

HALF YEAR REPORT

Q2

New FSP contract signed, quarter severely impaired by COVID-19 effects

SECOND QUARTER

- Net sales amounted to SEK 441 (781) million, an decrease of -43.5% on the same period last year.
- Operating earnings (EBIT) totaled SEK -59 (21) million, equating to an operating margin of -13.3% (2.7).
- Earnings after tax amounted to SEK -39 (14) million.
- Order bookings totaled SEK 409 (752) million, a decrease of -45.6% on the same period last year.
- Cash flow from operating activities totaled SEK 51 (52) million.
- Earnings per share were SEK -1.85 (0.71).
- Bulten has acquired a minority stake in TensionCam Systems AB (TensionCam) at a purchase sum of SEK 6 million.

JANUARY–JUNE

- Net sales amounted to SEK 1,262 (1,591) million, an decrease of -20.7% on the same period last year.
- Operating earnings (EBIT) totaled SEK -16 (79) million, equating to an operating margin of -1.2% (4.9).
- Earnings after tax amounted to SEK -30 (58) million.
- Order bookings totaled SEK 1,097 (1,485) million, a decrease of -26.1% on the same period last year.
- Cash flow from operating activities totaled SEK 114 (-5) million.
- Earnings per share were SEK -1.26 (2.83).
- Net debt amounted to SEK 634 (595) million. Net debt (excluding lease liabilities) totaled SEK 371 (347) million.
- The equity/assets ratio was 54.4% (54.8) at the end of the period. The equity/assets ratio (excluding lease liabilities) totaled SEK 59.4% (59.4).

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

- Bulten has signed a Full Service Provider (FSP) contract for supply of fasteners to a European automotive manufacturer, which is also an existing customer, with an annual order value of approximately EUR 60 million at full pace. Delivery date is set for July 24, 2020 and start-up costs are estimated to amount to approximately EUR 1 million.
- Bulten has recruited Markus Baum to a newly established position as Chief Commercial Officer (CCO) with effect from November 1, 2020, Claes Lundqvist has been appointed Acting Chief Financial Officer (CFO), starting on August 1, 2020, and Fredrik Bäckström has assumed a newly established position as Chief Operating Officer (COO) with immediate effect.

CEO'S COMMENTS

"After the end of the quarter, Bulten has signed a Full Service Provider (FSP) contract with an annual order value of approximately EUR 60 million a year at full pace. The contract is a transfer of an ongoing FSP set up for two assembly plants. Deliveries are planned to begin on 24 July 2020 and will progress over five years. The knowledge and experience Bulten has amassed over many years as a global manufacturer and Full Service Provider to a range of customers, was a key factor in winning the contract.

The effects of COVID-19 have had a serious impact on the global automotive industry, and by extension also on Bulten. Our order bookings and net sales were negatively affected during the second quarter, decreasing by 45.6% and 43.5% respectively. Vehicle production in Europe and the USA came to a virtual standstill at the beginning of the quarter, although there has since been a partial recovery. In China, volumes are now nearly back to pre-pandemic levels. Measures and adjustments to the company's operations have been implemented in each market. At most, 1,200 employees have been included in various forms of working time reductions and short-term furloughing at the company's units in Europe and North America. However, the degree of furloughing fell during the quarter as volumes began to rise. Sales and production, however, remain at a significantly reduced level. It is difficult to predict at this time how vehicle production will be affected for the rest of this year but with measures taken, we can adjust our production rate to the market situation at short notice.

Operating earnings during the quarter amounted to SEK -59 (21) million, due to significantly lower volumes as a result of COVID-19. Operating cash flow during the quarter was affected by the lower EBITDA level but, thanks to a strong focus on reducing working capital, cash flow overall has been positive and net debt has decreased during the quarter.

We abide by our strategy and our new long-term financial targets. PSM, which was acquired in February 2020, has developed well and synergy activities are going according to plan. We are building on for the future, and during the quarter Bulten acquired a minority stake in TensionCam at a purchase sum of SEK 6 million. TensionCam specializes in developing sensors for measuring clamp loads in screw joints, and the acquisition will further strengthen our technical offer.

2020 is a different and challenging year. We will remain focused on health, as well as on cash flow, profitability and growth."

BULTEN IN BRIEF

EFFECTS FROM COVID-19

The effects of COVID-19 have had a serious impact on the global automotive industry during the second quarter, and by extension also on Bulten. Vehicle production in Europe and the USA came to a virtual standstill at the beginning of the quarter, although there has since been a partial recovery, and in China volumes are now essentially back to pre-pandemic levels. Measures have been taken and operational adaptations made on each market. In purchasing and production, the company has focused on production planning and reducing lead times in the value chain. At the company's units in Europe and North America, various kinds of working-hour reductions and furloughs for, at most, 1,200 employees were in place.

The lower volumes have had a negative effect on the business's profitability, but thanks to focused efforts, working capital has decreased and contributed to a positive cash flow for operating activities and to a reduced net debt during the quarter. Bulten strives for a long-term stable dividend for its shareholders. However, bearing in mind the prevailing global climate and with uncertainty about the potential future economic effects of the COVID-19 pandemic, the Board and management decided to withdraw its proposal to pay a dividend of SEK 4 per share (totaling SEK 84 million) for 2019, and also to postpone certain investments. The aim is to safeguard the company's financial position.

Bulten has a strong financial platform and a good financial status, with an equity/assets ratio of 54.4% and a position that supports further growth. With its sustainable strategy, Bulten has a level of preparedness for the future that creates value for all its stakeholders.

DEVELOPMENT Q2

The market decline is reflected in order bookings and net sales during the quarter. Net sales decreased by 43.5% and order bookings by 45.6%. The market remains very hard to assess, and it is hard to foresee developments over the coming months. Operating profit during the quarter amounted to SEK -59 (21) million, due to significantly lower volumes.

After the end of the quarter, Bulten has signed a Full Service Provider (FSP) contract with an annual order value of approximately EUR 60 million a year at full pace. The contract is a transfer of an ongoing FSP set up for two assembly plants. Deliveries begin on 24 July at current volumes, which are expected to grow to full capacity as the automotive industry recovers from the COVID-19 lockdowns. Start-up costs are expected to amount to approximately EUR 1 million during the initial quarters after taking over. The contract will improve the utilization of a number of manufacturing facilities for Bulten and its supplier base, and will not require any major investments. Marginal improvements are expected when the new contract is fully implemented and optimization has been carried out.

PSM, which was acquired in February 2020, has developed well and synergy activities are going according to plan. During the quarter, Bulten has also continued to strengthen its technical offer by acquiring a minority stake in TensionCam for a purchase sum of SEK 6 million, and now owns 27% of shares in the company. TensionCam specializes in wireless clamp force monitoring of screw joints. Bulten's technical offer has been further boosted with the launch of BUFOe, a product family focusing on energy efficiency, which reduces CO2 emissions in the manufacturing process by approximately 30%.

