

CONCENTRIC'S INTERIM REPORT
JANUARY – MARCH 2015

First quarter 2015: Good profit development is strengthened by currency gains.

- Net sales for the first quarter, excluding Alfdex: MSEK 623 (496) – up 1% compared to the previous year after adjustment for currency (+21%) and the acquisition of GKN Pumps (+4%)
- Operating profit for the first quarter: SEK 117 million (77) including negative goodwill of SEK 15 million (0) that was reported on the acquisition of GKN Pumps – an operating margin of 18.8% (15.5)
- Profit after tax for the first quarter: SEK 89 million (53) – profit per share before and after dilution of SEK 2.10 (1.20)
- The group's net debt for the first quarter: SEK 630 million (343) – a gearing ratio of 84% (40)

| Key figures – The Group Amount in MSEK | Jan-mar | | | Apr-mar | Jan-dec |
|---|-------------|-------------|-------------|--------------|--------------|
| | 2015 | 2014 | Change | 2014/15 | 2014 |
| Net sales | 623 | 496 | 26% | 2 205 | 2 078 |
| Operating profit before items affecting comparability | 102 | 77 | 32% | 358 | 333 |
| Operating results | 117 | 77 | 52% | 373 | 333 |
| Profit before tax | 114 | 70 | 63% | 360 | 316 |
| The result of the period | 89 | 53 | 68% | 277 | 241 |
| Cash flow from current operations | 63 | 65 | -3% | 338 | 340 |
| Net debt | 630 | 343 | 84% | 630 | 528 |
| Operating margin before items affecting comparability, % | 16,3 | 15,5 | 0,8 | 16,2 | 16,0 |
| Operating margin, % | 18,8 | 15,5 | 3,3 | 16,9 | 16,0 |
| Return on equity, % | 34,4 | 27,7 | 6,7 | 34,4 | 29,6 |
| Earnings per share before dilution, before items affecting comparability, SEK | 1,75 | 1,20 | 0,55 | 6,09 | 5,54 |
| Earnings per share before dilution, SEK | 2,10 | 1,20 | 0,90 | 6,44 | 5,54 |
| Earnings per share after dilution, SEK | 2,10 | 1,20 | 0,90 | 6,42 | 5,53 |
| Debt ratio, % | 84 | 40 | 44 | 84 | 65 |

President and CEO, David Woolley, comments on the interim report for the first quarter of 2015:

"The group's development during the first quarter of 2015 was further strengthened by significant currency translation gains due to the relatively weak development of the Swedish krona. Underlying growth for the first quarter of 2015, adjusted for currency effects and the acquisition of GKN Pumps, increased by 1% year-on-year, which is in line with the published statistics for our end markets. For most end markets, the outlook for North America remains good, and although the European market was unchanged, Concentric achieved continued structural growth in connection with the launch of the Euro VI engines. However, demand on the market for agricultural machinery remains low.

The group's underlying operating margin for the first quarter improved to 16.3% (15.5), as a result of the significant currency effect. Since the fair value of acquired net assets in the GKN Pumps business was greater than the acquisition price, negative goodwill of SEK 15 million was also reported during the first quarter, which increased the reported operating margin to 18.8%. We expect that integration costs will be booked for GKN Pumps in the second quarter of 2015 at a value that does not exceed the value of this negative goodwill.



The order intake, which is expected to be completed in the second quarter of 2015, was in line with the turnover for the first quarter of 2015. This indicates that end customer demand remains stable.

Concentric is in a strong position, both financially and operationally, and is expected to be able to fully utilize the opportunities at the market.”

Important business events during the first quarter of 2015:

2-Feb-15 Concentric completes the acquisition of GKN Sinter Metals de Argentina SA (GKN Pumps), a supplier of engine pumps in South America, strengthening Concentric's presence in the region.

Net sales and operating profit for the group

| Key figures – The Group Amount in MSEK | Jan-mar | | | Apr-mar | Jan-dec |
|--|----------------|-------------|---------------|----------------|----------------|
| | 2015 | 2014 | Change | 2014/15 | 2014 |
| Net sales | 623 | 496 | 26% | 2 205 | 2 078 |
| Operating profit before items affecting comparability | 102 | 77 | 32% | 358 | 333 |
| Operating results | 117 | 77 | 52% | 373 | 333 |
| Profit before tax | 114 | 70 | 63% | 360 | 316 |
| The result of the period | 89 | 53 | 68% | 277 | 241 |
| Operating margin before items affecting comparability, % | 18,8 | 15,5 | 3,3 | 16,9 | 16,0 |
| Operating margin, % | 28,2 | 26,0 | 2,2 | 28,2 | 27,1 |
| Return on capital employed before items affecting comparability, % | 29,3 | 26,0 | 3,3 | 29,3 | 27,1 |

Turnover for the first quarter amounted to SEK 623 million (496), an increase of 26% compared to the previous year in absolute terms. Adjusted for currency effects (+21%) and the acquisition of GKN Pumps (+4%), actual sales for the first quarter increased by 1%. The group's average turnover per working day for the first quarter, excluding the acquisition of GKN Pumps, increased significantly compared to the previous year to SEK 9.6 million (7.9), which was mainly due to the positive currency effect from the relatively weak Swedish krona.

Operating profit during the first quarter amounted to SEK 117 million (77), including income of SEK 15 million (0), regarding negative goodwill from the acquisition of GKN Pumps. As a result, the reported operating margin for the first quarter increased to 18.8% (15.5). Adjusted for negative goodwill, the operating margin before items affecting comparability improved for the first quarter to 16.3% (15.5).

Financial items, net

The financial costs for the first quarter amounted to SEK 3 million (7), including exchange rate gains of net SEK 2 million (loss 1), loan interest and promise commissions related to commitments in granted but unutilized credits and other interest of SEK 0 million (2) as well as financial costs for pension liabilities which net amounted to SEK 5 million (4). The profit before tax thus amounted to SEK 114 million (70) for the first quarter.

Tax

Tariff costs for the first quarter amounted to SEK 25 million (17), with an effective Tariff rate for the first quarter of 22% (24%). After the result before tax was adjusted for a negative goodwill of SEK 15 million, which had no related tax items, the underlying effective tax rate for the first quarter was 25%. Changes in the group's underlying, effective, annual tax rate mainly reflect changes in the mix of taxable income and changes in the corporate tax in the various tax jurisdictions where the group operates.

Operating profit and earnings per share

Profit after tax for the first quarter amounted to SEK 89 million (53). Earnings per share before items affecting comparability for the first quarter amounted to SEK 1.75 (1.20). Earnings per share before and after dilution for the first quarter amounted to SEK 2.10 (1.20).

