

# INTERIM REPORT

# Q3

## Positive development of order intake, earnings impacted by items affecting comparability and lower production rate

### THIRD QUARTER

- Net sales amounted to SEK 718 (722) million, a decrease of -0.6% on the same period last year.
- Operating earnings (EBIT) totaled SEK -8 (38) million, equating to an operating margin of -1.0% (5.2).
- Operating earnings (EBIT) adjusted for relocation costs in China and restructuring in Germany totaled SEK 19 (38) million, equating to an adjusted operating margin of 2.8% (5.2).
- Earnings after tax amounted to SEK -14 (25) million.
- Order bookings amounted to SEK 776 (723) million, an increase of 7.3% on the same period last year.
- Cash flow from operating activities totaled SEK 114 (-15) million.
- Earnings per share were SEK -0.75 (1.26).

### JANUARY – SEPTEMBER

- Net sales amounted to SEK 2,309 (2,385) million, a decrease of -3.2% on the same period last year.
- Operating earnings (EBIT) totaled SEK 71 (162) million, equating to an operating margin of 3.1% (6.8).
- Operating earnings (EBIT) adjusted for relocation costs in China and restructuring in Germany totaled SEK 105 (162) million, equating to an adjusted operating margin of 4.6% (6.8).
- Earnings after tax amounted to SEK 44 (113) million.
- Order bookings totaled SEK 2,261 (2,357) million, a decrease of -4.1% on the same period last year.
- Cash flow from operating activities totaled SEK 109 (65) million.
- Earnings per share were SEK 2.08 (5.69).
- Net debt amounted to SEK 596 (164) million. Net debt (excluding financial leasing) totaled SEK 328 (128) million.
- The equity/assets ratio was 54.8% (65.1) at the end of the period. The equity/assets ratio (excluding financial leasing) totaled SEK 59.9% (65.1).
- Flagging of own shareholding of 5% of the total number of shares in the company.
- Bulten announced that Q3 earnings were adversely affected by restructuring in Germany by approximately SEK 20 million, and a lower production rate by approximately SEK 20 million.

### CEO'S COMMENTS

*"The decline in the automotive markets continued during the third quarter, and the weaker demand was reflected in Bulten's volumes. The marginal reduction in net sales of 0.6% and the higher order intake indicate that deliveries of the already contracted business have now begun. Market development and balancing of inventory levels have resulted in a continued low production rate. The under-absorption had a negative impact on earnings of approximately SEK 18 million during the quarter. Customers' volume reductions at short notice have countered the impact of inventory reduction measures to some extent.*

*Order bookings increased by 7.3% during the quarter. However, the uncertainty about the economic situation and the outcome of Brexit make the development in the coming months difficult to predict. This could also affect the production rate for the fourth quarter, and ongoing adaptations are being made in both purchasing and production.*

*Restructuring in the company's unit in Bergkamen, Germany began during the quarter, and negotiations are ongoing. Costs for this burdened Q3 earnings by SEK 20 million. The restructuring is expected to bring annual savings of approximately SEK 25 million from the 2020 calendar year.*

*The relocation of operations in China, from Beijing to Tianjin, is proceeding according to plan and will be completed during the fourth quarter. Relocating production impacted operating earnings for the third quarter with a cost of SEK 7 million. The investment will create further growth opportunities for Bulten.*

*Bulten has previously announced new contracts worth just over half a billion SEK a year at full production in 2021. Ramp up of the new contracts is taking longer than previously announced, but is expected gradually to compensate for the general market downturn over coming quarters."*

# BULTEN IN BRIEF

## DEVELOPMENT DURING THE QUARTER

The decline in the automotive markets continued during the third quarter, and the weaker demand was reflected in Bulten's volumes. The marginal reduction in net sales of 0.6% and the higher order intake indicate that deliveries of the already contracted business have now begun. Market development and balancing of inventory levels have resulted in a continued low production rate. The under-absorption had a negative impact on earnings of approximately SEK 18 million during

the quarter. Customers' volume reductions at short notice have countered the impact of stock reduction measures to some extent.

Order bookings increased by 7.3% during the quarter. However, the uncertainty about the economic situation and the outcome of Brexit make the development in the coming months difficult to predict. This could also affect the production rate for the fourth quarter, and ongoing adaptations are being made in both purchasing and production.

Restructuring in the company's unit in Bergkamen, Germany began during the quarter. Costs for this burdened Q3 earnings by SEK 20 million. Measures include a personnel reduction of 50 people in total, including both permanent and temporary employees. Union negotiations are underway and should be completed by the end of the year. The restructuring is expected to bring annual savings of approximately SEK 25 million from the 2020 calendar year.

The relocation of operations in China, from Beijing to Tianjin, is proceeding according to plan and will be completed during the fourth quarter. To date operating earnings has been negatively affected by SEK 15 million for this relocation, SEK 14 million in 2019, of which SEK 7 million in the third quarter. In total, the move is estimated to cost SEK 16-20 million. The investment will create further growth opportunities for Bulten.

Regarding the planned factory investment in Poland, the land development process is in its final stages. The original price for potential land was PLN 9.5 million (SEK 23 m\*). Following negotiations, Bulten has obtained a contract worth a total of PLN 15.6 million (SEK 37 m\*), which now includes both infrastructure and a larger plot of land. Negotiations regarding construction of the building are underway. Construction is scheduled to begin in spring 2020 and should be completed by the end of 2021.

Bulten has also invested in the existing plant in Poland and installed solar cells, which means cost efficiency and reduced carbon dioxide emissions by approximately 80 tonnes/year.

Bulten has appointed Fredrik Bäckström as the new SVP Production. He will take up his post on December 1, 2019 and will be on Bulten's Executive Management Team. Fredrik Bäckström succeeds Jörg Neveling, who is retiring on October 31, 2019.

## MARKET AND OUTLOOK

Approximately 85% of Bulten's net sales relate to light vehicles and roughly 15% to commercial vehicles. Around 91% of total sales relate to direct deliveries to vehicle manufacturers (OEMs) and the remainder to their suppliers and other players.

According to the latest LMC Automotive forecast per Q3 for 2019, European production of light vehicles is expected to decrease by 2.3% and heavy commercial vehicles increase by 0.6% compared with 2018. Weighted for Bulten's business exposure, this means a decline of 1.9% in the corresponding period. According to statistics from ACEA, passenger car sales in the EU during the nine months of 2019 show a decline of 1.6 percent compared to the same period 2018.

According to LMC Automotive, developments in China during the first nine months have led to a sales decline of approximately 10%, which also affects suppliers' production in Europe.

Bulten's products are mainly distributed to Europe, but demand is governed by the production of vehicles for the global market. At the end of 2018, the management team estimated that Bulten's market share amounted to about 18% of the European market

for fasteners for the automotive industry, which is an increase of 1 percentage point on 2017. On the same market, Bulten's estimated market share for FSP business was around 65% at the end of 2018, which is an increase of 4 percentage points on 2017. The information is based on data from the European Industrial Fasteners Institute (EIFI) relating to European automotive industry purchases of fasteners during 2018.

The lower demand may also affect the production rate during the fourth quarter. Purchasing and production capacity are continuously being adapted to match demand, even though predictability over the coming months is difficult due to the anticipated Brexit and concerns about the economy in general.

Bulten has previously announced new contracts worth just over half a billion SEK a year at full production in 2021. Ramp up of the new contracts is taking longer than previously announced, but is expected gradually to compensate for the general market downturn over coming quarters.

