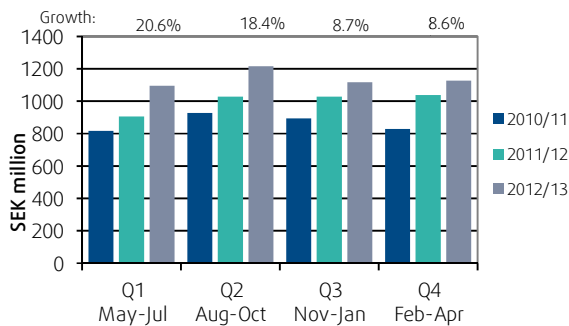
Group sales for the fourth quarter of 2012/13 totalled SEK 1,123.7 million (1,034.9), an increase of 8.6 percent on the same period in the preceding year.

Adjusted for both foreign exchange effects and acquisitions, net sales grew 4.1 percent. This is the 13th successive quarter of organic growth despite a weak market.

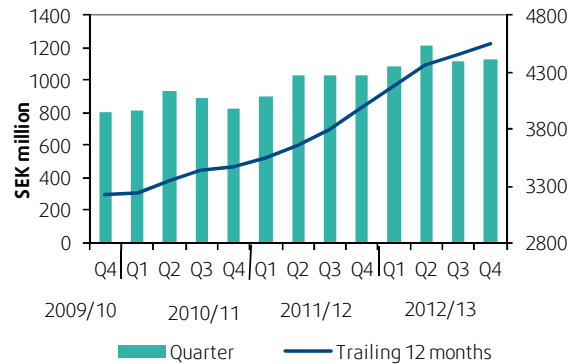
Net sales for the full year May-April 2012/13 totalled SEK 4,551.0 million (3,996.9), up 13.9 percent on the same period last year.

Adjusted for both foreign exchange effects and acquisitions, net sales grew 5.1 percent.

### Net sales per quarter compared with same period previous years



### Net sales



## Geographic breakdown of Q4 sales

### Nordic region

During the fourth quarter, sales in the Nordic region were 3 percent lower than in the same period in the preceding year. Sales in Sweden rose by 1 percent, while sales in Norway fell back by 2 percent. Adjusted for foreign exchange effects, net sales were on the same level as in the same quarter last year. No acquisitions that had any influence on sales in the region were made.

### Western Europe

Sales in the Western Europe market during the quarter were on a par with sales in the same period in the preceding year. Adjusted for foreign exchange effects and acquisitions, sales declined 2 percent compared with last year. Markets that performed strongly in the region include France and Switzerland.

### Eastern Europe and CIS

Sales in Eastern Europe and the CIS increased by 8 percent during the quarter. Adjusted for acquisitions and foreign exchange effects, sales rose 4 percent. In particular, Russia and the Baltic States continued to show solid growth.

	2012/13 Feb-Apr 3 mths	2011/12 Feb-Apr 3 mths	Change	2012/13 May-Apr 12 mths	2011/12 May-Apr 12 mths	Change
Nordic region	280.9	289.1	-3%	1,130.2	1,126.1	0%
Western Europe	350.7	350.0	0%	1,436.0	1,346.3	7%
Eastern Europe & CIS	262.9	244.4	8%	1,144.7	951.2	20%
North America	88.4	71.7	23%	365.5	282.1	30%
Other markets	140.8	79.7	77%	474.6	291.2	63%
<b>Total</b>	<b>1,123.7</b>	<b>1,034.9</b>	<b>9%</b>	<b>4,551.0</b>	<b>3,996.9</b>	<b>14%</b>

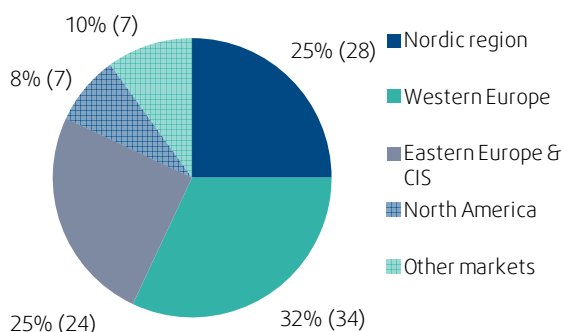
### North America

Sales in the North American market grew 23 percent during the quarter, compared with the same period in the preceding year. The increase is attributable in part to the acquisition of Change Air, Canada. Adjusted for foreign exchange effects and acquisitions, sales rose by 7 percent.

