



# SYSTEMAIR AB

## INTERIM REPORT Q3

### 1 MAY 2012 - 31 JANUARY 2013



### Sales rose by 9%

#### Third quarter, November 2012 – January 2013

- Net sales increased by 9 percent to SEK 1,121 million (1,031).
- Operating profit (EBIT) fell 8 percent, to SEK 90 million (97).
- The operating margin was 8.0 percent (9.4).
- Profit after tax fell to SEK 55 million (70).
- Earnings per share equalled SEK 1.06 (1.35).
- Cash flow from operating activities totalled SEK 125 million (137).

#### Nine months, May 2012 – January 2013

- Net sales increased by 16 percent to SEK 3,427 million (2,962).
- Operating profit (EBIT) increased by 5 percent to SEK 329 million (314).
- The operating margin was 9.6 percent (10.6).
- Profit after tax fell to SEK 217 million (220).
- Earnings per share equalled SEK 4.18 (4.23).
- Cash flow from operating activities totalled to SEK 328 million (284).

Net sales Q3

**SEK 1,121 m**

EBIT Q3

**SEK 90 m**

#### Significant events during the period under review

- In June, Change Air, Canada, was acquired. The company is one of North America's leading manufacturers of air handling units for classrooms.
- In August, Systemair acquired 70 percent of the shares in Turkish company HSK. HSK is Turkey's leading manufacturer of air handling units. In December 2012, Systemair acquired a further 20 percent of the shares in the company.
- In August, Systemair acquired Ratos' shareholding in Lindab, bringing its stake to 11.6 percent of the shares outstanding.

	2012/13 Nov-Jan 3 mths	2011/12 Nov-Jan 3 mths	2012/13 May-Jan 9 mths	2011/12 May-Jan 9 mths
Net sales, SEK million	1,120.6	1,030.6	3,427.3	2,962.0
Growth, %	8.7	15.4	15.7	12.2
Operating profit, SEK million	89.8	97.3	329.2	314.2
Operating margin, %	8.0	9.4	9.6	10.6
Profit after tax, SEK million	55.3	70.0	217.2	220.2
Earnings per share, SEK	1.06	1.35	4.18	4.23
Operating cash flow per share, SEK	2.40	2.64	6.32	5.47

## CEO's Comments

### Continued growth

Sales rose by nearly 9 percent, and organic growth in the third quarter amounted to 4 percent. This, despite two weak months in the quarter. In both December and January, holiday periods were unusually long, with few working days in most of our markets. It is gratifying to be able to deliver not only growth but also a reasonably strong operating profit. Proof, indeed, that our strengths and our strategy are effective when times get tough.

#### The market

In the quarter, we noted further good growth in Eastern Europe, led by Russia and the Baltic States. Good growth was also recorded in the Other markets region, with a particularly positive trend in India, Malaysia and the Middle East.

#### Companies acquired

Change Air, Canada, continues to develop satisfactorily, but is now in a period of slower demand caused by seasonal factors. Our Russian company continues to grow strongly, even though January is always a weak month in Russia because of the long Christmas and New Year celebrations there. Our Turkish subsidiary Systemair-HSK was merged with the sales company we formerly operated in Turkey. We are also engaged in a major relocation of production facilities in Turkey, which has resulted in lower volumes in recent months.

#### Investments

The initial stages of operations at our new production facility in India are under way. Production of air handling units has started and the first deliveries have been made. The production of air distribution products and fans will be relocated there in the immediate future. Construction of offices and a development centre are still in progress. The new development centre in Germany is expected to be completed in May. New sheet metal working machinery is now being installed in our new 12,000 sqm Turkish production plant.



We have also carried out investments and modifications at our Spanish production facility. As a result we can produce large Eurovent-certified modular air handling units for the Iberia region.

#### Carrier Holland Heating

After the end of the period, we acquired Carrier Holland Heating, a market-leading producer of air handling units in the Netherlands. The acquisition enables us to further strengthen our position in Europe in this product area.

#### Outlook

We will continue to invest in production equipment, product development, marketing and acquisitions. Proof of the value of the investments made is that we are capable of not only organic growth but also reasonably satisfactory operating profit, even in tough times. We are well equipped to meet the upturn in the economy when it comes about.

