

# FULL YEAR REPORT

January - December, 2012

## Tough finish in 2012, promising ventures in Russia and China, unchanged dividend

### FOURTH QUARTER

- Net sales reached SEK 677 million (803), down 15.7% on the same period last year.
- Earnings (EBIT) were SEK 10 million (43), which gave an operating margin of 1.4% (5.4).
- Earnings after tax for the quarter was SEK -16 million (30).
- Earnings after tax included SEK -19 million in one-off effect due to the changed tax rate in Sweden.
- Order bookings amounted to SEK 578 million (780), down 25.9% on the same period last year.
- Cash flow from current activities was SEK 44 million (97).
- Earnings per share were SEK -0.77 (1.40), or SEK 0.14 (1.40) when adjusted for the one-off effect due to the changed tax rate in Sweden.
- Two strategically important agreements were signed concerning establishment in Russia and China, both with significant growth potential.

### JANUARY-DECEMBER 2012

- Net sales reached SEK 2,963 million (3,085), down 3.9% on the same period last year.
- Earnings (EBIT) were SEK 101 million (202), which gave an operating margin of 3.4% (6.5).
- Earnings after tax was SEK 42 million (114).
- Earnings after tax included SEK -19 million in one-off effect due to the changed tax rate in Sweden.
- Order bookings amounted to SEK 2,833 million (3,209), down 11.7% on the same period last year.
- Cash flow from current activities was SEK 72 million (144).
- Earnings per share were SEK 2.00 (6.57), or SEK 2.91 (6.57) when adjusted for the one-off effect due to the changed tax rate in Sweden.
- The Board proposes an unchanged dividend of SEK 2.00 per share to the Annual General Meeting.

*"FinnvedenBulten's sales declined significantly in the fourth quarter, mainly because of a very low activity at the end of the quarter in the European automotive sector. On top of previously announced cutbacks in existing orders towards the end of the year, further volume reductions and stoppage days were implemented with very short notice. This resulted in considerable cuts in production and delivery volumes in December. Trends in December therefore meant underutilisation at several of the Group's factories with a major negative effect on earnings. Given current market concerns we will continue to prioritize cost reductions. This in the form of both initiated and planned structural measures as well as ongoing measures to boost efficiency including the already decided staff reductions.*

*Both the Bulten and Finnveden Metal Structures divisions succeeded during the quarter in reaching strategically important milestones in the form of new establishment agreements in both Russia and China. These initiatives have significant growth potential and mean both greater competitiveness and improved production structure. We look forward to developing these businesses in coming years. It is also gratifying that the delivery and order bookings for the beginning of the year have recovered compared to December's low levels."*

*Johan Westman, President and CEO*



# Group summary

## Market for FinnvedenBulten

Of the Group's total net sales, around 80% is attributable to vehicle producers (OEMs) and around 20% to their sub-suppliers and to other sectors. Deliveries for light vehicles (cars and light commercial vehicles) currently account for 75% of FinnvedenBulten's income while heavy commercial vehicles account for 25%.

In the short term, FinnvedenBulten sees continued uncertainty with regard to customers' production plans, due to the development in December. However, long-term plans have not been adjusted downward to the same extent as December. 2012 was a stop/start year in terms of customer volumes. According to the January 2013 forecast from IHS Automotive (IHS), the production of light vehicles in Western Europe in 2013 is expected to decline by 5.6% while production of heavy vehicles is expected to decline by 5.2% compared with 2012. Weighted for FinnvedenBulten's exposure, this means a reduction of around 5.5% in 2013 - a downward revision of 4.3% compared with the IHS forecast in the previous quarter.

## Order bookings and net sales

### Fourth quarter

Order bookings for the period were SEK 577.8 million (780.1), a decrease of 25.9% compared with the corresponding period in the previous year. Order bookings in Q4 were strongly affected when several customers late in the quarter revised their production plans downwards.

Net sales for the Group totalled SEK 676.7 million (802.9), a decrease of 15.7% compared with the corresponding period in the previous year. Adjusted for currency effects, the decrease was 13.4%. In addition to previously announced cutbacks in existing orders towards the end of the year, further volume reductions and stoppage days were introduced with very short notice. This resulted in a considerable drop in volumes in December. Furthermore, the Group was significantly affected when the production unit of a

major customer was at a standstill for a large part of the quarter due to production disturbances.

### January-December 2012

Order bookings for the period were SEK 2,832.9 million (3,208.9), a decrease of 11.7% compared with the corresponding period in the previous year.

Net sales for the Group totalled SEK 2,963.5 million (3,085.0), a decrease of 3.9% compared with the corresponding period in the previous year. Adjusted for currency effects, the decrease was 2.0% compared with the same period last year.

## Earnings and profitability

### Fourth quarter

The Group's gross profit was SEK 92.7 million (139.2), corresponding to a gross margin of 13.7% (17.3).

Earnings before depreciation (EBITDA) were SEK 29.0 million (61.8), corresponding to an EBITDA margin of 4.3% (7.7).

Earnings (EBIT) were SEK 9.6 million (43.4), corresponding to an operating margin of 1.4% (5.4). Compared with 2011, earnings and margins in the reporting period were affected by lower sales and by underutilisation at several factories as a consequence. This had negative effect on earnings. The Group's operating currency exposure also had a negative effect both on sales and earnings compared with the previous year. The quarter also includes higher costs associated with the company's growth initiatives. To date, these initiatives have resulted among other things in an agreement to form companies in Russia and China.

Net financial items in the Group were SEK -1.6 million (-5.8). Financial income mostly comprises currency differences of SEK 2.1 million (-1.6). Financial costs mainly comprise external interest costs amounting to SEK -2.9 million (-3.4).

