



Interim report

Q1 2019

First quarter 2019

- Incoming orders rose 12 % to SEK 870 million (780)
- Net sales rose 12 % to SEK 847 million (757)
- Operating profit rose 24 % to SEK 100 million (81)
- EBITA rose 21 % to SEK 103 million (85)
- Profit after tax rose 26 % to 78 million (62)
- Earnings per share were SEK 3,37 (2,67)



Strong start to 2019

Sales and earnings both reached a new all-time high in the first quarter of 2019.

The slowdown in demand that hit us in the fourth quarter of 2018 gave us reason to be cautious in our forecasts, but we can now confirm that the first quarter of the year has exceeded our expectations. There is general uncertainty over what the economy is going to do next, but we are seeing strong demand across most of our operations, with Sweden, Denmark, Norway and the UK reporting a particularly positive performance at the start of 2019.

Net sales rose 12% over the first quarter of 2018, with acquisitions and currency movements accounting for 1 and 3 percentage points respectively. This means that 8% organic growth was achieved in the period, which is on a par with organic growth in the past few years. The positive trend in incoming orders has continued, with an increase of 12%.

The operating margin (EBITA) stood at just over 12%, which is a 1 percentage point improvement on the previous year period. The sales growth has enabled us to maintain our healthy gross margins which were also helped by the effects of currency fluctuations due to the weaker Swedish krona. We're also excited to be posting a record EBITA which exceeded SEK 100 million in one single quarter for the first time ever in OEM's history.

Growth across the regions

A breakdown of growth in our regions clearly shows that Sweden is continuing to experience strong growth. Organic growth reached 9%. OEM Automatic, our largest operation, continues to report strong growth at a rate of 11%. Several other operations have also reported an even stronger start to the year. Agolux, a relatively small business, has doubled its net sales, Telfa, which has been experiencing good growth for some time, increased by just over 30%, and OEM Electronics reported 23% growth in the first quarter of the year.

Compared with the past few years, growth has been somewhat weaker in the quarter for Region Finland, the Baltic states and China, with the exception of China. At the same time, some of the operations' comparative figures from previous years have been extremely strong. Organic growth levelled off at 3%. However, Rauheat and the operations in China have started the year on a strong note.

As I mentioned earlier, many of our operations in our third region have delivered positive performances. 11% organic growth was achieved and, on the whole, the performance has been strong.

One step at a time

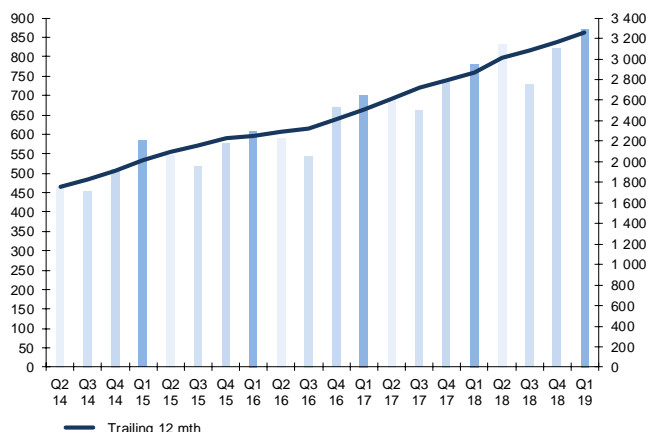
The fact that we were somewhat cautious in our estimate for 2019 was no coincidence. The world is in an uncertain economic situation, but our growth gives us peace of mind at work. It reassures us that our strategy of taking one step at a time and focusing on details is a recipe for success that gives us the strengths required to consolidate our position in the market in the years ahead.

Jörgen Zahlin

Managing Director and Chief Executive Officer

Incoming orders

SEK million



Incoming orders

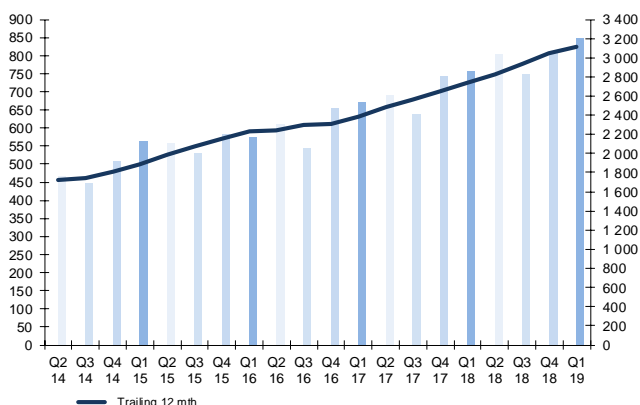
Incoming orders increased by 12% to SEK 870 million (780) in the first quarter of 2019. For comparable entities, including the impact of foreign currency exchange rate movements, incoming orders rose 11% and the acquired incoming orders were 1%.