In line with the company's sustainability strategy, Bulten's unit in Poland has signed an agreement for fossil-free electricity for its external energy sourcing, to apply from 1 July.

Markus Baum has been appointed to the new role of Chief Commercial Officer (CCO) from 1 November 2020. As previously announced, Executive VP & CFO Helena Wennerström has decided to leave the company. She will continue in her current post until 1 August 2020. After the end of the quarter, Claes Lundqvist has been appointed Acting CFO pending the appointment of a permanent CFO. Claes is currently the VP Business Controller, and has many years' experience in finance and accounting. Fredrik Bäckström, formerly SVP Production Bulten, has taken up the new position of Chief Operating Officer (COO) with immediate effect.

MARKET AND OUTLOOK

Approximately 86% of Bulten's net sales are attributable to light vehicles, roughly 10% to commercial vehicles, and 4% to others. Around 83% of total sales relate to direct deliveries to vehicle manufacturers (OEMs) and the remainder to their suppliers and other players.

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 2019, the management judged that Bulten had maintained its market share compared with the previous year, and the focus moving forward is on global growth.

LMC Automotive has modified its forecast for 2020 significantly due to the effects of COVID-19, and its latest report from Q2, 2020 predicts that global production of light vehicles will decrease by -19.9% and heavy commercial vehicles by -26.9% during 2020, compared with 2019. Weighted for Bulten's business exposure to the automotive industry, this means a decline of -20.7% for the corresponding period.

Due to the global effects of COVID-19 on the automotive industry, it is hard to predict developments over the next few months. With the new FSP contract worth approximately EUR 60 million and other contracts previously announced, Bulten now has an expected annual sales growth in the region of EUR 100 million at full capacity in 2022 compared to 2019. The previously won contracts are being ramped up more slowly than previously planned as a result of market developments. Bulten's strong contract portfolio is, however, a major asset once customer volumes start picking up again.

While 2020 will be a different and challenging year, Bulten remains to its strategy and its long-term financial targets. Bulten holds a strong position on its market, and will get through these times with a focus on health, as well as on cash flow, profitability and growth.

ORDER BOOKINGS AND NET SALES

Second quarter

The effects of COVID-19 pandemic and the market decline is reflected in order bookings and net sales during the quarter, although the effects have been partially balanced out by the acquisition of PSM.

Order bookings amounted to SEK 409 (752) million, a decrease of -45.6% on the same period last year.

Group net sales amounted to SEK 441 (781) million, a decrease of -43.5% on the same period last year. Adjusted for foreign exchange effects, growth totaled -43.2% for the same period.

January - June

The effects of COVID-19 pandemic and market decline is reflected in order bookings and net sales during the period, although the effects have been partially balanced out by the acquisition of PSM.

Order bookings amounted to SEK 1,097 (1,485) million, a decrease of -26.1% on the same period last year.

Group net sales amounted to SEK 1,262 (1,591) million, a decrease of -20.7% on the same period last year. Adjusted for foreign exchange effects, growth totaled -21.7% for the same period.



EARNINGS AND PROFITABILITY

Second quarter

The Group's gross profit was SEK 40 (129) million, corresponding to a gross margin of 9.2% (16.5). Earnings before depreciation and amortization (EBITDA) amounted to SEK -18 (54) million, corresponding to an EBITDA margin of -4.1% (6.9). Operating profit (EBIT) totaled SEK -59 (21) million, equating to an operating margin of -13.3% (2.7). Adaptation of production to demand during the quarter has had an adverse impact on the company's figures, relating to under-absorption of fixed costs. During the quarter, government support amounting to SEK 28 million was reported in the income statement as a reduction of operating expenses. Last year, adjusted operating profit regarding relocation costs in China amounted to SEK 27 million, which corresponds to an adjusted operating margin of 3.4%. Operating profit was affected by exchange rate fluctuations of SEK -11 (0) million when converting working capital at the closing day rate.

The Group's net financial items were SEK 9 (1) million. Financial income of SEK 14 (4) million comprises currency gains of SEK 14 (4) million. Financial expenses of SEK -5 (-3) million include interest expenses of SEK -5 (-2) million, of which interest expenses for financial leases total SEK -2 (-1) million. Other financial expenses amounted to SEK - (-1) million.

The Group's profit before tax amounted to SEK -50 (22) million and profit after tax was SEK -39 (14) million.

January - june

The Group's gross profit was SEK 194 (288) million, corresponding to a gross margin of 15.4% (18.1). Earnings before depreciation and amortization (EBITDA) amounted to SEK 65 (145) million, corresponding to an EBITDA margin of 5.1% (9.1). Operating profit (EBIT) totaled SEK -16 (79) million, equating to an operating margin of -1.2% (4.9). Adaptation of production to demand during the period has had an adverse impact on the company's figures, relating to under-absorption of fixed costs. During the period, government support amounting to SEK 28 million was reported in the income statement as a reduction of operating expenses. Last year, adjusted operating profit regarding relocation costs in China amounted to SEK 86 million, which corresponds to an adjusted operating margin of 5.4%. Operating profit was affected by exchange rate fluctuations of SEK -9 (3) million when converting working capital at the closing day rate.

The Group's net financial items were SEK -12 (2) million. Financial income of SEK 0 (8) million comprises currency gains of SEK - (8) million. Financial expenses of SEK -12 (-6) million include interest expenses of SEK -8 (-5) million, of which interest expenses for financial leases total SEK -4 (-3) million. Other financial expenses amounted to SEK -1 (-1) million.

The Group's profit before tax amounted to SEK -28 (81) million and profit after tax was SEK -30 (58) million.

FLOW, WORKING CAPITAL, INVESTMENTS AND FINANCIAL POSITION

Second quarter

Cash flow from operating activities totaled SEK 51 (52) million. The effect on cash flow of the change in working capital amounted to SEK 60 (4) million.

In total, inventories decreased during the period by SEK -75 (-51) million. At the same time current receivables changed by SEK -249 (9) million and current liabilities by SEK -211 (-28) million.

Cash flow from investing activities amounted to SEK -17 (-49) million. Investments of SEK 11 (49) million. Acquisition of a minority stake in TensionCam amounted to SEK 6 million.

January - june

Cash flow from operating activities totaled SEK 114 (-5) million. The effect on cash flow of the change in working capital amounted to SEK 76 (-110) million.

In total, inventories changed during the period by SEK 19 (-29) million. At the same time current receivables changed by SEK -88 (104) million and current liabilities decreased by SEK -100 (-25) million. At the end of the quarter, working capital increased by SEK 110 million with the acquisition of PSM.