The group's segment reporting

The North and South America segment includes the group's operations in the USA and South America. Since Concentric's operations in India and China are relatively small compared to the facilities in the Western world, Europe and the rest of the world continue to be reported as a combined segment in accordance with our management structure and include the Group's operations in Europe (including a consolidation of Alfdex under the split method), India and China.

Evaluation of an operating segment's result is based on the operating result, EBIT. Financial assets and liabilities have not been allocated to the segments.

Net sales and operating profit – North and South America

| North and South America Amount in MSEK | Jan-mar | | | Apr-mar | Jan-dec |
|--|---------|------|--------|---------|---------|
| | 2015 | 2014 | Change | 2014/15 | 2014 |
| External net sales | 331 | 246 | 35% | 1 118 | 1 033 |
| Operating profit before items affecting comparability | 45 | 38 | 18% | 164 | 157 |
| Operating results | 60 | 38 | 58% | 179 | 157 |
| Operating margin before items affecting comparability, % | 18,2 | 15,3 | 2,9 | 16,0 | 15,2 |
| Operating margin, % | 50,1 | 45,2 | 4,9 | 50,1 | 49,9 |
| Return on capital employed before items affecting comparability, % | 54,7 | 45,2 | 9,5 | 54,7 | 49,9 |

External sales decreased by 1% currency-adjusted for the first quarter compared to the previous year, after adjusting for currency (+29%) and the acquisition of GKN Pumps (+7%). The continued reduced demand for agricultural machinery was largely offset by the improvement in the market for medium- and heavy-duty trucks. The average external turnover per working day for the first quarter, excluding the acquisition of GKN Pumps, increased significantly compared to the previous year to SEK 5.1 million (4.0), which was mainly due to the positive currency effect from the relatively weak Swedish krona.

Operating profit during the first quarter amounted to SEK 60 million (38), including income of SEK 15 million (0), regarding negative goodwill from the acquisition of GKN Pumps. As a result, the operating margin of the external turnover increased to 18.2% (15.3). Adjusted for negative goodwill, the operating margin before items affecting comparability was 13.6% (15.3). The regional results for the first quarter also included GKN Pump's net sales for the two months ending March 31, 2015, of SEK 18 million, which produced a negative operating profit of SEK 1 million. The underlying operating margin for the first quarter, excluding the acquisition of GKN Pumps, was therefore 14.7% (15.3).

Net sales and operating profit – Europe and the rest of the world

| Europe and the rest of the world Amount in MSEK | Jan-mar | | | Apr-mar | Jan-dec |
|--|---------|------|--------|---------|---------|
| | 2015 | 2014 | Change | 2014/15 | 2014 |
| External net sales (including Alfdex) | 339 | 289 | 17% | 1 253 | 1 203 |
| Operating results | 58 | 40 | 45% | 200 | 182 |
| Operating margin, % | 17,0 | 14,0 | 3,0 | 16,0 | 15,1 |
| Return on capital employed, % | 21,1 | 19,0 | 2,1 | 21,1 | 20,0 |

External sales for the first quarter, including Concentric's 50% stake in Alfdex, were up 6% year-on-year, adjusted for currency effects (+11%). As a result, the average external turnover per working day for the first quarter, including the 50 percent holding in Alfdex, increased compared to the previous year to SEK 5.3 M (4.5), which also includes the positive currency effect from the relatively weak Swedish krona.

The operating profit, including Concentric's 50 percent share of the operating profit in Alfdex, amounted to SEK 58 million (40) during the first quarter. The increase in operating profit compared to the previous year corresponds to a contribution margin of 35%, based on the increase in external turnover. As a result, operating margin for the first quarter increased to 17.0% (14.0).

Market development

The market information below for diesel engines is based on statistics from Power Systems Research. The market information for hydraulic products is based on statistics from Off-Highway Research for construction machinery and the International Truck Association for forklift trucks.

| End markets and regions | Q1-15 compared to Q1-14 | | | Full year-15 compared to full year-14 | | |
|--------------------------------|-------------------------|--------|-------------|---------------------------------------|--------|-------------|
| | North America | Europe | China/India | North America | Europe | China/India |
| Agricultural machinery | | | | | | |
| Diesel engines | -9% | -11% | -10% | -8% | -3% | 2% |
| Construction machines | | | | | | |
| Diesel engines | 6% | -1% | -8% | 7% | -1% | 1% |
| Hydraulic equipment | 7% | 3% | - | 7% | 3% | - |
| Trucks | | | | | | |
| Light vehicles | 3% | - | - | 4% | - | - |
| Medium/heavy vehicles | 8% | 1% | -8% | 9% | 1% | 0% |
| Industrial applications | | | | | | |
| Other industrial applications | -1% | 1% | -6% | 0% | 2% | 3% |
| Hydraulic forklifts | 5% | 2% | - | 3% | 2% | - |

Source: Updated Q1 2015 data from Power Systems Research, Off-Highway Research and the International Truck Association for forklifts.

The published market statistics for the first quarter are basically in line with Concentric's actual order intake for the first quarter of 2015. As noted in previous reports, changes in the market statistics tends to lag behind our actual sales by about 3-6 months.

North American end markets

- According to the latest market statistics, diesel engines increased overall in most end markets in the first quarter compared to the previous year. Medium and heavy trucks showed the strongest growth figures. The exception is the market for agricultural machinery, which remains weak. In addition, the latest market statistics are in principle consistent with Concentric's actual sales of engine products in North America during the first quarter.
- According to the latest market statistics for hydraulic products used later in the production chain, they also increased in the first quarter compared to the previous year. Both construction machines and forklifts for goods handling showed high growth. That is in continued contrast to Concentric's actual sales of hydraulic products in North America, which were down 9% in the first quarter compared to last year. In part, this reflects the trend in the agricultural machinery market, where John Deere's sales were down 21% in the first quarter compared to the previous year.

European end markets

- The market statistics for diesel engine production showed a largely unchanged development in the first quarter compared to the previous year, which is consistent with Concentric's actual turnover of engine products in Europe. In addition, Concentric had continued structural growth in connection with the launch of the Euro VI engines.
- Demand for hydraulic products in the European end markets was relatively stable for both construction machinery and forklifts in the first quarter, in line with Concentric's actual sales.

End markets in emerging countries

The latest market statistics for both India and China showed a year-on-year decline in all end markets. This is consistent with Concentric's turnover, but these markets account for only around 5% of the group's total revenue.

Seasonal variation

Each end market has its own seasonal variation depending on its end user, for example, sales of agricultural machinery are linked to harvest periods in the northern and southern hemispheres. However, there is no significant seasonal variation in the demand profile of Concentric's customers, and therefore the most important component is the number of working days during the quarter.