Incoming orders in the first quarter of 2019 were 3% higher than net sales.

At SEK 439 million (381) on 31 March 2019, the order book was 15% up on the previous year.

Net sales

SEK million

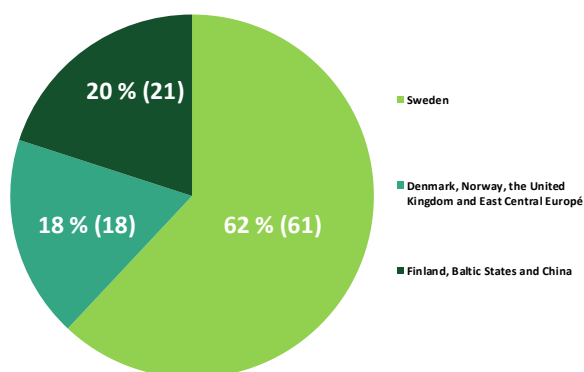


Sales growth

Net sales in the first quarter of 2019 increased by 12% to SEK 847 million (757). For comparable entities, net sales rose 11% and acquired net sales were 1%. Exchange rate fluctuations in the first quarter had a 3% positive impact on net sales.

The Swedish operations of Agolux, Telfa, OEM Electronics, OEM Motor, OEM Automatic and Svenska Batteripoolen, and the operations in Slovakia, Denmark, Norway, the Czech Republic, the UK and Finland reported the highest percentage growth in net sales compared with last year.

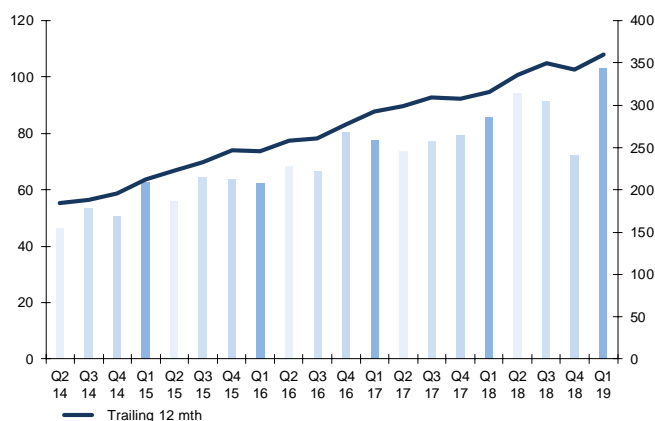
Share by region



There were marginal percentage shifts across the regions, with sales decreasing by 1 percentage point over the previous year in Region Finland, the Baltic states and China, while sales rose by 1 percentage point in Region Sweden. Sales were unchanged in Region Denmark, Norway, the UK and East Central Europe.

EBITA

SEK million



Growth in earnings

In the first quarter of 2019, EBITA, operating profit before amortisation and impairment of acquisition-related intangible fixed assets, was SEK 103 million (85), which is an increase of 21%.

The EBITA margin stood at 12.2% (11.3%) in the first quarter of 2019. The EBITA margin for the trailing twelve months was 11.3%.

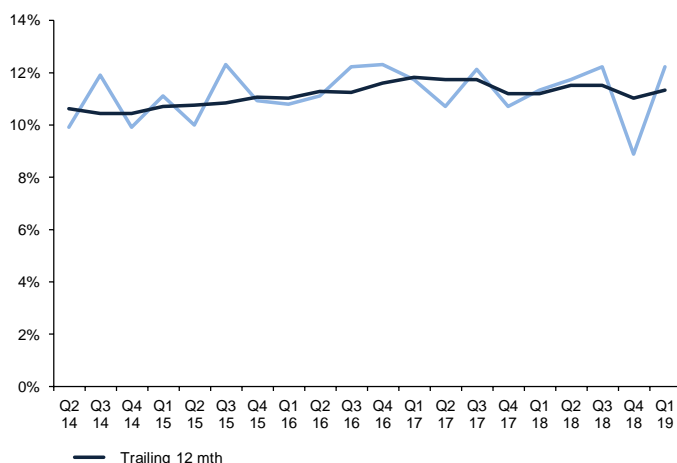
Operating profit rose 24% to SEK 100 million (81) in the first quarter of 2019.