Cash flow from investing activities amounted to SEK -88 (-84) million. Investments of SEK 23 (84) million relate to property, plant and equipment. Acquisition of shares in PSM and a minority stake in TensionCam amounted to SEK 66 million.

On the closing date, net debt amounted to SEK 634 (595) million. Net debt (excluding lease liabilities) totaled SEK 371 (347) million.

Consolidated cash equivalents amounted to SEK 147 (66) million at the end of the period. In addition to cash equivalents, the Group also had approved but unused overdraft facilities of SEK 326 (343) million, which means that the Group's liquidity amounted to SEK 473 (409) million.

FINANCIAL AGREEMENT

Bulten is mainly financed through Svenska Handelsbanken via a financing agreement with a total operating and real estate credit of SEK 750 million that runs until June 2024. During the quarter, Bulten reached an agreement with Danske Bank on the conclusion of another financing agreement, mainly for the Polish operations. Danske Bank and Bulten have agreed on the main terms for the additional financing that Danske Bank has confirmed in a written commitment letter and the financing documentation will be completed and entered into at the beginning of the third quarter. The agreement with Danske Bank will initially run for one year and covers credit totaling EUR 12 million. The credit is associated with certain loan terms (so-called covenants) that include ratios that include EBITDA, net debt, equity/assets ratio and certain financial expenses. All covenants have been met during the year.

NET SALES

SEK **441** MILLION

OPERATING EARNINGS

SEK **-59** MILLION

OPERATING MARGIN

-13.3%

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Q

FINANCIAL SUMMARY

SEK MILLION	Q2			JAN-JUNE			12-MONTH ROLLING	YEAR	
	2020	2019	Δ	2020	2019	Δ	JULY 2019-JUNE 2020	2019	Δ
Net sales	441	781	-43.5%	1,262	1,591	-20.7%	2,764	3,093	-10,6%
Gross profit	40	129	-89	194	288	-94	449	543	-94
Earnings before depreciation (EBITDA)	-18	54	-72	65	145	-80	159	239	-80
Operating earnings (EBIT)	-59	21	-80	-16	79	-95	3	98	-95
Operating margin, %	-13.3	2.7	-16.0	-1.2	4.9	-6.1	0.2	3.2	-3.0
Adjusted operating earnings (EBIT) ¹⁾	-59	27	-80	-16	86	-102	45	147	-102
Adjusted operating margin, %	-13.3	3.4	-16.0	-1.2	5.4	-6.6	1.7	4.8	-3.1
Earnings after tax	-39	14	-53	-30	58	-88	-33	55	-88
Earnings per share before dilution, SEK	-1.85	0.71	-2.55	-1.26	2.83	-4.09	-1.49	2.62	-4.11
Adjusted earnings per share before dilution, SEK	-1.85	0.98	-2.83	-1.26	3.18	-4.44	0.24	4.73	-4.49
Order bookings	409	752	-45.6%	1,097	1,485	-26.1%	2,715	3,103	-12.5%
Return on capital employed, %	-	-	-	-	-	-	0.2	5.5	-5.3
Return on capital employed, (excluding leasing, IFRS 16), %	-	-	-	-	-	-	0.0	5.8	-5.8

¹⁾ 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 2019 Annual Report, with the addition of IAS 20 — Accounting for Government Grants and Disclosure of Government Assistance. Government grants relating to covering costs are distributed and recognized as income in the income statement over the same periods as the costs the grants are intended to cover. During 2020, government support amounting to SEK 28 million was reported in the income statement as a reduction of operating expenses.

All amounts in SEK million unless otherwise stated. Figures in brackets 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.

The coronavirus, COVID-19, is an uncertainty factor that can affect the vehicle market's sales and production. The impact of the situation on Bulten's operations is closely monitored. The company works closely with customers and other business partners to mitigate the effects as far as possible.

Bulten takes measures to protect employees such as travel bans and quarantine, while also following government guidelines and recommendations.

For a more detailed description of risks, please see Note 5 Risks and risk management in the 2019 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.

ACQUISITION OF PSM

On 28 February 2020, Bulten completed its acquisition of the shares in PSM International Holdings Limited ('PSM').

PSM, founded in 1931, develops, produces and supplies fasteners to international markets, primarily in the automotive industry. The company has around 350 employees, production units in China, Taiwan and the UK as well as distribution centers in 22 countries. Asia/the Pacific region is the largest market and accounts for approximately 50% of PSM's sales, followed by the USA, which accounts for around 30%.

PSM's customer base includes many large, well-known brands in the automotive, consumer electronics and domestic appliances industries, among others. In the 2019 financial year, PSM's net sales totaled USD 42 million (406). Since the acquisition, PSM has had net sales of SEK 123 million and net profit of SEK 14 million, of which sales in Q2 amounted to SEK 90 million and net income to SEK 11 million for the corresponding period.

Purchase sum as of 28 february 2020

The purchase sum amounts to USD 24.5 (SEK 230) million on a cash-free and debt-free basis, and is financed through a vendor note of USD 8.5 (SEK 80) million, a transfer of 1,000,000 own shares in Bulten and a cash payment of USD 7.5 (SEK 71) million which is included in the existing financing agreement.

The transfer of own shares to the seller of PSM, includes a 12-month lock-up. Bulten's transaction costs in relation to the acquisition amounted to SEK 12 million, which burdened the 2019 figures.

ACQUISITION OF TENSIONCAM SYSTEMS AB

On 26 June 2020 Bulten acquired 27% of the shares in TensionCam Systems AB.

TensionCam develops sensors for measuring clamp loads in screw joints, and following a new share issue it is 73% owned by G-Coder Systems AB. Individually and alongside industry partners and research institutes, the company conducts research and development in the field and already owns several patents. At the present time, TensionCam's technology has not been commercialized or industrialized. The aim of the more in-depth partnership is to accelerate the preparation of firm, complete customer offerings.

Purchase sum as of 26 june 2020

The purchase sum comprised a SEK 6 million cash payment.

TRANSACTIONS WITH RELATED PARTIES

There have been no significant transactions between related parties during the reporting period. For further information, please see Note 38 of the 2019 Annual Report.

EMPLOYEES

The average number of employees (FTE) in the Group during the period 1 January – 31 March 2020 was 1,570 (1,455). The number of employees on the closing date was 1,685, of which 344 were added through the acquisition of PSM.

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 68.6% (59.4). Equity amounted to SEK 1,108 (1,009) million. There were no cash or cash equivalents on the closing date. The Parent Company had nine employees on the closing date.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

Bulten has signed a Full Service Provider (FSP) contract for supply of fasteners to a European automotive manufacturer, which is also an existing customer, with an annual order value of approximately EUR 60 million at full pace. Delivery date is set for July 24, 2020 and start-up costs are estimated to amount to approximately EUR 1 million.

