

INTERIM REPORT

1 JANUARY – 30 SEPTEMBER 2011



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- Net sales rose 17% during the period to SEK 5,836 million (4,981). The increase for comparable units was 9%.
- Operating profit before amortisation of intangible assets attributable to acquisitions (EBITA) rose 23% to SEK 666 million (540), and the EBITA margin was 11.4% (10.8%).
- Profit after tax rose 21% to SEK 385 million (318).
- Earnings per share for the period were SEK 9.63 (7.98). Earnings per share for the last twelve-month period were SEK 11.83.

THIRD QUARTER 2011

- Net sales rose 16% during the third quarter to SEK 2,005 million (1,732). The increase for comparable units was 11%.
- Operating profit before amortisation of intangible assets attributable to acquisitions (EBITA) rose 20% to SEK 245 million (205), and the EBITA margin was 12.2% (11.8%).
- Profit after tax rose 24% to SEK 145 million (117).
- Earnings per share for the period were SEK 3.63 (2.95).

FINANCIAL DEVELOPMENT

SEK million	2011	2010		2011	2010		2010/11	2010
	Jul-Sep	Jul-Sep	<i>Change</i>	Jan-Sep	Jan-Sep	<i>Change</i>	Moving 12 mos	Jan-Dec
Net Sales	2,005	1,732	16%	5,836	4,981	17%	7,600	6,745
EBITA	245	205	20%	666	540	23%	829	703
EBITA margin, %	12.2	11.8		11.4	10.8		10.9	10.4
Profit after financial items	196	157	25%	522	429	22%	646	553
Net profit	145	117	24%	385	318	21%	472	405
Earnings per share, SEK	3.63	2.95	24%	9.63	7.98	21%	11.83	10.18
Return on operating capital, % (12 months)	24	24		24	24		24	23

CEO's message

General

The turbulence in the financial world has not had an impact on Indutrade's market thus far. However, we have been careful to recruit new employees in the companies that we believe may experience lower activity in the coming year. The paradox at the moment is that despite all of the signs that industry is headed for a downturn, many manufacturers of the products that Indutrade supplies are experiencing a shortage of capacity.

Third quarter

During the last quarter, the Group's invoicing exceeded SEK 2 billion for the second quarter in a row. Order intake for the quarter also exceeded SEK 2 billion. Organic growth of order intake was 15%, with total growth of 25%.

The economic downturn that many indicators point to has not yet evidenced itself in the Group's order intake figures. However, volumes for heavy vehicles and the general engineering industry are levelling out.

On the contrary, one segment that is growing is energy, which gradually will be reflected in net sales. Many new power plants are being planned and built around the world, especially in markets outside Europe, including the USA, the Middle East, South America and Asia. Indutrade has a number of companies that supply components to this industry. All types of power generation are represented among our customers, including gas plants, wind farms, solar power plants, waste combustion power plants and nuclear power plants.

Margin

The gross margin rose during the quarter to 33.4% (32.5%). This is a measure of our companies' ability to maintain a relevant price level. The EBITA margin increased to 12.2% (11.8%), which can be credited to better coverage of fixed costs through higher volumes.

The Flow Technology business area posted its best quarterly performance ever during the quarter with an EBITA margin of 13.6% (9.3%). Few major projects, improved earnings in the marine segment and systematic work on improving the margin were contributing factors.

The Special Products business area had an EBITA margin of 14.6% (17.3%). The lower margin compared with the same period in 2010 is mainly attributable to lower invoicing in the energy sector.

Acquisitions

During the quarter, Indutrade made a few, small complementary acquisitions in Switzerland, Finland and the Netherlands. After the end of the period, two companies were acquired in Sweden. One of these companies, AD MediCal, strengthens Indutrade's position in medical technology.

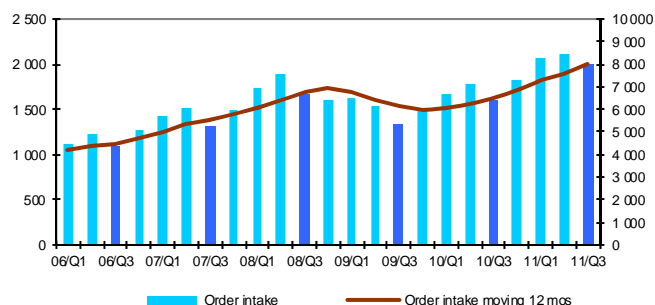
Outlook

The future is once again unusually uncertain – the last time we were in this situation was autumn 2008. Throughout our 33 years at Indutrade we have shown that we have a good ability to parry sharp fluctuations in the economy.