The operating margin increased to 11.8% (10.6%) in the first quarter.

Profit after tax rose 26% to SEK 78 million (62) in the first quarter of 2019.

Earnings per share were SEK 3.37 (2.67) in the first quarter of 2019.

EBITA margin



Return

The return on equity in the first quarter of 2019 was 8.1% compared with 7.3% in the year-ago quarter.

The trailing-twelve-month return on equity was 29.5%, which is well above the 20% target.

Shareholders' equity amounted to SEK 1,010 million (878) with an equity/assets ratio of 60% (57%) on 31 March 2019.

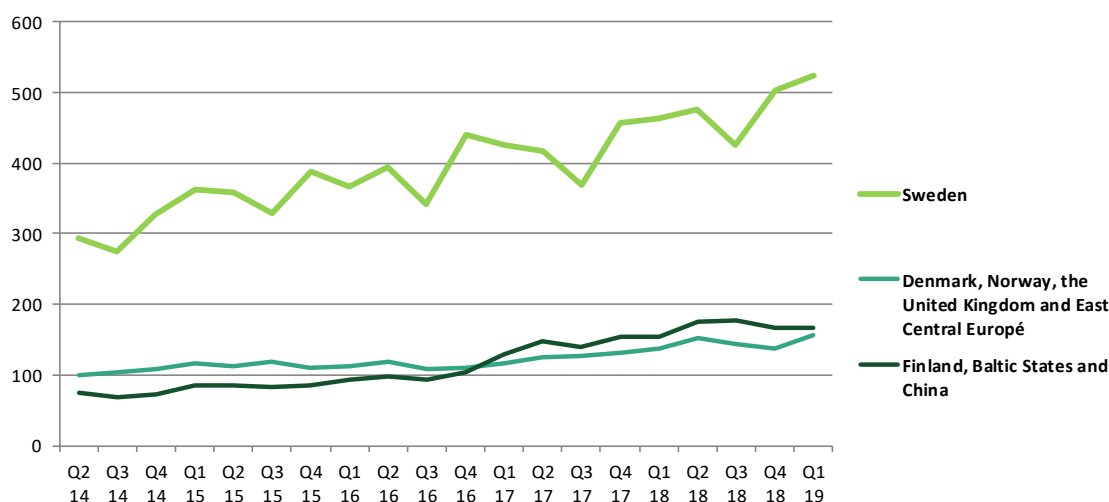
Return on equity



Note: The return on equity for each quarter is listed by four to provide a better comparison with the trailing twelve months in the diagram.

Sales growth by region for each quarter

SEK million



Sweden

OEM Automatic AB, OEM Motor AB, Telfa AB, Svenska Batteripoolen AB, Elektro Elco AB, Nexa Trading AB, OEM Electronics AB, Internordic Bearings AB, Svenska Helag AB, Flexitron AB, Agolux AB, Ernst HJ Rydahl Bromsbandfabrik and ATC Tape Converting AB.

SEK million	2019 Q1	2018 Q1	2018 Full year	Trailing 12 month
Incoming orders	527	471	1,894	1,950
Net sales	523	464	1,868	1,927
EBITA	78	64	256	270
EBITA margin	15%	14%	14%	14%

Net sales rose 13% to SEK 523 million (464) in the first quarter of 2019. Foreign currency exchange rate movements and acquisitions had positive effects of 3% and 1% respectively on net sales, which means that organic growth in the region reached 9%. Most of the operations have delivered good growth with Agolux, Telfa, OEM Electronics, OEM Motor, OEM Automatic and Svenska Batteripoolen accounting for the largest percentage growth in net sales.

Incoming orders increased by 12% to SEK 527 million (471) in the first quarter of 2019. Incoming orders were 1% higher than net sales in the period.

EBITA rose 21% to SEK 78 million (64) in the first quarter of 2019 due primarily to increased net sales.

Finland, the Baltic states and China

OEM Automatic FI, Akkupojat Oy, OEM Electronics FI, Sitek-Palvelu OY, Rauheat OY, OEM Automatic OU, OEM Automatic UAB, OEM Automatic SIA, OEM Automatic (Shanghai) Co.Ltd.

SEK million	2019 Q1	2018 Q1	2018 Full year	Trailing 12 month
Incoming orders	175	162	676	688
Net sales	167	155	674	686
EBITA	14	15	74	73
<i>EBITA margin</i>	8%	9%	11%	11%

Net sales for the region rose 7% to SEK 167 million (155) in the first quarter of 2019. Favourable foreign exchange movements boosted net sales by 4%, which means that organic growth in the region reached 3%.