The Group's earnings before tax was SEK 8.0 million (37.6) and the earnings after tax was SEK -16.2 million (29.6).

## FOURTH QUARTER

### NET SALES

**SEK 677 MILLION**

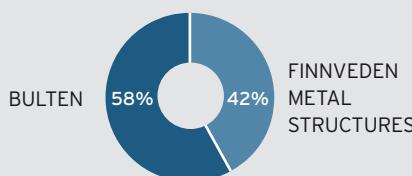
### OPERATING EARNINGS

**SEK 10 MILLION**

### EARNINGS AFTER TAX

**SEK -16 MILLION**

### NET SALES PER DIVISION



### OPERATING MARGIN

**1.4%**

### NET MARGIN

**-2.4%**

The tax charge for the period was SEK -24.2 million, of which SEK -19.1 million was a one-off effect of deferred taxes due to the changed tax rate in Sweden. The tax burden has no effect on liquidity, but the earnings after tax burdens of this one-off effect.

#### January-December

The Group's gross profit was SEK 446.6 million (558.9), corresponding to a gross margin of 15.1% (18.1).

Earnings before depreciation (EBITDA) were SEK 177.9 million (273.2), corresponding to an EBITDA margin of 6.0% (8.9).

Earnings (EBIT) were SEK 101.4 million (201.5), corresponding to an operating margin of 3.4% (6.5). The operating margin adjusted for non-recurring items was 3.4% (7.1). Non-recurring items of SEK 18.2 million in 2011 related to costs for the listing process on the NASDAQ OMX and the completed rationalisation programme.

The 2012 financial year was affected, among other things, by costs for the start-up of new customer projects, imbalance and disruption in production. Furthermore, earnings were affected by lower sales with underutilisation at several factories and disadvantageous change in the product mix. Earnings were also affected by higher costs for initiatives in growth markets including new recruitment. The Group's operating currency exposure also had a negative effect both on sales and earnings compared with the previous year. During the year earnings were also affected positively by SEK 5.8 million in the form of a dissolution of an inventory reserve.

Net financial items in the Group were SEK -10.8 million (-45.6). Financial costs mainly refer to interest costs for loans from external creditors amounting to SEK -13.9 million (-15.7). Figures for last year included interest costs for the shareholder loan and preference shares of SEK -17.2 million. Financial income includes positive financial currency differences of SEK 4.8 million. Last year, negative currency differences of SEK -11.7 million were reported as financial expenses.

The Group's earnings before tax was SEK 90.6 million (155.9) and the earnings after tax was SEK 42.0 million (114.5).

The tax charge for the year was SEK -48.6 million, of which SEK -19.1 was the one-off effect of deferred taxes due to the changed tax rate in Sweden. The tax burden has no effect on liquidity, but the earnings after tax burdens of this one-off effect.

#### Investments

##### January-December 2012

Investments in intangible and tangible fixed assets were SEK 112.7 million (84.7). Depreciation for the period was SEK -76.5 million (-71.7). SEK 100.2 million (77.5) of the investments relate to machinery and equipment. Investment in buildings and land was SEK 0.2 million (7.0).

#### Cash flow, working capital and financial position

##### Fourth quarter

Cash flow from operating activities totalled SEK 43.5 million (97.4). Cash flow effects of changes in working capital amounted to SEK 12.6 million (38.3). Inventories increased in the period by SEK 15.3 million (8.1), while operating receivables decreased by SEK 102.5 million (34.8).

##### January-December 2012

Cash flow from operating activities totalled SEK 72.4 million (143.6). Cash flow effects of changes in working capital amounted to SEK -50.6 million (-88.0). Inventories increased in the period by SEK 56.3 million (91.1), while operating receivables decreased by SEK 68.5 million (previous year an increase by 50.6).

Net debt amounted to SEK 243.9 million (161.6) on 31 December 2012.

Cash and cash equivalents were SEK 51.8 million (102.7) at the end of the period.

#### FINANCIAL SUMMARY (SEK m)

	Q4			Full year		
	2012	2011	Δ	2012	2011	Δ
Net sales	676.7	802.9	-15.7%	2,963.5	3,085.0	-3.9%
Gross profit	92.7	139.2	-46.5	446.6	558.9	-112.3
Earnings before depreciation (EBITDA)	29.0	61.8	-32.8	177.9	273.2	-95.3
Operating earnings (EBIT)	9.6	43.4	-33.8	101.4	201.5	-100.1
Operating margin, %	1.4	5.4	-4.0	3.4	6.5	-3.1
Adjusted operating earnings (EBIT)	9.6	43.5	-33.9	101.4	219.7	-118.3
Adjusted operating margin, %	1.4	5.4	-4.0	3.4	7.1	-3.7
Earnings after tax	-16.2	29.6	-45.8	42.0	114.5	-72.5
Order bookings	577.8	780.1	-25.9%	2,832.9	3,208.9	-11.7%
Return on capital employed, %	-	-	-	8.1	15.4	-7.3
Adjusted return on capital employed, %	-	-	-	8.1	16.8	-8.7

Bulten develops and manufactures fasteners for the global automotive industry, and a large part of the product range includes innovative and technically advanced products. Bulten is one of few fastener producers in Europe that can take complete responsibility along the entire value chain for fasteners, from product development to final delivery onto the customer's production line.



## Division **BULTEN**

- Net sales in Q4 declined by SEK 69 million, down 15.0% on the same period last year.
- Operating earnings in Q4 were SEK 16 million (30).

The Bulten division was strongly affected by customers' reduced volumes, especially in December. The division was also significantly affected by the standstill during a large part of the quarter at a production site operated by a major customer due to production disturbances. Earnings were negatively affected by a significant reduction in loading at the end of the quarter which proved difficult to counter.