## ORDER BOOKINGS AND NET SALES

### Third quarter

Order bookings amounted to SEK 776 (723) million, an increase of 7.3% on the same period last year.

Group net sales amounted to SEK 718 (722) million, a decrease of -0.6% on the same period last year. Adjusted for foreign exchange effects, organic growth fell to -2.8% for the same period.

### January - september

Order bookings amounted to SEK 2,261 (2,357) million, a decrease of -4.1% on the same period last year.

Group net sales amounted to SEK 2,309 (2,385) million, a decrease of -3.2% on the same period last year. Adjusted for foreign exchange effects, organic growth fell to -6.0% for the same period.



## EARNINGS AND PROFITABILITY

### Third quarter

The Group's gross profit was SEK 106 (135) million, corresponding to a gross margin of 14.8% (18.7). Earnings before depreciation (EBITDA) amounted to SEK 29 (61) million, corresponding to an EBITDA margin of 4.1% (8.4). Operating earnings (EBIT) totaled SEK -8 (38) million, equating to an operating margin of -1.0% (5.2). Operating earnings adjusted for relocation and restructuring costs totaled SEK 19 million, equating to an adjusted operating margin of 2.8%. Bulten's Q3 earnings were adversely affected by restructuring costs of approximately SEK 20 million in Germany. Costs related to the relocation in China amounted to SEK 7 million during the quarter. Moreover, the continued decline on the automotive markets and adaptations in production to lower demand during the quarter have impacted earnings during the quarter by approximately SEK -18 million. The raw material prices that increased dramatically in 2018 have now begun to decrease, although they remain at a high level. Operating earnings were affected marginally by exchange rate fluctuations of SEK 1 (-4) million when converting working capital at the closing day rate.

\* Using the current exchange rate of SEK 1 = PLN 2.38

The Group's net financial items were SEK -7 (-2) million. Financial expenses of SEK -7 (-2) million comprise interest expenses of SEK -3 (-1) million, of which interest expenses for financial leases SEK -2 (-) million. Currency losses amount to SEK -3 (-) million. Other financial expenses amount to SEK -1 (-1) million.

The Group's earnings before tax amounted to SEK -15 (36) million and earnings after tax amounted to SEK -14 (25) million.

### January - september

The Group's gross profit was SEK 394 (458) million, corresponding to a gross margin of 17.1% (19.2). Earnings before depreciation (EBITDA) amounted to SEK 174 (229) million, corresponding to an EBITDA margin of 7.5% (9.6). Operating earnings (EBIT) totaled SEK 71 (162) million, equating to an operating margin of 3.1% (6.8). Operating earnings adjusted for relocation and restructuring costs totaled SEK 105 million, equating to an adjusted operating margin of 4.6%. Bulten's Q3 earnings were adversely affected during the year by restructuring costs of approximately SEK 20 million in Germany, and costs relating to relocation in China which totaled SEK 14 million. Moreover, the continued decline on the automotive markets and adaptations in production to lower demand during the year have impacted the company's earnings during the quarter by approximately SEK -43 million.

The raw material prices that increased dramatically in 2018 have now begun to decrease, although they remain at a high level.

Operating earnings were affected positively by exchange rate fluctuations of SEK 4 (5) million net when converting working capital at the closing day rate.

The Group's net financial items were SEK -5 (-8) million. Financial income of SEK 5 (-) million comprises currency gains. Financial expenses of SEK -10 (-8) million comprise interest expenses of SEK -8 (-3) million, of which interest expenses for financial leases SEK -5 (-) million. Other financial expenses amount to SEK -2 (-2) million.

The Group's earnings before tax amounted to SEK 66 (154) million and earnings after tax amounted to SEK 44 (113) million.

## CASH FLOW, WORKING CAPITAL, INVESTMENTS AND FINANCIAL POSITION

### Third quarter

Cash flow from operating activities totaled SEK 114 (-15) million. The effect on cash flow of the change in working capital amounted to SEK 76 (-69) million.

Inventories changed during the period by SEK -3 (63) million. Capital tied up in stock has been affected by an adapted production rate, but also by customers volume reductions at short notice, which have to some extent countered the effects of stock reduction measures. Current receivables decreased by SEK -58 (-15) million. Current liabilities changed by SEK 21 (-9) million.

Cash flow from investing activities amounted to SEK -84 (-34) million. Investments of SEK 84 (33) million relate to property, plant and equipment.

Cash flow from financing activities was affected by the buy-back of own shares in the amount of SEK -1 (-) million.

### January - september

Cash flow from operating activities totaled SEK 109 (65) million. The effect on cash flow of the change in working capital amounted to SEK -34 (-131) million.

Inventories changed during the period by SEK -32 (108) million. Capital tied up in stock has been affected by an adapted production rate, but also by customers volume reductions at short notice, which have to some extent countered the effects of stock reduction measures. Current receivables increased by SEK 45 (14) million. Current liabilities decreased by SEK -3 (-24) million.

Cash flow from investing activities amounted to SEK -168 (-109) million. Investments of SEK 168 (108) million relate to property, plant and equipment.

Cash flow from financing activities was affected by a dividend to Parent Company shareholders of SEK -80 (-76) million and a buy-back of own shares of SEK -14 (-) million.

On the closing date, net debt amounted to SEK 596 million. In the previous year, net debt was SEK 164 million. Net debt (excluding financial leasing) totaled SEK 328 million. Net debt (excluding financial leasing) in the previous year totaled SEK 128 million.

The Group's cash equivalents at the end of the period amounted to SEK 39 million (25). In addition, loans granted but not utilized amounting to SEK 395 million (602), which means that the Group's available liquid funds amounted to SEK 434 million (627).

## FINANCIAL AGREEMENT

At the end of the second quarter, the company utilized the extension option in its existing financing agreement of SEK 750 million, which now runs until June 2023 under the same conditions.

NET SALES  
SEK **718** MILLION

OPERATING EARNINGS  
SEK **-8** MILLION  
ADJUSTED SEK **19** MILLION

OPERATING MARGIN  
**-1.0%**  
ADJUSTED **2.8%**



### FINANCIAL SUMMARY

SEK MILLION	Q3			JAN-SEPT			12-MONTH ROLLING	YEAR	
	2019	2018	Δ	2019	2018	Δ	OCT 2018-SEPT 2019	2018	Δ
Net sales	718	722	-0.6%	2,309	2,385	-3.2%	3,056	3,132	-2.4%
Gross profit	106	135	-29	394	458	-64	536	600	-64
Earnings before depreciation (EBITDA)	29	61	-32	174	229	-55	245	300	-55
Operating earnings (EBIT)	-8	38	-46	71	162	-91	119	210	-91
Operating margin, %	-1.0	5.2	-6.2	3.1	6.8	-3.7	3.9	6.7	-2.8
Adjusted operating earnings (EBIT) <sup>1)</sup>	19	38	-19	105	162	-57	154	211	-57
Adjusted operating margin, %	2.8	5.2	-2.4	4.6	6.8	-2.2	5.1	6.7	-1.6
Earnings after tax	-14	25	-39	44	113	-69	74	143	-69
Earnings per share before dilution, SEK	-0.75	1.26	-2.01	2.08	5.69	-3.61	3.59	7.19	-3.60
Order bookings	776	723	7.3%	2,261	2,357	-4.1%	3,002	3,098	-3.1%
Return on capital employed, %	-	-	-	-	-	-	6.4	12.8	-6.4
Return on capital employed, (excluding lease liabilities), %	-	-	-	-	-	-	6.8	12.8	-6.0

<sup>1)</sup> See specification page 14.