Bulten has recruited Markus Baum to a newly established position as Chief Commercial Officer (CCO) with effect from November 1, 2020, Claes Lundqvist has been appointed Acting Chief Financial Officer (CFO), starting on August 1, 2020, and Fredrik Bäckström has assumed a newly established position as Chief Operating Officer (COO) with immediate effect.

AUDITOR'S REVIEW

This interim report has not been reviewed by the company's auditors.

Gothenburg, 10 July 2020, Bulten AB (publ)

Ulf Liljedahl
Chair of the Board

Karin Gunnarsson
Board member

Hans Gustavsson
Board member

Christina Hallin
Board member

Hans Peter Havdal
Board member

Peter Karlsten
Board member

Harri Åman
Employee representative

Anders Nyström
President and CEO

ABOUT BULTEN

Bulten Group 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 1,700 employees in sixteen countries and head office in Gothenburg. The share (BULTEN) is listed on Nasdaq Stockholm.

VISION

Supporting the global automotive industry with state of the art fastener technology and services.

BUSINESS CONCEPT

Bulten shall:

- be the leading business partner and the most cost-effective supplier of fasteners and services to the automotive industry.
- with empowered and dedicated people continuously develop its full service concept and actively launch innovations.
- develop long-term relations based on professionalism and good business ethics.

FINANCIAL TARGETS AND DIVIDEND POLICY

- Net sales SEK 5 billion in 2024, equating to a compound annual growth rate (CAGR) of 10%.
- Operating margin (EBIT) >8%.
- Return on capital employed (ROCE) >15%.
- The Group's dividend policy is, over time, to pay out a dividend of at least one third of net earnings after tax. Consideration shall, however, be given to Bulten's financial position, cash flow and outlook.

STRATEGY

Global system supplier of fastener solutions

Bulten shall be a global system supplier of fastener solutions to the automotive industry, and shall continue to use the FSP concept as a tool for growth.

Innovation drives development

An innovative corporate culture serves to develop technological know-how and creates optimal, sustainable, cost-effective solutions for the customer.

Organic growth and complementary acquisitions

Bulten's primary strategy is to grow organically. Acquisitions deemed to complement the offering either in terms of products, processes or geography, are also of interest.

Customers in the automotive industry

OEMs and suppliers in the automotive industry are the primary target groups, but expansion into other customer segments is also part of the growth strategy.

Geographic proximity

Bulten's geographic spread allows global delivery capacity.

Value enhancement throughout the value chain

Bulten creates value throughout the value chain: from pre-development, technology and product development, production, purchasing and logistics, to final delivery at the customer's production line.

Global purchasing strategy

Bulten's global purchasing strategy aims to consolidate the purchase of intermediate goods for all the company's units in a sustainable, cost-effective way.

Strong balance sheet for growth investments

A strong balance sheet and low indebtedness provide flexibility and preparedness for investments in increased capacity and growth, as well as for strategic acquisitions.

Employees and a unique corporate culture create a sustainable operation

Bulten's employees contribute to sustainable development with their expertise and keen dedication. The company's core values are the foundation of Bulten's unique corporate culture.

Development of sustainability work

All activities within Bulten should be sustainably designed and in line with the company's ethical guidelines, based on social responsibility, environmental principles and responsible corporate governance.

Sustainable, cost-effective production

Bulten's production technology and structure ensure sustainable, cost-effective production of the highest quality.

SHAREHOLDER INFORMATION

PRICE-RELATED SHARE DATA	Q2			JAN-JUNE			12-MONTH ROLLING	YEAR
	2020	2019	Δ	2020	2019	Δ	JULY 2019–JUNE 2020	2019
Share price at end of period (price paid), SEK	53.40	73.00	-19.60	53.40	73.00	-19.60	53.40	78.80
Highest share price during the period (price paid), SEK	63.20	90.40	-27.20	81.90	90.40	-8.50	81.90	97.00
Lowest share price during the period (price paid), SEK	38.20	70.60	-30.40	37.60	70.60	-33.00	37.60	57.60
Market value at end of period, SEK million	1,124	1,536	-412	1,124	1,536	-412	1,124	1,658
P/E	–	–	–	–	–	–	–	30.03
Yield, %	–	–	–	–	–	–	–	5.08
Data per share								
Earnings before depreciation (EBITDA) *)	-0.87	2.69	-3.56	3.13	7.20	-4.07	7.83	11.93
Operating earnings (EBIT) *)	-2.79	1.05	-3.84	-0.76	3.91	-4.67	0.21	4.92
Earnings after net financial items (EAFI) *)	-2.37	1.10	-3.47	-1.36	4.02	-5.38	-0.81	4.61
Earnings for the period *)	-1.85	0.71	-2.56	-1.26	2.83	-4.09	-1.49	2.62
Equity *)	–	–	–	70.98	74.79	-3.81	70.98	74.09
Cash flow from operating activities *)	2.43	2.59	-0.16	5.55	-0.24	5.79	5.55	10.33
Cash flow for the period *)	0.24	1.87	-1.63	4.00	2.36	1.64	4.00	2.25
Dividend	–	–	–	–	–	–	–	4.00
Total outstanding ordinary shares, 000								
Weighted number during the period *)	20,988.0	20,044.2	943.8	20,669.3	20,073.6	595.7	20,327.2	20,030.8
At the end of the period *)	20,988.0	19,999.5	988.5	20,988.0	19,999.5	988.5	20,988.0	19,988.0

*) Before dilution.

SHARE PERFORMANCE



Source: Cision on 30 June 2020

BULTEN'S TEN LARGEST SHAREHOLDERS

SHAREHOLDERS	NO. OF SHARES	SHARE-HOLDING, %
Volito AB	5,000,000	23.8
Nordea Investment Funds	2,115,739	10.1
Lannebo fonder	1,979,165	9.4
Brown Brothers Harriman & Co	1,000,000	4.8
Fjärde AP-Fonden	666,734	3.2
State Street Bank & Trust Com., Boston	659,418	3.1
Tredje AP-Fonden	585,125	2.8
Carnegie Fonder	434,057	2.1
Spiltan Fonder AB	419,320	2.0
Länsförsäkringar fondförvaltning AB	364,862	1.7

Total number of shareholders: 7,699

Source: Euroclear Sweden AB on 30 June 2020

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. Shareholders who are unable to access the reports digitally can order printed copies by contacting Bulten.

