
Setra reports strong second quarter

Wood products company Setra reports an operating profit of SEK 76 million (88) for the first half of 2016. Net sales totalled SEK 2,188 million (2,270). Operating profit for the second quarter amounted to SEK 67 million (64) and net sales reached SEK 1,160 million (1,229).

“The market for wood products continued to develop in a positive direction during the second quarter. We can see a significantly better balance in the market, particularly for whitewood products. We report an operating profit for the second quarter of SEK 67 million which is a strong result in the current market situation,” says Hannele Arvonen, President and CEO of Setra.

“We do not expect a marked strengthening of the market in the months ahead. The effects of the UK’s decision to leave the EU are difficult to assess. The UK is one of our largest export markets and in the short term this creates unease and uncertainty,” says Arvonen.

Setra’s subsidiary within industrial-scale construction of wooden buildings, Setra Plusshus, was sold and these operations were transferred to Derome on 1 June 2016. Setra has concluded that Plusshus will develop better with an owner which has wooden building construction as its core business and that Setra’s role is to be a strategic partner to companies engaged in wooden building construction.

In autumn 2015 Setra decided to phase out the planing operations in Valbo. In June 2016 an agreement was signed with the Profura Group to take over the operations on 1 July 2016. The purchaser plans to continue with these operations and has offered employment to all employees.

Cash flow from operating activities in the first half of 2016 amounted to SEK 3 million (96). The Group’s financial position is strong. The net debt/equity ratio at the end of the period was 18% (26).

Key figures	Apr-Jun (3 mths)		Jan-Jun (6 mths)	
	2016	2015	2016	2015
Net sales, SEKm	1,160	1,229	2,188	2,270
Operating profit, SEKm	67	64	76	88
Profit after tax, SEKm	49	46	53	60
Operating margin, %	5.8	5.2	3.5	3.9
Return on operating capital, %, RTM			2.3	7.6
Cash flow, SEKm	45	52	3	96

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Setra does not publish a complete interim report.

*Setra is one of Sweden’s largest wood products companies. We process raw material from responsibly managed forests and offer climate-friendly products and solutions for building and living in a global market. The Group has approximately 800 employees and annual sales of approximately SEK 4 billion. Exports to Europe, North Africa, the Middle East and Asia account for about 60% of sales.
Read more at www.setragroup.com.*