# OTHER INFORMATION

## ACCOUNTING PRINCIPLES

This interim report has, for the Group, been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The financial reporting for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for legal entities, issued by the Swedish Financial Reporting Board. The accounting policies applied are unchanged compared to those outlined in the 2018 Annual Report, with the exception that IFRS 16 Leases has been applied from January 1, 2019. The Group has conducted an overview of all of the leases, where the information has been compiled and summarized as background information for calculations and quantifications in conjunction with converting to IFRS 16. The leases for the Group primarily involved leasing premises and in certain cases leasing equipment. The Group has decided to apply the simplified transition method, which means that comparison figures do not need to be converted and there is no effect on opening equity. In the opening balance for 2019, non-current assets and interest-bearing liabilities increased by SEK 223 million.

### New accounting policies on January 1, 2019

#### The Group as lessee

The Group's leases primarily comprise right-of-use assets regarding premises and equipment. The leases are recognized as right-of-use assets equating to a lease liability on the day the leased asset becomes available for use by the Group. Short-term leases and leases for which the underlying asset is of low value are excepted.

Each lease payment is distributed between repayment of lease liability and financial expense. The financial expense shall be distributed over the term of the lease so that each accounting period is charged with an amount corresponding to a fixed rate of interest for the liability recognized in the respective period.

The lease period is established as the non-terminable period together with both periods covered by an opportunity to extend the lease if the lessee is reasonably certain to utilize that option, and periods covered by an opportunity to terminate the lease if the lessee is reasonably certain not to utilize that option.

The Group's lease liabilities are entered at the present value of the Group's fixed fees (including fees which are substantially fixed). Call options are included in the fees if it is reasonably certain that these will be utilized to acquire the underlying asset. Penalty fees which are charged on termination of the lease are included if the lease period reflects the fact that the lessee will utilize an opportunity to terminate the lease. The lease payments are discounted by the lease's imputed rate of interest if this interest rate can easily be established, otherwise the Group's incremental borrowing rate is used.

The Group's right-of-use assets are recognized at cost and initially include the present value of the lease liability, adjusted for lease fees paid on or before the start date, as well as initial direct costs. Restoration costs are included in the asset if a corresponding provision

relating to restoration costs has been identified. The right-of-use asset is depreciated on a straight-line basis over the shorter of the asset's useful life and the length of the lease.

### Reclassification of logistics costs

From January 1, 2019 the Group recognizes external costs for logistics as selling expenses. In previous periods, these costs were entered partly in cost of goods sold. The comparison period has been recalculated for comparison purposes as follows:

	JAN-SEPT 2018		
	PREVIOUSLY REPORTED	RECLASSIFICATION	RECALCULATED
Cost of goods sold	-1,938	11	-1,927
<b>Gross profit</b>	<b>447</b>	<b>11</b>	<b>458</b>
Selling expenses	-172	-11	-183
<b>Operating earnings</b>	<b>162</b>	<b>0</b>	<b>162</b>

Other periods presented in the interim report on pages 11 and 12 have also been recalculated for comparison purposes. The recalculation is presented on the Bulten website at [www.bulten.com/en/IR/Interim-reports](http://www.bulten.com/en/IR/Interim-reports).

All amounts in SEK million unless otherwise stated. Figures in parentheses refer to the previous year. Some figures are rounded, so amounts might not always appear to match when added up.

## RISKS AND RISK MANAGEMENT

Exposure to risk is a natural part of a business and this is reflected in Bulten's approach to risk management. This aims to identify risks and prevent risks from occurring and to limit any damage resulting from these risks. The most significant risks for the Group relate to the economic situation's effect on demand, access to and price fluctuations in raw materials, and external geopolitical and financial factors.

For a more detailed description of risks, please see Note 5 Risks and risk management in the 2018 Annual Report.

## SEASONAL VARIATIONS

Bulten has no traditional seasonal variation but the year reflects the customers' production days, which vary between quarters. Generally speaking, the lowest net sales and operating earnings are seen in the third quarter with the lowest number of production days. The other quarters are relatively even but may vary slightly.

## TRANSACTIONS WITH RELATED PARTIES

There have been no significant transactions between related parties during the reporting period. For further information, please see Note 37 of the 2018 Annual Report.

### FINANCIAL SUMMARY EXCLUDING FINANCIAL LEASING IN ACCORDANCE WITH IFRS 16

(MSEK UNLESS OTHERWISE STATED)

	JAN-SEPT 2019 (REPORTED)	ADJUSTMENT FOR EFFECT OF IFRS 16	JAN-SEPT 2019 (PRO FORMA)	JAN-SEPT 2018
Gross profit	394	-1	393	458
Operating profit before depreciation and amortization (EBITDA)	174	-30	144	229
Operating earnings	71	-1	70	162
Net financial income/expense	-5	5	0	-8
Earnings before tax	66	4	70	154
Earnings after tax	44	3	47	113
Return on capital employed, %	6.4	+0.4	6.8	14.0
Net debt (-)	-596	+233	-363	-164
Equity/assets ratio, %	54.8	+5.1	59.9	65.1

## EMPLOYEES

The average number of employees (FTE) in the Group during the period January 1 – September 30, 2019 was 1,442 (1,430).

## CONTINGENT LIABILITIES

There were no significant changes in contingent liabilities during the interim period.

## PARENT COMPANY

Bulten AB (publ) owns, directly or indirectly, all the companies in the Group. The equity/assets ratio was 61.1% (73.8). Equity amounted to SEK 1,005 (1,036) million. There were no cash or cash equivalents on the closing date. The company had nine employees on the closing date.

## SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no other significant events to report.

## ANNUAL GENERAL MEETING

The Annual General Meeting will be held in Gothenburg, Sweden on Thursday 23 April 2020.

## NOMINATION COMMITTEE

According to an AGM decision, the nomination committee shall comprise four members: one representative for each of the three largest shareholders on the final banking day in September who wish to appoint a member, and the Chairman of the Board. The three largest shareholders are considered to be the three largest shareholders as registered with Euroclear Sweden AB on the final banking day in September.

The nomination committee ahead of the 2020 AGM is composed as follows:

- Tim Floderus, appointed by Investment AB Öresund
- Claes Murander, appointed by Lannebo Fonder
- Pär Andersson, appointed by Spiltan Fonder AB
- Ulf Liljedahl, Chairman of the Board of Bulten AB

Gothenburg, October 24, 2019  
Bulten AB (publ)

Anders Nyström  
President and CEO

# REVIEW REPORT

## INTRODUCTION

We have conducted a review of the summary of financial information (interim report) for Bulten AB (publ) as of September 30, 2019 and the nine-month period leading up to this date. The Board of Directors and the Chief Executive Officer are responsible for preparing and presenting this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. It is our responsibility to express a conclusion on this interim report based on our review.

## SCOPE OF REVIEW

We have conducted a review in accordance with the International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information 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 has a different objective and is substantially less in scope than an audit in line with ISA and good accounting practice. The review procedures in a review engagement do not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. The expressed conclusion based on a review does not, therefore, have the same assurance as an expressed conclusion based on an audit.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report has not been 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.