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FINANCIAL INFORMATION

CONSOLIDATED INCOME STATEMENT

SEK MILLION	NOTE	Q2			JAN-JUNE			12-MONTH ROLLING	YEAR
		2020	2019	Δ	2020	2019	Δ	JULY 2019–JUNE 2020	2019
Net sales	1	441	781	-340	1,262	1,591	-329	2,764	3,093
Cost of goods sold		-401	-652	251	-1,068	-1,303	235	-2,315	-2,550
Gross profit		40	129	-89	194	288	-94	449	543
Other operating income		–	5	-5	4	12	-8	7	15
Selling expenses		-43	-60	17	-106	-121	15	-237	-252
Administrative expenses		-48	-51	3	-100	-99	-1	-204	-203
Other operating expenses		-10	-3	-7	-10	-3	-7	-14	-7
Share of profit in joint ventures		2	1	1	2	2	–	2	2
Operating earnings		-59	21	-80	-16	79	-95	3	98
Financial income		14	4	10	0	8	-8	–	8
Financial expenses		-5	-3	-2	-12	-6	-6	-20	-14
Earnings before tax		-50	22	-72	-28	81	-109	-17	92
Tax on earnings for the period		11	-8	19	-2	-23	21	-16	-37
Earnings after tax		-39	14	-53	-30	58	-88	-33	55
Attributable to									
Parent Company shareholders		-39	14	-53	-26	57	-83	-30	53
Non-controlling interests		0	0	0	-4	1	-5	-3	2
Earnings after tax		-39	14	-39	-30	58	-88	-33	55
Earnings per share attributable to Parent Company shareholders									
Earnings per share before dilution, SEK		-1.85	0.71	-2.56	-1.26	2.83	-4.09	-1.49	2.62
Earnings per share after dilution, SEK		-1.85	0.71	-2.56	-1.26	2.83	-4.09	-1.49	2.62
Weighted number of outstanding ordinary shares before dilution, 000		20,988.0	20,044.2	943.8	20,669.3	20,073.6	595.7	20,327.2	20,030.8
Weighted number of outstanding ordinary shares after dilution, 000		20,988.0	20,078.4	909.6	20,669.3	20,107.8	561.5	20,327.2	20,044.1

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK MILLION	Q2			JAN-JUNE			12-MONTH ROLLING	YEAR
	2020	2019	Δ	2020	2019	Δ	JULY 2019–JUNE 2020	2019
Earnings after tax	-39	14	-53	-30	58	-88	-33	55
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	-75	11	-86	-35	29	-64	-45	19
Total comprehensive income	-114	25	-139	-65	87	-152	-78	74
Attributable to								
Parent Company shareholders	-114	24	-138	-59	84	-143	-73	70
Non-controlling interests	0	1	-1	-6	3	-9	-5	4
Total comprehensive income	-114	25	-139	-65	87	-152	-78	74

CONSOLIDATED BALANCE SHEET

SEK MILLION	30-06-2020	30-06-2019	31-12-2019
ASSETS			
Fixed assets			
Intangible fixed assets ¹⁾	209	207	208
Tangible fixed assets	771	730	790
Right-of-use assets	258	249	265
Financial assets	68	8	6
Deferred tax assets	17	4	5
Total fixed assets	1,323	1,198	1,274
Current assets			
Inventories	671	680	652
Current receivables	631	812	720
Cash equivalents	147	66	64
Total current assets	1,449	1,558	1,436
Total assets	2,772	2,756	2,710
EQUITY AND LIABILITIES			
Equity			
Equity attributable to Parent Company shareholders	1,490	1,496	1,481
Non-controlling interests	18	15	16
Total equity	1,508	1,511	1,497
Long-term liabilities			
Deferred tax liabilities	2	–	5
Long-term interest-bearing lease liabilities	219	210	225
Other long-term interest-bearing liabilities and provisions	494	416	349
Total long-term liabilities	715	626	579
Current liabilities			
Current lease liabilities, interest-bearing	44	38	42
Other current liabilities, interest-bearing	29	2	17
Other current liabilities, non interest-bearing	476	579	575
Total current liabilities	549	619	634
Total equity and liabilities	2,772	2,756	2,710

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK MILLION	JAN-JUNE		YEAR
	30-06-2020	30-06-2019	31-12-2019
Equity at start of period	1,497	1,514	1,514
Comprehensive income			
Earnings after tax	-30	58	55
Other comprehensive income	-35	29	19
Total comprehensive income	-65	87	74
Transactions with shareholders			
Transaction with non-controlling interests	8	3	3
Share-based remuneration to employees	–	0	0
Buy-back of own shares	–	-13	-14
Issue of ordinary shares in business combinations ¹⁾	68	–	–
Dividend to Parent Company shareholders	–	-80	-80
Total transactions with shareholders	76	-90	-91
Equity at end of period	1,508	1,511	1,497

1) Refers to shares in own repository that were used as payment in business combination.

CONSOLIDATED CASH FLOW STATEMENT

SEK MILLION	Q2		JAN-JUNE		YEAR
	2020	2019	2020	2019	2019
Operating activities					
Earnings after financial items	-50	22	-28	81	92
Adjustments for items not included in cash flow	36	40	75	70	152
Taxes paid	5	-14	-9	-46	-67
Cash flow from operating activities before changes in working capital	-9	48	38	105	177
Cash flow from changes in working capital					
Change in working capital	60	4	76	-110	30
Cash flow from operating activities	51	52	114	-5	207
Investing activities					
Acquisition of intangible fixed assets	0	0	0	0	0
Acquisition of tangible fixed assets	-11	-49	-23	-84	-218
Divestment of tangible fixed assets	0	0	1	0	0
Acquisition of subsidiaries after deduction of acquired cash and cash equivalents	-	-	-60	-	v
Acquisition of minority share	-6	-	-6	-	-
Cash flow from investing activities	-17	-49	-88	-84	-218
Financing activities					
Change in overdraft facilities and other financial liabilities	-16	133	74	250	194
Amortization of lease liabilities	-12	-11	-26	-21	-44
Dividend to Parent Company shareholders	-	-80	-	-80	-80
Buy-back of own shares	-	-8	-	-13	-14
Transactions with non-controlling interests	-	-	8	-	-
Cash flow from financing activities	-28	34	56	136	56
Cash flow for the period	6	37	82	47	45
Cash flow for the period	6	37	82	47	45
Cash and cash equivalents at start of period	142	29	64	18	18
Exchange rate difference in cash and cash equivalents	-1	0	1	1	1
Cash and cash equivalents at end of period	147	66	147	66	64