### Other markets

Sales in Other markets were 77 percent higher than in the same period in the preceding year, partly as a result of HSK's and Holland Heating's deliveries to the region. Adjusted for foreign exchange effects and acquisitions, sales rose by 42 percent.

### Sales by market, 12 months 2012/13 (2011/12)



### Profit for the fourth quarter

Gross profit in the fourth quarter totalled SEK 378.3 million (371.9), an increase of 1.7% over the figure for the corresponding period last year. In the preceding year, gross profit was charged with non-recurring items of SEK -5.6 million, see Note 2. The adjusted gross profit for the preceding year was SEK 377.5 million.

The gross margin fell to 33.7 percent (35.9) as a result mainly of acquisitions of companies with lower margins; inadequate volumes at certain manufacturing units; and the growing strength of the Swedish krona. The adjusted gross margin for the preceding year was 36.5 percent.

Operating profit for the fourth quarter totalled SEK 36.0 million (5.6). In the preceding year, operating profit was charged with non-recurring items of SEK -39.6 million, see Note 2. The adjusted operating profit for the preceding year was SEK 45.2 million.

The company recorded an operating margin of 3.2 percent (0.5). The adjusted operating margin for the preceding year was 4.4 percent.

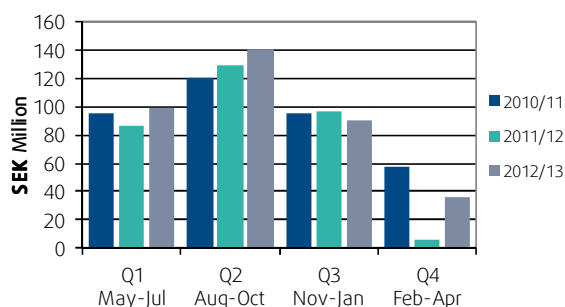
Selling and administration expenses for the quarter totalled SEK 350.8 million (344.6), a rise of SEK 6.2 million. Adjusted for non-recurring items in the preceding year, the increase was 21.5. Selling and administration expenses at

acquired companies accounted for SEK 20.2 million (43.3) of the increase for the quarter.

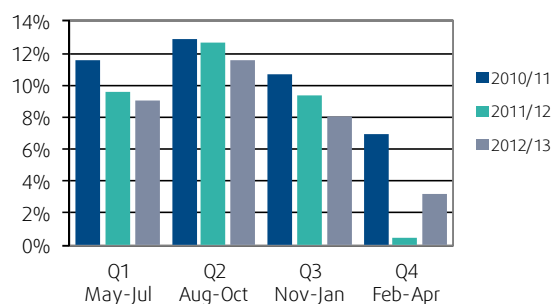
Selling expenses were charged with SEK 12.7 million (3.7) for anticipated bad debts and impairment losses on trade receivables. During the quarter, costs related to acquisitions totalled SEK 5.5 million (0.2).

Net financial items for the fourth quarter totalled SEK -5.3 million (-8.2). The effect of foreign exchange on long-term receivables, loans and bank balances was SEK 1.6 million net (-1.9). Interest expense for the quarter amounted to SEK -7.7 million (-6.9), 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



### Profit for the financial year

Operating profit for the financial year from May 2012 to April 2013 totalled SEK 365.2 million (319.8). In the preceding year, operating profit was charged with non-recurring items of SEK -39.6 million, see Note 2.

The operating margin was 8.0 percent (8.0).

Selling and administration expenses for the year totalled SEK 1,267.5 million (1,169.6), a rise of SEK 97.9 million. Selling expenses for the full year were charged with SEK 20.2 million (10.8) for anticipated bad debts and impairment losses on trade receivables. Company acquisitions added SEK 91.2 million (107.5) to selling and administration expenses for the year.

Net financial items for the financial year totalled SEK -34.6 million (-23.2), of which interest expenses accounted for SEK -30.7 million (-24.7).

### **Tax expense**

Estimated tax for the quarter totalled SEK -6.9 million (-2.1), corresponding to an effective tax rate of 22.4 percent based on profit after net financial items.