Extensive savings and efficiency measures to reduce costs and adapt the business to the existing market outlook are being implemented.

The Bulten division's core business is stable and the division is well positioned going forward thanks to new and existing contracts. As announced in the third quarter, an engine platform is launched to which Bulten is a Full Service Provider (FSP). The platform has not yet reached expected volumes, but good volume development is expected in coming years with a wide international launch.

During the fourth quarter Bulten signed an agreement to form a company together with the Automotive Components division within the GAZ group, which is one of Rus-

sia's largest vehicle manufacturers. FinnvedenBulten is thus establishing its first production site in Russia and strengthen the strategic position of the Bulten division. Through the investment of around EUR 7 million, Bulten will be the majority owner of this company. The business that will be operated by this company currently has sales of around EUR 11 million annually and has significant expansion potential in both the short and long term. The company will be consolidated as a subsidiary in the FinnvedenBulten Group. During 2013 this company will be formed, property will be renovated, staff trained and new machinery taken into operation. The starting point for production is expected to be at the end of 2013. The collaboration is subject to approval from relevant authorities.

### Fourth quarter

Order bookings amounted to SEK 328.4 million (451.2), down 27.2% compared with the same period last year.

Net sales reached SEK 391.9 million (460.9), down 15.0% compared with the

same period last year and down 11.5% when adjusted for currency effects.

Earnings before depreciation (EBITDA) reached SEK 26.2 million (39.4), corresponding to an EBITDA margin of 6.7% (8.5).

Operating earnings (EBIT) were SEK 15.7 million (29.8), corresponding to an operating margin of 4.0% (6.5).

### January-December 2012

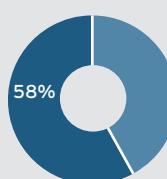
Order bookings amounted to SEK 1,670.2 million (1,799.4), down 7.2% compared with the same period last year.

Net sales reached SEK 1,710.5 million (1,768.5), down 3.3% compared with the same period last year and down 0.7% when adjusted for currency effects.

Earnings before depreciation (EBITDA) reached SEK 121.2 million (155.2), corresponding to an EBITDA margin of 7.1% (8.8).

Operating earnings (EBIT) were SEK 79.6 million (117.1), corresponding to an operating margin of 4.7% (6.6).

During the year earnings were affected positively by SEK 5.8 million in the form of a dissolution of an inventory reserve.

NET SALES	SHARE OF GROUP SALES, %	EBIT	OPERATING MARGIN			
<b>SEK 392 MILLION</b>		<b>SEK 16 MILLION</b>	<b>4.0 %</b>			
<b>FINANCIAL SUMMARY (SEK m)</b>						
	Q4		Full year			
	2012	2011	△	2012	2011	△
Net sales	391.9	460.9	-15.0%	1,710.5	1,768.5	-3.3%
Earnings before depreciation (EBITDA)	26.2	39.4	-13.2	121.2	155.2	-34.0
Operating earnings (EBIT)	15.7	29.8	-14.1	79.6	117.1	-37.5
Operating margin, %	4.0	6.5	-2.5	4.7	6.6	-1.9
Adjusted operating earnings (EBIT)	15.7	29.8	-14.1	79.6	117.1	-37.5
Adjusted operating margin, %	4.0	6.5	-2.5	4.7	6.6	-1.9
Order bookings	328.4	451.2	-27.2%	1,670.2	1,799.4	-7.2%

Finnveden Metal Structures manufactures products in steel, magnesium and aluminium, or a combination of those materials. The main manufacturing processes are stamping, die casting and joining. Manufactured components include interior, chassis and body parts for the automotive industry as well as customised components for general industry.



## Division

# FINNVEDEN METAL STRUCTURES

- Net sales in Q4 declined by SEK 58 million, down 16.8% on the same period last year.
- Operating earnings in Q4 were SEK -4 million (19).

Net sales for the Finnveden Metal Structures division declined during the forth quarter following a significant downward revision of customers' production plans, especially in December. The division was also significantly affected by the standstill during a large part of the quarter at a production site operated by a major customer due to production disturbances. Lower sales, with underutilisation at several factories had a significant negative impact on earnings and overshadow the improvement measures implemented during the year and during the autumn. Measures are being implemented to adapt the business to the current market outlook and amongst others have 25 employees been given notice of redundancy at the Olofström plant.

The unprofitable foundry operations in Sweden had a significant negative impact on the year's earnings while the stamping operation overall has been stable with relatively good profitability.

The restructuring of the foundry business, through expansion in Poland and a reduction of the operation in Sweden, is proceeding at full pace and is expected to generate annual savings of SEK 15-20 million. The programme

of measures will result in a more efficient production structure with necessary profitability improvements.

In December Finnveden Metal Structures signed an agreement with BHAP and Amgain of China to form a Joint Venture company for production of die-cast lightweight components in China. The basis for the collaboration is an existing, newly established factory with significant growth potential. Through a total investment of around CNY 44 million (around SEK 46 million) Finnveden Metal Structures will become the largest shareholder with 40% shareholding. The agreement is subject to final approval from each company's board of directors.

In December a large order was signed for supply of magnesium components to a European automotive maker worth around SEK 80 million a year and covering a 10-year period. Production will initially take place at Bielsko-Biala in Poland, planed to start in 2015.

### Fourth quarter

Order bookings amounted to SEK 250.8 million (331.4), down 24.3% compared with the same period last year. Net sales reached

SEK 286.5 million (344.2), down 16.8% compared with the same period last year and down 16.0% when adjusted for currency effects.

Earnings before depreciation (EBITDA) reached SEK 4.4 million (27.4), corresponding to an EBITDA margin of 1.5% (8.0).

