
Continued favourable development

Wood products company Setra reports an operating profit for the first quarter of 2014 of SEK 67 million (-26), an earnings improvement of SEK 93 million compared with the same period in the previous year. Net sales for the period January-March totalled SEK 1,065 million (945).

“The improvement in earnings compared with the previous year is a combination of a positive market development and our focused internal efficiency improvement programme designed to reduce production costs and increase long-term competitiveness,” says Hannele Arvonen, President and CEO of Setra.

Egypt, Japan and China are the export markets which provided the strongest volume development compared with the first quarter of 2013. North Africa and the Middle East are established markets and account for about 20% of Setra’s total sales. Setra has conducted new marketing drives in Southeast Asia and in December 2013 opened its own sales office in Guangzhou, in southern China.

During the quarter Setra placed its processing operations in a new business area, Building Products & Systems. This was achieved by merging the operations within Setra’s subsidiary Plusshus and the operations within the former Wood Products business area, with sales of building products primarily to the Swedish building materials trade.

“In order to create conditions in which to develop more efficient processes and customer benefit throughout value chain, we are now combining our expertise within construction and homes,” says Arvonen.

Operating profit, calculated on a rolling 12-month basis, amounted to SEK 200 million. The improved earnings combined with continued lower tied-up capital provided a return on operating capital of 12.2% during the past 12-month period.

| Key figures | Jan-March (3 mths) | |
|-----------------------|--------------------|------|
| | 2014 | 2013 |
| Net sales | 1,065 | 945 |
| Operating profit/loss | 67 | -26 |
| Profit/loss after tax | 46 | -28 |

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Setra does not publish a complete interim report.

*Setra is one of Sweden’s largest wood products companies and a leading player in Europe. We offer eco-certified wood products for interiors and construction to customers in the building materials trade and industry. The Group has approximately 900 employees and annual sales of SEK 4.1 billion. Exports to Europe, North Africa, the Middle East and Asia account for almost 60% of sales.
Read more at www.setragroup.com*