Göteborg, 24 October 2019  
PricewaterhouseCoopers AB

Fredrik Göransson  
*Authorized Public Accountant*

# SHAREHOLDER INFORMATION

PRICE-RELATED SHARE DATA	Q3			JAN-SEPT			12-MONTH ROLLING	YEAR
	2019	2018	Δ	2019	2018	Δ	OCT 2018-SEPT 2019	2018
Share price at end of period (price paid), SEK	62.30	107.20	-44.90	62.30	107.20	-44.90	62.30	88.20
Highest share price during the period (price paid), SEK	74.00	113.40	-39.40	97.00	124.40	-16.40	112.20	124.40
Lowest share price during the period (price paid), SEK	57.90	97.60	-39.70	57.90	97.60	-39.70	57.90	85.90
Market value at end of period, SEK million	1,311	2,256	-945	1,311	2,256	-945	1,311	1,856
P/E	-	-	-	-	-	-	17.34	12.26
Yield, %	-	-	-	-	-	-	-	4.54
<b>Data per share</b>								
Earnings before depreciation (EBITDA) *)	1.46	2.98	-1.52	8.66	11.23	-2.57	12.22	14.78
Operating earnings (EBIT) *)	-0.38	1.86	-2.24	3.54	7.94	-4.40	5.93	10.32
Earnings after net financial items (EAFI) *)	-0.71	1.77	-2.48	3.32	7.56	-4.24	5.52	9.76
Earnings for the period *)	-0.75	1.26	-2.01	2.08	5.69	-3.61	3.59	7.19
Equity *)	-	-	-	74.60	73.86	-0.74	-	74.70
Cash flow from operating activities *)	5.65	-0.72	6.37	5.41	3.21	2.20	-	6.14
Cash flow for the period *)	-1.39	-0.04	-1.35	0.97	-1.23	2.20	-	-1.56
Dividend	-	-	-	-	-	-	-	4.00
<b>Total outstanding ordinary shares, 000</b>								
Weighted number during the period *)	19,989.5	20,359.7	-370.2	20,045.3	20,359.7	-314.4	20,088.5	20,323.7
At the end of the period *)	19,988.0	20,359.7	-371.7	19,988.0	20,359.7	-371.7	19,988.0	20,133.0

\*) Before dilution.

## SHARE PERFORMANCE



Source: Cision on 30 September 2019

## BULTEN'S TEN LARGEST SHAREHOLDERS

SHAREHOLDERS	NO. OF SHARES	SHARE-HOLDING, %
Volito AB	4,800,000	22.8
Investment AB Öresund	2,900,000	13.8
Lannebo fonder	2,521,699	12.0
Bulten AB	1,052,215	5.0
State Street Bank & Trust Com., Boston	459,490	2.2
Spiltan Fonder AB	419,320	2.0
Handelsbanken fonder	391,222	1.9
Tredje AP-fonden	385,125	1.8
HSBC BANK PLC, W8IMY	357,144	1.7
CBNY-DFA-INT SML CAP V	338,843	1.6

Total number of shareholders: 6,807

Source: Euroclear Sweden AB on 30 September 2019

## INFORMATION ABOUT INTERIM REPORTS

Bulten strives for sustainable business, and to find areas where we can minimize environmental impact. From Q2 2016, interim reports are no longer available in printed form.

All of Bulten's reports are available to read and download at [bulten.se](http://bulten.se). Shareholders who are unable to access the reports digitally can order printed copies by contacting Bulten.

Our subscription service at [bulten.se](http://bulten.se) also enables users to subscribe to Bulten's reports and press releases by e-mail.

# FINANCIAL INFORMATION

## CONSOLIDATED INCOME STATEMENT

SEK MILLION	NOTE	Q3			JAN-SEPT			12-MONTH ROLLING	YEAR
		2019	2018	Δ	2019	2018	Δ	OCT 2018 – SEPT 2019	2018
Net sales	1	718	722	-4	2,309	2,385	-76	3,056	3,132
Cost of goods sold		-612	-587	-25	-1,915	-1,927	12	-2,520	-2,532
<b>Gross profit</b>		<b>106</b>	<b>135</b>	<b>-29</b>	<b>394</b>	<b>458</b>	<b>-64</b>	<b>536</b>	<b>600</b>
Other operating income		5	7	-2	17	17	-	19	19
Selling expenses		-72	-62	-10	-193	-183	-10	-253	-243
Administrative expenses		-45	-39	-6	-144	-134	-10	-183	-173
Other operating expenses		-2	-4	2	-5	-1	-4	-5	-1
Share of profit in joint ventures		0	1	-1	2	5	-3	5	8
<b>Operating earnings</b>		<b>-8</b>	<b>38</b>	<b>-46</b>	<b>71</b>	<b>162</b>	<b>-91</b>	<b>119</b>	<b>210</b>
Financial income		0	0	-	5	0	5	5	0
Financial expenses		-7	-2	-5	-10	-8	-2	-14	-12
<b>Earnings before tax</b>		<b>-15</b>	<b>36</b>	<b>-51</b>	<b>66</b>	<b>154</b>	<b>-88</b>	<b>110</b>	<b>198</b>
Tax on earnings for the period		1	-11	12	-22	-41	19	-36	-55
<b>Earnings after tax</b>		<b>-14</b>	<b>25</b>	<b>-39</b>	<b>44</b>	<b>113</b>	<b>-69</b>	<b>74</b>	<b>143</b>
Attributable to									
Parent Company shareholders		-15	26	-41	42	116	-74	72	146
Non-controlling interests		1	-1	2	2	-3	5	2	-3
<b>Earnings after tax</b>		<b>-14</b>	<b>25</b>	<b>-39</b>	<b>44</b>	<b>113</b>	<b>-69</b>	<b>74</b>	<b>143</b>
<b>Earnings per share attributable to Parent Company shareholders</b>									
Earnings per share before dilution, SEK		-0.75	1.26	-2.01	2.08	5.69	-3.61	3.59	7.19
Earnings per share after dilution, SEK		-0.75	1.26	-2.01	2.08	5.66	-3.61	3.59	7.18
Weighted number of outstanding ordinary shares before dilution, 000		19,989.5	20,359.7	-370.2	20,045.3	20,359.7	-314.4	20,088.5	20,323.7
Weighted number of outstanding ordinary shares after dilution, 000		19,989.5	20,451.9	-462.4	20,063.1	20,451.9	-388.8	20,110.5	20,358.5

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK MILLION	Q3			JAN-SEPT			12-MONTH ROLLING	YEAR
	2019	2018	Δ	2019	2018	Δ	OCT 2018 – SEPT 2019	2018
Earnings after tax	-14	25	-39	44	113	-69	74	143
Other comprehensive income								
Items not to be reversed in the income statement								
Revaluation of defined-benefit pension plans, net after tax	-	-	-	-	-	-	0	0
Items that may later be reversed in the income statement								
Exchange differences	11	-8	19	40	23	17	34	17
<b>Total comprehensive income</b>	<b>-3</b>	<b>17</b>	<b>-20</b>	<b>84</b>	<b>136</b>	<b>-52</b>	<b>108</b>	<b>160</b>
Attributable to								
Parent Company shareholders	-4	18	-22	80	139	-59	105	164
Non-controlling interests	1	-1	2	4	-3	7	3	-4
<b>Total comprehensive income</b>	<b>-3</b>	<b>17</b>	<b>-20</b>	<b>84</b>	<b>136</b>	<b>-52</b>	<b>108</b>	<b>160</b>