Operating earnings (EBIT) were SEK -4.2 million (18.7), corresponding to an operating margin of -1.5% (5.4).

Costs for strategic initiatives and restructuring amounting to around SEK 3 million were included for the quarter.

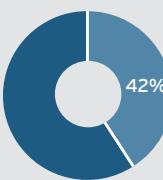
### January-December 2012

Order bookings amounted to SEK 1,170.1 million (1,418.5), down 17.5% compared with the same period last year. Net sales reached SEK 1,261.4 million (1,325.5), down 4.8% compared with the same period last year and down 3.8% when adjusted for currency effects.

Earnings before depreciation (EBITDA) reached SEK 64.8 million (140.6), corresponding to an EBITDA margin of 5.1% (10.6).

Operating earnings (EBIT) were SEK 30.1 million (107.1), corresponding to an operating margin of 2.4% (8.1).

FOURTH QUARTER

NET SALES	SHARE OF GROUP SALES, %	EBIT	OPERATING MARGIN			
<b>SEK 287 MILLION</b>		<b>SEK -4 MILLION</b>	<b>-1.5%</b>			
<b>FINANCIAL SUMMARY (SEK m)</b>						
	Q4		Full year			
Net sales	2012	2011	△	2012	2011	△
Earnings before depreciation (EBITDA)	4.4	27.4	-23.0	64.8	140.6	-75.8
Operating earnings (EBIT)	-4.2	18.7	-22.9	30.1	107.1	-77.0
Operating margin, %	-1.5	5.4	-6.9	2.4	8.1	-5.7
Adjusted operating earnings (EBIT)	-4.2	18.8	-23.0	30.1	107.5	-77.4
Adjusted operating margin, %	-1.5	5.5	-7.0	2.4	8.1	-5.7
Order bookings	250.8	331.4	-24.3%	1,170.1	1,418.5	-17.5%

# Other information

## Accounting principles

This interim report has been drawn up in accordance with IAS 34 (Interim Financial Reporting) and the Swedish annual accounts act. The financial statement for the parent company has been drawn up in accordance with RFR 2 (Reporting for legal entities) of the Swedish Financial Accounting Standards Council.

## New pension accounting standards from 2013

With effect from 1 January 2013, the amendment to IAS 19 "Employee Benefits" will come into force. The change will have no significant impact on FinnvedenBulten's financial reports.

## Risks and risk management

Exposure to operational and financial risks are a natural part of business activity and this is reflected in FinnvedenBulten's approach to risk management. The purpose is to identify and prevent risks and limit any damage that may result. The main risks that the Group is exposed to relate to the impact of the business cycle on demand, supplies of raw materials and their price variations, as well as general economic factors.

For a more detailed description of these risks, see Note 3, Risks and risk management, of the company's 2011 annual report.

## Seasonal variations

FinnvedenBulten is not exposed to traditional seasonal variations. The year reflects customers' production days, which vary between quarters. The lowest net sales and operating earnings normally occur in Q3, where there are fewest production days. The other quarters are relatively even although variations may occur.

## Transaction with related parties

No transactions were made with related parties during the reporting period.

Last year, the principal owner provided financing in the same way as the previous year, as reported in note 39 of the 2011 annual report.

## Financial targets

The Group's target is to achieve profitable organic growth and to grow more strongly than the industry in general.

The Group's target is that the operating margin shall be at least seven (7) per cent.

The Group's target is that the return on average working capital shall be at least fifteen (15) per cent.

## Employees

The total number of employees in the Group amounted on the closing day to 1,810 (1,746).

## Contingent liabilities

During the report period there was no significant change in contingent liabilities.

## Parent company

FinnvedenBulten AB (publ) owns, directly or indirectly, all the companies in the Group. The equity/assets ratio was 82.5% (87.8). Equity was SEK 1,206.6 million (1,262.5). Disposable cash and cash equivalents in the parent company totalled SEK 6.0 (1.2) million. The company had 7 employees on the closing day.

## Important events after the end of the interim period

There were no significant events to report.

## Outlook for 2013

The unstable macroeconomic situation in most of Europe is affecting the automotive industry and the Group's customers negatively with increased uncertainty and lower sales as a result. However, the Group notes that the delivery and order bookings for the beginning of the year have recovered compared to December's low levels. In the immediate future cost rationalisation work and adaptation to market conditions will be intensified and prioritized.

Due to the uncertain market situation, forecasters such as IHS Automotive (IHS) make regular adjustments to their estimates. According to the January forecast from IHS, production of light vehicles in Western Europe will decline by around 5.6% in 2013 as a whole and production of heavy vehicles will decline by around 5.2% compared with 2012. Weighted for FinnvedenBulten's exposure this means a decrease of around 5.5% in 2013 compared with 2012. Forecasts for later years are being revised upwards which means that a recovery in demand is projected in 2013.

The initiatives that the Group is pursuing in the growth markets Russia and China have very large growth potential over the long term. The impact on earnings for the full year in 2013 will be marginal however, with start-up costs of around SEK 10-15 million.

## Dividend proposal

FinnvedenBulten's target is to distribute one third of net earnings after tax to shareholders over time. Consideration shall however be given to FinnvedenBulten's financial position, cash flow and future outlook.

The Board proposes to the General Annual Meeting an unchanged dividend of SEK 2.00 per share, corresponding to SEK 42.1 million. The Board considers that the proposed dividend is well balanced and justifiable with regard to the company's and the Group's financial position and long-term development.

## 2013 Annual General Meeting

The Annual General Meeting for FinnvedenBulten AB (publ) will take place in Gothenburg on 24 April 2013. Shareholders wishing to have

an item addressed at the meeting shall send their proposal to the Board via the following email address:  
chairman@finnvedenbulten.com

or via post to

FinnvedenBulten AB (publ) Årsstämma  
Box 9148  
400 93 Göteborg.