Johnny Alvarsson, President and CEO

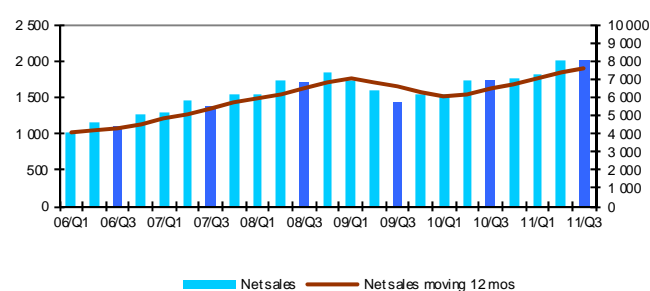
ORDER INTAKE

SEK million

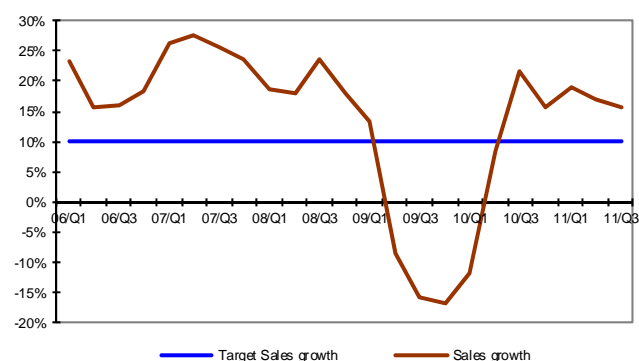


NET SALES

SEK million



SALES GROWTH



Group performance

ORDER INTAKE AND NET SALES

Order intake

Order intake during the period January–September amounted to SEK 6,179 million (5,040), an increase of 23%. For comparable units, order intake rose 13%, while acquired growth was 14%. Currency movements affected order intake negatively by 4%, or SEK -223 million.

Order intake during the third quarter amounted to SEK 2,008 million (1,604), an increase of 25%. For comparable units, order intake rose 15%, while acquired growth was 12%. Currency movements affected order intake negatively by 2%, or SEK -25 million.

The positive trend in the business climate continued during the third quarter, which is reflected in the growth figures as well as in the relation between order intake and net sales during the quarter. The improvement is broad-based and covers most of the business areas and geographic markets in which the Group is active. The positive trend that was noted during the second quarter of the year, with rising demand for products in the international energy sector, has strengthened further.

All business areas noted like-for-like growth during the quarter.

Net sales

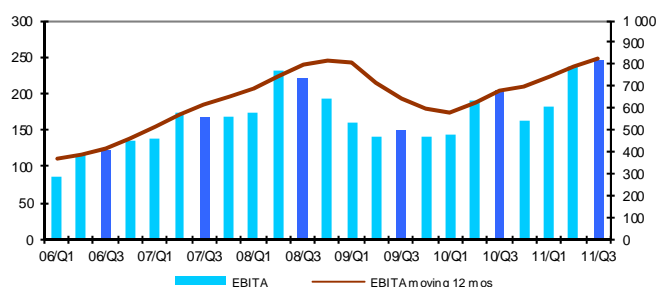
Net sales during the period January–September amounted to SEK 5,836 million (4,981), an increase of 17%. For comparable units the increase was 9%, while acquired growth was 12%. The negative currency effect was 4%, corresponding to an impact on sales of SEK -216 million.

During the third quarter of the year, net sales rose 16% to SEK 2,005 million (1,732). The increase for comparable units was 7%, while acquired growth was 11%. Currency movements had a negative effect on net sales by 2%, or SEK -29 million.

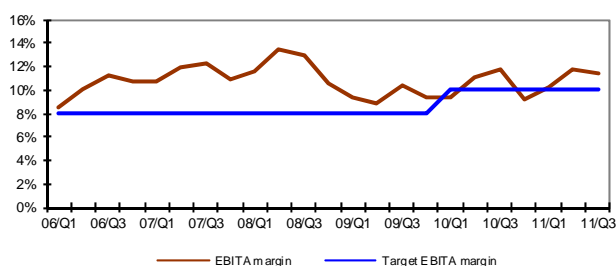
The strong business climate is reflected in net sales for the Group's business areas, which reported increases for comparable units ranging from 9% to 20% for the third quarter, except for Special Products, which noted a slight decline. The decrease for Special Products is entirely attributable to lower net sales to the energy sector during the quarter. All of the business areas reported organic growth of 5%–20% for the nine-month period.

EBITA

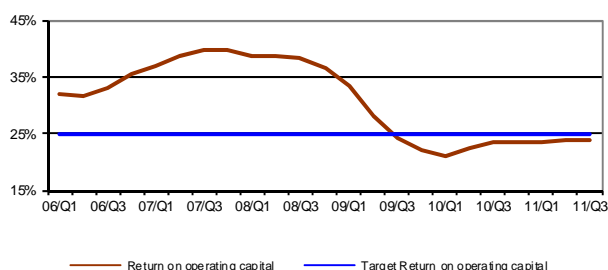
SEK million



EBITA MARGIN



RETURN



EARNINGS AND RETURN

Earnings

Operating profit before amortisation of intangible assets (EBITA) amounted to SEK 666 million (540) for the period January–September, an increase of 23%. The operating margin before amortisation of intangible assets (the EBITA margin) was 11.4% (10.8%).

The gross margin was 34.2% (33.3%). The larger margin is attributable to the fact that parts of the Group's Swedish operations were able to benefit from the effects of a stronger Swedish krona, but also to active work on margin-enhancing measures and a slightly lower share of large projects than in the corresponding period a year ago. The rising business volume also led to a decrease in the share of fixed product costs – mainly in the Group's manufacturing companies – which also benefited the gross margin.

Net financial items amounted to SEK -74 million (-43), of which net interest expense amounted to SEK -67 million (-44). The increase in net interest expense is attributable to the Group's higher level of net debt and higher interest rates. Tax on profit for the period was SEK -137 million (-111), corresponding to a tax charge of 26.2% (25.9%). Profit after tax rose 21% to SEK 385 million (318). Earnings per share increased to SEK 9.63 (7.98).