Gerald Engström  
President and CEO

## Sales and markets

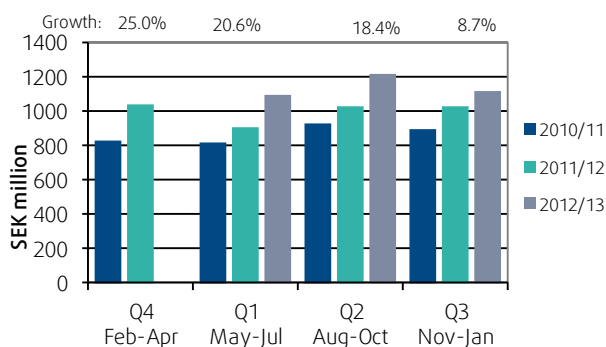
Group sales for the third quarter of 2012/13 totalled SEK 1,120.6 million (1,030.6), up 8.7 percent from the same period in the preceding year. Organic growth was 4.0 percent.

Growth in acquired operations totalled 7.0 percent, or SEK 72.0 million. During the quarter, foreign exchange effects reduced sales by 2.3 percent. This indicates that, at unchanged exchange rates, sales increased by 11.0 percent in the quarter.

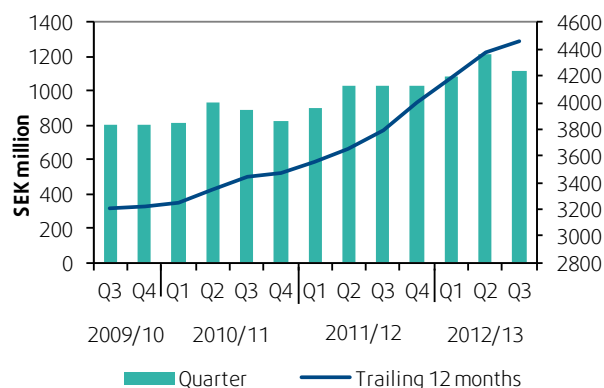
Net sales for the interim report period of May-January 2012/13 totalled SEK 3,427.3 (2,962.0), 15.7 percent higher than in the same period in the preceding year. Organic growth was 5.4 percent.

Growth in acquired operations was 13.1 percent, while foreign exchange effects reduced sales by 2.7 percent during the period.

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



### Net sales



### Geographic breakdown of Q3 sales

#### Nordic region

During the third quarter, sales in the Nordic region fell by 5 percent from the same period in the preceding year. All the Nordic countries other than Finland lost some ground during the quarter. Foreign exchange effects during the quarter were marginal.

#### 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 the effects of foreign exchange and acquisitions, sales decreased by 3 percent compared with last year. Markets that performed strongly in the region include Switzerland, France and Austria.

#### Eastern Europe and CIS

Sales in Eastern Europe and the CIS increased 14 percent during the quarter. Organic growth for the region amounted to 14 percent, indicating that acquisitions and foreign exchange effects cancel each other out. Russia and Estonia in particular continue to show solid growth.

	2012/13 Nov-Jan 3 mths	2011/12 Nov-Jan 3 mths	Change	2012/13 May-Jan 9 mths	2011/12 May-Jan 9 mths	Change
Nordic region	294.0	309.6	-5%	849.3	836.9	1%
Western Europe	342.6	342.8	0%	1,085.3	996.4	9%
Eastern Europe & CIS	274.3	239.9	14%	881.7	706.9	25%
North America	76.3	64.8	18%	277.1	210.3	32%
Other markets	133.4	73.5	82%	333.9	211.5	58%
<b>Total</b>	<b>1,120.6</b>	<b>1,030.6</b>	<b>9%</b>	<b>3,427.3</b>	<b>2,962.0</b>	<b>16%</b>

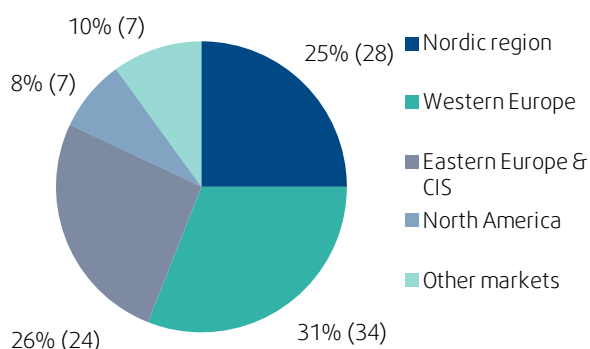
## North America

Sales in the North American market grew 18 percent during the quarter compared with the same period in the preceding year. The increase is attributable partly to the acquisition of Change Air, Canada. Adjusted for foreign exchange effects, sales increased 8 percent.