The proposal must be received by the company no later than 5 March 2013.

#### **2012 Annual Report**

FinnvedenBulten's Annual Report for 2012 is expected to be made available at the latest by 2 April 2013 when it will be published on

the company's website, [www.finnvedenbulten.se](http://www.finnvedenbulten.se), where it will also be possible to order a printed version.

#### **Auditor's review**

This financial statement has not been subject to a review by the company's auditors.

Göteborg, 7 February 2013

Johan Westman  
President and CEO



# Consolidated income statement

SEK million	Q4			Full year		
	2012	2011	Δ	2012	2011	Δ
Net sales	676.7	802.9	-126.2	2,963.5	3,085.0	-121.5
Cost of goods sold	-584.0	-663.7	79.7	-2,516.9	-2,526.1	9.2
<b>Gross profit</b>	<b>92.7</b>	<b>139.2</b>	<b>-46.5</b>	<b>446.6</b>	<b>558.9</b>	<b>-112.3</b>
Other operating income	9.8	2.3	7.5	24.2	13.5	10.7
Selling expenses	-37.8	-37.2	-0.6	-147.2	-134.5	-12.7
Administrative expenses	-52.8	-53.3	0.5	-212.9	-215.7	2.8
Other operating expenses	-2.3	-7.6	5.3	-9.3	-20.7	11.4
<b>Operating earnings</b>	<b>9.6</b>	<b>43.4</b>	<b>-33.8</b>	<b>101.4</b>	<b>201.5</b>	<b>-100.1</b>
Financial income	2.2	-0.1	2.3	5.0	1.1	3.9
Financial expenses	-3.8	-5.7	3.8	-15.8	-46.7	30.9
<b>Earnings before tax</b>	<b>8.0</b>	<b>37.6</b>	<b>-29.6</b>	<b>90.6</b>	<b>155.9</b>	<b>-65.3</b>
Tax on period's earnings	Note 2	-24.2	-8.0	-16.2	-48.6	-41.4
<b>Earnings after tax</b>		<b>-16.2</b>	<b>29.6</b>	<b>-45.8</b>	<b>42.0</b>	<b>114.5</b>
Attributable to						
Parent company shareholders		-16.2	29.6	-45.8	42.0	114.5
Minority interests		-	-	-	-	-
		<b>-16.2</b>	<b>29.6</b>	<b>-45.8</b>	<b>42.0</b>	<b>114.5</b>
Earnings per share, SEK <sup>1)</sup>		-0.77	1.40	-2.17	2.00	6.57
Earnings per share, adjusted for one-off effect due to change in Swedish tax rate, SEK <sup>1)</sup>		0.14	1.40	-1.26	2.91	6.57
Weighted outstanding ordinary shares, 000 <sup>1)</sup>		21,040.2	21,040.2	-	21,040.2	17,433.9
Note1 Non-recurring costs						
Listing process, Nasdaq OMX		-	-	-	-	17.8
Rationalization schemes		-	-0.1	0.1	-	-0.4
<b>Total non-recurring costs</b>		<b>-</b>	<b>-0.1</b>	<b>0.1</b>	<b>-</b>	<b>-18.2</b>
Note 2 Tax on period's earnings						
Whereof one-off effect of deferred taxes due to the changed tax rate in Sweden		-19.1	-	-19.1	-19.1	-
1) Both before and after dilution						

# Consolidated statement of comprehensive income

SEK million	Q4			Full year		
	2012	2011	Δ	2012	2011	Δ
Earnings after tax	-16.2	29.6	-45.8	42.0	114.5	-72.5
Other comprehensive income						
Derivative instruments, cash flow hedging	-4.6	3.5	-8.1	-1.7	2.8	-4.5
Tax on cash flow hedging	1.3	-0.9	2.2	0.5	-0.7	1.2
Exchange rate differences	7.0	-8.1	15.1	0.6	-16.2	16.8
<b>Total comprehensive income</b>	<b>-12.5</b>	<b>24.1</b>	<b>-36.6</b>	<b>41.4</b>	<b>100.4</b>	<b>-59.0</b>
Attributable to						
Parent company shareholders	-12.5	24.1	-36.6	41.4	100.4	-59.0
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total comprehensive income</b>	<b>-12.5</b>	<b>24.1</b>	<b>-36.6</b>	<b>41.4</b>	<b>100.4</b>	<b>-59.0</b>

# Consolidated balance sheet

SEK million	31-12-2012	31-12-2011
<b>ASSETS</b>		
<b>Fixed assets</b>		
Intangible fixed assets	194.3	182.3
Tangible fixed assets	404.7	377.7
Financial assets	105.4	132.7
<b>Total fixed assets</b>	<b>704.4</b>	<b>692.7</b>
<b>Current assets</b>		
Inventories	518.2	461.9
Current receivables	575.0	643.5
Cash and cash equivalents	51.8	102.7
<b>Total current assets</b>	<b>1,145.0</b>	<b>1,208.1</b>
<b>Total assets</b>	<b>1,849.4</b>	<b>1,900.8</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity attributable to parent company shareholders	1,032.1	1,032.8
Minority interests	—	—
<b>Total equity</b>	<b>1,032.1</b>	<b>1,032.8</b>
<b>Non-current liabilities</b>		
Non-current interest-bearing liabilities and provisions	268.1	242.1
Non-current non-interest-bearing liabilities and provisions	2.2	1.3
<b>Total non-current liabilities</b>	<b>270.3</b>	<b>243.4</b>
<b>Current liabilities</b>		
Interest-bearing current liabilities	30.5	25.8
Current liabilities, non-interest-bearing	516.5	598.8
<b>Total current liabilities</b>	<b>547.0</b>	<b>624.6</b>
<b>Total equity and liabilities</b>	<b>1,849.4</b>	<b>1,900.8</b>
Pledged assets	1,383.8	1,386.3
Contingent liabilities	85.0	82.4