Operating profit before amortisation of intangible assets (EBITA) amounted to SEK 245 million (205) for the third quarter, an increase of 20%. The operating margin before amortisation of intangible assets (the EBITA margin) was 12.2% (11.8%).

Net financial items for the third quarter amounted to SEK -26 million (-22), of which net interest expense accounted for SEK -23 million (-17). Tax on profit for the period totalled SEK -51 million (-40). Profit after tax rose 24% to SEK 145 million (117). Earnings per share were SEK 3.63 (2.95).

Favourable growth for comparable units combined with limited cost increases, a higher gross margin and good performance for acquired units contributed to the earnings improvement and improved EBITA margin.

All business areas contributed to the higher earnings during the period January–September as well as the third quarter. Both acquired and comparable companies made a positive contribution to the earnings improvement, while currency effects from translation of foreign units decreased earnings by SEK 25 million during the first nine months of the year and by SEK 4 million during the third quarter.

Return

The return on operating capital was 24% (24%), and the return on equity was 26% (25%).

Business areas

Engineering & Equipment

Engineering & Equipment's operations involve sales of components as well as customisation, combinations and installations of products from various suppliers. Compared with the other business areas, sales consist of a slightly higher degree of investment goods.

	2011	2010	2011	2010	2010/11	2010
SEK million	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Moving 12 mos	Jan-Dec
Net sales	427	351	1,189	1,029	1,569	1,409
EBITA	41	32	92	76	116	100
EBITA margin, %	9.6%	9.1%	7.7%	7.4%	7.4%	7.1%

Net sales rose 16% during the period January–September, to SEK 1,189 million (1,029). The increase for comparable units was 20%. Acquisitions contributed 4%, while currency movements had a negative effect on net sales, by 8%.

Demand in the Finnish market, where the business area has most of its business, remained favourable and has grown increasingly broader. This favourable trend applies for most segments of importance for the business area, such as the export-oriented engineering industry, domestic and international pulp and paper projects, construction and maintenance, and investments in infrastructure, such as water and sewage.

EBITA for the period rose 21% to SEK 92 million (76), corresponding to an EBITA margin of 7.7% (7.4%). Some resource strengthening has been conducted in certain product areas of interest within the business area, which has dampened the earnings contribution of the increase in net sales.

In early January the company Dantherm Filtration Oy was acquired, with annual sales of SEK 30 million, and in August a business with annual sales of SEK 17 million was acquired from Enervent Oy.

Flow Technology

Flow Technology offers components and systems for controlling, measuring, monitoring and regulating flows. The business area includes companies that specialise in various areas of industrial flow technology.

	2011	2010	2011	2010	2010/11	2010
SEK million	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Moving 12 mos	Jan-Dec
Net sales	531	475	1,476	1,304	1,915	1,743
EBITA	72	44	172	126	201	155
EBITA margin, %	13.6%	9.3%	11.7%	9.7%	10.5%	8.9%

Net sales for the period January–September amounted to SEK 1,476 million (1,304), an increase of 13%. The increase for comparable units was 7%, while acquired growth was 9%. Currency movements had a negative effect on net sales, by 3%.

Demand remained favourable from segments such as pulp and paper, chemicals and other process industries, water/wastewater and energy. The business climate was strong in essentially all geographical markets in which the business area is active. Demand in the marine sector also developed favourably during the third quarter.

EBITA for the period rose 37% to SEK 172 million (126), and the EBITA margin reached 11.7% (9.7%). The increase in net sales for comparable units was achieved in combination with limited resource strengthening, which along with a slight improvement in the gross margin and contributions from acquisitions, contributed to the earnings improvement.

In June the company Torell Pump AB was acquired, with annual sales of SEK 40 million, and after the end of the reporting period the company AG Johansons Metallfabrik AB was acquired, with annual sales of approximately SEK 12 million.

Industrial Components

Industrial Components offers a wide range of technically advanced components and systems for production and maintenance, and medical technology equipment. The products consist mainly of consumables. The companies in the business area typically work in close co-operation with customers' development, production and maintenance departments. Major emphasis is put on identifying and understanding customers' production processes and needs.

	2011	2010	2011	2010	2010/11	2010
SEK million	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Moving 12 mos	Jan-Dec
Net sales	370	344	1,153	1,057	1,551	1,455
EBITA	42	40	136	105	171	140
EBITA margin, %	11.4%	11.6%	11.8%	9.9%	11.0%	9.6%

Net sales rose 9% during the period January–September, to SEK 1,153 million [1,057]. The increase for comparable units was 11%, while currency movements had a negative effect of 2%. Demand has stabilised at a high level since the second quarter of this year and was favourable for products for the general engineering industry and commercial vehicles. During the nine-month period, businesses focused on medical technology experienced increased demand.

EBITA for the period rose 30% to SEK 136 million [105], corresponding to an EBITA margin of 11.8% [9.9%]. The EBITA margin was favourably affected by the increase in net sales with a limited increase in costs.

After the end of the reporting period, the company AD MediCal AB was acquired, with annual sales of approximately SEK 30 million.

Special Products

Special Products offers specially manufactured niche products, design solutions, aftermarket service and assembly, and special processing. The business area includes companies that conduct a considerable amount of own manufacturing. It is also the Indutrade business area with the highest share of proprietary products.