### **Acquisitions and new operations**

In March 2013, Systemair acquired Holland Heating, a leading manufacturer of air handling units in the Netherlands. Holland Heating, established in 1955, has production facilities and headquarters in Waalwijk. The company has been owned by Carrier since 1997 and reported sales of EUR 32.5 million in 2012. The agreement also stipulates continued deliveries of air handling units to the Carrier Group in Europe. As a result of the acquisition, Systemair becomes market leader in air handling units in the Netherlands.

On 20 August 2012, Systemair acquired Ratos' holding of shares in Lindab. The holding represented 11.2 percent of the share capital and comprised 8,849,157 shares. At the same time, Systemair acquired a further 300,000 shares in the market and consequently is the largest shareholder in Lindab, with 11.6 percent of the share capital.

In June 2012, Systemair acquired Change Air, Canada. The company is one of North America's leading manufacturers of air handling units for classrooms. In 2011, Change Air had sales equivalent to SEK 84 million and an operating profit of SEK 11.9 million. The company, which has 86 employees, has its headquarters and a production facility in Ontario, Canada. The acquisition has provided Systemair with access to 59 sales agents in 71 cities, and a total of approximately 300 sales engineers in North America. The latter cover 42 states in the USA and six provinces in Canada.

In May 2012, Systemair signed an agreement to acquire 70 percent of the shares in Turkish company HSK. In December 2012, Systemair acquired a further 20 percent of the shares in the company. HSK is Turkey's leading manufacturer of air handling units, with sales of SEK 160 million in 2011. Following the acquisition, a new industrial property measuring just over 12,000 m<sup>2</sup> was leased, into which two former production facilities have relocated and major investments have been made in modern sheet metal forming equipment. The investments provide us with the region's most up-to-date production facility for air handling units. We also see great potential for higher sales in Turkey and neighbouring countries such as Azerbaijan, Georgia, Turkmenistan, Dubai and Iraq, plus market synergies with our Italian refrigeration

equipment factory. After acquisition, the name of the company was changed to Systemair HSK. HSK has been consolidated into Systemair since the beginning of August 2012.

If Holland Heating, Change Air and HSK had been consolidated as of 1 May 2012, net sales for the period May 2012 through April 2013 would have totalled approximately SEK 4,833 million. Operating profit for that period would have been approximately SEK 356 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 103.2 million (13.1), including SEK 51.3 million (0) invested in new construction and machinery. Acquisitions and additional considerations paid for subsidiaries totalled SEK 52.3 million (16.8) for the quarter. Depreciation of non-current assets amounted to SEK 30.9 million (28.0).

Gross investment for the financial year totalled SEK 692.5 million (265.4), including the financial investment of SEK 406.6 million in shares in Lindab. The value of the Group's shareholding in Lindab on the balance sheet date was SEK 464.4 million. Gross investments, excluding divestments, in new construction and machinery totalled SEK 123.9 million (85.8). Major investments comprise a new factory building with offices in Greater Noida, India, a new development centre in Germany, production equipment for a new factory in Turkey and completion of capacity and replacement investments in the factories in Denmark, Sweden and Lithuania.

The total paid for acquisitions and additional purchase considerations in the financial year was SEK 164.4 million (184.2). Depreciation and amortisation of non-current assets totalled SEK 116.6 million (100.2) for the year.

### **Personnel**

The average number of employees in the Group was 3,394 (2,839). At the end of the period, Systemair had 3,649 employees (3,127), 522 more than one year previous. New employees were recruited chiefly in Russia (38), Malaysia (22), Slovakia (16), Germany (15) and Sweden (11). Through acquisitions, 404 employees joined the Group, including 177 at Systemair HSK, Turkey, 141 at Holland Heating and 86 at Change Air, Canada.

In April, Pär Johansson was appointed President of the Parent Company, Systemair AB. Gerald Engström remains in his role as President and CEO of the Group.

## Cash flow and financial position

Cash flow from operating activities before changes in working capital totalled SEK 44.1 million (7.4) for the quarter. Changes in working capital, mainly consisting of an increase in trade accounts receivable, had an impact of SEK -28.7 million (-1.7) on cash flow. Net cash flow from financing activities was SEK 100.0 million (-33.3), as a result of new loans. At the end of the period, net indebtedness totalled SEK 1,238.1 million (785.0). The consolidated equity/assets ratio was 40.7 percent (45.1) at the end of the period.