The weighted average number of working days in the first quarter was 63 (63) for the Group, with an average of 61 (62) working days for North and South America and 64 (64) working days for Europe and the rest of the world.

| <i>The group's sales development</i> | Q1-15 compared to Q1-14 | | | Full year-15 compared to full year-14 | | |
|---|--------------------------------|---|------------------|--|---|------------------|
| | North and South America | Europe and the rest of the world | The group | North and South America | Europe and the rest of the world | The group |
| Weighted market development 1) | 4% | -1% | 1% | 4% | 1% | 2% |
| Concentric's actual development 2) | -1% | 6% | 3% | | | |

1) Based on latest market statistics weighted for Concentric's mix of end markets and geographies 2) Based on actual currency adjusted turnover, including Alfdex but excluding the effect from GKN Pumps

Overall, market statistics showed that production figures, weighted for the group's end markets and regions, increased by 1% for the first quarter and are forecast to increase by 2% for the full year compared to the previous year. That's in line with Concentric's actual first-quarter revenue, including revenue from Alfdex, which was up 3% year-over-year, adjusted for currency effects and the acquisition of GKN Pumps.

Cash flow

The reported cash flow from operating activities during the first quarter amounted to SEK 63 million (65), which corresponds to SEK 1.49 (1.47) per share.

The group also received a dividend of SEK 10 million (12) compared to the established dividend of SEK 12 million (12) during the first quarter from the half-owned joint venture company Alfdex AB.

Net investments in fixed assets

The group's investments in tangible fixed assets amounted to SEK 4 million (5) during the first quarter. The group also disposed of tangible fixed assets for SEK 3 million (0) in connection with the sale of the group's property in Skåne's Fagerhult, Sweden, at book value during the first quarter. On January 30, 2015, Concentric completed the acquisition of GKN Sinter Metals de Argentina SA ("GKN Pumps"). The total cash flow related to the investment in GKN Pumps comprised the purchase price of SEK 20 million, plus acquisition-related costs of SEK 2 million, minus acquired cash balances of SEK 12 million, i.e. a net cash flow of SEK 10 million. Further information about the acquisition is provided below.

Financial standing

The book value of financial assets and financial liabilities are considered reasonable approximations of the fair value. Financial instruments recorded at fair value in the balance sheet consist of derivative instruments. On March 31, 2015, the fair value of derivative instruments on the asset side amounted to SEK 9 million (4), and the fair value of derivative instruments on the liability side amounted to SEK 0 million (0). These fair value measurements belong to level 2 of the fair value hierarchy.

As a result of a review of the actuarial assumptions used in the valuation of the group's benefit-based pension plans, additional actuarial losses of a total of SEK 144 million (0) have been reported under net pension liabilities at the end of the first quarter. To a large extent, the losses are related to the change in the discount rate and the determined inflation and are in addition to the SEK 127 million in actuarial losses that were reported as part of the valuation made on December 31, 2014.

As a result, the group's net debt on March 31 was SEK 630 million (342), comprising bank loans and corporate bonds of SEK 179 million (178) and pension liabilities of a net SEK 737 million (400) and cash and cash equivalents amounting to SEK 286 million (237).

A dividend of SEK 3.00 per share, a total of SEK 127 million, for the financial year 2014 was approved by the annual general meeting held on March 26, 2015, and settled on April 2, 2015.

Equity amounted to SEK 748 million (848), which resulted in a debt ratio of 84% (40).

Employees

The average number of full-time employees during the first quarter was 1,079 (1,046).

The parent company

Net sales for the first quarter amounted to SEK 6 million (7), which gave an operating profit of SEK 2 million (4). The marginal deterioration reflects the increased costs of performing services in the first quarter. The company also reported the fixed dividend of SEK 12 million (12) from its half-owned joint venture company Alfdex AB.

The accumulated exchange rate losses and interest costs for the first quarter amounted to SEK 69 million (profit 1) and SEK 0 million (2), respectively.

Transactions with related parties

The parent company has a close relationship with its subsidiaries and associated companies. Transactions with subsidiaries and associated companies have taken place on market terms. No transactions have taken place between Concentric AB and its subsidiaries or other related parties that have had a significant impact on either the company's or the group's financial position and results.

Acquisition

On January 30, 2015, Concentric completed the acquisition of the entire share capital of GKN Sinter Metals de Argentina SA ("GKN Pumps"), a supplier of engine pumps in South America, strengthening Concentric's presence in the region. GKN Pumps has a production facility in Chivilcoy, Argentina, which will give Concentric an important foothold within the Mercosur trade bloc, thus facilitating further establishment in the South American market.

The fair value of identifiable assets acquired, and liabilities assumed has been determined as follows:

| Real values – the acquisition of GKN Pumps | Booked | Adjustments | Real |
|--|---------------|--------------------|-------------|
| Amount in MSEK | host | | host |
| cash | 20 | - | 20 |
| Total purchase price for shares in GKN Pumps | 20 | - | 20 |
| Other intangible fixed assets 1) | 1 | -1 | - |
| Tangible fixed assets 2) | 19 | 1 | 20 |
| Total acquired fixed assets | 20 | 0 | 20 |
| Inventory 2,3) | 13 | -2 | 11 |
| Receivables | 27 | - | 27 |
| Liquid funds | 12 | - | 12 |
| Total acquired current assets | 52 | -2 | 50 |
| Short-term interest-bearing liabilities | 1 | - | 1 |
| Other short-term liabilities 4) | 26 | 8 | 34 |
| Total assumed short-term liabilities | 27 | 8 | 35 |
| Net assets acquired | 45 | -10 | 35 |
| Negative goodwill as a result of acquisitions | -25 | 10 | -15 |

Fair value adjustments

The fair value adjustments that were identified can be summarized as follows:

- 1) Impairment of intangible fixed assets to the net sales value,
- 2) Reclassification of tools from inventories to tangible fixed assets,
- 3) Impairment of consumables included in inventory, in line with Concentric's principles, and 4) Additional provisions for bonuses, legal claims, warranties and environmental remediation.

In light of the history of operating losses for GKN Pumps, no deferred tax receivables have been reported for these adjustments.

Acquisition-related costs

In addition to the total purchase price for the shares in GKN Pumps as stated above, there were also acquisition-related legal costs and consulting fees of SEK 2 million, which have been expensed in the income statement for the first quarter.

Operating profit before the acquisition

The net sales for GKN Pumps for the year ending 31 December 2014 (excluded from Concentric's consolidated results for the full year 2014) of SEK 99 million resulted in a loss both in terms of operating and net profit of SEK 6 million, after fair value adjustments.

The net sales for GKN Pumps for January 2015 (excluded from Concentric's consolidated results for the first quarter of 2015) of SEK 6 million resulted in a loss both in terms of operating and net profit of SEK 1 million.

Operating profit after the acquisition

The net sales for GKN Pumps for the two months ending March 31, 2015 (included in Concentric's consolidated results for the first quarter of 2015) of SEK 18 million resulted in a loss both in terms of operating and net profit of SEK 1 million. A one-off income of SEK 15 million was also reported in the group result for Concentric AB during the first quarter of 2015, regarding negative goodwill from the acquisition of GKN Pumps.