	2011	2010	2011	2010	2010/11	2010
SEK million	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Moving 12 mos	Jan-Dec
Net sales	684	568	2,039	1,610	2,593	2,164
EBITA	100	98	303	264	381	342
EBITA margin, %	14.6%	17.3%	14.9%	16.4%	14.7%	15.8%

Net sales for the period January–September rose 27% to SEK 2,039 million [1,610], of which sales for comparable units rose 5%. Acquired growth for the nine-month period was 27%, while currency movements reduced net sales by 5%. As in earlier this year, during the third quarter the business area's companies in Sweden and Germany experienced favourable demand from the engineering and export industries. For the operations in Benelux, the market climate improved starting with the second quarter of the year and has since remained above the preceding year's level. The level of activity has been higher in the international energy sector since the second quarter, which has led to higher demand and gradually larger deliveries. However, deliveries during the third quarter were considerably lower than in the second quarter and corresponding period a year ago.

EBITA rose 15% to SEK 303 million [264], and the EBITA margin was 14.9% [16.4%]. Apart from the earnings contribution from acquisitions, the earnings improvement is attributable to the increase in net sales for comparable units that could be generated with limited increases in resources. The lower EBITA margin is mainly attributable to the lower level of deliveries to energy projects during the quarter and to the fact that newly acquired units on the whole have lower margins than the business area's previous, average level.

During the nine-month period Indutrade acquired the Abima Group, with companies in Switzerland, Austria and Germany; Mijnsbergen B.V. and ATB Automation N.V.-S.A., with operations in the Netherlands and Belgium; Abelko Innovation AB in Sweden; and Alcatraz Interlocks BV and MW-Instruments BV in the Netherlands. Annual sales of the acquired companies amount to approximately SEK 560 million.

Other financial information

FINANCIAL POSITION

Shareholders' equity amounted to SEK 1,942 million [1,678], and the equity ratio was 34% [34%].

Cash and cash equivalents amounted to SEK 245 million [242]. In addition to this, the Group had unutilized credit promises of SEK 646 million [565]. Interest-bearing net debt amounted to SEK 1,737 million [1,537]. The net debt/equity ratio was 89% [92%] at the end of the period.

CASH FLOW

Cash flow from operating activities was SEK 428 million [392]. The increase is attributable to the higher level of earnings. Cash flow after net capital expenditures in property, plant and equipment (excluding company acquisitions) was SEK 316 million [321].

CAPITAL EXPENDITURES AND DEPRECIATION

The Group's net capital expenditures (excluding company acquisitions) amounted to SEK 112 million [71]. Depreciation of property, plant and equipment amounted to SEK 77 million [74]. Investments in company acquisitions amounted to SEK 449 million [649], of which earn-out payments pertaining to previous years' acquisitions amounted to SEK 117 million [88].

EMPLOYEES

The number of employees was 3,799 at the end of the period (compared with 3,444 at the start of the year), of whom 282 were added through acquisitions.

ACQUISITIONS

The Group has acquired the following companies, which are consolidated for the first time in 2011.

Month acquired	Acquisitions	Business area	Sales/ SEKm*	No. of employees*
January	Dantherm Filtration Oy (name changed to Tecalemit Filtration Oy)	Engineering&Equipment	30	10
	Abima (name changed to Indutrade Switzerland AG)	Special Products	400	170
	Mijnsbergen b.v. and ATB Automation n.v.-s.a.	Special Products	60	23
February	Abelko Innovation AB	Special Products	60	44
April	Alcatraz Interlocks BV	Special Products	20	5
June	Torell Pump AB	Flow Technology	40	9
July	Hamberger Armaturen AG	Special Products	10	2
August	Enervent (assets)	Engineering&Equipment	17	14
September	MW-Instrumentatie BV	Special Products	10	5
			647	282

*Estimated annual sales and number of employees at the time of acquisition.

Further information about company acquisitions can be found on page 15 of this interim report.

EVENTS AFTER THE END OF THE REPORTING PERIOD

Two acquisitions were carried out in October.

AD MediCal AB, with annual sales of approximately SEK 30 million, delivers products, service and maintenance of advanced medical technology equipment. The company is part of the Industrial Components business area.

AG Johansons Metallfabrik AB, with annual sales of approximately SEK 12, manufacturers and sells corrosion-resistant valves and pipe components of high alloy steel that meet extremely high hygiene standards. The company is part of the Flow Technology business area.

In other respects, no important events have occurred after the end of the reporting period.

PARENT COMPANY

The main functions of Indutrade AB are to take responsibility for business development, acquisitions, financing, business control and analysis. The Parent Company's sales, which consist exclusively of intercompany invoicing of services, amounted to SEK 0 million (0) during the period. The Parent Company's capital expenditures in intangible assets and in property, plant and equipment totalled SEK 0 million (0). The number of employees on 30 September was 10 (9).

RISKS AND UNCERTAINTIES

The Indutrade Group conducts business in 25 countries in four world regions, through some 150 companies. This spread, together with a large number of customers in various industries and a large number of suppliers, mitigates the business and financial risks. Apart from the risks and uncertainties described in Indutrade's 2010 Annual Report, no significant risks or uncertainties are judged to have emerged or been eliminated. Since the Parent Company is responsible for the Group's financing, it is exposed to financing risk.

The Parent Company's other activities are not exposed to risks other than indirectly via subsidiaries. For a more detailed report on risks that affect the Group and Parent Company, please see the 2010 Annual Report.

RELATED PARTY TRANSACTIONS

No transactions took place during the period between Indutrade and related parties that have significantly affected the Company's financial position or result of operations.