## Financial targets

In April 2007, the Board of Directors of Systemair adopted three financial targets and a dividend policy.

- Sales growth of at least 12 percent over a business cycle, both organic and acquired
- Operating margin of at least 10 percent over a business cycle
- Equity/assets ratio of at least 30 percent
- Dividend of approximately 30 percent of profit after tax

## Events after the close of the period

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. 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 refrigeration equipment and heat pumps to the Norwegian market. Reftec, founded in 2007, has its headquarters in Trondheim and a sales office in Oslo. It has 14 employees. The company recorded sales of NOK 34 million in 2012 and sales growth of more than 30 percent. The acquisition is subject to approval by Norway's competition authority. The company was formerly a reseller of Systemair products in the Norwegian market.

## 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 operations, tough competition and the sensitivity of the construction industry to the business cycle. The financial risks that Systemair has identified in its business are foreign exchange risk, borrowing and interest rate risk, credit and liquidity risk and loss carry-forwards. The material risks and uncertainty affecting Systemair are described in more detail in the Company's 2011/12 Annual Report. The

financial risks changed to some extent during the interim report period via the acquisition of the shareholding in Lindab. The shares are accounted for as an available-for-sale financial asset and are recognised at fair value, with changes in value being recognised in other comprehensive income. The acquisition was partly financed via a bank loan, which, too, increased the interest rate risk.

## 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 36 to the accounts in the Annual Report for the 2011/12 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 227.6 million (232.9), while operating profit was SEK 1.3 million (4.7).

The average number of employees in the Parent Company was 421 (399).

## Dividend

The Board proposes that the Annual General Meeting to be held 29 August approves a dividend of SEK 1.50 (1.25) per share, for a total distribution of SEK 78.0 million (65.0). The proposed dividend corresponds to 32 percent (30) of net consolidated profit.

## Nominating committee for the 2013 AGM

The AGM held on 29 August 2012 resolved that the nominating committee shall consist of representatives from three of the biggest shareholders by votes, as well as the Chairman of the Board.

The nominating committee comprises Gerald Engström (Chair) as representative of Färna Invest AB, Gerhard Sturm as representative of ebmpapst AB, Björn Henriksson as representative of Nordea Fonder and Lars Hansson, Chairman of the Board.

## Financial calendar

The report for the first quarter of 2013/14 will be published at 1.00 p.m. on 29 August 2013.

The Company's Annual General Meeting will be held at 3 p.m. on 29 August 2013 at Systemair Expo, Skinnkatteberg.

The Annual Report will be available in Week 32 on our website at [www.systemair.se](http://www.systemair.se).

## 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 air handling 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 year-end report is information which 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 will be submitted for publication at 8.00 a.m. on 11 June 2013.

This year-end report has been reviewed by the Company's auditors.

Skinnskatteberg, 11 June 2013  
Systemair AB (publ)

Board of Directors

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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 3,600 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.*

## Auditor's Review Report

### Introduction

We have reviewed the year-end report for Systemair AB (publ) for the period 1 May 2012 – 30 April 2013. The preparation and fair presentation of the year-end 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 on this year-end 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 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 year-end 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, 11 June 2013  
Ernst & Young AB

Thomas Forslund  
Authorised Public Accountant



## Consolidated Income Statement

SEK m.	2012/13 Feb-Apr 3 mths	2011/12 Feb-Apr 3 mths	2012/13 May-Apr 12 mths	2011/12 May-Apr 12 mths
Net sales	1,123.7	1,034.9	4,551.0	3,996.9
Cost of goods sold	-745.4	-663.0	-2,923.6	-2,505.2
<b>Gross profit</b>	<b>378.3</b>	<b>371.9</b>	<b>1,627.4</b>	<b>1,491.7</b>
Other operating income	21.6	10.4	61.5	55.9
Selling expenses	-288.8	-283.5	-1,041.4	-961.6
Administration expenses	-62.0	-61.1	-226.1	-208.0
Other operating expenses	-13.1	-32.1	-56.2	-58.2
<b>Operating profit</b>	<b>36.0</b>	<b>5.6</b>	<b>365.2</b>	<b>319.8</b>
Net financial items	-5.3	-8.2	-34.6	-23.2
<b>Profit after financial items</b>	<b>30.7</b>	<b>-2.6</b>	<b>330.6</b>	<b>296.6</b>
Tax on profit for the period	-6.9	-2.1	-89.6	-81.1
<b>Profit for the period</b>	<b>23.8</b>	<b>-4.7</b>	<b>241.0</b>	<b>215.5</b>
<b>Attributable to:</b>				
Parent Company shareholders	23.8	-4.7	241.0	215.4
Non-controlling interests	0.0	0.0	0.0	0.1
Earnings per share, SEK <sup>1</sup>	0.46	-0.09	4.63	4.14
Average number of shares <sup>1</sup>	52,000,000	52,000,000	52,000,000	52,000,000