Verk Business overview

Concentric's business and objectives, drivers, products, market position and end markets and details of the company's Business Excellence program are all presented in the 2014 Annual Report (https://www.concentricab.com/downloads/AGM-2015/Concentric_AR_2014_SV.pdf)

Material risks and uncertainties

- All business activities involve risks – controlled risk-taking is a prerequisite for maintaining a sustainably profitable business. Risks can arise as a result of external events and can affect a certain industry or market or be specific to individual companies or groups. Concentric works continuously to identify, assess and manage risks. In some cases, Concentric may affect the likelihood of a risk-related event occurring. If such events are beyond Concentric's control, the aim is to minimize the consequences. The risks Concentric is exposed to can be classified into four main categories:
- Industry and market risks – external risks such as the cyclical nature of demand from our end customers, strong competition, customer relations and the availability and prices of our raw materials.

- Operational risks – such as limited capacity and flexibility in terms of our production facilities and employees, product development and introduction of new products, customer complaints, product recalls and product liability.
- Legal risks – such as the protection and enforcement of intellectual property rights and potential disputes with third parties.
- Financial risks – such as liquidity risks, interest rate fluctuations, currency fluctuations, credit risks, management of pension commitments and the group's capital structure.

Concentric's board and group management have reviewed how these material risks and uncertainties have developed since the publication of the annual report for 2014 and confirm that there have been no changes beyond what is commented above in terms of improved market development.

For further information, we refer to the section "Risk factors and risk management" on pages 29-31 of the annual report for 2014 (https://www.concentricab.com/downloads/AGM-2015/Concentric_AR_2014_SV.pdf).

Events after the end of the balance sheet date

There are no significant events after the balance sheet date to report.

Repurchase and holding of own shares

On March 26, 2015, the annual general meeting decided to withdraw 1,363,470 of the company's own repurchased shares. The reduction of the share capital was carried out with withdrawal and subsequent bonus issue to restore the share capital. The decision led to the number of outstanding shares being reduced by 1,363,470 and the share capital increased by SEK 41. The company's total holding of own shares at the end of the first quarter was thus 460,841 (259,295) shares, which corresponded to 1.1% (0.6) of the total number of issued shares of 42,852,500 (44,215,970) shares.

The AGM also decided to give the board the right to, during the period until the next AGM in 2016, decide on the buyback of own shares, so that the company's holding does not at any time exceed 10 percent of the total number of issued shares. The acquisitions must be paid in cash and take place on NASDAQ OMX Stockholm, in order to increase flexibility in connection with potential future company acquisitions, as well as to be able to improve the company's capital structure and cover costs for and enable the allocation of shares according to the company's incentive program.

Basis for establishment and accounting principles

This interim report for Concentric AB has been prepared in accordance with IAS 34 Interim reporting and applicable rules in the Annual Accounts Act. The report for the parent company is prepared in accordance with the Annual Accounts Act, Chapter 9 and applicable rules in RFR 2 Accounting for legal entities.

The basis for the accounting and the accounting principles adopted for the preparation of this interim report are the same for all periods and are consistent with what appears in the 2014 annual report.

New standards, changes and interpretations of existing standards that have the support of the EU and that have been adopted by the group.

None of the interpretations of IFRS and IFRIC approved by the EU are considered to have any significant effects for the group.

Purpose of the report and forward-looking information

Concentric AB (publ) is listed on NASDAQ OMX Stockholm, Mid Cap. The information in this report is such that Concentric must make public according to the law on the securities market. The information was submitted for publication on April 28, 2015, at 8:00 a.m. This report contains information containing forward-looking statements regarding the future prospects of Concentric's business. The information is based on Concentric management's current expectations, valuations, and forecasts. Future actual outcomes may vary significantly compared to the forward-looking information provided in this report, due to, among other things, changed economic conditions, as well as the market and competitive situation.

Upcoming reporting opportunities

| | |
|---------------------------------------|-----------------|
| Interim report January–June 2015 | 24 July 2015 |
| Interim report January–September 2015 | 23 October 2015 |

Stockholm, 28 April 2015

Concentric AB (publ)

David Woolley

President and CEO

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The company's registration number 556828-4995

This interim report has not been audited.

The consolidated income statement, in summary

| Amount in MSEK | Jan-mar 2015 | Jan-mar 2014 | Apr-mar 2014/15 | Jan-dec 2014 |
|--|-----------------|-----------------|--------------------|-----------------|
| Net sales | 623 | 496 | 2 205 | 2 078 |
| Cost of goods sold | -451 | -361 | -1 600 | -1 510 |
| Gross profit | 172 | 135 | 605 | 568 |
| Selling expenses | -23 | -14 | -91 | -82 |
| Administration costs | -37 | -29 | -124 | -116 |
| Product development costs | -12 | -18 | -52 | -58 |
| Share of net profit from joint venture | 5 | 3 | 14 | 12 |

| | | | | |
|---|------------|-----------|------------|------------|
| Other operating income and expenses | 12 | 0 | 21 | 9 |
| Operating results | 117 | 77 | 373 | 333 |
| Financial income and expenses | -3 | -7 | -13 | -17 |
| Results before tax | 114 | 70 | 360 | 316 |
| Tax | -25 | -17 | -83 | -75 |
| The result of the period | 89 | 53 | 277 | 241 |
| Earnings per share before dilution, before items affecting comparability, SEK | 1,75 | 1,20 | 6,09 | 5,54 |
| Earnings per share before dilution, SEK | 2,10 | 1,20 | 6,44 | 5,54 |
| Earnings per share after dilution, SEK | 2,10 | 1,20 | 6,42 | 5,53 |
| Weighted average number of shares before dilution (thousands) | 42 392 | 43 957 | 43 035 | 43 421 |
| Weighted average number of shares after dilution (thousands) | 42 541 | 44 027 | 43 159 | 43 523 |

The group's report on comprehensive income

| Amount in MSEK | Jan-mar | | Apr-mar | Jan-dec |
|---|------------|-----------|------------|------------|
| | 2015 | 2014 | 2014/15 | 2014 |
| The result of the period | 89 | 53 | 277 | 241 |
| Other comprehensive income | | | | |
| Items that are not reclassified to the income statement: | | | | |
| Actuarial losses | -144 | - | -271 | -127 |
| Tax on actuarial losses | 39 | - | 72 | 33 |
| Items that may be reclassified to the income statement: | | | | |
| Exchange rate differences on debt to foreign operations | -69 | 1 | -178 | -108 |
| Tax on Exchange rate differences on debt to foreign operations | 15 | - | 39 | 24 |
| Securing cash flow | 7 | 5 | 6 | 4 |
| Tax on securing cash flow | -2 | -1 | -3 | -2 |
| Exchange rate translation difference | 128 | 7 | 352 | 231 |
| Amount Other comprehensive income | -26 | 12 | 17 | 55 |
| Amount total result | 63 | 65 | 294 | 296 |