## Other markets

Sales in Other markets grew 82 percent compared with the same period in the preceding year, partly as a result of the acquisitions in Turkey and India. Adjusted for foreign exchange effects and acquisitions, sales increased 36 percent.

## Sales by market Q3 2012/13 (Q3 2011/12)



## Profit in the third quarter

The gross profit for the third quarter amounted to SEK 415.0 million (387.0), an increase of 7.2 percent over the same period in the preceding year. The gross margin fell to 37.0 percent (37.5) as a result mainly of acquisitions of companies with lower margins, but also changes in the product mix.

Operating profit for the third quarter totalled SEK 89.8 million (97.3), down 7.7 percent from the same period in the preceding year. The company recorded an operating margin of 8.0 percent (9.4).

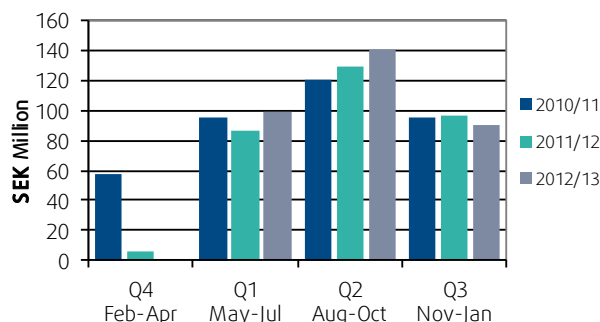
Selling and administration expenses for the quarter totalled SEK 322.7 million (299.5), an increase of SEK 23.2 million. Selling and administration expenses at acquired companies accounted for SEK 21.5 million (22.8) of the increase for the quarter.

Selling expenses were charged with SEK 0.2 million (2.4) for anticipated bad debts and impairment losses on trade receivables. During the quarter, costs related to acquisitions totalled SEK 0.6 million (1.7).

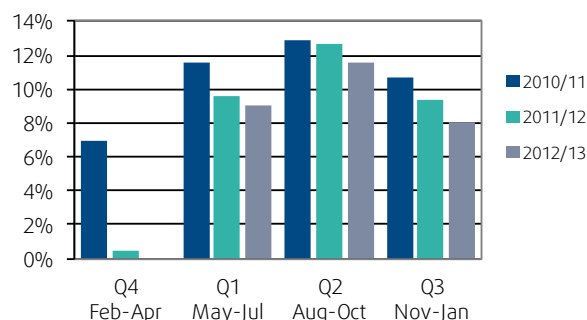
Net financial items ended the third quarter at SEK -11.1 million (-1.5). The effects of foreign exchange on long-term receivables, loans and bank balances totalled SEK -3.1 million net (3.7). Interest expense for the quarter

amounted to SEK -8.1 million (-5.9), 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



## Tax expense

Estimated tax for the quarter totalled SEK -23.4 million (-25.8) corresponding to an effective tax rate of 29.7 percent (26.9) based on profit after net financial items.

## Acquisitions and new operations

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 one of the largest shareholders in Lindab, with in all 11.6 percent of the share capital.

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. The facility will be occupied by two former production facilities and will benefit from major investments in modern sheet metal forming equipment. The investments will give us the most modern production facility for air handling units in the region. We also see great potential for higher sales in Turkey and neighboring 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.

In June, 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.

If Change Air and HSK had been consolidated as of 1 May 2012, net sales for the period May 2012 through January 2013 would have totalled approximately SEK 3,475 million. Operating profit for that period would have been approximately SEK 323 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 29.7 million (122.3), including SEK 27.4 million (27.3) invested in new construction and machinery. No business acquisitions took place and no additional purchase payments were made during the quarter (93.3). Depreciation of non-current assets amounted to SEK 29.0 million (26.2).

