
Continued stable market situation

Wood products company Setra reports an operating profit of SEK 86 million (78) for the period January-September 2016. The profit includes non-recurring items in an amount of SEK 13 million (-21). Net sales reached SEK 3,043 million (3,232).

“The market for wood products has developed in a positive direction during the year but we are not expecting any significant strengthening in the coming months. We have seen a better balance in the market, particularly for whitewood products where increased exports to China are a significant factor. Weak development in the key redwood products export markets in North Africa and the Middle East increases uncertainty somewhat,” says Hannele Arvonen, President and CEO of Setra.

In September, Setra signed a declaration of intent with Bergs Timber for the sale of operations at Setra’s sawmill in Vimmerby.

During the year, Setra’s subsidiary within industrial-scale construction of wooden buildings, Setra Plusshus, and the planing operations in Valbo were sold. The result from these sales together with insurance compensation following a fire are reported as non-recurring items in an amount of SEK 13 million. In the previous year, costs for the discontinuation of planing operations in Valbo were reported in an amount of SEK 21 million.

Cash flow from operating activities for the period January-September amounted to SEK 195 million (274). The Group’s financial position is strong. The Group’s net financial debt amounted to SEK 83 million at the end of the period which corresponds to a net debt/equity ratio of 6% (14).

Key figures	Jul-Sep (3 mths)		Jan-Sep (9 mths)	
	2016	2015	2016	2015
Net sales, SEKm	855	962	3,043	3,232
Operating profit excluding non-recurring items, SEKm	2	11	73	99
Operating profit/loss, SEKm	10	-10	86	78
Profit/loss after tax excluding non-recurring items, SEKm	3	-12	56	48
Operating margin excluding non-recurring items, %	0.2	1.1	2.4	3.1
Return on operating capital, %, RTM			3.8	5.4
Cash flow, SEKm	192	178	195	274

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Setra does not publish a complete interim report.