The consolidated balance sheet, in summary 1)

| Amount in MSEK | 31 mar | 31 mar | 31 dec |
|---------------------------|--------------|--------------|--------------|
| | 2015 | 2014 | 2014 |
| Goodwill | 649 | 537 | 612 |
| Other intangible assets | 345 | 325 | 335 |
| Tangible fixed assets | 213 | 182 | 194 |
| Shares in joint ventures | 14 | 17 | 26 |
| Deferred Tax Claims | 213 | 128 | 165 |
| Long-term receivables | 4 | 4 | 4 |
| Total fixed assets | 1 438 | 1 193 | 1 336 |

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| | | | |
|---|--------------|--------------|--------------|
| | | 208 | 222 |
| Inventory | | | |
| Receivables | 385 | 279 | 273 |
| Liquid funds | 286 | 237 | 235 |
| Total current assets | 917 | 724 | 730 |
| Total assets | 2 355 | 1 917 | 2 066 |
| Total equity | 748 | 848 | 811 |
| Pensions and similar obligations | 737 | 400 | 568 |
| Deferred Tax Debts | 63 | 88 | 64 |
| Long-term interest-bearing liabilities | 177 | 178 | 3 |
| Other long-term liabilities | 12 | 4 | 5 |
| Total long-term liabilities | 989 | 670 | 640 |
| | 2 | | |
| | | 0 | 192 |
| Short-term interest-bearing liabilities | | | |
| Determined, unpaid dividend | 127 | - | - |
| | 489 | 399 | 423 |
| Total short-term liabilities | 618 | 399 | 615 |
| Total liabilities and equity | 2 355 | 1 917 | 2 066 |

1) The book value of financial assets and liabilities is considered a reasonable approximation to fair value in the balance sheet is made up of derivative instruments. On March 31, 2015, it amounted to SEK 9 million (4), and the fair value of derivative instruments on the liability side to SEK 0 million (0). They for real value.

The Group's change in equity, in summary

| | 31 Mar | 31 Mar | 31 Dec |
|-----------------------------|------------|------------|------------|
| Amount in MSEK | 2015 | 2014 | 2014 |
| Opening balance | 811 | 783 | 783 |
| The result of the period | 89 | 53 | 241 |
| Other comprehensive income | -26 | 12 | 55 |
| Total result | 63 | 65 | 296 |
| Dividend | -127 | - | -121 |
| Repurchase of own shares | - | - | -148 |
| Long-term incentive program | 1 | - | 1 |

| | | | |
|------------------------|------------|------------|------------|
| Closing balance | 748 | 848 | 811 |
|------------------------|------------|------------|------------|

The group's cash flow analysis, in summary

| Amount in MSEK | Jan-mar | | Apr-mar | Jan-dec |
|---|------------|------------|-------------|-------------|
| | 2015 | 2014 | 2014/15 | 2014 |
| Results before tax | 114 | 70 | 360 | 316 |
| Reversal of depreciation and write-downs of goodwill and fixed assets | 7 | 23 | 67 | 83 |
| Reversal of share of profit from joint venture | -5 | -3 | -14 | -12 |
| Closing of other non-cash items | 7 | 2 | 22 | 17 |
| Taxes Paid | -26 | -7 | -121 | -99 |
| Cash flow from current operations before Change in working capital | 97 | 85 | 314 | 305 |
| Changes in working capital | -34 | -20 | 24 | 35 |
| Cash flow from current operations | 63 | 65 | 338 | 340 |
| Investments in subsidiaries ¹⁾ | -10 | - | -10 | - |
| Net investments in tangible fixed assets | -1 | -5 | -21 | -25 |
| Cash flow from investments | -11 | -5 | -31 | -25 |
| Dividend paid | - | - | -121 | -121 |
| Dividend from joint venture | 10 | 12 | 10 | 12 |
| Repurchase of own shares | - | - | -148 | -148 |
| New loans | 178 | - | 194 | 16 |
| Repayment of loan | -194 | -18 | -195 | -19 |
| Pension payments and other cash flow from financing activities | -11 | -11 | -43 | -39 |
| Cash flow from financing activities | -17 | -17 | -299 | -299 |
| Cash flow for the period | 35 | 43 | 8 | 16 |
| Liquid funds, Opening balance | 235 | 193 | 237 | 193 |
| Exchange rate difference in liquid funds | 16 | 1 | 41 | 26 |
| Liquid funds, Closing balance | 286 | 237 | 286 | 235 |

1) The total net cash flow related to the investment in GKN Pumps amounted to SEK -10 million and included the purchase price of SEK -20 million, plus acquisition-related costs of SEK -2 million, reduced for acquired cash balances of SEK 12 million.

Data per share

| | Jan-mar | | Apr-mar | Jan-dec |
|---|---------|--------|---------|---------|
| | 2015 | 2014 | 2014/15 | 2014 |
| Earnings per share before dilution, before items affecting comparability, SEK | 1,75 | 1,20 | 6,09 | 5,54 |
| Earnings per share before dilution, SEK | 2,10 | 1,20 | 6,44 | 5,54 |
| Earnings per share after dilution, SEK | 2,10 | 1,20 | 6,42 | 5,53 |
| Equity per share, SEK | 17,64 | 19,29 | 17,64 | 19,13 |
| Cash flow from current operations per share, SEK | 1,49 | 1,47 | 7,85 | 7,83 |
| Weighted average number of shares before dilution (thousands) | 42 392 | 43 957 | 43 035 | 43 421 |
| Weighted average number of shares after dilution (thousands) | 42 541 | 44 027 | 43 159 | 43 523 |

Number of shares at the end of the period (thousands) 42 392 43 957 42 392 42 392

The group's key figures

| | Jan-mar | | Apr-mar | Jan-dec |
|--|---------|-------|---------|---------|
| | 2015 | 2014 | 2014/15 | 2014 |
| Revenue growth, % | 26 | 18 | 14 | 12 |
| Revenue growth, currency adjusted, % 1) | 1 | 9 | – | 3 |
| EBITDA-marginal, % | 19,9 | 20,2 | 20,0 | 20,0 |
| Operating margin before items affecting comparability, % | 16,3 | 15,5 | 16,2 | 16,0 |
| Operating margin, % | 18,8 | 15,5 | 16,9 | 16,0 |
| Capital employed, MSEK | 1 397 | 1 202 | 1 397 | 1 278 |
| Return on Capital employed before items affecting comparability, % | 28,2 | 26,0 | 28,2 | 27,1 |
| Return on capital employed, % | 29,3 | 26,0 | 29,3 | 27,1 |
| Return on equity, % | 34,4 | 27,7 | 34,4 | 29,6 |
| Working capital, MSEK | 141 | 89 | 141 | 72 |
| Working capital as % of annual turnover | 6,4 | 4,6 | 6,4 | 3,5 |
| Net debt, MSEK | 630 | 342 | 630 | 528 |
| Debt ratio, % | 84 | 40 | 84 | 65 |
| Net investments in tangible fixed assets | 1 | 5 | 21 | 25 |
| Research and development costs, % | 1,9 | 3,6 | 2,4 | 2,8 |
| Number of employees, average | 1 079 | 1 046 | 1 044 | 1 036 |

1) Nor does it include the effect of acquisitions or disposals during the period.