The level of incoming orders has also been good, rising 8% to SEK 175 million (162). Incoming orders were 5% higher than net sales in the period.

Growth has continued across most of the operations in Finland although at a slightly lower rate than before. China reported positive growth while the Baltic states remained at the same level as in the year-ago quarter. The operations in the Baltic states and China are small and their impact on total growth is marginal.

EBITA fell by 6% to SEK 14 million (15), due primarily to an increased cost base.

Denmark, Norway, UK and East Central Europe

OEM Automatic Klitsö A/S, OEM Automatic AS, OEM Automatic Ltd, OEM Automatic Sp z o. o., OEM Electronics PL, OEM Automatic spol. s r.o., OEM Automatic s.r.o. and OEM Automatic Kft.

SEK million	2019 Q1	2018 Q1	2018 Full year	Trailing 12 month
Incoming orders	169	147	593	615
Net sales	157	138	570	589
EBITA	14	9	29	35
<i>EBITA margin</i>	9%	6%	5%	6%

Net sales rose in the first quarter of 2019 by 14% to SEK 157 million (138). Favourable foreign exchange movements boosted net sales by 3%, which means that organic growth in the region reached 11%. The operations reporting good organic growth are Slovakia, Denmark, Norway, the Czech Republic and the UK.

Incoming orders in the first quarter of 2019 reached SEK 169 million (147), an increase of 15%. Incoming orders were 8% higher than net sales in the period.

EBITA stood at SEK 14 million (9), which is an increase of 60%, due primarily to increased net sales.

Other financial information

Cash flow

Operating cash flow was SEK 42 million (32) in the first quarter of 2019. Cash flow totalled SEK 10 million (29) in the first quarter of 2019 and was affected, in part, by investing activities of SEK -17 million (-11).

Investments

The Group's investments in fixed assets in the first quarter of 2019 totalled SEK 12 million (7), attributable to property, machinery and equipment.

Cash and cash equivalents

Cash and cash equivalents, comprising cash and bank balances, amounted to SEK 50 million (87). Cash and cash equivalents, together with committed undrawn credit facilities, amounted to SEK 378 million (387) on 31 March 2019.

Intangible assets

Amortisation of intangible assets totalling SEK 4.9 million (6.2) were charged to the income statement for the first quarter of 2019. On 31 March 2019, intangible assets amounted to SEK 189 million (198).

Equity/assets ratio

On 31 March 2019, the equity/assets ratio was 60% (57%).

Employees

The Group's average number of employees in the first quarter of 2019 was 876 (873). At the end of the period, the number of employees was 874 (876).

Share repurchase

The company has not repurchased any shares during the period. The company's total shareholding was 61,847 shares on 31 March 2019, which is equivalent to 0.3% of the aggregate number of shares. The mandate granted by the Annual General Meeting is for the repurchase of up to 10% of the number of shares, which is the equivalent of 2,316,930 shares.

Remeasurement of contingent considerations

Developments in previously implemented acquisitions have not resulted in a remeasurement of contingent consideration liability. Acquisition-related consideration liabilities (both absolute and contingent) on 31 March 2019 totalled SEK 11 million (17).

Accounting policies

This condensed consolidated interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, and in compliance with relevant provisions from the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in compliance with Chapter 9, Interim Reports, of the Swedish Annual Accounts Act. The Group and the Parent Company have applied the same accounting policies and basis of preparation as in the latest annual report, with the exception of the effect of IFRS 16 Leases which superseded IAS 17 Leases effective for accounting periods beginning on or after 1 January 2019 in the Group. The comparative figures for previous periods are not restated under IFRS 16. The Parent

Company has elected not to apply IFRS 16 *Leases* but instead has applied, with effect from 1 January 2019, the provisions of RFR 2 (IFRS 16 Leases, p. 2–12).

No other International Financial Reporting Standards (IFRS) or International Financial Reporting Interpretations Committee (IFRIC) interpretations adopted in 2019 have had a significant effect on the reported results or financial position of the Group.

There are no separate disclosures of the fair values of financial assets and liabilities stated at cost because the carrying amounts of financial assets and financial liabilities are considered to be reasonable approximations of their fair values. This is because the company management believes there have been no material fluctuations in market interest rates or credit spreads that would have a material impact on the fair value of the Group's interest-bearing liabilities. Furthermore, the fair value of trade and other current receivables and payables is assumed to approximate their carrying amount given their short-term nature.