<sup>1</sup> At 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

	2012/13 Feb-Apr 3 mths	2011/12 Feb-Apr 3 mths	2012/13 May-Apr 12 mths	2011/12 May-Apr 12 mths
<b>Profit for the period</b>	23.8	-4.7	241.0	215.5
<b>Other comprehensive income, net of tax:</b>				
Translation differences, foreign operations	-0.9	-1.1	-56.1	10.5
Hedging of net assets in foreign operations, net of tax	-0.2	-0.4	-0.6	-4.1
Change in fair value, financial assets available for sale	52.5	-	57.7	-
<b>Other comprehensive income, net of tax</b>	<b>51.4</b>	<b>-1.5</b>	<b>1.0</b>	<b>6.4</b>
<b>Total comprehensive income for the period</b>	<b>75.2</b>	<b>-6.2</b>	<b>242.0</b>	<b>221.9</b>
<b>Attributable to:</b>				
Parent Company shareholders	75.2	-6.2	242.0	221.9
Non-controlling interests	0.0	0.0	0.0	0.0

## Consolidated Balance Sheet

SEK m.	30/04/2013	30/04/2012
<b>ASSETS</b>		
Goodwill	457.7	367.3
Other intangible assets	171.7	126.2
Property, plant and equipment	813.4	792.0
Financial and other assets	550.9	107.0
<b>Total non-current assets</b>	<b>1,993.7</b>	<b>1,392.5</b>
Inventory	790.0	767.3
Current receivables	992.6	848.4
Cash and cash equivalents	98.4	91.6
<b>Total current assets</b>	<b>1,881.0</b>	<b>1,707.3</b>
<b>TOTAL ASSETS</b>	<b>3,874.7</b>	<b>3,099.8</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>1,576.0</b>	<b>1,399.1</b>
Non-current liabilities, provisions	154.5	132.2
Non-current liabilities, interest-bearing	586.3	185.4
<b>Total non-current liabilities</b>	<b>740.8</b>	<b>317.6</b>
Current liabilities, interest-bearing	724.0	681.4
Current liabilities, non-interest-bearing	833.9	701.7
<b>Total current liabilities</b>	<b>1,557.9</b>	<b>1,383.1</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,874.7</b>	<b>3,099.8</b>

## Consolidated Cash Flow Statement

SEK m.	2012/13 Feb-Apr 3 mths	2011/12 Feb-Apr 3 mths	2012/13 May-Apr 12 mths	2011/12 May-Apr 12 mths
Operating profit	36.0	5.6	365.2	319.8
Adjustment for non-cash items	33.3	25.6	147.3	98.0
Financial items	-7.9	-6.8	-27.4	-22.8
Income tax paid	-17.3	-17.0	-76.9	-57.5
<b>Cash flow from operating activities before changes in working capital</b>	<b>44.1</b>	<b>7.4</b>	<b>408.2</b>	<b>337.5</b>
Changes in working capital	-28.7	-1.7	-64.3	-47.6
<b>Cash flow from operating activities</b>	<b>15.4</b>	<b>5.7</b>	<b>343.9</b>	<b>289.9</b>
Cash flow from investing activities	-102.1	-11.2	-692.5	-265.4
Cash flow from financing activities	100.0	-33.3	364.5	-11.1
<b>Cash flow for the period</b>	<b>13.3</b>	<b>-38.8</b>	<b>15.9</b>	<b>13.4</b>
Cash and cash equivalents at start of period	86.7	129.2	91.6	76.8
Translation differences, cash and cash equivalents	-1.6	1.2	-9.1	1.4
<b>Cash and cash equivalents at close of period</b>	<b>98.4</b>	<b>91.6</b>	<b>98.4</b>	<b>91.6</b>