ACCOUNTING PRINCIPLES

Indutrade reports in accordance with International Financial Reporting Standards (IFRS). This interim report has been prepared in accordance with IAS 34 and RFR 1. The Parent Company applies RFR 2. The same accounting principles and calculation methods are used in this report as those used in Indutrade's 2010 Annual Report and described under the section "Accounting principles and notes".

There are no new IFRS standards or IFRIC interpretations that have been adopted by the EU that will be applicable for Indutrade or that will have any material impact on the Group's result of operations or financial position in 2011.

NOMINATION COMMITTEE FOR ELECTION OF BOARD MEMBERS

At the Annual General Meeting on 27 April 2011, it was resolved that the company's Nomination Committee shall consist of representatives for four of the largest shareholders as well as the Chairman of the Board. The member representing the largest shareholder shall serve as committee chair. In the event a member resigns from the Nomination Committee prior to the completion of its work, and if the Nomination Committee finds it suitable, a replacement shall be appointed from the same shareholder or, if such shareholder is no longer one of the largest shareholders, from the shareholder that is next in turn in terms of size. The composition of the Nomination Committee ahead of the 2012 Annual General Meeting shall be based on shareholder information as per 31 August 2011, and shall be announced as soon as the members are appointed, but not later than six months prior to the Annual General Meeting. The Nomination Committee's mandate period continues until the composition of the subsequent Nomination Committee has been made public.

Accordingly, the following persons have been appointed as members of the Nomination Committee: Carl-Olof By (Industrivärden, committee chair), Claes Boustedt (L E Lundbergföretagen), Anders Algotsson (AFA Insurance), Håkan Sandberg (Handelsbanken Pension Foundation and Handelsbanken Pension Fund), and Bengt Kjell (Chairman of Indutrade).

Information on how to submit nominations to the Nomination Committee is provided on Indutrade's website: www.indutrade.se.

FINANCIAL CALENDAR

The year-end report for the period 1 January – 31 December 2011 will be published on 14 February 2012. The 2011 Annual Report will be published in early April 2012. It will be available on Indutrade's website starting on the same date as publication of the printed report.

The interim report for the period 1 January – 31 March 2012 will be published on 3 May 2012.

The Annual General Meeting will be held in Stockholm on 3 May 2012.

Stockholm, 1 November 2011

Indutrade AB (publ)

Johnny Alvarsson

President and CEO

NOTE

This information is in accordance with the Swedish Securities Market Act, the Swedish Financial Instruments Trading Act and/or the regulations of Nasdaq OMX Stockholm. The information was submitted for publication at 10.55 a.m. on 1 November 2011.

Further information

For further information, please contact:

Johnny Alvarsson, President and CEO, phone +46 70 589 17 95.

This report will be commented upon as follows:

- at a conference call/webcast today at 1.30 p.m. at the following link:
<https://www.anywhereconference.com/?Conference=108263458&PIN=175015>
Participants call +46 (0)505 598 75, +44 (0) 207 153 9156 or +1 866 676 5869
- through a film version available at the following links:
<http://www.indutrade.se>
<http://www.playontv.se>

REVIEW REPORT

We have reviewed this report for the period 1 January 2011 to 30 September 2011 for Indutrade AB (publ). The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report Performed by the Independent Auditor 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. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 1 November 2011

PricewaterhouseCoopers

Lennart Danielsson
Authorised Public Accountant
Auditor in charge

INDUTRADE CONSOLIDATED INCOME STATEMENT - CONDENSED

SEK million	2011	2010	2011	2010	2010/11	2010
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Moving 12 mos	Jan-Dec
Net Sales	2,005	1,732	5,836	4,981	7,600	6,745
Cost of goods sold	-1,335	-1,169	-3,841	-3,320	-5,001	-4,480
Gross profit	670	563	1,995	1,661	2,599	2,265
Development costs	-17	-12	-50	-35	-63	-48
Selling costs	-336	-284	-1,041	-885	-1,380	-1,224
Administrative expenses	-94	-87	-299	-266	-409	-376
Other operating income and expenses	-1	-1	-9	-3	-9	-3
Operating profit	222	179	596	472	738	614
Net financial items	-26	-22	-74	-43	-92	-61
Profit after financial items	196	157	522	429	646	553
Income Tax	-51	-40	-137	-111	-174	-148
Net profit for the period	145	117	385	318	472	405
Net profit, attributable to:						
Equity holders of the parent company	145	118	385	319	473	407
Non-controlling interests	0	-1	0	-1	-1	-2
	145	117	385	318	472	405
Earnings per share for the period, attributable to equity holders of the parent company ¹⁾	3.63	2.95	9.63	7.98	11.83	10.18
EBITA	245	205	666	540	829	703
<i>Operating profit includes:</i>						
Amortisation of intangible assets	-26	-26	-77	-68	-98	-89
Depreciation of property, plant and equipment	-26	-27	-77	-74	-101	-98

1) Earnings for the period divided by 40,000,000 shares. There is no dilutive effect.