IFRS 16 Leases supersedes IAS 17 Leases and applies to accounting periods beginning on or after 1 January 2019. Under IFRS 16, OEM has been required, as a lessee, to recognise more or less all leases as assets and liabilities on the balance sheet reflecting the right to use the leased asset or the obligation to pay future lease payments. Amortisation of lease assets and interest on lease liabilities have been recognised in the income statement. This has not had any material effect on earnings. Operating cash flow has increased and financing cash flow has decreased because the portion of the lease payments that represents repayment of the lease liability is recognised as a payment within financing activities.

The leases are mainly for rental of property and vehicles. The standard lease arrangements are for a fixed period of 36 months with an option to renew the lease after that date. The option to renew has been assessed for each lease and has been included in the calculation of the asset's value in use and the liability of the leases where it is reasonably certain that the lease term will be extended. An assessment is reviewed if there is a significant change in the circumstances on which the assessment was based. Depreciation of the leased asset is on a straight-line basis over the asset's useful life and the period of the lease term.

In its transition to the new standard, OEM has chosen to apply the modified retrospective approach, which means that the cumulative effect of initially applying IFRS 16 has been recognised in retained earnings in the opening balance as at 1 January 2019 without restatement of comparative figures. OEM has chosen to recognise right-of-use assets related to earlier operating leases for premises at their written-down value from the start of the lease, and equipment and vehicles at the value of the debt on 1 January 2019 plus prepayments recognised on the balance sheet as at 31 December 2018.

Leases with a term of 12 months or less or leases that expire within 12 months of the date of initially applying the standard have been classified as short-term leases and are not included in the recognised lease liabilities or lease assets. Moreover, OEM has chosen not to recognise leases where the underlying asset has a low value when new (approximately SEK 50,000 or less) as a right-of-use asset or lease liability.

Existing finance leases previously recognised under IAS 17 Leases have been remeasured in accordance with IFRS 16 to the amounts they were recognised at on the day immediately before adoption of the new standard, except for finance leases that expire within 12 months of the date of initially applying the standard which have been recognised as short-term leases upon the application of IFRS 16. Furthermore, for other finance leases, VAT that was previously included in the finance lease has been removed from the books upon the application of the standard.

A marginal lending rate has been set per country and asset type.

The effects of transition to IFRS 16 are given below.

MSEK	Adjustment 1 January 2019
Property, plant and equipment	42,1
Non-current interest-bearing liabilities	-27,1
Current interest-bearing liabilities	-13,5
Prepaid expenses and accrued income	-3,2
Effect on net assets before tax	-1,7
Deferred tax assets	0,3
Effect on equity	-1,4

Risks and uncertainties

The OEM Group is exposed to both business-related risks and financial risks through its activities. Business-related risks include competition and operational risks, and financial risks include liquidity risk, interest rate risk and currency risk. The OEM Group's financing activities and management of financial risks are handled mainly by the Parent Company. Details of risks affecting the Group are set out on page 30 and pages 74 to 76 in the 2018 Annual Report.

Other than the risks and uncertainties set out in the 2018 Annual Report, no significant risks or uncertainties have been identified or removed.

Related party transactions

No related party transactions have been entered into that materially affected the financial position or the performance of the Group and Parent Company during the period.

Parent Company

Net sales for the Parent Company in the first quarter of 2019 totalled SEK 13 million (13) and profit after financial items was SEK -1.4 million (-2.6). Net sales relate entirely to inter-company transactions. The foregoing risks and uncertainties specified for the Group also apply indirectly to the Parent Company.

Events after the close of the reporting period

There are no significant events to report after the close of the reporting period.

Definitions

Definitions can be found on page 15.

Tranås, Sweden, 24 April 2019

Jörgen Zahlin
Managing Director and Chief Executive Officer

This report has not been subject to special auditing procedures by the company's auditors.

For further information, please contact the Managing Director, Jörgen Zahlin, on +46 (0)75-242 40 22 or the Finance Director, Jan Cnattingius, on +46 (0)75-242 40 03.

This information is of such a nature that its disclosure by OEM International AB (publ.) is required under the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was provided for publication on 24 April 2019 at 14.00 CET by Jan Cnattingius.