### **Personnel**

The average number of employees in the Group was 3,309 (2,698). At the end of the period, Systemair had 3,430 employees (3,113), 317 more than one year

previous. New employees were recruited chiefly in Sweden (27), Germany (15) and Lithuania (8). Through acquisitions, 228 employees joined the Group, including 159 at Systemair HSK, Turkey, 61 at Change Air, Canada and 8 at Systemair Serbia.

### **Cash flow and financial position**

Cash flow from operating activities before changes in working capital totalled SEK 92.8 million (107.1) for the quarter. Changes in working capital, mainly consisting of a decrease in accounts receivable, had a positive impact of SEK 31.8 million (29.9) on cash flow. Net cash flow from financing activities was SEK -110.1 million (42.8), as a result of the repayment of loans. At the end of the period, net indebtedness totalled SEK 1,166.2 million (802.0). The consolidated equity/assets ratio was 41.4 percent (45.3) at the end of the period.

### **Events after the close of the period**

In March, Systemair entered into an agreement with Carrier on the acquisition of Carrier Holland Heating, a producer of air handling units. Carrier Holland Heating is a market leader in air handling units in the Netherlands, with sales of EUR 32.5 million in 2012. The company, established in 1955, has production facilities and headquarters in Waalwijk and a total of approximately 140 employees. The company has been owned by Carrier since 1997. The agreement also stipulates continued deliveries of air handling units to the Carrier Group in Europe.

### **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 recognised at fair value, with changes in value being recognised in other comprehensive income. The acquisition is financed via a bank loan, which, too, increases 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 231.4 million (239.4), while operating profit was SEK 3.9 million (9.4).

The average number of employees in the Parent Company was 412 (404).

## Financial information

The report for the fourth quarter and full year 2012/13 will be published at 8.00 a.m. on 11 June 2013.

## 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 and heating products.

## 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 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 will be submitted for publication at 8.00 a.m. on 7 March 2013.

This interim report has not been reviewed by the Company's auditors.

Skinnskatteberg, 7 March 2013  
Systemair AB (publ)

Gerald Engström  
Chief Executive Officer

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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 SEK 4.0 billion in financial year 2011/12 and currently employs about 3,400 people. 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 14 percent.*

*Systemair has well-established operations in growth markets. The Group's products are marketed under the Systemair, Frico, VEAB and Fantech 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.*

## Consolidated Income Statement

	2012/13 Nov-Jan 3 mths	2011/12 Nov-Jan 3 mths	2012/13 May-Jan 9 mths	2011/12 May-Jan 9 mths	2012/13 Feb-Jan trailing 12	2011/12 May-Apr 12 mths
SEK m.						
Net sales	1,120.6	1,030.6	3,427.3	2,962.0	4,462.2	3,996.9
Cost of goods sold	-705.6	-643.6	-2,178.2	-1,842.1	-2,841.3	-2,505.2
<b>Gross profit</b>	<b>415.0</b>	<b>387.0</b>	<b>1,249.1</b>	<b>1,119.9</b>	<b>1,620.9</b>	<b>1,491.7</b>
Other operating income	12.0	17.3	39.9	45.4	50.4	55.9
Selling expenses	-266.4	-248.3	-752.6	-678.2	-1,036.1	-961.6
Administration expenses	-56.3	-51.2	-164.1	-146.8	-225.2	-208.0
Other operating expenses	-14.5	-7.5	-43.1	-26.1	-75.2	-58.2
<b>Operating profit</b>	<b>89.8</b>	<b>97.3</b>	<b>329.2</b>	<b>314.2</b>	<b>334.8</b>	<b>319.8</b>
Net financial items	-11.1	-1.5	-29.2	-14.9	-37.5	-23.2
<b>Profit after financial items</b>	<b>78.7</b>	<b>95.8</b>	<b>300.0</b>	<b>299.3</b>	<b>297.3</b>	<b>296.6</b>
Tax on profit for the period	-23.4	-25.8	-82.8	-79.1	-84.8	-81.1
<b>Profit for the period</b>	<b>55.3</b>	<b>70.0</b>	<b>217.2</b>	<b>220.2</b>	<b>212.5</b>	<b>215.5</b>
<b>Attributable to:</b>						
Parent Company shareholders	55.3	70.0	217.2	220.2	212.5	215.4
Shareholdings without controlling interest	0.0	0.0	0.0	0.0	0.0	0.1
Earnings per share, SEK <sup>1</sup>	1.06	1.35	4.18	4.23	4.09	4.14
Average number of shares <sup>1</sup>	52,000,000	52,000,000	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 Nov-Jan 3 mths	2011/12 Nov-Jan 3 mths	2012/13 May-Jan 9 mths	2011/12 May-Jan 9 mths	2012/13 Feb-Jan trailing 12	2011/12 May-Apr 12 mths
<b>Profit for the period</b>	55.3	70.0	217.2	220.2	212.5	215.5
<b>Other comprehensive income, net of tax</b>						
Translation differences, foreign operations	-14.9	4.4	-55.2	11.6	-56.3	10.5
Hedging of net assets in foreign operations, net of tax	-0.2	0.0	-0.4	-3.7	-0.8	-4.1
Change in fair value, financial assets available for sale	-43.1	-	5.2	-	5.2	-
<b>Other comprehensive income, net of tax</b>	<b>-58.2</b>	<b>4.4</b>	<b>-50.4</b>	<b>7.9</b>	<b>-51.9</b>	<b>6.4</b>
<b>Total comprehensive income for the period</b>	<b>-2.9</b>	<b>74.4</b>	<b>166.8</b>	<b>228.1</b>	<b>160.6</b>	<b>221.9</b>
<b>Attributable to:</b>						
Parent Company shareholders	-2.9	74.4	166.8	228.1	160.6	221.9
Shareholdings without controlling interest	0.0	0.0	0.0	0.0	0.0	0.0