INDUTRADE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Net profit for the period	145	117	385	318	472	405
Other comprehensive income						
Fair value adjustments of hedge instruments	-27	-	-26	-	-8	18
Tax attributable to fair value adjustments	7	-	7	-	3	-4
Actuarial gains/losses	-	-	-	-	-35	-35
Tax on actuarial gains/losses	-	-	-	-	9	9
Exchange rate differences	23	-74	36	-129	40	-125
Other comprehensive income for the period, net of tax	3	-74	17	-129	9	-137
Total comprehensive income for the period	148	43	402	189	481	268
Net profit, attributable to:						
Equity holders of the parent company	148	44	402	190	482	270
Non-controlling interests	0	-1	0	-1	-1	-2
	148	43	402	189	481	268

BUSINESS AREA PERFORMANCE

Net sales, SEK million	2011	2010	2011	2010	2010/11	2010
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Moving 12 mos	Jan-Dec
Engineering & Equipment	427	351	1,189	1,029	1,569	1,409
Flow Technology	531	475	1,476	1,304	1,915	1,743
Industrial Components	370	344	1,153	1,057	1,551	1,455
Special Products	684	568	2,039	1,610	2,593	2,164
Parent company and Group items	-7	-6	-21	-19	-28	-26
	2,005	1,732	5,836	4,981	7,600	6,745

EBITA, SEK million	2011	2010	2011	2010	2010/11	2010
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Moving 12 mos	Jan-Dec
Engineering & Equipment	41	32	92	76	116	100
Flow Technology	72	44	172	126	201	155
Industrial Components	42	40	136	105	171	140
Special Products	100	98	303	264	381	342
Parent company and Group items	-10	-9	-37	-31	-40	-34
	245	205	666	540	829	703

EBITA margin, %	2011	2010	2011	2010	2010/11	2010
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Moving 12 mos	Jan-Dec
Engineering & Equipment	9.6%	9.1%	7.7%	7.4%	7.4%	7.1%
Flow Technology	13.6%	9.3%	11.7%	9.7%	10.5%	8.9%
Industrial Components	11.4%	11.6%	11.8%	9.9%	11.0%	9.6%
Special Products	14.6%	17.3%	14.9%	16.4%	14.7%	15.8%
	12.2%	11.8%	11.4%	10.8%	10.9%	10.4%

Net sales, SEK million	2011			2010			
	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Engineering & Equipment	427	410	352	380	351	373	305
Flow Technology	531	499	446	439	475	446	383
Industrial Components	370	390	393	398	344	373	340
Special Products	684	722	633	554	568	537	505
Parent company and Group items	-7	-6	-8	-7	-6	-7	-6
	2,005	2,015	1,816	1,764	1,732	1,722	1,527

EBITA, SEK million	2011			2010			
	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Engineering & Equipment	41	32	19	24	32	30	14
Flow Technology	72	57	43	29	44	52	30
Industrial Components	42	46	48	35	40	37	28
Special Products	100	116	87	78	98	84	82
Parent company and Group items	-10	-13	-14	-3	-9	-12	-10
	245	238	183	163	205	191	144

EBITA-margin, %	2011			2010			
	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Engineering & Equipment	9.6%	7.8%	5.4%	6.3%	9.1%	8.0%	4.6%
Flow Technology	13.6%	11.4%	9.6%	6.6%	9.3%	11.7%	7.8%
Industrial Components	11.4%	11.8%	12.2%	8.8%	11.6%	9.9%	8.2%
Special Products	14.6%	16.1%	13.7%	14.1%	17.3%	15.6%	16.2%
	12.2%	11.8%	10.1%	9.2%	11.8%	11.1%	9.4%

INDUTRADE CONSOLIDATED BALANCE SHEET

- CONDENSED

	2011	2010	2010
SEK million	30 Sep	30 Sep	31 Dec
Goodwill	806	764	712
Other intangible assets	911	714	761
Property, plant and equipment	715	647	657
Financial assets	48	43	50
Inventories	1,349	1,154	1,183
Accounts receivable, trade	1,387	1,171	1,047
Other receivables	177	208	164
Cash and cash equivalents	245	242	219
Total assets	5,638	4,943	4,793
Equity	1,942	1,678	1,744
Long-term borrowings and pension liabilities	1,094	1,147	893
Other non-current liabilities	342	250	277
Short-term borrowings	888	632	716
Accounts payable, trade	606	485	493
Other current liabilities	766	751	670
Total equity and liabilities	5,638	4,943	4,793

INDUTRADE CHANGE IN GROUP EQUITY

- CONDENSED

Attributable to equity holders of the parent company	2011	2010	2010
SEK million	Jan-Sep	Jan-Sep	Jan-Dec
Opening equity	1,742	1,644	1,644
Total comprehensive income for the period	402	190	270
Dividend	-204 ¹⁾	-172 ¹⁾	-172 ¹⁾
Closing equity	1,940	1,662	1,742

¹⁾ Dividend per share for 2010 is SEK 5.10 (4.30).

Equity, attributable to:			
Equity holders of the parent company	1,940	1,662	1,742
Non-controlling interests	2	16	2
	1,942	1,678	1,744

INDUTRADE CONSOLIDATED CASH FLOW STATEMENT

- CONDENSED

SEK million	2011	2010	2011	2010	2010/11	2010
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	Moving 12 mos	Jan-Dec
Cash flow from operating activities						
before change in working capital	231	221	541	485	672	616
Change in working capital	-30	5	-113	-93	20	40
Cash flow from operating activities	201	226	428	392	692	656
Net capital expenditures in non-current assets	-31	-23	-112	-71	-152	-111
Company acquisitions and divestments	-11	-256	-449	-649	-484	-684
Change in other financial assets	0	-1	14	0	14	0
Cash flow from investing activities	-42	-280	-547	-720	-622	-795
Net borrowings	-129	99	345	531	135	321
Dividend paid out	-	-	-204	-172	-204	-172
Cash flow from financing activities	-129	99	141	359	-69	149
Cash flow for the period	30	45	22	31	1	10
Cash and cash equivalents at start of period	212	208	219	229	242	229
Exchange rate differences	3	-11	4	-18	2	-20
Cash and cash equivalents at end of period	245	242	245	242	245	219