The regions' sales and earnings

SALES & EARNINGS BY REGION

Net sales (SEK million)

	Jan-mar 2019	Jan-mar 2018	Q4 2018	Q3 2018	Q2 2018	Trailing 12 mth	Full year 2018
Sweden, external income	523	464	503	426	476	1 927	1 868
Sweden, income from other segments	37	26	31	27	29	125	113
Finland, the Baltic States and China, external income	167	155	166	178	175	686	674
Finland, the Baltic States and China, income from other s	2	1	1	1	2	6	6
Denmark, Norway, the United Kingdom and East Central Europe, external income	157	138	137	144	152	589	570
Denmark, Norway, the United Kingdom and East Central Europe, income from other segments	1	0	1	0	0	2	2
Elimination	-40	-27	-33	-29	-31	-133	-121
	847	757	805	747	802	3 202	3 112

EBITA (SEK million) **

	Jan-mar 2019	Jan-mar 2018	Q4 2018	Q3 2018	Q2 2018	Trailing 12 mth	Full year 2018
Sweden	78	64	63	62	67	270	256
Finland, the Baltic States and China	14	15	15	23	21	73	74
Denmark, Norway, the United Kingdom and East Central Europe	14	9	-2	12	10	35	29
Group functions	-2	-2	-5	-6	-4	-17	-17
	103	85	72	91	94	360	343

Operating profit (SEK million) **

	Jan-mar 2019	Jan-mar 2018	Q4 2018	Q3 2018	Q2 2018	Trailing 12 mth	Full year 2018
EBITA	103	85	72	91	94	360	343
<i>Amortisation and write-downs of acquisition-related intangible fixed assets.</i>							
Sweden	-1	-3	-3	-3	-3	-9	-10
Finland, the Baltic States and China, Denmark, Norway, the United Kingdom and East Central Europe	-2	-2	-2	-2	-2	-7	-7
	0	0	-1	0	0	-2	-2
Operating profit	100	81	67	86	89	342	323

Consolidated profit/loss (SEK million) **

	Jan-mar 2019	Jan-mar 2018	Q4 2018	Q3 2018	Q2 2018	Trailing 12 mth	Full year 2018
Operating profit	100	81	67	86	89	342	323
Net financial items	-1	-2	-1	-1	-1	-4	-6
Pre-tax profit/(loss)	99	79	66	85	88	338	317

**IFRS 16 Leases applies to accounting periods in 2019. Comparative figures for 2018 are not restated. IAS 17 Leases is applicable instead. See Accounting Policies for further details about the transition from IAS 17 to IFRS 16 and its effects.

Specification of external income by region and product area	Sweden		Finland, the Baltic States and China,		Denmark, Norway, the United Kingdom and East Central Europe		Total	
	Jan-mar 2019	Jan-mar 2018	Jan-mar 2019	Jan-mar 2018	Jan-mar 2019	Jan-mar 2018	Jan-mar 2019	Jan-mar 2018
Product Areas								
Automation	203	184	103	96	149	130	455	409
Components	87	71	19	18	7	-	113	89
Lighting & Installation components	77	73	8	5	1	8	86	86
Other	156	137	36	36	-	-	192	173
	523	464	167	155	157	138	847	757

The Group's performance and financial position

CONDENSED CONSOLIDATED STATEMENT OF INCOME (SEK MILLION) **

	Jan-mar 2019	Jan-mar 2018	Q4 2018	Q3 2018	Q2 2018	Trailing 12 mth	Full year 2018
Net sales	847	757	805	747	802	3 202	3 112
Other operating income	-	-	4	0	0	5	5
Operating costs	-730	-664	-729	-648	-700	-2 807	-2 741
Depreciation and write-downs of fixed assets	-17	-13	-14	-13	-13	-58	-53
Operating profit	100	81	67	86	89	342	323
Net financial income/expense	-1	-2	-1	-1	-1	-4	-6
Pre-tax profit/(loss)	99	79	66	85	88	338	317
Tax	-21	-17	-15	-16	-21	-73	-69
Profit/loss for the period	78	62	50	69	67	264	248
Earnings per outstanding share, SEK*	3,37	2,67	2,18	3,00	2,89	11,44	10,74

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (SEK MILLION) **

Other comprehensive income

Profit/loss for the period	78	62	50	69	67	264	248
Items that have been transferred or may be recycled to net income							
Exchange differences for the period on translation of overseas operations	8	13	-2	-4	7	8	13
Items that can not be recycled to net profit							
Revaluation of defined-benefit pension plans	0	0	0	0	0	-1	0
Other comprehensive income for the period	7	13	-2	-5	7	7	13
Comprehensive income for the period	85	75	48	65	73	272	261
EBITA	103	85	72	91	94	360	343

* Attributable to shareholders of the parent company. There are no dilution effects.