# Consolidated statement of changes in equity

SEK million	31-12-2012	31-12-2011
Opening equity	1,032.8	485.1
<b>Comprehensive income</b>		
Earnings after tax	42.0	114.5
Other comprehensive income		
Derivative instruments, cash flow hedging	-1.7	2.8
Tax on cash flow hedging	0.5	-0.7
Exchange rate differences	0.6	-16.2
<b>Total comprehensive income</b>	<b>41.4</b>	<b>100.4</b>
<b>Transactions with shareholders</b>		
Reclassification of preference shares	—	94.6
New share issue via off-set	—	352.7
New share issue in kind	—	90.3
Earnings from transactions with minorities	—	-90.3
Dividend paid to parent company shareholders	-42.1	—
<b>Total transactions with shareholders</b>	<b>-42.1</b>	<b>447.3</b>
<b>Closing equity</b>	<b>1,032.1</b>	<b>1,032.8</b>

# Consolidated cash flow statement

SEK million	2012	2011
<b>Operating activities</b>		
Earnings after financial items	90.6	155.9
Adjustments for items not included in cash flow	50.1	86.6
Taxes paid	-17.7	-10.9
Cash flow from operating activities before changes in working capital	123.0	231.6
<b>Cash flow from changes in working capital</b>		
Change in working capital	-50.6	-88.0
Cash flow from operating activities	72.4	143.6
<b>Investing activities</b>		
Acquisition of intangible fixed assets	-12.5	-0.2
Acquisition of tangible fixed assets	-100.2	-84.5
Acquisition of financial fixed assets	-	-1.6
Disposal of tangible fixed assets	1.6	2.0
Settlement of financial assets	0.7	0.2
Cash flow from investing activities	-110.4	-84.1
<b>Financing activities</b>		
Amortisation of borrowings	-2.1	-
Change in overdraft facilities and other financial liabilities	34.0	-143.7
Dividend paid to parent company shareholders	-42.1	-
Cash flow from financing activities	-10.2	-143.7
<b>Cash flow for the period</b>	<b>-48.2</b>	<b>-84.2</b>
Change in cash and cash equivalents	-48.2	-84.2
Cash and cash equivalents at start of financial year	102.7	188.7
Exchange rate difference in cash and cash equivalents	-2.7	-1.8
Cash and cash equivalents at end of period	51.8	102.7

# Consolidated net debt composition

SEK million	31-12-2012	31-12-2011
Non-current interest-bearing liabilities	249.6	225.3
Provisions for pensions	18.5	16.8
Current interest-bearing liabilities	30.4	25.7
Financial interest-bearing liabilities	-2.8	-3.5
Cash and cash equivalents	-51.8	-102.7
<b>Net loan liabilities</b>	<b>243.9</b>	<b>161.6</b>

# Consolidated segment reports

SEK million	Q4 2012			
	Bulten	Finnveden Metal Structures	Other*	The Group
Net sales	391.9	286.5	-1.7	676.7
Earnings before depreciation (EBITDA)	26.2	4.4	-1.6	29.0
Operating profit (EBIT)	15.7	-4.2	-1.9	9.6
Operating margin, %	4.0	-1.5	—	1.4
Adjusted operating margin (EBIT)	15.7	-4.2	-1.9	9.6
Adjusted operating margin, %	4.0	-1.5	—	1.4

SEK million	Q4 2011			
	Bulten	Finnveden Metal Structures	Other*	The Group
Net sales	460.9	344.2	-2.2	802.9
Earnings before depreciation (EBITDA)	39.4	27.4	-5.0	61.8
Operating profit (EBIT)	29.8	18.7	-5.1	43.4
Operating margin, %	6.5	5.4	—	5.4
Adjusted operating margin (EBIT)	29.8	18.8	-5.1	43.5
Adjusted operating margin, %	6.5	5.5	—	5.4

SEK million	Jan - Dec 2012			
	Bulten	Finnveden Metal Structures	Other*	The Group
Net sales	1,710.5	1,261.4	-8.4	2,963.5
Earnings before depreciation (EBITDA)	121.2	64.8	-8.1	177.9
Operating profit (EBIT)	79.6	30.1	-8.3	101.4
Operating margin, %	4.7	2.4	—	3.4
Adjusted operating margin (EBIT)	79.6	30.1	-8.3	101.4
Adjusted operating margin, %	4.7	2.4	—	3.4

SEK million	Jan - Dec 2011			
	Bulten	Finnveden Metal Structures	Other*	The Group
Net sales	1,768.5	1,325.5	-9.0	3,085.0
Earnings before depreciation (EBITDA)	155.2	140.6	-22.6	273.2
Operating profit (EBIT)	117.1	107.1	-22.7	201.5
Operating margin, %	6.6	8.1	—	6.5
Adjusted operating margin (EBIT)	117.1	107.5	-4.9	219.7
Adjusted operating margin, %	6.6	8.1	—	7.1

\* Other includes parent company and Group eliminations. For the period January-December 2011 costs attributable to the listing process on NASDAQ OMX are included with SEK -17.8 million. No costs are attributable for 2011 Q4.

