LIFCO

16 July 2015

INTERIM REPORT JANUARY – JUNE 2015

Reporting period January – June

- Net sales increased by 19.1% to MSEK 3,870 (3,248). Organically, net sales grew by 6.1%
- EBITA increased by 25.2 % to MSEK 583 (465)
- EBITA margin increased to 15.1% (14.3%)
- Earnings before tax grew by 28.3% to MSEK 537 (418)
- Earnings after tax increased by 26.6% to MSEK 397 (314)
- Earnings per share increased by 27.1% to SEK 4.31 (3.39)

Reporting period April – June

- Net sales increased by 24.1 % to MSEK 2,122 (1,710). Organically, net sales grew by 12.3%
- EBITA increased by 35.4 % to MSEK 341 (252)
- EBITA margin increased to 16.1% (14.7%)
- Earnings before tax grew by 43.4% to MSEK 314 (219)
- Earnings after tax increased by 39.8% to MSEK 232 (166)
- Bond loans in a total amount of MSEK 1,050 were issued
- After the end of the period Lifco acquired dental company J.H. Orsing AB

Summary of financial performance

	SIX MONTHS			SECOND QUARTER			LAST 12 MONTHS		FULL YEAR
MSEK	2015	2014	*change*	2015	2014	*change*		*change*	2014
Net sales	3,870	3,248	19.1%	2,122	1,710	24.1%	7,424	9.1%	6,802
EBITA	583	465	25.2%	341	252	35.4%	1,083	12.2%	966
EBITA margin	15.1%	14.3%	0.8	16.1%	14.7%	1.4	14.6%	0.4	14.2%
Profit before tax	537	418	28.3%	314	219	43.4%	882	15.5%	763
Net profit	397	314	26.6%	232	166	39.8%	653	14.7%	570
Earnings per share[1]	4.31	3.39	27.1%	2.50	1.79	39.7%	7.08[2]	14.9%	6.17
Return on capital employed[3]	18.9%	19.4%	-0.5	18.9%	19.4%	-0.5	18.9%	-	18.8%
Return on capital employed, excl. goodwill[4]	116%	92.2%	24.0	116%	92.2%	24.0	116%	-	105%

1 Attributable to Parent Company shareholders.

2 Costs of MSEK 110 for the initial public offering were recognized in the second half of 2014.

3 Refers to rolling twelve months.

4 Refers to rolling twelve months.

LIFCO

COMMENTS FROM THE CEO

Net sales increased by 19.1% to MSEK 3,870 (3,248) in the first half of 2015. All three business areas reported growing sales driven by organic growth, acquisitions and changes in exchange rates in the first six months of the year. Organic growth was strong in the Demolition & Tools and Systems Solutions business areas. The market situation was generally good in all business areas. EBITA increased by 25.2 % to MSEK 583 (465) in the first half of the year and the EBITA margin expanded by 0.8 percentage points over the same period to 15.1% (14.3%). In the second half of 2014 IPO-related costs of MSEK 110 were charged to consolidated earnings, which have affected the rolling twelve-month profit before tax. Excluding the costs of the IPO, rolling twelve-month earnings per share were SEK 8.03.

The Dental business area had a stable performance in terms of sales and profitability over the first six months. Profitability in Demolition & Tools and Systems Solutions increased sharply in the second quarter after a weak first quarter. We work continuously to improve our product portfolio, strengthen distribution systems and raise the productivity of our companies. Although we would like to see greater stability in the earnings impact of these measures in Demolition & Tools and Systems Solutions, we probably need to expect that earnings in these business areas will fluctuate from one quarter to the next.

In the first three months of the year we made four acquisitions, one each in Dental and Demolition & Tools and two in Systems Solutions. Dental acquired a company in the United Kingdom and thus gained a foothold in the UK market. The company also has disinfection products in its portfolio, a product category which has not previously existed in Dental. Demolition & Tools strengthened its offering by adding earth drills to its product portfolio. In business area Systems Solutions the Environmental Technology division added granulators for plastic production waste to its portfolio and the Interiors for Service Vehicles division acquired a Danish business.

After the end of the period Lifco acquired dental company J.H. Orsing AB, which manufactures saliva ejectors and saliva adaptors.