**IFRS 16 Leases applies to accounting periods in 2019. Comparative figures for 2018 are not restated. IAS 17 Leases is applicable instead. See Accounting Policies for further details about the transition from IAS 17 to IFRS 16 and its effects.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (SEK MILLION) **

	2019-03-31	2018-03-31	2018-12-31
Fixed assets			
Goodwill	137	130	136
Other intangible assets	52	68	57
Total intangible assets	189	198	193
Property, plant and equipment	307	254	260
Total property, plant and equipment	307	254	260
Deferred tax assets	4	2	3
Financial assets	0	0	0
Total financial assets	4	3	3
Total fixed assets	500	454	456
Current assets			
Inventories	584	488	569
Current receivables	558	516	501
Cash and cash equivalents	50	87	38
Total current assets	1 192	1 091	1 108
Total assets	1 692	1 545	1 563
Equity	1 010	878	926
Non-current interest-bearing liabilities	56	35	33
Provisions for pensions	2	1	1
Non-current non-interest-bearing liabilities	2	9	8
Deferred tax liabilities	92	88	92
Total non-current liabilities	152	133	135
Current interest-bearing liabilities	127	176	117
Current non-interest-bearing liabilities	403	359	385
Total current liabilities	530	534	502
Total equity and liabilities	1 692	1 545	1 563

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (SEK MILLION) **

	2019-03-31	2018-03-31	2018-12-31
At beginning of year	926	804	804
Adjustment on transition to IFRS 16 (net)	-1	-	-
Comprehensive income for the period			
Profit/loss for the period	78	62	248
Other comprehensive income for the period	7	13	13
Comprehensive income for the period	85	75	261
Dividends paid	-	-	-139
At the end of the period	1 010	878	926

**IFRS 16 Leases applies to accounting periods in 2019. Comparative figures for 2018 are not restated. IAS 17 Leases is applicable instead. See Accounting Policies for further details about the transition from IAS 17 to IFRS 16 and its effects.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (SEK MILLION) **

	Jan-mar 2019	Jan-mar 2018	Q4 2018	Q3 2018	Q2 2018	Trailing 12 mth	Full year 2018
Operating cash flows							
before movements in working capital	91	61	69	82	84	325	295
Movements in working capital	-49	-29	25	-55	-19	-98	-78
Operating cash flows	42	32	93	27	65	227	217
Acquisition of subsidiaries net effect on cash and cash equivalents	-6	-5	-	-9	-	-15	-14
Acquisition of intangible fixed assets	0	-	-1	0	-	-1	-1
Acquisition of property, plant and equipment	-12	-7	-7	-6	-18	-44	-38
Sales of property, plant and equipment	1	1	2	2	1	7	7
Investing cash flows	-17	-11	-6	-13	-17	-53	-47
Financing cash flows							
- Loan raised	1	5	-	-	2	3	8
- Loan amortisation	-3	-8	-5	-1	-	-9	-13
- Repayment of lease liabilities	-8	-	-	-	-	-8	-
- Change in bank overdrafts	-4	11	-77	-2	24	-60	-45
- Dividends paid	-	-	-	-	-139	-139	-139
Financing cash flow	-15	8	-81	-3	-113	-212	-189
Cash flow for the period	10	29	7	11	-65	-37	-19
Cash and cash equivalents at the beginning of the period	38	56	32	22	87	87	56
Exchange rate difference	1	2	-1	0	0	0	1
Cash and cash equivalents at the end of the period	50	87	38	32	22	50	38

KEY PERFORMANCE INDICATORS **

	Jan-mar 2019	Jan-mar 2018	Q4 2018	Q3 2018	Q2 2018	Trailing 12 mth	Full year 2018
Return on equity, %	8,1	7,3	5,2	7,6	8,6	29,5	28,7
Return on capital employed, %	9,1	8,2	7,3	8,6	8,9	33,9	33,0
Return on total capital %	6,4	5,6	4,8	6,1	6,0	23,3	22,5
Equity/assets ratio, %	59,7	56,8					59,2
Earnings per outstanding share, SEK	3,37	2,67	2,18	3,00	2,89	11,44	10,74
Earnings per total shares, SEK	3,36	2,67	2,17	2,99	2,88	11,40	10,71
Equity per total shares, SEK	43,59	37,87					39,97
Average number of outstanding shares (thousands)	23 107	23 107	23 107	23 107	23 107	23 107	23 107
Average total shares (thousands)	23 169	23 169	23 169	23 169	23 169	23 169	23 169
Operating margin, %	11,8	10,6	8,3	11,5	11,1	10,7	10,4
EBITA-margin, %	12,2	11,3	8,9	12,2	11,7	11,3	11,0

* Attributable to shareholders of the parent company. There are no dilution effects.