## Consolidated Balance Sheet

SEK m.	31/01/2013	31/01/2012	30/04/2012
<b>ASSETS</b>			
Goodwill	439.6	383.1	367.3
Other intangible assets	155.2	123.0	126.2
Property, plant and equipment	769.3	807.6	792.0
Financial and other assets	523.4	114.5	107.0
<b>Total non-current assets</b>	<b>1,887.5</b>	<b>1,428.2</b>	<b>1,392.5</b>
Inventory	773.3	737.4	767.3
Current receivables	877.7	807.5	848.4
Cash and cash equivalents	86.7	129.2	91.6
<b>Total current assets</b>	<b>1,737.7</b>	<b>1,674.1</b>	<b>1,707.3</b>
<b>TOTAL ASSETS</b>	<b>3,625.2</b>	<b>3,102.3</b>	<b>3,099.8</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>1,500.9</b>	<b>1,405.3</b>	<b>1,399.1</b>
Non-current liabilities, provisions	155.7	134.6	132.2
Non-current liabilities, interest-bearing	544.2	212.2	185.4
<b>Total non-current liabilities</b>	<b>699.9</b>	<b>346.8</b>	<b>317.6</b>
Current liabilities, interest-bearing	678.3	692.6	681.4
Current liabilities, non-interest-bearing	746.1	657.6	701.7
<b>Total current liabilities</b>	<b>1,424.4</b>	<b>1,350.2</b>	<b>1,383.1</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,625.2</b>	<b>3,102.3</b>	<b>3,099.8</b>

## Consolidated Cash Flow Statement

SEK m.	2012/13 Nov-Jan 3 mths	2011/12 Nov-Jan 3 mths	2012/13 May-Jan 9 mths	2011/12 May-Jan 9 mths	2011/12 May-Apr 12 mths
Operating profit	89.8	97.3	329.2	314.2	319.8
Adjustment for non-cash items	38.8	32.7	114.1	72.4	98.0
Financial items	-8.1	-5.1	-19.6	-16.0	-22.8
Income tax paid	-27.7	-17.8	-59.7	-40.5	-57.5
<b>Cash flow from operating activities before changes in working capital</b>	<b>92.8</b>	<b>107.1</b>	<b>364.0</b>	<b>330.1</b>	<b>337.5</b>
Changes in working capital	31.8	29.9	-35.5	-45.9	-47.6
<b>Cash flow from operating activities</b>	<b>124.6</b>	<b>137.0</b>	<b>328.5</b>	<b>284.2</b>	<b>289.9</b>
Cash flow from investing activities	-29.1	-122.6	-590.4	-254.2	-265.4
Cash flow from financing activities	-110.1	42.8	264.5	22.2	-11.1
<b>Cash flow for the period</b>	<b>-14.6</b>	<b>57.2</b>	<b>2.6</b>	<b>52.2</b>	<b>13.4</b>
Cash and cash equivalents at start of period	102.6	72.5	91.6	76.8	76.8
Translation differences, cash and cash equivalents	-1.3	-0.5	-7.5	0.2	1.4
<b>Cash and cash equivalents at close of period</b>	<b>86.7</b>	<b>129.2</b>	<b>86.7</b>	<b>129.2</b>	<b>91.6</b>