KEY DATA

	Moving 12 months				
	2011 30 Sep	2010 31 Dec	2010 30 Sep	2009 31 Dec	2008 31 Dec
Net sales, SEK million	7,600	6,745	6,506	6,271	6,778
Sales growth, %	17	8	-1	-8	20
EBITA, SEK million	829	703	682	594	820
EBITA margin, %	10.9	10.4	10.5	9.5	12.1
Operating capital, SEK million	3,679	3,134	3,215	2,584	2,569
Return on operating capital, %	24	23	24	22	37
Return on equity, %	26	24	25	21	38
Interest-bearing net debt, SEK million	1,737	1,390	1,537	940	972
Net debt/equity ratio, %	89	80	92	57	61
Net debt/EBITDA, times	1.9	1.7	2.2	1.4	1.1
Equity ratio, %	34	36	34	41	36
Average number of employees	3,683	3,420	3,187	3,122	2,728
Number of employees at the end of the period	3,799	3,444	3,394	3,040	3,269

Attributable to equity holders of the parent company

Key ratios per share¹⁾

Earnings per share, SEK	11.83	10.18	10.13	8.53	12.75
Equity per share, SEK	48.50	43.55	41.55	41.10	39.93
Cash flow from operating activities per share, SEK	17.30	16.40	15.98	13.95	12.25

¹⁾Based on 40,000,000 shares which corresponds to the number of shares outstanding during all periods in the table. There is no dilutive effect.

ACQUISITIONS

Acquisitions 2011

All of the shares have been acquired in the Abima Group's parent company Aschera AG (name changed to Indutrade Switzerland), Hamberger Armaturen AG, Switzerland; Dantherm Filtration Oy (name changed to Tecalemit Filtration Oy), Finland; ATB Automation n.v.-s.a., Belgium; Mijnsbergen b.v., Alcatraz Interlocks BV, MW Instruments BV, the Netherlands; Abelko Innovation AB and Torell Pump AB, Sweden. Furthermore, the air handling business of Enervent Oy, Finland, was acquired.

Engineering & Equipment

Tecalemit Filtration Oy, with annual sales of approximately SEK 30 million, is consolidated in the Group as from 1 January 2011. The company specialises in air filtration and provides customised solutions and components to customers in the forestry, paper, metal and recycling industries, among others. In August, a business that manufactures air handling systems with automation, with annual sales of approximately SEK 17 million, was acquired from Enervent Oy in Finland.

Flow Technology

Torell Pump AB, with annual sales of approximately SEK 40 million, is consolidated in the Group as from 1 June 2011. The company sells pumps, compressors and equipment for cleaning municipal and industrial raw water, process water and wastewater.

Special Products

The Swiss industrial group Abima, with annual sales of approximately SEK 400 million, is active in control and regulation of flows, insulation against cold, heat and sound, rust/corrosion prevention and fire safety.

Mijnsbergen b.v. and ATB Automation n.v.-s.a., with combined annual sales of approximately SEK 60 million, deliver customised solutions with a broad range of products in power transmission and motion control. These companies are consolidated in the Indutrade Group as from 1 January 2011.

Abelko Innovation AB, with annual sales of approximately SEK 60 million, is consolidated in the Group as from 1 February 2011. Abelko offers specially adapted solutions for energy measurement, remote control, building automation, energy optimisation and operational monitoring.

Alcatraz Interlocks BV designs and manufactures interlocking systems that secure critical installations. Its applications are used in the oil, gas, chemical and offshore industries, among others. Alcatraz has annual sales of approximately SEK 20 million and is consolidated in the Group as from 1 April 2011.

Hamberger Armaturen AG, with annual sales of approximately SEK 10 million, is consolidated in the Group as from 1 July 2011. The company sells pumps and valves, among other things.

MW-Instruments BV, with annual sales of approximately SEK 10 million, is consolidated in the Group as from 1 September 2011. The company is providing instrument service.

Acquired assets in Indutrade Switzerland AG, Tecalemit Filtration Oy, Mijnsbergen b.v. and ATB Automation n.v.-s.a., Abelko Innovation AB, Alcatraz Interlock BV, Torell Pump AB, Hamberger Armaturen AG, MW-Instruments BV and the air handling system.

Preliminary purchase price allocation

SEK million

Purchase price, incl. earn-out payment SEK 81 million			443
	Book value	Fair value adjustment	Fair value
Acquired assets			
Goodwill	-	74	74
Agencies, trademarks, customer relations, licences, etc.	6	198	204
Property, plant and equipment	21	-	21
Financial assets	15	-	15
Inventories	75	-	75
Other current assets	168	-	168
Cash and cash equivalents	30	-	30
Deferred tax liability	-1	-47	-48
Interest-bearing loans and pension liabilities	-	-7	-7
Other operating liabilities	-89	-	-89
	225	218	443

Agencies, customer relationships, licences, etc. will be amortised over a 10-year period, while trademarks are assumed to have a perpetual lifetime. Trademarks are included in the amount of SEK 34 million.