The group's income statement per cost type, in summary

| | Jan-mar | | Apr-mar | Jan-dec |
|--|------------|-----------|------------|------------|
| Amount in MSEK | 2015 | 2014 | 2014/15 | 2014 |
| Net sales | 623 | 496 | 2 205 | 2 078 |
| Direct material costs | -321 | -260 | -1 156 | -1 095 |
| Personnel costs | -121 | -98 | -422 | -399 |
| Depreciation and impairment of goodwill and fixed assets | -7 | -23 | -67 | -83 |
| Share of net profit from joint venture | 5 | 3 | 14 | 12 |
| Other operating income and expenses | -62 | -41 | -201 | -180 |
| Operating results | 117 | 77 | 373 | 333 |
| | -3 | | | |
| Financial income and expenses | | -7 | -13 | -17 |
| Results before tax | 114 | 70 | 360 | 316 |
| Tax | -25 | -17 | -83 | -75 |
| The result of the period | 89 | 53 | 277 | 241 |

The group's income statement per quarter, in summary

| | 2015 | 2014 | 2014 | 2014 | 2014 | 2013 | 2013 | 2013 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|
| Amount in MSEK | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 |
| Net sales | 623 | 535 | 520 | 527 | 496 | 468 | 496 | 472 |
| Cost of goods sold | -451 | -388 | -379 | -381 | -361 | -347 | -368 | -342 |
| Gross profit | 172 | 147 | 141 | 146 | 135 | 121 | 128 | 130 |
| Selling expenses | -23 | -32 | -18 | -18 | -14 | -12 | -17 | -16 |
| Administration costs | -37 | -29 | -31 | -27 | -29 | -25 | -27 | -27 |
| Product development costs | -12 | -13 | -10 | -17 | -18 | -17 | -16 | -15 |
| Share of net profit from joint venture | 5 | 6 | 3 | - | 3 | 5 | 5 | 3 |
| Other operating income and expenses 1) | 12 | 7 | 1 | - | - | 1 | 2 | -2 |
| Operating results | 117 | 86 | 86 | 84 | 77 | 73 | 75 | 73 |
| Financial income and expenses | -3 | -3 | -2 | -5 | -7 | -12 | -9 | -7 |
| Results before tax | 114 | 83 | 84 | 79 | 70 | 61 | 66 | 66 |
| Tax | -25 | -19 | -20 | -19 | -17 | -15 | -17 | -22 |
| The result of the period | 89 | 64 | 64 | 60 | 53 | 46 | 49 | 44 |

1) Other operating income and expenses per quarter

| | 2015 | 2014 | 2014 | 2014 | 2014 | 2013 | 2013 | 2013 |
|---|-----------|----------|----------|----------|----------|----------|----------|-----------|
| Amount in MSEK | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 |
| Results from product development and tools | 2 | 7 | 11 | 3 | 2 | 4 | 2 | 2 |
| Result from joint venture fees | 6 | 5 | 5 | 6 | 6 | 5 | 5 | 4 |
| Negative goodwill | 15 | - | - | - | - | - | - | - |
| Depreciation of acquisition-related excess values | -9 | -9 | -8 | -8 | -8 | -8 | -8 | -7 |
| Acquisition-related costs | -2 | - | -2 | - | - | -1 | - | -1 |
| Others | - | 4 | -5 | -1 | - | 1 | 3 | - |
| Other operating income and expenses | 14 | 7 | 1 | - | - | 1 | 2 | -2 |

The group's key figures per quarter

| | 2015 | 2014 | 2014 | 2014 | 2014 | 2013 | 2013 | 2013 |
|---|------|------|------|------|------|------|------|------|
| | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 |
| Earnings per share before dilution, before items affecting comparability, SEK | 1,75 | 1,49 | 1,47 | 1,39 | 1,20 | 1,04 | 1,10 | 1,01 |
| Earnings per share before dilution, SEK | 2,10 | 1,49 | 1,47 | 1,39 | 1,20 | 1,04 | 1,10 | 1,01 |
| Earnings per share after dilution, SEK | 2,10 | 1,49 | 1,46 | 1,38 | 1,20 | 1,04 | 1,10 | 1,01 |
| Operating margin before items affecting comparability, % | 16,3 | 16,1 | 16,4 | 16,0 | 15,5 | 15,6 | 15,1 | 15,5 |
| Operating margin, % | 18,8 | 16,1 | 16,4 | 16,0 | 15,5 | 15,6 | 15,1 | 15,5 |

| | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|
| Return on Capital employed before items affecting comparability, % | 28,2 | 27,1 | 26,5 | 26,0 | 26,0 | 25,0 | 21,2 | 21,1 |
| Return on capital employed, % | 29,3 | 27,1 | 26,5 | 26,0 | 26,0 | 25,0 | 21,2 | 21,1 |
| Return on equity, % | 34,4 | 29,6 | 28,8 | 28,8 | 27,7 | 27,2 | 23,5 | 23,2 |
| Equity per share, SEK | 17,64 | 19,13 | 19,59 | 18,01 | 19,29 | 17,80 | 14,04 | 13,28 |
| Cash flow per share, SEK | 1,49 | 2,27 | 1,94 | 2,15 | 1,47 | 1,82 | 1,25 | 1,47 |
| Net investments in tangible fixed assets | 1 | 10 | 6 | 4 | 5 | 15 | 14 | 6 |
| Research and development costs, % | 1,9 | 2,3 | 2,1 | 3,2 | 3,6 | 3,7 | 3,2 | 3,1 |
| Number of employees, average | 1 079 | 1 023 | 1 032 | 1 046 | 1 046 | 1 053 | 1 067 | 1 041 |