## Statement of Changes in Equity – Group

SEK m.	2012/13 May-Apr			2011/12 May-Apr		
	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
<b>Amount at beginning of year</b>	<b>1,399.0</b>	<b>0.1</b>	<b>1,399.1</b>	<b>1,268.1</b>	<b>0.1</b>	<b>1,268.2</b>
Dividend	-65.0	-	-65.0	-91.0	-	-91.0
Acquisitions of non-controlling interests	-	-0.1	-0.1	-	-	-
Comprehensive income	242.0	-	242.0	221.9	0.0	221.9
<b>Amount at end of period</b>	<b>1,576.0</b>	<b>0.0</b>	<b>1,576.0</b>	<b>1,399.0</b>	<b>0.1</b>	<b>1,399.1</b>

## Key Ratios for the Group

		2012/13 Feb-Apr 3 mths	2011/12 Feb-Apr 3 mths	2012/13 May-Apr 12 mths	2011/12 May-Apr 12 mths
Net sales	SEK m.	1,123.7	1,034.9	4,551.0	3,996.9
Growth	%	8.6	25.0	13.9	15.3
Operating profit	SEK m.	36.0	5.6	365.2	319.8
Operating margin	%	3.2	0.5	8.0	8.0
Profit after net fin. items	SEK m.	30.7	-2.6	330.6	296.6
Profit margin	%	2.7	-0.3	7.3	7.4
Return on capital employed	%	13.8	14.7	13.8	14.7
Return on equity	%	16.1	15.7	16.1	15.7
Equity/assets ratio	%	40.7	45.1	40.7	45.1
Investments	SEK m.	102.1	11.2	692.5	265.4
Depreciation/Amortisation	SEK m.	30.9	28.0	116.6	100.2
<b>Per share ratios</b>					
Basic earnings per share	SEK	0.46	-0.09	4.63	4.14
Diluted earnings per share	SEK	0.46	-0.09	4.63	4.14
Basic equity per share	SEK	30.31	26.90	30.31	26.90
Diluted equity per share	SEK	30.31	26.90	30.31	26.90
Basic operating cash flow per share	SEK	0.30	0.11	6.61	5.58
Diluted operating cash flow per share	SEK	0.30	0.11	6.61	5.58
No. of shares at end of period	No.	52,000,000	52,000,000	52,000,000	52,000,000

## Quarterly Key Ratios – Group

		2012/13				2011/12			2010/11	
		Feb-Apr Q4	Nov-Jan Q3	Aug-Oct Q2	May-Jul Q1	Feb-Apr Q4	Nov-Jan Q3	Aug-Oct Q2	May-Jul Q1	Feb-Apr Q4
Net sales	SEK m.	1,123.7	1,120.6	1,215.7	1,091.0	1,034.9	1,030.6	1,026.6	904.8	828.2
Growth	%	8.6	8.7	18.4	20.6	25.0	15.4	10.5	10.7	3.4
Gross margin	%	33.7	37.0	36.5	35.8	35.9	37.5	39.1	36.6	39.8
Operating profit	SEK m.	36.0	89.8	140.9	98.5	5.6	97.3	130.2	86.8	57.2
Operating margin	%	3.2	8.0	11.6	9.0	0.5	9.4	12.7	9.6	6.9
Return on capital employed	%	13.8	13.1	13.9	14.3	14.7	18.7	19.3	19.1	18.0
Return on equity	%	16.1	14.6	15.9	16.8	15.7	18.9	21.5	20.9	22.3
Equity/assets ratio	%	40.7	41.4	39.1	45.2	45.1	45.3	45.4	45.4	48.6
Basic equity per share	SEK	30.31	28.86	28.92	26.97	26.90	27.02	25.59	26.05	24.39
Basic earnings per share	SEK	0.46	1.06	1.71	1.40	-0.09	1.35	1.83	1.06	0.61