**IFRS 16 Leases applies to accounting periods in 2019. Comparative figures for 2018 are not restated. IAS 17 Leases is applicable instead.

See Accounting Policies for further details about the transition from IAS 17 to IFRS 16 and its effects.

The Parent Company's performance and financial position

CONDENSED INCOME STATEMENT OF THE PARENT COMPANY (SEK MILLION)

	Jan-mar 2019	Jan-mar 2018	Q4 2018	Q3 2018	Q2 2018	Trailing 12 mth	Full year 2018
Net sales	13	13	19	13	12	57	57
Operating costs	-12	-12	-16	-12	-13	-53	-53
Depreciation	-2	-2	-2	-2	-2	-8	-8
Operating profit	-1	-1	1	-1	-2	-3	-4
Income from investments							
in Group companies	-	-	-8	-	68	60	60
Other financial income/expense, Net	0	-1	0	0	0	-1	-2
Profit/loss after financial items	-1	-3	-7	-1	65	56	54
Year-end appropriations	-	-	205	-	-	205	205
Pre-tax profit/(loss)	-1	-3	197	-1	65	261	259
Tax	0	1	-46	0	1	-45	-44
Profit/loss for the period	-1	-2	152	-1	66	216	215

Comprehensive income for the period corresponds with the profit/loss for the period.

CONDENSED BALANCE SHEET OF THE PARENT COMPANY (SEK MILLION)

Assets	2019-03-31	2018-03-31	2018-12-31
Intangible fixed assets	10	16	11
Property, plant and equipment	16	18	16
Financial assets	419	415	419
Total fixed assets	445	448	447
Current receivables	382	324	415
Cash on hand and demand deposits	-	-	-
Total current assets	382	324	415
Total assets	827	772	862
Equity and liabilities			
Equity	369	292	370
Untaxed reserves	307	277	307
Deferred tax liabilities	2	2	2
Non-current non-interest-bearing liabilities	2	9	8
Total non-current liabilities	2	9	8
Current interest-bearing liabilities	34	53	33
Current non-interest-bearing liabilities	113	140	142
Total current liabilities	147	193	175
Total equity and liabilities	827	772	862

Notes

Segment reporting is presented on page 5, 6, 10 and page 11, disclosures about fair value of financial instruments and accounting policies are presented on page 8.

Definitioner

In addition to the conventional financial performance measures established by IFRS, OEM uses the term EBITA/EBITA margin as defined below. The reason is that OEM wishes to summarise the companies' operations with regard to profit and margins, adjusted for amortisations of Group-related amortisations arising in connection with acquisitions and thereby improve the comparability of financial information across different periods of time.

EBITA

Operating profit before amortisation of acquisition-related intangible fixed assets
A reconciliation of the calculation of EBITA is presented on page 10.

EBITA margin

EBITA divided by net sales

Return on capital employed

EBITA plus finance income as a percentage of average capital employed

Capital employed

Total assets less non-interest-bearing liabilities and provisions

Return on total capital

EBITA plus finance income as a percentage of average total capital

Return on Equity

Profit for the year divided by average shareholders' equity



One of Europe's leading technology trading companies with 33 operating entities in 14 countries

For 40 years, OEM's idea has been to serve as a link that creates value between customers and manufacturers of industrial components and systems. Over the years, the company has grown from a small, family-owned business in Tranås in southern Sweden into an international technology trading group operating in 14 countries in northern Europe, Central Eastern Europe, the UK and China. OEM has partnerships with more than 300 leading and specialist manufacturers and is responsible for their sales in selected markets. Its range comprises more than 50,000 products in the areas of electrical components, flow technology, motors, transmissions and brakes, ball bearings and seals, appliance components and installation components. The Group has a customer base of more than 25,000 businesses, primarily in the manufacturing sector. The company's high level of expertise enables it to help customers increase purchasing efficiency and choose the right components.

www.oem.se

OEM INTERNATIONAL AB (publ)
org.nr. 556184-6691,
Box 1009,
573 28 Tranås
+46 75-242 40 00