# CONSOLIDATED BALANCE SHEET

SEK MILLION	30-09-2019	30-09-2018	31-12-2018
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible fixed assets <sup>1)</sup>	208	205	205
Tangible fixed assets	780	678	702
Right-of-use assets	265	–	–
Financial assets	8	6	6
Deferred tax assets	7	6	5
<b>Total fixed assets</b>	<b>1,268</b>	<b>895</b>	<b>918</b>
<b>Current assets</b>			
Inventories	677	641	709
Current receivables	767	767	693
Cash equivalents	39	25	18
<b>Total current assets</b>	<b>1,483</b>	<b>1,433</b>	<b>1,420</b>
<b>Total assets</b>	<b>2,751</b>	<b>2,328</b>	<b>2,338</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity attributable to Parent Company shareholders	1,491	1,504	1,504
Non-controlling interests	16	11	10
<b>Total equity</b>	<b>1,507</b>	<b>1,515</b>	<b>1,514</b>
<b>Long-term liabilities</b>			
Long-term interest-bearing lease liabilities	226	34	33
Other long-term interest-bearing liabilities and provisions	355	157	168
<b>Total long-term liabilities</b>	<b>581</b>	<b>191</b>	<b>201</b>
<b>Current liabilities</b>			
Current lease liabilities, interest-bearing	42	2	2
Other current liabilities, interest-bearing	17	1	1
Other current liabilities, non interest-bearing	604	619	620
<b>Total current liabilities</b>	<b>663</b>	<b>622</b>	<b>623</b>
<b>Total equity and liabilities</b>	<b>2,751</b>	<b>2,328</b>	<b>2,338</b>

1) Of which goodwill SEK 204 (202) (201) million.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK MILLION	JAN-SEPT		YEAR
	30-09-2019	30-09-2018	31-12-2018
Equity at start of period	1,514	1,454	1,454
<b>Comprehensive income</b>			
Earnings after tax	44	113	143
Other comprehensive income	40	23	17
<b>Total comprehensive income</b>	<b>84</b>	<b>136</b>	<b>160</b>
<b>Transactions with shareholders</b>			
Transaktion with minority	3	0	–
Share-based remuneration to employees	0	1	-2
Buy-back of own shares	-14	–	-22
Dividend to Parent Company shareholders	-80	-76	-76
<b>Total transactions with shareholders</b>	<b>-91</b>	<b>-75</b>	<b>-100</b>
<b>Equity at end of period</b>	<b>1,507</b>	<b>1,515</b>	<b>1,514</b>

## CONSOLIDATED CASH FLOW STATEMENT

SEK MILLION	Q3		JAN-SEPT		YEAR
	2019	2018	2019	2018	2018
<b>Operating activities</b>					
Earnings after financial items	-15	36	66	154	198
Adjustments for items not included in cash flow	65	24	135	64	82
Taxes paid	-12	-6	-58	-22	-26
<b>Cash flow from operating activities before changes in working capital</b>	<b>38</b>	<b>54</b>	<b>143</b>	<b>196</b>	<b>254</b>
<b>Cash flow from changes in working capital</b>					
Change in working capital	76	-69	-34	-131	-129
<b>Cash flow from operating activities</b>	<b>114</b>	<b>-15</b>	<b>109</b>	<b>65</b>	<b>125</b>
<b>Investing activities</b>					
Acquisition of intangible fixed assets	0	-1	0	-1	-1
Acquisition of tangible fixed assets	-84	-33	-168	-108	-164
Divestment of tangible fixed assets	0	-	0	-	5
<b>Cash flow from investing activities</b>	<b>-84</b>	<b>-34</b>	<b>-168</b>	<b>-109</b>	<b>-160</b>
<b>Financing activities</b>					
Change in overdraft facilities and other financial liabilities	-46	48	204	95	101
Amortization of lease liabilities	-10	-	-31	-	-
Dividend to Parent Company shareholders	-	-	-80	-76	-76
Buy-back of own shares	-1	-	-14	-	-22
<b>Cash flow from financing activities</b>	<b>-57</b>	<b>48</b>	<b>79</b>	<b>19</b>	<b>3</b>
<b>Cash flow for the period</b>	<b>-27</b>	<b>-1</b>	<b>20</b>	<b>-25</b>	<b>-32</b>
Cash flow for the period	-27	-1	20	-25	-32
Cash and cash equivalents at start of period	66	27	18	48	48
Exchange rate difference in cash and cash equivalents	0	-1	1	2	2
<b>Cash and cash equivalents at end of period</b>	<b>39</b>	<b>25</b>	<b>39</b>	<b>25</b>	<b>18</b>

## CONSOLIDATED NET DEBT COMPOSITION

SEK MILLION	30-09-2019	30-09-2018	31-12-2018
Long-term interest-bearing liabilities	-566	-178	-185
Provision for pensions	-15	-13	-16
Current interest-bearing liabilities	-59	-3	-3
Financial interest-bearing receivables	5	6	5
Cash and bank	39	25	18
<b>Net debt (-)</b>	<b>-596</b>	<b>-164</b>	<b>-181</b>
Less interest-bearing liabilities attributable to lease liabilities	268	36	36
<b>Adjusted net debt (-), (excluding lease liabilities)</b>	<b>-328</b>	<b>-128</b>	<b>-145</b>

## KEY FIGURES FOR THE GROUP

GROUP	Q3		JAN-SEPT		12-MONTH ROLLING	FULL YEAR
	2019	2018	2019	2018	OCT 2018 – SEPT 2019	2018
<b>Margins</b>						
EBITDA margin, %	4.1	8.4	7.5	9.6	8.0	9.6
Adjusted EBITDA margin, % <sup>3)</sup>	7.9	8.4	9.0	9.6	9.2	9.6
EBIT margin (operating margin), %	-1.0	5.2	3.1	6.8	3.9	6.7
Adjusted EBIT margin (operating margin), % <sup>3)</sup>	2.8	5.2	4.6	6.8	5.1	6.6
Net margin, %	-2.1	3.5	1.9	4.8	2.4	4.6
Adjusted Net margin, % <sup>3)</sup>	1.7	3.5	3.4	4.8	3.6	4.6
<b>Capital structure</b>						
Interest coverage ratio, times	-3.0	19.5	7.8	20.4	14.2	18.2
<b>Earnings per share attributable to Parent Company shareholders</b>						
Earnings per share before dilution, SEK	-0.75	1.26	2.08	5.69	3.59	7.19
Adjusted earnings per share before dilution, SEK <sup>3)</sup>	0.28	1.26	3.46	5.69	5.02	7.24
Earnings per share after dilution, SEK	-0.75	1.26	2.08	5.66	3.59	7.18
<b>Number of outstanding ordinary shares</b>						
Weighted number of outstanding ordinary shares before dilution, 000	19,989.5	20,359.7	20,045.3	20,359.7	20,088.5	20,323.7
Weighted number of outstanding ordinary shares after dilution, 000	19,989.5	20,451.9	20,063.1	20,462.8	20,110.5	20,358.5

GROUP	30-09-2019	30-09-2018	31-12-2018
<b>Capital structure</b>			
Net debt/equity ratio, times	-0.4	-0.1	-0.1
Equity/assets ratio, %	54.8	65.1	64.8
Equity/assets ratio, (excluding lease liabilities), %	59.9	65.1	64.8
<b>Other</b>			
Net cash (+)/net debt (-), SEK million	-596	-164	-181
Adjusted net cash (+)/net debt (-), SEK million	-328	-128	-145
<b>Equity per share attributable to Parent Company shareholders</b>			
Equity per share before dilution, SEK	74.60	73.86	74.73
Equity per share after dilution, SEK	74.60	73.53	74.60
<b>Number of outstanding ordinary shares</b>			
Number of outstanding ordinary shares before dilution on the closing date, 000	19,989.0	20,359.7	20,323.7
Number of outstanding ordinary shares after dilution on the closing date, 000	20,005.8	20,451.9	20,133.0