## Parent Company Income Statement

SEK m.	2012/13 Feb-Apr 3 mths	2011/12 Feb-Apr 3 mths	2012/13 May-Apr 12 mths	2011/12 May-Apr 12 mths
Net sales	227.6	232.9	946.8	939.2
Cost of goods sold	-173.0	-171.9	-716.9	-701.5
<b>Gross profit</b>	<b>54.6</b>	<b>61.0</b>	<b>229.9</b>	<b>237.7</b>
Other operating income	20.6	6.4	47.7	31.8
Selling expenses	-48.2	-46.4	-165.3	-158.8
Administration expenses	-17.5	-15.1	-62.3	-59.9
Other operating expenses	-8.2	-1.2	-15.5	-5.6
<b>Operating profit</b>	<b>1.3</b>	<b>4.7</b>	<b>34.5</b>	<b>45.2</b>
Net financial items	-12.5	-68.7	148.2	133.0
<b>Profit after financial items</b>	<b>-11.2</b>	<b>-64.0</b>	<b>182.7</b>	<b>178.2</b>
Appropriations <sup>1</sup>	-44.4	-42.5	-20.7	-51.6
<b>Pre-tax profit</b>	<b>-55.6</b>	<b>-106.5</b>	<b>162.0</b>	<b>126.6</b>
Tax on profit for the period	11.9	10.5	-0.1	1.7
<b>Profit for the period</b>	<b>-43.7</b>	<b>-96.0</b>	<b>161.9</b>	<b>128.3</b>

<sup>1</sup> Accelerated depreciation, tax allocation reserve and Group contributions.

## Parent Company Balance Sheet

SEK m.	30/04/2013	30/04/2012
<b>ASSETS</b>		
Other intangible assets	4.8	5.6
Property, plant and equipment	129.9	106.7
Financial and other assets	2,004.7	1,425.2
<b>Total non-current assets</b>	<b>2,139.4</b>	<b>1,537.5</b>
Inventory	127.8	122.4
Current receivables	560.9	600.9
Cash and cash equivalents	-	-
<b>Total current assets</b>	<b>688.7</b>	<b>723.3</b>
<b>TOTAL ASSETS</b>	<b>2,828.1</b>	<b>2,260.8</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	892.4	743.5
Untaxed reserves	63.3	92.7
Non-current liabilities, provisions	2.8	1.4
Non-current liabilities, interest-bearing	743.3	571.3
<b>Total non-current liabilities</b>	<b>746.1</b>	<b>572.7</b>
Current liabilities, interest-bearing	664.5	637.2
Current liabilities, non-interest-bearing	461.8	214.7
<b>Total current liabilities</b>	<b>1,126.3</b>	<b>851.9</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,828.1</b>	<b>2,260.8</b>

## 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. None of the new or revised standards, interpretations or improvements adopted by the EU for implementation from 1 May 2012, inclusive, have affected the Group in any way.

### Note 1 - Acquisition analysis

The price paid to acquire 100 percent of the shares in HSK, Holland Heating and Change Air was provisionally made up as follows:

Total historical cost, less transaction costs                      SEK 196.5 million

Identifiable net assets	Total
Goodwill	108.0
Brands and customer relationships	73.5
Buildings and land	15.3
Machinery and equipment	8.1
Deferred tax asset	0.8
Inventory	47.8
Other current assets	120.5
Cash and cash equivalents	5.9
Non-interest-bearing liabilities (incl. deferred tax liability)	-15.5
Interest-bearing liabilities	-33.9
Other operating liabilities	-134.0
	<b>196.5</b>

Transaction costs in the acquisition of subsidiaries totalled SEK 3.4 million.

The total effect on cash flow from the acquisitions, including additional purchase consideration paid for prior years' acquisitions, amounted to SEK -164.4 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 - Non-recurring items

	2012/13				2011/12			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Note					1			
Cost of goods sold	-	-	-	-	-5.6	-	-	-
Other operating income	-	-	-	-	-	-	-	-
Selling expenses	-	-	-	-	-10.0	-	-	-
Administration expenses	-	-	-	-	-5.3	-	-	-
Other operating expenses	-	-	-	-	-18.7	-	-	-
<b>Total non-recurring items</b>	-	-	-	-	<b>-39.6</b>	-	-	-
Operating profit, excl. non-recurring items, SEK m.	36.0	89.8	140.9	98.5	5.6	97.2	130.2	86.8
Operating profit, excl. non-recurring items	36.0	89.8	140.9	98.5	45.2	97.2	130.2	86.8

1 - Amortisation of goodwill, SEK -18.7 million, in Spain on the line "Other operating expenses". The remaining portion comprises measures above all in Italy to reduce the future burden of costs.

## 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.