Indutrade normally uses an acquisition structure entailing a base level of consideration plus a conditional earn-out payment. Initially, the earn-out payment is valued at the present value of the most likely outcome, which for the acquisitions made during the year to date is SEK 81 million. The earn-out payments fall due for payment within one to four years and can amount to a maximum of SEK 93 million. If the conditions are not met for the maximum earn-out payment, the outcome may be SEK 0.

Transaction costs for the acquisitions carried out during the period amounted to SEK 2 million and are included in "Other income and expenses" in the income statement. No revaluation of conditional earn-out payments has been made to date.

Cash flow impact

Purchase price, incl. earn-out payment	443
Purchase price not paid out	-81
Cash and cash equivalents in acquired companies	-30
Earn-out payments pertaining to previous years' acquisitions	117
Total cash flow impact	449

Effects of acquisitions carried out in 2010 and 2011

SEK million Business area	Net sales		EBITA	
	Jul-Sep	Jan-Sep	Jul-Sep	Jan-Sep
Engineering & Equipment	17	38	3	2
Flow Technology	12	118	4	15
Industrial Components	-	-	-	-
Special Products	153	436	15	42
Effect on Group	182	592	22	59
Acquisitions carried out in 2010	4	143	0	17
Acquisitions carried out in 2011	178	449	22	42
Effect on Group	182	592	22	59

If the acquired units had been consolidated effective 1 January 2011, net sales for the period would have amounted to SEK 5,868 million and EBITA would have amounted to SEK 672 million.

Acquisitions after the end of the reporting period

Two acquisitions were carried out in October.

AD MediCal AB, with annual sales of approximately SEK 30 million, delivers products, service and maintenance of advanced medical technology equipment. The company is part of the Industrial Components business area.

AG Johansons Metallfabrik AB, with annual sales of approximately SEK 12, manufacturers and sells corrosion-resistant valves and pipe components of high alloy steel that meet extremely high hygiene standards. The company is part of the Flow Technology business area.

PARENT COMPANY INCOME STATEMENT

- CONDENSED

SEK million	2011 Jul-Sep	2010 Jul-Sep	2011 Jan-Sep	2010 Jan-Sep	2010/11 Moving 12 mos	2010 Jan-Dec
Net sales	0	0	0	0	4	4
Gross profit	0	0	0	0	4	4
Administrative expenses	-12	-9	-37	-31	-50	-44
Other income and expenses	1	-1	0	-1	0	-1
Operating profit	-11	-10	-37	-32	-46	-41
Financial income/expenses	-9	-7	-30	-6	-38	-14
Profit from participation in Group companies	0	0	266	361	533	628
Profit after financial items	-20	-17	199	323	449	573
Appropriations	-	-	-	-	-53	-53
Income Tax	5	5	17	9	-37	-45
Net profit for the period	-15	-12	216	332	359	475
Depreciation of property, plant and equipment	0	0	0	0	-1	-1

PARENT COMPANY BALANCE SHEET

- CONDENSED

SEK million	2011 30 Sep	2010 30 Sep	2010 31 Dec
Intangible assets	2	2	2
Property, plant and equipment	1	2	1
Financial assets	1,987	1,676	1,678
Current receivables	900	849	1,083
Cash and cash equivalent	14	15	5
Total assets	2,904	2,544	2,769
Equity	1,196	1,041	1,184
Untaxed reserves	54	1	54
Non-current liabilities	675	699	475
Non-current provisions	49	7	8
Current provisions	22	141	121
Current interest-bearing liabilities	879	643	866
Current noninterest-bearing liabilities	29	12	61
Total equity and liabilities	2,904	2,544	2,769

DEFINITIONS

Earnings per share	Net profit for the period divided by the average number of shares outstanding.
EBITA	Operating profit before amortisation of intangible assets arising in connection with company acquisitions (Earnings Before Interest, Tax and Amortisation).
EBITA margin	EBITA as a percentage of net sales for the period.
Equity ratio	Shareholders' equity as a percentage of total assets.
Gross margin	Gross profit divided by net sales.
Intangible non-current assets	Goodwill, agencies, customer relationships, trademarks, software, licences and other intangible non-current assets.
Interest-bearing net debt	Borrowings incl. pension liability, less cash and cash equivalents.
Net capital expenditures	Purchases less sales of intangible assets, and of property, plant and equipment, excluding those included in acquisitions and divestments of subsidiaries and operations.
Net debt/equity ratio	Interest-bearing net debt divided by shareholders' equity.
Operating capital	Interest-bearing net debt and shareholders' equity.
Property, plant and equipment	Buildings, land, machinery and equipment.
Return on operating capital	EBITA as a percentage of average operating capital per quarter.

Indutrade in brief

Indutrade markets and sells components, systems and services with high-tech content to industrial customers in selected niches. The Group creates value for its customers by structuring the value chain and increasing the efficiency of its customers' use of technological components and systems. For the Group's suppliers, value is created through the offering of an efficient sales organisation with high technical expertise and solidity developed customer relations.

Indutrade's business is distinguished by the following factors, among others:

- High-tech products for recurring needs
- Growth through a structured and tried-and-tested acquisition strategy
- A decentralised organisation characterised by an entrepreneurial spirit.

The Group is structured into four business areas:

Engineering & Equipment, Flow Technology, Industrial Components and Special Products.

The Group's financial targets are (per year across a business cycle) to grow 10%, reach a minimum EBITA margin of 10% and return on operating capital exceeding 25%.

Indutrade is listed on Nasdaq OMX Stockholm.