GROUP, 12-MONTH ROLLING	12-MONTH ROLLING		FULL YEAR
	OCT 2018 – SEPT 2019	OCT 2017 – SEPT 2018	2018
<b>Profitability ratios</b>			
Return on capital employed, %	6.4	14.0	12.8
Adjusted return on capital employed, % <sup>1)</sup>	8.3	14.0	12.9
Return on capital employed, (excluding lease liabilities), %	6.8	14.0	12.8
Adjusted return on capital employed, (excluding lease liabilities), %	8.7	14.0	12.9
Return on capital employed, excluding goodwill, %	7.2	16.0	14.6
Return on equity, %	4.8	11.3	9.9
Adjusted return on equity, % <sup>2)</sup>	7.2	11.3	10.0
<b>Capital structure</b>			
Capital turnover rate, times	1.6	2.0	1.9
<b>Employees</b>			
Net sales per employee, SEK 000	2,119	2,185	2,186
Operating earnings per employee, SEK 000	83	152	146
Average number of full-time employees (FTE)	1,442	1,430	1,433

## DEFINITIONS

Definitions of calculated key indicators are unchanged compared to the definitions in the 2018 Annual Report.

Other key indicators not in the Annual Report or on page 13 of this interim report are explained below.

- 1) Adjusted return on capital employed: Earnings before financial expenses adjusted for non-recurring items as a percentage of average capital employed.
- 2) Adjusted return on equity: Net earnings adjusted for non-recurring items divided by average equity.
- 3) Adjusted result: Result adjusted for items affecting comparability.

## QUARTERLY DATA FOR THE GROUP

SEK MILLION	2019			2018			2017		
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Order bookings	776	752	733	741	723	855	779	839	691
<b>Income statement</b>									
Net sales	718	781	810	747	722	810	853	740	630
Gross profit	106	129	159	142	135	160	163	146	125
Adjusted gross profit <sup>3)</sup>	117	134	160	142	135	160	163	146	125
Earnings before depreciation (EBITDA)	29	54	91	71	61	80	88	76	55
EBITDA margin, %	4.1	6.9	11.2	9.6	8.4	9.8	10.4	10.2	8.7
Adjusted Earnings before depreciation (EBITDA) <sup>3)</sup>	56	60	92	72	61	80	88	76	55
Adjusted EBITDA margin, % <sup>3)</sup>	6.8	7.6	11.4	9.7	8.4	9.8	10.4	10.2	8.7
Operating earnings (EBIT)	-8	21	58	48	38	57	67	55	35
EBIT margin (operating margin), %	-1.0	2.7	7.1	6.4	5.2	7.1	7.8	7.5	5.5
Adjusted Operating earnings (EBIT) <sup>3)</sup>	19	27	59	49	38	57	67	55	35
Adjusted EBIT margin (operating margin), % <sup>3)</sup>	2.8	3.4	7.3	6.6	5.2	7.1	7.8	7.5	5.5
Earnings after tax	-14	14	44	30	25	40	48	47	22
Net margin, %	-2.1	1.8	5.4	4.0	3.5	4.9	5.7	6.3	3.5
Adjusted earnings after tax <sup>3)</sup>	13	20	45	31	25	40	48	47	22
Adjusted Net margin, % <sup>3)</sup>	1.7	2.5	5.6	4.1	3.5	4.9	5.7	6.3	3.5
<b>Cash flow from</b>									
operating activities	114	52	-57	60	-15	54	26	2	21
investing activities	-84	-49	-35	-51	-34	-36	-39	-43	-40
financing activities	-57	34	102	-16	48	-35	6	-1	26
Cash flow for the period	-27	37	10	-7	-1	-17	-7	-42	7
<b>Earnings per share attributable to Parent Company shareholders</b>									
Earnings per share before dilution, SEK	-0.75	0.71	2.12	1.50	1.26	1.99	2.43	2.26	1.11
Adjusted earnings per share before dilution, SEK	-0.75	0.98	2.20	1.55	1.26	1.99	2.43	2.26	1.11
<b>Number of outstanding ordinary shares</b>									
Weighted number of outstanding ordinary shares before dilution, 000	19,989.5	20,044.2	20,103.4	20,216.9	20,359.7	20,359.7	20,359.7	20,359.7	20,359.7
<b>Balance sheet</b>									
Fixed assets	1,268	1,198	1,160	918	895	886	877	847	823
Current assets	1,483	1,558	1,551	1,420	1,433	1,386	1,428	1,331	1,189
Equity	1,507	1,511	1,572	1,514	1,515	1,498	1,533	1,454	1,381
Long-term liabilities	581	626	494	201	191	145	104	97	100
Current liabilities	663	619	646	623	622	629	668	627	531
<b>Other</b>									
Net cash (+)/net debt (-)	-596	-595	-501	-181	-164	-118	-60	-49	-13
Adjusted net cash (+)/net debt (-)	-328	-347	-252	-145	-128	-80	-22	-12	23
<b>Equity per share attributable to Parent Company shareholders</b>									
Equity per share before dilution, SEK	74.60	74.79	77.70	74.73	73.86	73.01	74.66	70.76	67.18
<b>Number of outstanding ordinary shares</b>									
Number of outstanding ordinary shares on closing date before dilution, 000	19,988.0	19,999.5	20,075.9	20,323.7	20,359.7	20,359.7	20,359.7	20,359.7	20,359.7
<b>Share price</b>									
Share price at end of period (SEK)	62.30	73.00	79.50	88.20	107.20	104.40	112.00	122.50	126.00