CONSOLIDATED NET DEBT COMPOSITION

SEK MILLION	30-06-2020	30-06-2019	31-12-2019
Long-term interest-bearing liabilities	-699	-611	-559
Provision for pensions	-14	-15	-15
Current interest-bearing liabilities	-73	-40	-59
Financial interest-bearing receivables	5	5	4
Cash equivalents	147	66	64
Net debt (-)	-634	-595	-565
Less interest-bearing liabilities attributable to lease liabilities	263	248	-267
Adjusted net debt (-), (excluding lease liabilities)	-371	-347	-299

KEY FIGURES FOR THE GROUP

GROUP	Q2		JAN-JUNE		FULL YEAR
	2020	2019	2020	2019	2019
Margins					
EBITDA margin, %	-4.1	6.9	5.1	9.1	7.7
Adjusted EBITDA margin, % ³⁾	-4.1	7.6	5.1	9.5	9.3
EBIT margin (operating margin), %	-13.3	2.7	-1.2	4.9	3.2
Adjusted EBIT margin (operating margin), % ³⁾	-13.3	3.4	-1.2	5.4	4.8
Net margin, %	-8.8	1.8	-2.4	3.7	1.8
Adjusted net margin, % ³⁾	-8.8	2.5	-2.4	4.1	3.1
Capital structure					
Interest coverage ratio, times	-7.7	7.6	-1.2	14.0	7.6
Earnings per share attributable to Parent Company shareholders					
Earnings per share before dilution, SEK	-1.85	0.71	-1.26	2.83	2.62
Adjusted earnings per share before dilution, SEK ³⁾	-1.85	0.98	-1.26	3.18	4.73
Earnings per share after dilution, SEK	-1.85	0.71	-1.26	2.83	2.62
Number of outstanding ordinary shares					
Weighted number of outstanding ordinary shares before dilution, 000	20,988.0	20,044.2	20,669.3	20,073.6	20,030.8
Weighted number of outstanding ordinary shares after dilution, 000	20,988.0	20,078.4	20,669.3	20,107.8	20,044.1

GROUP	30-06-2020	30-06-2019	31-12-2019
Capital structure			
Net debt/equity ratio, times	-0.4	-0.4	-0.4
Equity/assets ratio, %	54.4	54.8	55.2
Equity/assets ratio, (excluding lease liabilities), %	59.4	59.4	60.5
Other			
Net debt (-), SEK million	-634	-595	-565
Adjusted net debt (-), (excluding lease liabilities), SEK million	-371	-347	-299
Equity per share attributable to Parent Company shareholders			
Equity per share before dilution, SEK	70.98	74.79	74.09
Equity per share after dilution, SEK	70.98	74.66	74.09
Number of outstanding ordinary shares			
Number of outstanding ordinary shares before dilution on the closing date, 000	20,988.0	19,999.5	19,988.0
Number of outstanding ordinary shares after dilution on the closing date, 000	20,988.0	19,999.5	19,988.0

GROUP, 12-MONTH ROLLING	12-MONTH ROLLING		FULL YEAR
	JULY 2019 – JUNE 2020	JULY 2018 – JUNE 2019	2019
Profitability ratios			
Return on capital employed, %	0.2	9.0	5.5
Adjusted return on capital employed, % ¹⁾	2.1	9.5	8.1
Return on capital employed, (excluding leasing, IFRS 16), %	0.0	9.5	5.8
Adjusted return on capital employed, (excluding leasing IFRS 16), %	2.1	9.9	8.5
Return on capital employed, excluding goodwill, %	0.2	10.1	6.2
Return on equity, %	-2.0	7.6	3.5
Adjusted return on equity, % ²⁾	0.3	8.1	6.4
Capital structure			
Capital turnover rate, times	1.2	1.6	1.6
Employees			
Net sales per employee, SEK 000	1,761	2,103	2,171
Operating earnings per employee, SEK 000	3	113	69
Average number of full-time employees (FTE)	1,570	1,455	1,425

DEFINITIONS

Definitions of calculated key indicators are unchanged compared to the definitions in the 2019 Annual Report.

Other key indicators not in the Annual Report or on page 14 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	2020		2019				2018		
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Order bookings	409	688	842	776	752	733	741	723	855
Income statement									
Net sales	441	821	784	718	781	810	747	722	810
Gross profit	40	154	149	106	129	159	142	135	160
Adjusted gross profit ³⁾	40	154	149	117	134	160	142	135	160
Earnings before depreciation (EBITDA)	-18	83	65	29	54	91	71	61	80
EBITDA margin, %	-4.1	10.1	8.3	4.1	6.9	11.2	9.6	8.4	9.8
Adjusted Earnings before depreciation (EBITDA) ³⁾	-18	83	80	56	60	92	72	61	80
Adjusted EBITDA margin, % ³⁾	-4.1	10.1	10.2	6.8	7.6	11.4	9.7	8.4	9.8
Operating earnings (EBIT)	-59	43	27	-8	21	58	48	38	57
EBIT margin (operating margin), %	-13.3	5.2	3.5	-1.0	2.7	7.1	6.4	5.2	7.1
Adjusted Operating earnings (EBIT) ³⁾	-59	43	42	19	27	59	49	38	57
Adjusted EBIT margin (operating margin), % ³⁾	-13.3	5.2	5.4	2.8	3.4	7.3	6.6	5.2	7.1
Earnings after tax	-39	9	11	-14	14	44	30	25	40
Net margin, %	-8.8	1.1	1.4	-2.1	1.8	5.4	4.0	3.5	4.9
Adjusted earnings after tax ³⁾	-39	9	26	6	20	45	31	25	40
Adjusted Net margin, % ³⁾	-8.8	1.1	3.3	0.8	2.5	5.6	4.1	3.5	4.9
Cash flow from									
operating activities	51	63	98	114	52	-57	60	-15	54
investing activities	-17	-71	-50	-84	-49	-35	-51	-34	-36
financing activities	-28	84	-23	-57	34	102	-16	48	-35
Cash flow for the period	6	76	25	-27	37	10	-7	-1	-17
Earnings per share attributable to Parent Company shareholders									
Earnings per share before dilution, SEK	-1.85	0.63	0.54	-0.75	0.71	2.12	1.50	1.26	1.99
Adjusted earnings per share before dilution, SEK	-1.85	0.63	0.54	-0.75	0.98	2.20	1.55	1.26	1.99
Number of outstanding ordinary shares									
Weighted number of outstanding ordinary shares before dilution, 000	20,988.0	20,350.6	19,988.0	19,989.5	20,044.2	20,103.4	20,216.9	20,359.7	20,359.7