The group's segment reporting1)

| Amount in MSEK | 2015 Q1 | 2014 Q4 | 2014 Q3 | 2014 Q2 | 2014 Q1 | 2013 Q4 | 2013 Q3 | 2013 Q2 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|
| North and South America | | | | | | | | |
| Extern Net sales | 331 | 258 | 267 | 261 | 246 | 231 | 251 | 266 |
| Operating results before items affecting comparability | 45 | 39 | 41 | 39 | 38 | 35 | 35 | 39 |
| Operating results | 60 | 39 | 41 | 39 | 38 | 35 | 35 | 39 |
| Operating margin before items affecting comparability, % | 13,6 | 15,2 | 15,1 | 15,1 | 15,3 | 15,3 | 14,0 | 14,5 |
| Operating margin, % | 18,2 | 15,2 | 15,1 | 15,1 | 15,3 | 15,3 | 14,0 | 14,5 |
| Assets | 736 | 565 | 562 | 533 | 522 | 494 | 529 | 563 |
| Liabilities | 392 | 286 | 283 | 290 | 270 | 250 | 297 | 320 |
| Capital employed | 377 | 334 | 318 | 294 | 315 | 309 | 310 | 338 |
| Return on Capital employed before items affecting comparability, % | 50,1 | 49,9 | 49,4 | 47,1 | 45,2 | 40,9 | 38,3 | 36,2 |
| Return on capital employed, % | 54,7 | 49,9 | 49,4 | 47,1 | 45,2 | 40,9 | 38,3 | 36,2 |
| Net investments in tangible fixed assets | 0 | 0 | 0 | - | - | 2 | 3 | - |
| Depreciation and impairment of goodwill and fixed assets | -8 | 5 | 6 | 6 | 5 | 6 | 6 | 6 |
| Number of employees, average | 377 | 308 | 310 | 315 | 317 | 326 | 336 | 338 |
| Europe and the | | | | | | | | |
| Extern Net sales (including Alfdex) | 339 | 317 | 293 | 305 | 289 | 272 | 275 | 236 |
| Operating results | 58 | 49 | 48 | 45 | 40 | 40 | 41 | 35 |
| Operating margin, % | 17,0 | 15,5 | 16,2 | 14,7 | 14,0 | 14,6 | 14,9 | 15,0 |
| Assets | 1 517 | 1 397 | 1 356 | 1 314 | 1 258 | 1 258 | 1 245 | 1 248 |
| Liabilities | 891 | 733 | 631 | 611 | 584 | 601 | 695 | 720 |
| Capital employed | 1 056 | 959 | 908 | 914 | 878 | 886 | 852 | 826 |
| Return on capital employed, % | 21,1 | 20,0 | 19,4 | 19,0 | 19,0 | 19,0 | 14,7 | 14,9 |
| Net investments in tangible fixed assets | 1 | 10 | 6 | 4 | 5 | 14 | 12 | 7 |
| Depreciation and impairment of goodwill and fixed assets | 15 | 12 | 14 | 18 | 18 | 20 | 16 | 15 |
| Number of employees, average | 759 | 773 | 782 | 787 | 781 | 776 | 779 | 751 |
| Eliminations and unallocated items | | | | | | | | |
| Elimination of sales | -47 | -41 | -40 | -39 | -39 | -35 | -30 | -30 |
| Operating results | -1 | -2 | -3 | - | -1 | -2 | -1 | -1 |
| Net investments in tangible fixed assets | 0 | 0 | 0 | - | - | -1 | -1 | -1 |
| Depreciation and impairment of goodwill and fixed assets | 0 | -1 | 0 | - | - | -1 | -1 | - |
| Number of employees, average | -57 | -58 | -60 | -56 | -52 | -49 | -48 | -48 |

| | | | | | | | | |
|--|-------|-------|-------|-------|-------|-------|-------|-------|
| The group | | | | | | | | |
| Net sales | 623 | 535 | 520 | 527 | 496 | 468 | 496 | 472 |
| Operating results before items affecting comparability | 102 | 86 | 86 | 84 | 77 | 73 | 75 | 73 |
| Operating results | 117 | 86 | 86 | 84 | 77 | 73 | 75 | 73 |
| Operating margin before items affecting comparability, % | 16,3 | 16,1 | 16,4 | 16,0 | 15,5 | 15,6 | 15,1 | 15,5 |
| Operating margin, % | 18,8 | 16,1 | 16,4 | 16,0 | 15,5 | 15,6 | 15,1 | 15,5 |
| Assets | 2 354 | 2 066 | 1 966 | 1 900 | 1 917 | 1 869 | 1 830 | 1 883 |
| Liabilities | 1 606 | 1 255 | 1 125 | 1 118 | 1 069 | 1 086 | 1 213 | 1 301 |
| Capital employed | 1 397 | 1 278 | 1 244 | 1 230 | 1 202 | 1 194 | 1 161 | 1 165 |
| Return on Capital employed before items affecting comparability, % | 28,2 | 27,1 | 26,5 | 26,0 | 26,0 | 25,0 | 21,2 | 21,1 |
| Return on capital employed, % | 29,3 | 27,1 | 26,5 | 26,0 | 26,0 | 25,0 | 21,2 | 21,1 |
| Net investments in tangible fixed assets | 1 | 10 | 6 | 4 | 5 | 15 | 14 | 6 |
| Depreciation and impairment of goodwill and fixed assets | 7 | 16 | 20 | 24 | 23 | 25 | 21 | 21 |
| Number of employees, average | 1 079 | 1 023 | 1 032 | 1 046 | 1 046 | 1 053 | 1 067 | 1 041 |

The Group's Operating results per operating segment

| | 2015 | 2014 | 2014 | 2014 | 2014 | 2013 | 2013 | 2013 |
|------------------------------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Amount in MSEK | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 |
| North and South America | 60 | 39 | 41 | 39 | 38 | 35 | 35 | 39 |
| Europe and the rest of world | 58 | 49 | 48 | 45 | 40 | 40 | 41 | 35 |
| Eliminations and unallocated items | -1 | -2 | -3 | - | -1 | -2 | -1 | -1 |
| Amount Operating results | 117 | 86 | 86 | 84 | 77 | 73 | 75 | 73 |
| Financial income and expenses | -3 | -3 | -2 | -5 | -7 | -12 | -9 | -7 |
| Results before tax | 114 | 83 | 84 | 79 | 70 | 61 | 66 | 66 |

Turnover distributed by customers' geographical area

| | 2015 | 2014 | 2014 | 2014 | 2014 | 2013 | 2013 | 2013 |
|-------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Amount in MSEK | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 |
| USA | 284 | 246 | 251 | 232 | 213 | 211 | 211 | 249 |
| North America | 29 | 17 | 16 | 28 | 29 | 24 | 43 | 17 |
| South America | 17 | 0 | 1 | 0 | 2 | 2 | 3 | 2 |
| Germany | 98 | 86 | 82 | 86 | 89 | 76 | 95 | 65 |
| UK | 45 | 45 | 49 | 44 | 40 | 39 | 38 | 38 |
| Sweden | 26 | 27 | 20 | 24 | 24 | 23 | 20 | 26 |
| Europa | 84 | 76 | 70 | 83 | 70 | 57 | 54 | 42 |
| Asia | 40 | 37 | 31 | 29 | 27 | 35 | 30 | 31 |
| Others | 0 | 1 | 0 | 1 | 2 | 1 | 2 | 2 |
| Amount The group | 623 | 535 | 520 | 527 | 496 | 468 | 496 | 472 |