## GROUP, 12-MONTH ROLLING

SEK MILLION	OCTOBER 2018– SEPTEMBER 2019	JULY 2018– JUNE 2019	APRIL 2018– MARCH 2019	JANUARY 2018– DECEMBER 2018	OCTOBER 2017– SEPTEMBER 2018	JULY 2017– JUNE 2018	APRIL 2017– MARCH 2018	JANUARY 2017– DECEMBER 2017	OCTOBER 2016– SEPTEMBER 2017
Order bookings	3,002	2,949	3,052	3,098	3,196	3,164	3,074	3,015	2,920
<b>Income statement</b>									
Net sales	3,056	3,060	3,089	3,132	3,125	3,033	2,931	2,856	2,790
Gross profit	536	565	586	600	604	594	610	572	570
Adjusted gross profit <sup>3)</sup>	551	570	587	600	604	594	610	572	570
Earnings before depreciation (EBITDA)	245	277	303	300	304	299	295	290	285
EBITDA margin, %	8.0	9.1	9.8	9.6	9.7	9.8	10.1	10.1	10.2
Adjusted earnings before depreciation (EBITDA) <sup>3)</sup>	281	285	305	301	304	299	295	290	285
Adjusted EBITDA margin, % <sup>3)</sup>	9.2	9.3	9.9	9.6	9.7	9.8	10.1	10.1	10.2
Operating earnings (EBIT)	119	165	201	210	217	214	214	210	207
EBIT margin (operating margin), %	3.9	5.4	6.5	6.7	7.0	7.1	7.3	7.4	7.4
Adjusted operating earnings (EBIT) <sup>3)</sup>	154	173	203	211	217	214	214	210	207
Adjusted EBIT margin (operating margin), % <sup>3)</sup>	5.1	5.6	6.6	6.7	7.0	7.1	7.3	7.4	7.4
Earnings after tax	74	113	139	143	160	157	156	159	149
Net margin, %	2.4	3.7	4.5	4.6	5.1	5.2	5.3	5.6	5.4
Adjusted earnings after tax <sup>3)</sup>	109	121	140	144	160	157	156	159	149
Adjusted net margin, % <sup>3)</sup>	3.6	4.0	4.6	4.6	5.1	5.2	5.3	5.6	5.4
<b>Employees</b>									
Net sales per employee, SEK 000	2,119	2,103	2,107	2,186	2,185	2,139	2,111	2,189	2,161
Operating earnings per employee, SEK 000	83	113	137	146	152	151	154	161	160
Average number of full-time employees (FTE) on closing date	1,442	1,455	1,466	1,433	1,430	1,418	1,388	1,305	1,291
<b>Profitability ratios</b>									
Return on capital employed, %	6.4	9.0	10.9	12.8	14.0	14.1	13.7	14.4	13.9
Adjusted return on capital employed, % <sup>1)</sup>	8.3	9.5	11.0	12.9	14.0	14.1	13.7	14.4	13.9
Return on capital employed, (excluding lease liabilities), %	6.8	9.5	11.5	12.8	14.0	14.1	13.7	14.4	13.9
Return on capital employed, excluding goodwill, % <sup>1)</sup>	7.2	10.1	12.2	14.6	16.0	16.2	15.8	16.7	16.1
Adjusted return on capital employed, excluding goodwill, % <sup>1)</sup>	9.3	10.6	12.3	14.7	16.0	16.2	15.8	16.7	16.1
Return on equity, %	4.8	7.6	9.0	9.9	11.3	11.2	10.9	11.7	11.5
Adjusted return on equity, % <sup>2)</sup>	7.2	8.1	9.2	10.0	11.3	11.2	10.9	11.7	11.5
<b>Other</b>									
Net cash(+)/net debt(-)/EBITDA	-2.4	-2.1	-1.7	-0.6	-0.5	-0.4	-0.2	-0.2	-0.0
Adjusted net cash(+)/net debt(-)/EBITDA <sup>3)</sup>	-1.3	-1.3	-0.8	-0.5	-0.4	-0.3	-0.1	-0.0	0.1

<sup>1)</sup> Adjusted net cash(+)/net debt(-): Net cash/net debt exclusive lease liabilities

## NOTE 1 INCOME

Bulten is engaged in manufacturing and sales of fasteners. Revenues from product sales are reported at the time the control of the product is transferred to the customer. This usually takes place at the time of delivery to the customer and ownership is transferred. Bulten's customers are mainly in the automotive industry in Europe, Asia and the United States. The tabel below refers to income by geographic market where the customer's delivery point is located. The Group has the major of its income from customers in Northern Europe, but part of the sales is then exported to other markets in the rest of the world. Customers are mainly manufacturers of light vehicles but also heavy commercial vehicles and other suppliers, so-called tiers. For heavy commercial vehicles, most of the deliveries are for critical fasteners for engines. Of the total sales, the majority goes to the chassis/body.

### INCOME BY GEOGRAPHIC MARKET

SEK MILLION	Q3			JAN-SEPT			12-MONTH ROLLING	YEAR
	2019	2018	Δ	2019	2018	Δ	OCT 2018 – SEPT 2019	2018
Sweden	98	101	-3	357	363	-6	493	499
Germany	97	125	-28	348	439	-91	454	545
UK	173	209	-36	593	672	-79	777	856
Poland	6	6	–	21	21	–	28	28
Rest of Europe	241	180	61	683	601	82	890	808
China	35	36	-1	88	103	-15	122	137
USA	32	25	7	106	73	33	135	102
Rest of the world	36	40	-4	113	113	–	157	157
<b>Total income</b>	<b>718</b>	<b>722</b>	<b>-4</b>	<b>2,309</b>	<b>2,385</b>	<b>-76</b>	<b>3,056</b>	<b>3,132</b>

### INCOME BY CUSTOMER GROUP

SEK MILLION	Q3			JAN-SEPT			12-MONTH ROLLING	YEAR
	2019	2018	Δ	2019	2018	Δ	OCT 2018 – SEPT 2019	2018
OEM Light vehicle	565	560	5	1,779	1,850	-71	2,341	2,412
OEM Heavy commercial vehicle	87	94	-7	323	323	–	437	437
Tiers	66	68	-2	207	212	-5	278	283
<b>Total income</b>	<b>718</b>	<b>722</b>	<b>-4</b>	<b>2,309</b>	<b>2,385</b>	<b>-76</b>	<b>3,056</b>	<b>3,132</b>

### INCOME BY CHASSIS/BODY AND POWERTRAIN

SEK MILLION	Q3			JAN-JUNE			12-MONTH ROLLING	YEAR
	2019	2018	Δ	2019	2018	Δ	OCT 2018 – SEPT 2019	2018
Chassis/body	521	546	-25	1,675	1,787	-112	2,233	2,345
Powertrain	197	176	21	634	598	36	823	787
<b>Total income</b>	<b>718</b>	<b>722</b>	<b>-4</b>	<b>2,309</b>	<b>2,385</b>	<b>-76</b>	<b>3,056</b>	<b>3,132</b>

### INCOME DISTRIBUTED BY INCOME CATEGORY

SEK MILLION	Q3			JAN-SEPT			12-MONTH ROLLING	YEAR
	2019	2018	Δ	2019	2018	Δ	OCT 2018 – SEPT 2019	2018
Own production	418	431	-13	1,389	1,411	-22	1,849	1,871
Outsourced production	275	275	–	848	923	-75	1,119	1,194
Other	25	16	9	72	51	21	88	67
<b>Total income</b>	<b>718</b>	<b>722</b>	<b>-4</b>	<b>2,309</b>	<b>2,385</b>	<b>-76</b>	<b>3,056</b>	<b>3,132</b>

## RECONCILIATION BETWEEN IFRS AND KEY INDICATORS USED

Some of the information in this report used by company managers and analysts to assess the Group's development is not produced in accordance with IFRS. Company managers consider that this information makes it easier for investors to analyze the Group's results and financial structure. Investors should see this information as a complement to, rather than a replacement for, financial reporting in accordance with IFRS.

### ADJUSTED NET SALES, ORGANIC GROWTH

SEK MILLION	Q3			JAN-SEPT		
	2019	2018	Δ	2019	2018	Δ
Net sales	718	722	-4	2,309	2,385	-76
Currency effect, current period	-16	-	-16	-67	-	-67
<b>Adjusted net sales</b>	<b>702</b>	<b>722</b>	<b>-20</b>	<b>2,242</b>	<b>2,385</b>	<b>-143</b>

When calculating adjusted net sales, organic growth, net sales are adjusted using currency effects of the current period and if necessary with net sales from completed acquisitions. This measurement gives a figure for comparing net sales with the previous year.

### EARNINGS BEFORE DEPRECIATION, EBITDA

SEK MILLION	Q3			JAN-SEPT			12-MONTH ROLLING	YEAR
	2019	2018	Δ	2019	2018	Δ	OCT 2018 – SEPT 2019	2018
Operating earnings (EBIT)	-8	38	-46	71	162	-91	119	210
Depreciation/amortization and impairments	37	23	14	103	67	36	126	90
<b>Operating earnings before depreciation (EBITDA)</b>	<b>29</b>	<b>61</b>	<b>32</b>	<b>174</b>	<b>229</b>	<b>-55</b>	<b>245</b>	<b>300</b>

When calculating operating earnings excluding depreciation (EBITDA), depreciation and impairments are returned to operating earnings (EBIT). This measurement provides a figure for operating earnings excluding depreciation which are in turn based on investments.