## Statement of Changes in Equity – Group

SEK m.	2012/13 May-Jan			2011/12 May-Jan		
	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
Comprehensive income	166.8	0.0	166.8	228.1	0.0	228.1
<b>Amount at end of period</b>	<b>1,500.8</b>	<b>0.1</b>	<b>1,500.9</b>	<b>1,405.2</b>	<b>0.1</b>	<b>1,405.3</b>

## Key Ratios for the Group

		2012/13	2011/12	2012/13	2011/12	2011/12
		Nov-Jan	Nov-Jan	May-Jan	May-Jan	May-Apr
		3 mths	3 mths	9 mths	9 mths	12 mths
Net sales	SEK m.	1,120.6	1,030.6	3,427.3	2,962.0	3,996.9
Growth	%	8.7	15.4	15.7	12.2	15.3
Operating profit	SEK m.	89.8	97.3	329.2	314.2	319.8
Operating margin	%	8.0	9.4	9.6	10.6	8.0
Profit after net fin. items	SEK m.	78.7	95.8	300.0	299.3	296.6
Profit margin	%	7.0	9.3	8.8	10.1	7.4
Return on capital employed	%	13.1	18.7	13.1	18.7	14.7
Return on equity	%	14.6	18.9	14.6	18.9	15.7
Equity/assets ratio	%	41.4	45.3	41.4	45.3	45.1
Investments	SEK m.	29.1	122.6	590.4	254.2	265.4
Depreciation/Amortisation	SEK m.	29.0	26.2	85.7	72.3	100.2
<b>Per share ratios</b>						
Basic earnings per share	SEK	1.06	1.35	4.18	4.23	4.14
Diluted earnings per share	SEK	1.06	1.35	4.18	4.23	4.14
Basic equity per share	SEK	28.86	27.02	28.86	27.02	26.90
Diluted equity per share	SEK	28.86	27.02	28.86	27.02	26.90
Basic operating cash flow per share	SEK	2.40	2.64	6.32	5.47	5.58
Diluted operating cash flow per share	SEK	2.40	2.64	6.32	5.47	5.58
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

		2012/13				2011/12			2010/11	
		Nov-Jan	Aug-Oct	May-Jul	Feb-Apr	Nov-Jan	Aug-Oct	May-Jul	Feb-Apr	Nov-Jan
		Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Net sales	SEK m.	1,120.6	1,215.7	1,091.0	1,034.9	1,030.6	1,026.6	904.8	828.2	893.2
Growth	%	8.7	18.4	20.6	25.0	15.4	10.5	10.7	3.4	11.8
Gross margin	%	37.0	36.5	35.8	35.9	37.5	39.1	36.6	39.8	38.5
Operating profit	SEK m.	89.8	140.9	98.5	5.6	97.3	130.2	86.8	57.2	95.3
Operating margin	%	8.0	11.6	9.0	0.5	9.4	12.7	9.6	6.9	10.7
Return on capital employed	%	13.1	13.9	14.3	14.7	18.7	19.3	19.1	18.0	21.0
Return on equity	%	14.6	15.9	16.8	15.7	18.9	21.5	20.9	22.3	24.5
Equity/assets ratio	%	41.4	39.1	45.2	45.1	45.3	45.4	45.4	48.6	49.0
Basic equity per share	SEK	28.86	28.92	26.97	26.90	27.02	25.59	26.05	24.39	24.05
Basic earnings per share	SEK	1.06	1.71	1.40	-0.09	1.35	1.83	1.06	0.61	1.87