SEK MILLION	30-06-2020	31-03-2020	31-12-2019	30-09-2019	30-06-2019	31-03-2019	31-12-2018	30-09-2018	30-06-2018
Balance sheet									
Fixed assets	1,323	1,373	1,274	1,268	1,198	1,160	918	895	886
Current assets	1,449	1,776	1,436	1,483	1,558	1,551	1,420	1,433	1,386
Equity	1,508	1,622	1,497	1,507	1,511	1,572	1,514	1,515	1,498
Long-term liabilities	715	741	579	581	626	494	201	191	145
Current liabilities	549	786	634	663	619	646	623	622	629
Other									
Net debt (-)	-634	-679	-565	-596	-595	-501	-181	-164	-118
Adjusted net debt (-)	-371	-391	-299	-328	-347	-252	-145	-128	-80
Equity per share attributable to Parent Company shareholders									
Equity per share before dilution, SEK	70.98	76.41	74.09	74.60	74.79	77.70	74.73	73.86	73.01
Number of outstanding ordinary shares									
Number of outstanding ordinary shares on closing date before dilution, 000	20,988.0	20,988.0	19,988.0	19,988.0	19,999.5	20,075.9	20,323.7	20,359.7	20,359.7
Share price									
Share price at end of period (SEK)	53.40	39.50	78.80	62.30	73.00	79.50	88.20	107.20	104.40

GROUP, 12-MONTH ROLLING

SEK MILLION	JULY 2019– JUNE 2020	APRIL 2019– MARCH 2020	JANUARY 2019– DECEMBER 2019	OCTOBER 2018– SEPTEMBER 2019	JULY 2018– JUNE 2019	APRIL 2018– MARCH 2019	JANUARY 2018– DECEMBER 2018	OCTOBER 2017– SEPTEMBER 2018	JULY 2017– JUNE 2018
Order bookings	2,715	3,058	3,103	3,002	2,949	3,052	3,098	3,196	3,164
Income statement									
Net sales	2,764	3,104	3,093	3,056	3,060	3,089	3,132	3,125	3,033
Gross profit	449	538	543	536	565	586	600	604	594
Adjusted gross profit ³⁾	460	552	558	551	570	587	600	604	594
Earnings before depreciation (EBITDA)	159	231	239	245	277	303	300	304	299
EBITDA margin, %	5.8	7.5	7.7	8.0	9.1	9.8	9.6	9.7	9.8
Adjusted earnings before depreciation (EBITDA) ³⁾	201	279	288	281	285	305	301	304	299
Adjusted EBITDA margin, % ³⁾	7.3	9.0	9.3	9.2	9.3	9.9	9.6	9.7	9.8
Operating earnings (EBIT)	4	83	98	119	165	201	210	217	214
EBIT margin (operating margin), %	0.2	2.7	3.2	3.9	5.4	6.5	6.7	7.0	7.1
Adjusted operating earnings (EBIT) ³⁾	46	131	147	154	173	203	211	217	214
Adjusted EBIT margin (operating margin), % ³⁾	1.7	4.2	4.8	5.1	5.6	6.6	6.7	7.0	7.1
Earnings after tax	-33	20	55	74	113	139	143	160	157
Net margin, %	-1.2	0.6	1.8	2.4	3.7	4.5	4.6	5.1	5.2
Adjusted earnings after tax ³⁾	2	60	97	102	121	140	144	160	157
Adjusted net margin, % ³⁾	0.1	1.9	3.1	3.3	4.0	4.6	4.6	5.1	5.2
Employees									
Net sales per employee, SEK 000	1,761	2,133	2,171	2,119	2,103	2,107	2,186	2,185	2,139
Operating earnings per employee, SEK 000	3	57	69	83	113	137	146	152	151
Average number of full-time employees (FTE) on closing date	1,570	1,455	1,425	1,442	1,455	1,466	1,433	1,430	1,418
Profitability ratios									
Return on capital employed, %	0.2	3.9	5.5	6.4	9.0	10.9	12.8	14.0	14.1
Adjusted return on capital employed, % ¹⁾	2.1	5.9	8.1	8.3	9.5	11.0	12.9	14.0	14.1
Return on capital employed, (excluding leasing, IFRS 16), %	0.0	5.1	5.8	6.8	9.5	11.5	12.8	14.0	14.1
Return on capital employed, excluding goodwill, % ¹⁾	0.2	4.2	6.2	7.2	10.1	12.2	14.6	16.0	16.2
Adjusted return on capital employed, excluding goodwill, % ¹⁾	2.3	6.5	9.0	9.3	10.6	12.3	14.7	16.0	16.2
Return on equity, %	-2.0	1.4	3.5	4.8	7.6	9.0	9.9	11.3	11.2
Adjusted return on equity, % ²⁾	0.3	4.0	6.4	6.7	8.1	9.2	10.0	11.3	11.2
Other									
Net debt(-)/EBITDA	-4.0	-2.9	-2.4	-2.4	-2.1	-1.7	-0.6	-0.5	-0.4
Adjusted net debt(-)/EBITDA ¹⁾	-2.3	-1.7	-1.3	-1.3	-1.3	-0.8	-0.5	-0.4	-0.3

¹⁾ Adjusted net debt(-): 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 table 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	Q2			JAN-JUNE			12-MONTH ROLLING	YEAR
	2020	2019	Δ	2020	2019	Δ	JULY 2019–JUNE 2020	2019
Sweden	67	129	-62	186	259	-73	403	476
Germany	36	119	-83	125	251	-126	326	452
UK	75	207	-132	302	420	-118	688	806
Poland	3	8	-5	11	15	-4	25	29
Rest of Europe	130	216	-86	405	442	-37	885	922
China	65	31	34	92	53	39	162	123
USA	20	33	-13	52	74	-22	109	131
Rest of the world	45	38	7	89	77	12	166	154
Total income	441	781	-340	1,262	1,591	-329	2,764	3,093

INCOME BY CUSTOMER GROUP

SEK MILLION	Q2			JAN-JUNE			12-MONTH ROLLING	YEAR
	2020	2019	Δ	2020	2019	Δ	JULY 2019–JUNE 2020	2019
OEM Light vehicle	276	600	-324	916	1,214	-298	2,113	2,411
OEM Heavy commercial vehicle	43	113	-70	127	236	-109	298	407
Tiers	81	68	13	164	141	23	296	273
Others	41	–	41	55	–	55	57	2
Total income	441	781	-340	1,262	1,591	-329	2,764	3,093

INCOME BY CHASSIS/BODY AND POWERTRAIN

SEK MILLION	Q2			JAN-JUNE			12-MONTH ROLLING	YEAR
	2020	2019	Δ	2020	2019	Δ	JULY 2019–JUNE 2020	2019
Chassis/body	312	530	-218	932	1,154	-222	2,031	2,253
Powertrain	88	251	-163	274	437	-163	675	838
Others	41	–	41	56	–	56	58	2
Total income	441	781	-340	1,262	1,591	-329	2,764	3,093