# Income statement, parent company

SEK million	Q4		Full year	
	2012	2011	2012	2011
Net sales	7.0	4.7	24.7	15.9
Cost of goods sold	—	—	—	—
Gross profit	7.0	4.7	24.7	15.9
Administrative expenses	-7.9	-6.8	-33.4	-30.5
Operating earnings	-0.9	-2.1	-8.7	-14.6
Interest expenses and similar items	-2.5	-2.1	-9.1	-22.7
Earnings before tax	-3.4	-4.2	-17.8	-37.3
Tax on earnings for the year <sup>1)</sup>	-8.7	1.1	-5.1	7.9
<b>Earnings after tax</b>	<b>-12.1</b>	<b>-3.1</b>	<b>-22.9</b>	<b>-29.4</b>

1) For Q4 as well as for the whole year 2012 a one-off effect due to changed tax rate in Sweden are included with SEK million -9.6.

# Balance sheet, parent company

SEK million	31-12-2012	31-12-2011
<b>ASSETS</b>		
Fixed assets		
Tangible fixed assets		
Equipment	0.2	0.2
Total tangible fixed assets	0.2	0.2
Financial fixed assets		
Participations in Group companies <sup>1)</sup>	1,381.3	1,367.1
Deferred tax assets	48.9	57.2
Other non-current receivables	5.6	6.0
Total financial fixed assets	1,435.8	1,430.3
Total fixed assets	1,436.0	1,430.5
Current assets		
Current receivables	21.5	5.6
Cash and cash equivalents	6.0	1.2
Total current assets	27.5	6.8
<b>Total assets</b>	<b>1,463.5</b>	<b>1,437.3</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	1,206.6	1,262.5
Non-current liabilities		
Liabilities to Group companies	245.7	162.3
Total non-current liabilities	245.7	162.3
Current liabilities		
Other current liabilities	11.2	12.5
Total current liabilities	11.2	12.5
<b>Total equity and liabilities</b>	<b>1,463.5</b>	<b>1,437.3</b>
Pledged assets	1,385.7	1,371.5
Contingent liabilities	49.0	46.3

1) Participations in Group companies have increased with MSEK 14.2. The increase relates to acquisition of minorities in subsidiaries.



# Consolidated key indicators

THE GROUP	Q4		Full year	
	2012	2011	2012	2011
<b>Margins</b>				
EBITDA margin, %	4.3	7.7	6.0	8.9
EBIT margin (operating margin), %	1.4	5.4	3.4	6.5
Adjusted EBIT margin (operating margin), %	1.4	5.4	3.4	7.1
Net margin, %	-2.4	3.7	1.4	3.7
<b>Capital structure</b>				
Interest coverage ratio, times	1.8	7.6	6.7	4.3
<b>Data per share</b>				
Earnings per share, SEK *)	-0.77	1.40	2.00	6.57
Pro forma earnings per share, SEK **)	-0.77	1.41	2.00	6.68
Earnings per share, adjusted for one-off effect due to changed tax rate in Sweden, SEK **)	0.14	1.40	2.91	6.57
<b>Number of outstanding ordinary shares</b>				
Weighted outstanding ordinary shares, '000 *)	21,040.2	21,040.2	21,040.2	17,433.9
Outstanding ordinary shares on closing day, 000 *)	21,040.2	21,040.2	21,040.2	21,040.2

THE GROUP	31-12-2012		31-12-2011	
	2012	2011	2012	2011
<b>Capital structure</b>				
Net debt/equity ratio, times		0.2	0.2	
Equity/assets ratio, %		55.8	54.3	
Other				
Net debt, SEK m	243.9	161.6		

THE GROUP, 12 months rolling	2012		2011	
	2012	2011	2012	2011
<b>Return indicators</b>				
Capital employed, %		8.1	15.4	
Adjusted return on capital employed, %		8.1	16.8	
Equity, %		4.1	15.1	
<b>Capital structure</b>				
Capital turnover, times	2.3	2.4		
<b>Employees</b>				
Net sales per employee, SEK '000	1,637.3	1,766.9		
Operating profit/loss per employee, SEK '000	56.0	115.4		
Average no. of employees on closing date	1,810	1,746		

\*) Refers to both before and after dilution.

## Definitions

Definitions of key indicators are unchanged compared with those used in the 2011 annual report.

Other indicators not used in the annual report are explained below.

<sup>1)</sup> Pro forma earnings per share. Earnings per share adjusted for non-recurring costs and interest costs for shareholder loans and preference shares. Current tax is considered for all adjusted items. Divided by the number of outstanding shares on the closing day.

<sup>2)</sup> Earnings per share adjusted for one-time effect of change in Swedish tax rate from 26,3% to 22,0%.

<sup>3)</sup> Adjusted net debt is calculated as interest-bearing liabilities excluding interest-bearing loans from shareholders minus interest-bearing assets.

<sup>4)</sup> Adjusted operating earnings. Operating earnings adjusted for non-recurring costs.

<sup>5)</sup> Adjusted return on capital employed. Earnings after financial items plus financial costs and non-recurring costs as a percentage of average capital employed.