## Parent Company Income Statement

	2012/13 Nov-Jan 3 mths	2011/12 Nov-Jan 3 mths	2012/13 May-Jan 9 mths	2011/12 May-Jan 9 mths	2011/12 May-Apr 12 mths
SEK m.					
Net sales	231.4	239.4	719.1	706.3	939.2
Cost of goods sold	-175.6	-180.9	-543.8	-529.5	-701.5
<b>Gross profit</b>	<b>55.8</b>	<b>58.5</b>	<b>175.3</b>	<b>176.8</b>	<b>237.7</b>
Other operating income	7.8	8.5	27.1	25.3	31.8
Selling expenses	-42.0	-41.2	-117.1	-112.4	-158.8
Administration expenses	-15.2	-16.9	-44.8	-44.8	-59.9
Other operating expenses	-2.5	0.5	-7.3	-4.4	-5.6
<b>Operating profit</b>	<b>3.9</b>	<b>9.4</b>	<b>33.2</b>	<b>40.5</b>	<b>45.2</b>
Net financial items	37.0	11.4	160.7	201.7	133.0
<b>Profit after financial items</b>	<b>40.9</b>	<b>20.8</b>	<b>193.9</b>	<b>242.2</b>	<b>178.2</b>
Appropriations <sup>1</sup>	9.8	-1.0	23.6	-9.1	-51.6
<b>Pre-tax profit</b>	<b>50.7</b>	<b>19.8</b>	<b>217.5</b>	<b>233.1</b>	<b>126.6</b>
Tax on profit for the period	-2.2	-3.6	-12.0	-8.8	1.7
<b>Profit for the period</b>	<b>48.5</b>	<b>16.2</b>	<b>205.5</b>	<b>224.3</b>	<b>128.3</b>

<sup>1</sup> Appropriations have been calculated pro rata for the accounting period.

## Parent Company Balance Sheet

SEK m.	31/01/2013	31/01/2012	30/04/2012
<b>ASSETS</b>			
Other intangible assets	5.9	4.7	5.6
Property, plant and equipment	100.8	109.8	106.7
Financial and other assets	1,840.7	1,411.1	1,425.2
<b>Total non-current assets</b>	<b>1,947.4</b>	<b>1,525.6</b>	<b>1,537.5</b>
Inventory	119.5	116.9	122.4
Current receivables	611.0	677.0	600.9
Cash and cash equivalents	-	-	-
<b>Total current assets</b>	<b>730.5</b>	<b>793.9</b>	<b>723.3</b>
<b>TOTAL ASSETS</b>	<b>2,677.9</b>	<b>2,319.5</b>	<b>2,260.8</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	883.2	836.9	743.5
Untaxed reserves	69.0	107.1	92.7
Non-current liabilities, provisions	1.7	2.3	1.4
Non-current liabilities, interest-bearing	600.5	302.8	571.3
<b>Total non-current liabilities</b>	<b>602.2</b>	<b>305.1</b>	<b>572.7</b>
Current liabilities, interest-bearing	980.2	911.3	637.2
Current liabilities, non-interest-bearing	143.3	159.1	214.7
<b>Total current liabilities</b>	<b>1,123.5</b>	<b>1,070.4</b>	<b>851.9</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,677.9</b>	<b>2,319.5</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 outstanding in HSK and Change Air was provisionally made up as follows:

Total historical cost, less transaction costs                      SEK 138.6 million

Identifiable net assets	HSK	Change Air	Total
Goodwill	71.1	21.3	92.4
Brands and customer relationships	30.1	20.9	51.1
Machinery and equipment	3.5	3.5	7.0
Financial and other assets	-	0.8	0.8
Inventory	16.4	14.5	30.9
Other current assets	40.5	17.9	58.4
Cash and cash equivalents	2.5	-	2.5
Non-interest-bearing liabilities (incl. deferred tax liability)	-5.3	-5.2	-10.5
Interest-bearing liabilities	-18.9	-15.0	-34.0
Other operating liabilities	-52.6	-7.4	-60.0
	87.3	51.3	138.6

Transaction costs in the acquisition of subsidiaries totalled SEK 1.9 million.

The total effect on cash flow from the acquisitions, including additional purchase consideration paid for prior years' acquisitions, amounted to SEK -112.0 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 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.

## 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.