INCOME DISTRIBUTED BY INCOME CATEGORY

SEK MILLION	Q2			JAN-JUNE			12-MONTH ROLLING	YEAR
	2020	2019	Δ	2020	2019	Δ	JULY 2019–JUNE 2020	2019
Own production	251	487	-236	670	971	-301	1,547	1,848
Outsourced production	183	268	-85	562	573	-11	1,146	1,157
Others	7	26	-19	30	47	-17	71	88
Total income	441	781	-340	1,262	1,591	-329	2,764	3,093

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	Q2			JAN-JUNE		
	2020	2019	Δ	2020	2019	Δ
Net sales	441	781	-340	1,262	1,591	-329
Currency effect, current period	3	–	3	-15	–	-15
Adjusted net sales	444	781	-337	1,247	1,591	-344

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	Q2			JAN-JUNE			12-MONTH ROLLING	YEAR
	2020	2019	Δ	2020	2019	Δ	JULY 2019–JUNE 2020	2019
Operating earnings (EBIT)	-59	21	-80	-16	79	-95	3	98
Depreciation/amortization and impairments	41	33	8	81	66	15	156	141
Operating earnings before depreciation (EBITDA)	-18	54	-72	65	145	-80	159	239

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	Q2			JAN-JUNE			12-MONTH ROLLING	YEAR
	2020	2019	Δ	2020	2019	Δ	JULY 2019–JUNE 2020	2019
Operating earnings excluding depreciation (EBITDA)	-18	54	-72	65	145	-80	159	239
Relocation costs	–	6	-6	–	7	-7	10	17
Restructuring cost	–	–	–	–	–	–	20	20
Acquisition cost	–	–	–	–	–	–	12	12
Adjusted operating earnings before depreciation (EBITDA)	-18	60	-78	65	152	-87	201	288

ADJUSTED OPERATING EARNINGS, ADJUSTED EBIT

SEK MILLION	Q2			JAN-JUNE			12-MONTH ROLLING	YEAR
	2020	2019	Δ	2020	2019	Δ	JULY 2019–JUNE 2020	2019
Operating earnings (EBIT)	-59	21	-80	-16	79	-95	3	98
Relocation costs	–	6	-6	–	7	-7	10	17
Restructuring cost	–	–	–	–	–	–	20	20
Acquisition cost	–	–	–	–	–	–	12	12
Adjusted operating earnings (EBIT)	-59	27	-86	-16	86	-102	45	147

ADJUSTED NET EARNINGS

SEK MILLION	Q2			JAN-JUNE			12-MONTH ROLLING	YEAR
	2020	2019	Δ	2020	2019	Δ	JULY 2019–JUNE 2020	2018
Net earnings	-39	14	-53	-30	58	-88	-33	55
Relocation costs	–	6	-6	–	7	-7	10	17
Restructuring cost	–	–	–	–	–	–	13	13
Acquisition cost	–	–	–	–	–	–	12	12
Adjusted net earnings	-39	20	-59	-30	65	-95	2	97

ADJUSTED NET DEBT (EXCLUDING LEASE LIABILITIES)

SEK MILLION	30-06-2020	30-06-2019	31-12-2019
Net debt (-)	-634	-595	-565
Less interest-bearing liabilities attributable to lease liabilities	263	248	267
Adjusted net debt (-), (excluding lease liabilities)	-371	-347	-299

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	Q2			JAN-JUNE			12-MONTH ROLLING	YEAR
	2020	2019	Δ	2020	2019	Δ	JULY 2019–JUNE 2020	2019
Net sales	9	6	3	13	13	–	33	33
Gross profit	9	6	3	13	13	–	33	33
Administrative expenses	-11	-14	3	-21	-25	4	-48	-52
Operating earnings	-2	-8	6	-8	-12	4	-15	-19
Interest income	0	0	0	1	0	1	2	1
Interest expenses and similar loss items	-2	-1	-1	-4	-2	-2	-7	-5
Earnings after net financial items	-4	-9	5	-11	-14	3	-20	-23
Appropriations	–	–	–	–	–	–	60	60
Earnings before tax	-4	-9	5	-11	-14	3	40	37
Tax on earnings for the period	1	2	-1	3	3	–	-9	-9
Earnings after tax	-3	-7	4	8	-11	3	31	28

BALANCE SHEET, PARENT COMPANY

SEK MILLION	30-06-2020	30-06-2019	31-12-2019
ASSETS			
Fixed assets			
Intangible fixed assets	1	1	1
Tangible fixed assets	1	1	1
Total intangible and tangible fixed assets	2	2	2
Financial assets			
Participations in Group companies	1,450	1,382	1,382
Deferred tax assets	2	3	–
Other long-term receivables	2	2	1
Total financial assets	1,454	1,387	1,383
Total fixed assets	1,456	1,389	1,385
Current assets			
Current receivables from Group companies	133	132	209
Other current receivables	25	35	16
Total current assets	158	167	225
Total assets	1,614	1,556	1,610
EQUITY AND LIABILITIES			
Equity			
Restricted equity	110	110	110
Non-restricted equity	998	900	938
Total equity	1,108	1,010	1,048
Long-term liabilities			
Long-term liabilities to Group companies	200	143	287
Other long-term liabilities	287	300	250
Total long-term liabilities	487	443	537
Current liabilities			
Current liabilities to Group companies	0	67	0
Other current liabilities	19	36	25
Total current liabilities	19	103	25
Total equity and liabilities	1,614	1,556	1,610

JANUARY – MARCH 2020



During the quarter, Bulten has continued to strengthen its technical offer by acquiring a minority stake in TensionCam for a purchase sum of SEK 6 million, and now owns 27% of shares in the company. TensionCam specializes in wireless clamp force monitoring of screw joints.

FINANCIAL CALENDAR

October 22, 2020 Interim report January–September 2020
February 11, 2021 Full-year report January–December 2020

The reports can be found on the Bulten website at www.bulten.se on their date of publication.

CONTACT

Kamilla Oresvärd, SVP Corporate Communications
Phone: +46 (0)31-734 59 00, e-mail: kamilla.oresvard@bulten.com

INVITATION TO PRESENTATION

Investors, analysts and media are invited to participate in the teleconference on July 10 at 11:00 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-q2-2020>. It will also be possible to take part of the audiocast afterwards at the same address or at www.bulten.com/ir.

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

SE: +46850558359
UK: +443333009274
US: +18335268381

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Bulten Group 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 1,700 employees in sixteen countries and head office in Gothenburg. The share (BULTEN) is listed on Nasdaq Stockholm. Read more at www.bulten.com.

Bulten AB (publ)

Box 9148, SE-400 93 Göteborg
Visiting address: August Barks Gata 6 A
Phone +46 (0)31-734 59 00
www.bulten.se