Turnover per product group (including Alfdex)

| | 2015 | 2014 | 2014 | 2014 | 2014 | 2013 | 2013 | 2013 |
|-----------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Amount in MSEK | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 |
| Concentrics engine products | 333 | 285 | 263 | 263 | 249 | 235 | 247 | 247 |
| LICOS engine products | 38 | 27 | 36 | 36 | 29 | 33 | 32 | - |
| Alfdex engine products | 47 | 41 | 40 | 39 | 39 | 35 | 30 | 30 |
| Amount engine products | 418 | 353 | 339 | 338 | 317 | 303 | 309 | 277 |
| Amount hydraulic products | 252 | 223 | 221 | 228 | 218 | 200 | 217 | 225 |
| Eliminations | -47 | -41 | -40 | -39 | -39 | -35 | -30 | -30 |
| Amount The group | 623 | 535 | 520 | 527 | 496 | 468 | 496 | 472 |

Tangible Assets distributed among the segments' geographical areas

| | 2015 | 2014 | 2014 | 2014 | 2014 | 2013 | 2013 | 2013 |
|-------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Amount in MSEK | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 |
| USA | 51 | 48 | 46 | 47 | 48 | 51 | 51 | 54 |
| South America | 20 | - | - | - | - | - | - | - |
| Germany | 52 | 55 | 50 | 51 | 53 | 52 | 51 | 41 |
| UK | 66 | 65 | 64 | 62 | 57 | 57 | 48 | 45 |
| Sweden | 0 | 3 | 1 | 1 | 1 | 1 | 1 | 4 |
| Others | 24 | 23 | 23 | 23 | 23 | 24 | 24 | 27 |
| Amount The group | 213 | 194 | 184 | 184 | 182 | 185 | 175 | 171 |

The parent company's income statement, in summary

| Amount in MSEK | Jan-mar 2015 | Jan-mar 2014 | Apr-mar 2014/15 | Jan-dec 2013 |
|---|-----------------|-----------------|--------------------|-----------------|
| Net sales | 6 | 7 | 27 | 28 |
| Operating expenses | -4 | -3 | -22 | -21 |
| Operating results | 2 | 4 | 5 | 7 |
| Results from shares in subsidiaries | - | - | 13 | 13 |
| Results from shares in associated companies | 12 | 12 | 12 | 12 |
| Net currency translation differences | -69 | 1 | -178 | -108 |
| Other financial income and expenses | 0 | -2 | -9 | -11 |
| Results before tax | -55 | 15 | -157 | -87 |
| Tax | 15 | -1 | 37 | 21 |
| Net profit for the period 1) | -40 | 14 | -120 | -66 |

1) The total result for the parent company is the same as the period's result.

The parent company's balance sheet, in summary

| | 31 mar | 31 mar | 31 dec |
|--|--------------|--------------|--------------|
| Amount in MSEK | 2015 | 2014 | 2014 |
| Shares in subsidiaries | 2 415 | 2 395 | 2 395 |
| Shares in joint ventures | 10 | 10 | 10 |
| | 54 | 46 | 52 |
| Deferred Tax Claims | 35 | - | 20 |
| Total fixed assets | 2 514 | 2 451 | 2 477 |
| Other receivables | 6 | 1 | 1 |
| Receivables from subsidiaries | 45 | 44 | 63 |
| Liquid funds | 144 | 169 | 118 |
| Total current assets | 195 | 214 | 182 |
| Total assets | 2 709 | 2 665 | 2 659 |
| Total equity | 1 281 | 1 797 | 1 448 |
| Pensions and similar obligations | 18 | 19 | 18 |
| Long-term interest-bearing liabilities | 175 | 175 | - |
| Long-term loans from subsidiaries | 1 071 | 0 | 976 |
| Total long-term liabilities | 1 264 | 194 | 994 |
| Short-term loans | - | - | 175 |
| Short-term loans from the joint ventures | - | - | 8 |
| Short-term loans from subsidiaries | 32 | 666 | 28 |
| Determined, unpaid dividend | 127 | - | - |
| | 5 | 8 | 6 |
| Total short-term liabilities | 164 | 674 | 217 |
| Total liabilities and equity | 2 709 | 2 665 | 2 659 |

The parent company's change in equity, in summary

| | 31 mar | 31 mar | 31 dec |
|------------------------------|--------------|--------------|--------------|
| Amount in MSEK | 2015 | 2014 | 2014 |
| Opening balance | 1 448 | 1 783 | 1 783 |
| Net profit for the period 1) | -40 | 14 | -66 |
| Dividend | -127 | - | -121 |
| Repurchase of own shares | - | - | -148 |
| Closing balance | 1 281 | 1 797 | 1 448 |

1) The total result for the parent company is the same as the period's result.

Glossary and definitions



| | |
|--|--|
| North and South America | The North and South America segment includes the group's operations in the USA and South America |
| Capital employed | Total Assets reduced by interest-bearing Liabilities and Liquid fundable non-interest-bearing liabilities, excluding all Tax receivables and Tax Liabilities |
| Contribution margin | Change in Operating results compared to the previous year as a percentage of the change in Net sales compared to the previous year |
| EBIT or operating results | Profit before financial items and tax |
| EBIT or operating margin | Operating results as a percentage of net sales |
| EPS | Profit for the year divided by the average number of shares |
| Europe and the rest of world | Operating segment consisting of the group's operations in Europe, India, and China |
| Debt ratio | Net indebtedness as a percentage of equity |
| Gross margin | Gross profit, i.e., Net sales reduced by the cost of goods sold as a percentage of Net sales |
| Net debt | Interest-bearing Liabilities reduced with Liquid funds |
| Net investments | Investments in fixed Assets with deductions for sales and disposals |
| PPE | Tangible fixed assets |
| PPM | Defective units per million |
| OEM | Original Equipment Manufacturer |
| FoU | Research and development costs |
| Return on capital employed | Operating results as a percentage of average capital employed over a rolling 12 months |
| Return on equity | Profit for the year as a percentage of average equity over a rolling 12 months |
| Sales growth, constant currency | Sales growth based on sales converted at the exchange rates that applied to the previous year |
| Structural growth | Sales growth from new business contracts, i.e. not from changes in market demand or replacement business agreements |
| Underlying or before items affecting comparability | Adjusted for restructuring costs and other one-off items (including tariff effects) |
| Working capital | Current assets excl. cash and bank, minus non-interest-bearing short-term liabilities |