# Consolidated quarterly data

THE GROUP	2012				2011			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order bookings	577.8	609.7	780.7	864.7	780.1	736.0	854.4	838.4
Income statement								
Net sales	676.7	649.3	830.4	807.1	802.9	703.9	782.1	796.1
Gross earnings	92.7	92.3	128.7	132.9	139.2	116.3	150.8	152.6
Earnings before depreciation (EBITDA)	29.0	30.6	59.3	59.0	61.8	60.6	79.3	71.5
Operating earnings (EBIT)	9.6	11.4	40.2	40.2	43.4	43.1	61.3	53.7
Adjusted operating earnings (EBIT)	9.6	11.4	40.2	40.2	43.5	43.3	66.7	66.2
Cash flow statement								
Cash flow from current activities	43.5	-83.7	62.5	50.1	97.4	-42.7	49.4	39.5
Cash flow from investment activities	-37.2	-28.7	-21.6	-22.9	-17.0	-30.7	-22.9	-13.5
Cash flow from financing activities	-1.4	39.2	-43.8	-4.2	-24.9	-96.6	-4.7	-17.5
Cash flow for the period	4.9	-73.2	-2.9	23.0	55.5	-170.0	21.8	8.5
Data per share								
Earnings per share, SEK *)	-0.77	0.15	1.20	1.42	1.40	1.06	2.47	1.98
Pro forma earnings per share, SEK *) <sup>1)</sup>	-0.77	0.15	1.20	1.42	1.41	1.07	2.27	1.93
Earnings per share, adjusted for one-off effect due to changed tax rate in Sweden, SEK *) <sup>2)</sup>	0.14	0.15	1.20	1.42	1.40	1.06	2.47	1.98
Number of outstanding ordinary shares								
Weighted outstanding ordinary shares, '000 *)	21,040.2	21,040.2	21,040.2	21,040.2	21,040.2	21,040.2	16,172.4	11,336.6
Outstanding ordinary shares on closing day, 000 *)	21,040.2	21,040.2	21,040.2	21,040.2	21,040.2	21,040.2	21,040.2	12,000.0

THE GROUP	31-12-2012	30-09-2012	30-06-2012	31-03-2012	31-12-2011	30-09-2011	30-06-2011	31-03-2011
	Balance sheet							
Fixed assets	704.4	713.5	701.1	702.8	692.7	713.7	715.2	712.0
Current assets	1,145.0	1,225.2	1,272.9	1,267.2	1,208.1	1,183.0	1,301.7	1,241.6
Equity	1,032.1	1,044.6	1,047.1	1,067.6	1,032.8	1,008.7	994.5	595.8
Non-current liabilities	270.3	275.6	243.5	246.2	243.4	268.5	366.1	726.9
Current liabilities	547.0	618.5	683.4	656.2	624.6	619.5	656.3	630.9
Other								
Net debt	243.9	250.4	132.8	135.6	161.6	238.5	165.0	543.5
Adjusted net debt 3)	243.9	250.4	132.8	135.6	161.6	238.5	165.0	196.2
GROUP, 12 months rolling	January 2012-December 2012	October 2011-September 2012	July 2011-June 2012	April 2011-Mars 2012	January 2011-December 2011	October 2010-September 2011	July 2010-June 2011	April 2010-Mars 2011
Order bookings	2,832.9	3,035.2	3,161.5	3,235.2	3,208.9	3,214.0	3,135.0	3,052.1
Income statement								
Net sales	2,963.5	3,089.7	3,144.3	3,096.0	3,085.0	3,012.4	2,899.8	2,791.6
Gross earnings	446.6	493.1	517.0	539.2	558.9	549.6	531.9	498.7
Earnings before depreciation (EBITDA)	177.9	210.7	240.7	260.7	273.2	268.8	251.3	232.0
Operating earnings (EBIT)	101.4	135.2	166.9	188.0	201.5	199.8	181.6	161.6
Adjusted operating earnings (EBIT) <sup>4)</sup>	101.4	135.3	167.2	193.7	219.7	218.6	202.3	179.9
Employees								
Net sales per employee, SEK '000	1,637.3	1,690.2	1,707.0	1,718.1	1,766.9	1,682.9	1,690.8	1,650.9
Operating profit/loss per employee, SEK '000	56.0	73.9	90.6	104.3	115.4	111.6	105.9	95.6
Average no. of employees on closing date	1,810	1,828	1,842	1,802	1,746	1,790	1,715	1,691
Return indicators								
Capital employed, %	8.1	10.4	12.8	14.6	15.4	16.5	14.5	13.3
Adjusted return on capital employed, % <sup>5)</sup>	8.1	10.5	12.8	15.0	16.8	18.0	16.1	14.7
Equity, %	4.1	8.5	10.5	12.2	15.1	39.2	36.6	45.7
Adjusted equity, %	4.1	8.5	10.5	12.2	15.1	39.2	36.6	22.9
Other								
Net debt/EBITDA	1.4	1.2	0.6	0.5	0.6	0.9	0.7	2.3
Adjusted net debt/EBITDA <sup>3)</sup>	1.4	1.2	0.6	0.5	0.6	0.9	0.7	0.9

\*) Refers to both before and after dilution.

FinnvedenBulten develops and runs industrial businesses, offering products, technical solutions and systems in metallic materials. The Group operates as a business partner to international customers in the manufacturing sector, primarily the automotive industry. The company is run in two divisions - Finnveden Metal Structures and Bulten - both with strong positions in their respective customer segments. Customers are mainly found in the automotive and engineering industries in Europe, Asia and the US. Production primarily takes place in Europe, with considerable low-cost production in Poland. The Group also has a modern, growing fasteners business in China.

## Future financial report dates

24 April 2013 - Interim report January - March 2013

24 April 2013 - Annual General Meeting 2013

The reports are available on FinnvedenBulten's website, [www.finnvedenbulten.com](http://www.finnvedenbulten.com) as of the above dates.

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## Invitation to conference call

Investors, analysts and media are invited to participate in the teleconference on Thursday 7 February at 15.30 CET when the report will be presented by FinnvedenBulten's President and CEO Johan Westman. Other participants from the company will include Vice President Tommy Andersson and CFO Helena Wennerström. To participate, please call 5 minutes before the opening of the conference call to Sweden +46 8 506 443 86, UK +44 207 153 9154, US +1 877 423 0830. Code: 363031#

The presentation will be in English. Copies of the presentation will be available at [www.finnvedenbulten.com](http://www.finnvedenbulten.com). A replay of the telephone conference is available until May 7, 2013 on the phone numbers Sweden +46 8-505 564 73, UK +44 203 364 5196, USA +1 877 679 2989. Code: 345736#

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