### ADJUSTED EARNINGS BEFORE DEPRECIATION, ADJUSTED EBITDA

SEK MILLION	Q3			JAN-SEPT			12-MONTH ROLLING	YEAR
	2019	2018	Δ	2019	2018	Δ	OCT 2018 – SEPT 2019	2018
Operating earnings excluding depreciation (EBITDA)	29	61	-32	174	229	-55	245	300
Relocation costs	7	-	7	14	-	14	15	1
Restructuring cost	20	-	20	20	-	20	20	-
<b>Adjusted operating earnings before depreciation (EBITDA)</b>	<b>56</b>	<b>61</b>	<b>-5</b>	<b>208</b>	<b>229</b>	<b>-21</b>	<b>280</b>	<b>301</b>

### ADJUSTED OPERATING EARNINGS, ADJUSTED EBIT

SEK MILLION	Q3			JAN-SEPT			12-MONTH ROLLING	YEAR
	2019	2018	Δ	2019	2018	Δ	OCT 2018 – SEPT 2019	2018
Operating earnings (EBIT)	-8	38	-46	71	162	-91	119	210
Relocation costs	7	-	7	14	-	14	15	1
Restructuring cost	20	-	20	20	-	20	20	-
<b>Adjusted operating earnings (EBIT)</b>	<b>19</b>	<b>38</b>	<b>-19</b>	<b>105</b>	<b>162</b>	<b>-57</b>	<b>154</b>	<b>211</b>

### ADJUSTED NET EARNINGS

SEK MILLION	Q3			JAN-SEPT			12-MONTH ROLLING	YEAR
	2019	2018	Δ	2019	2018	Δ	OCT 2018 – SEPT 2019	2018
Net earnings	-14	25	-39	44	113	-69	74	143
Relocation costs	7	-	7	14	-	14	15	1
Restructuring cost	13	-	13	13	-	13	13	-
<b>Adjusted net earnings</b>	<b>6</b>	<b>25</b>	<b>-19</b>	<b>71</b>	<b>113</b>	<b>-42</b>	<b>102</b>	<b>144</b>

### ADJUSTED NET DEBT (EXCLUDING LEASE LIABILITIES)

SEK MILLION	30-09-2019	30-09-2018	31-12-2018
Net debt (-)	-596	-164	-181
Less interest-bearing liabilities attributable to lease liabilities	268	36	36
<b>Adjusted net debt (-)</b>	<b>-328</b>	<b>-128</b>	<b>-145</b>

When calculating adjusted net debt, interest-bearing debt attributable to lease liabilities is deducted from net debt. This measurement provides a figure for a refined financial structure excluding lease liabilities.

## INCOME STATEMENT, PARENT COMPANY

SEK MILLION	Q3			JAN-SEPT			YEAR
	2019	2018	Δ	2019	2018	Δ	2018
Net sales	13	13	–	26	26	–	32
<b>Gross profit</b>	<b>13</b>	<b>13</b>	<b>–</b>	<b>26</b>	<b>26</b>	<b>–</b>	<b>32</b>
Administrative expenses	-17	-16	-1	-42	-40	-2	-46
<b>Operating earnings</b>	<b>-4</b>	<b>-3</b>	<b>-1</b>	<b>-16</b>	<b>-14</b>	<b>-2</b>	<b>-14</b>
Interest expenses and similar loss items	-1	-1	–	-3	-2	-1	-3
<b>Earnings after net financial items</b>	<b>-5</b>	<b>-4</b>	<b>-1</b>	<b>-19</b>	<b>-16</b>	<b>-3</b>	<b>-17</b>
Appropriations	–	–	–	–	–	–	132
<b>Earnings before tax</b>	<b>-5</b>	<b>-4</b>	<b>-1</b>	<b>-19</b>	<b>-16</b>	<b>-3</b>	<b>115</b>
Tax on earnings for the period	1	0	1	4	3	1	-26
<b>Earnings after tax</b>	<b>-4</b>	<b>-4</b>	<b>–</b>	<b>-15</b>	<b>-13</b>	<b>-2</b>	<b>89</b>

## BALANCE SHEET, PARENT COMPANY

SEK MILLION	30-09-2019	30-09-2018	31-12-2018
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible fixed assets	1	1	1
Tangible fixed assets	1	1	1
<b>Total intangible and tangible fixed assets</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Financial assets</b>			
Participations in Group companies	1,382	1,382	1,382
Deferred tax assets	4	7	1
Other long-term receivables	2	2	2
<b>Total financial assets</b>	<b>1,388</b>	<b>1,391</b>	<b>1,385</b>
<b>Total fixed assets</b>	<b>1,390</b>	<b>1,393</b>	<b>1,387</b>
<b>Current assets</b>			
Current receivables from Group companies	216	5	163
Other current receivables	39	5	3
<b>Total current assets</b>	<b>255</b>	<b>10</b>	<b>166</b>
<b>Total assets</b>	<b>1,645</b>	<b>1,403</b>	<b>1,553</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Restricted equity	110	110	110
Non-restricted equity	895	926	1,005
<b>Total equity</b>	<b>1,005</b>	<b>1,036</b>	<b>1,115</b>
<b>Long-term liabilities</b>			
Long-term liabilities to Group companies	287	285	285
Other long-term liabilities	250	–	50
<b>Total long-term liabilities</b>	<b>537</b>	<b>285</b>	<b>335</b>
<b>Current liabilities</b>			
Current liabilities to Group companies	67	67	67
Other current liabilities	36	15	36
<b>Total current liabilities</b>	<b>103</b>	<b>82</b>	<b>103</b>
<b>Total equity and liabilities</b>	<b>1,645</b>	<b>1,403</b>	<b>1,553</b>

JANUARY – SEPTEMBER 2019



Bulten has invested in the existing plant in Poland and installed solar cells, which means cost efficiency and reduced carbon dioxide emissions by approximately 80 tonnes/year.

## FINANCIAL CALENDAR

<b>February 6, 2020</b>	Full year report January–December 2019
<b>April 23, 2020</b>	Interim report January–March 2020
<b>July 10, 2020</b>	Half year report January–June 2020
<b>October 22, 2020</b>	Interim report January–September 2020
<b>February 11, 2021</b>	Full year report January–December 2020

The reports can be found on the Bulten website at [www.bulten.se](http://www.bulten.se) on their date of publication.

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## INVITATION TO PRESENTATION

Investors, analysts and media are invited to participate in the teleconference on October 24 at 15:30 CET. The report will be presented by Anders Nyström, President and CEO and Helena Wennerström, Executive Vice President and CFO via audiocast.

The presentation will be held in English and can be followed live via the link: <https://tv.streamfabriken.com/bulten-q3-2019>. It will also be possible to take part of the audiocast afterwards at the same address or at [www.bulten.com/ir](http://www.bulten.com/ir).

To participate in the teleconference, please call 5 minutes before the opening:

SE: +46856642695  
UK: +443333009031  
US: +18335268382

This information is information that Bulten AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 13:30 CET on October 24, 2019.

*Bulten is one of the leading suppliers of fasteners to the international automotive industry. The company's product range includes everything from customer-specific standard products to customized special fasteners. The company also provides technical development, line-feeding, logistics, material and production expertise. Bulten offers a Full Service Provider concept or parts thereof. The company was founded in 1873, has some 1,400 employees in eight countries and its head office in Gothenburg. The share (BULTEN) is listed on Nasdaq Stockholm. Read more at [www.bulten.se](http://www.bulten.se).*

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