In the first half of the year Lifco issued bonds totalling MSEK 1,050 in two offerings. The bonds have a maturity of three years and are listed on Nasdaq Stockholm.

Overall, demand was good in all three business areas and in the markets in which we operate. We maintain our strategy of investing in market-leading niche businesses with the potential to deliver sustainable earnings growth and robust cash flows.

LIFCO IN BRIEF

Lifco acquires and develops market-leading niche businesses with the potential to deliver sustainable earnings growth and robust cash flows. The Group has three business areas: Dental, Demolition & Tools and Systems Solutions. Lifco is guided by a clear philosophy centred on long-term growth, a focus on profitability and a strongly decentralised organisation. The Lifco Group comprises 106 companies in 28 countries. In 2014 the Group reported EBITA of MSEK 966 on net sales of around SEK 6.8 billion. The EBITA margin was 14.2 %. Read more at www.lifco.se

GROUP PERFORMANCE IN JANUARY – JUNE

Net sales increased by 19.1% to MSEK 3,870 (3,248), driven mainly by organic growth and acquisitions. Acquisitions contributed with 14.5%, organic growth was 6.1% while foreign exchange gains added 4.7%. Organic growth was strong in the Demolition & Tools and Systems Solutions business areas.

The acquisitions are mainly the German dental company MDH, which was consolidated April 1, 2014, and therefor impacted the comparisons for the first quarter. In the first quarter 2015, four acquisitions were accomplished which impacted sales in the second quarter.

EBITA increased by 25.2% to MSEK 583 (465) and the EBITA margin was 15.1% (14.3%). Organic growth, acquisitions and foreign exchange gains added to EBITA in the first six months. Foreign exchange gains added 3.2% to EBITA. Out of the first-half EBITA of MSEK 583, 54 % was generated in EUR and DKK.

Net financial items were MSEK -7 (-23), positively affected mainly by lower interest rates.

Earnings before tax grew by 28.3% to MSEK 537 (418). Costs related to acquisitions had a negative impact of MSEK 9 on earnings for the first six months. Net profit grew by 26.6% to MSEK 397 (314).

Average capital employed excluding goodwill increased by just over MSEK 16 from 30 June 2014 to MSEK 932 (916). EBITA in relation to average capital employed excluding goodwill was 116% (92.2%) at 30 June 2015 and 105% at 31 December 2014. The improvement was due chiefly to higher earnings as well as good control of the capital employed.

The Group's net interest-bearing debt increased by MSEK 376 from 31 December 2014 to MSEK 2,389 at 30 June. The net debt/equity ratio was 0.7 at 30 June, which was an increase of 0.1 percentage points from year-end but a decrease of 0.3 from 30 June 2014, when the net debt/equity ratio was 1.0. The Group's interest-bearing non-current liabilities declined in the first half by MSEK 1,237 to MSEK 1,114 at 30 June. Current interest-bearing liabilities increased by MSEK 1,566 over the same period to MSEK 1,842.

Cash flow from operating activities improved in the first half to MSEK 362 (224) compared with the same period the year before. The higher cash flow was primarily due to improved earnings. Cash flow from investing activities was MSEK -516 (-1,310), which is mainly attributable to acquisitions of subsidiaries in the first half of the year. Cash flow was also affected by the dividend payment during the quarter, in the amount of MSEK 236.

GROUP PERFORMANCE IN THE SECOND QUARTER

Net sales increased by 24.1% to MSEK 2,122 (1,710), driven mainly by organic growth, which contributed 12.3% over the three-month period. Foreign exchange gains added 4.2% to net sales. Organic growth was strong in the Demolition & Tools and Systems Solutions business areas.

EBITA increased by 35.4% to MSEK 341 (252) and the EBITA margin expanded by 1.4 percentage points to 16.1% (14.7%). The EBITA margin improved in Demolition & Tools and Systems Solutions compared with the first half of 2014 as well as the first quarter of 2015. The Dental business area improved its profitability compared with first half of 2014 and profitability growth remained stable in the second quarter compared with the same period in 2014.

In the second quarter EBITA improved mainly through organic growth. Foreign exchange gains also had a positive impact, adding 3.4%. Out of the three-month EBITA of MSEK 341, 49% was generated in EUR and DKK.

Net financial items amounted to MSEK -9 (-10) compared with the same quarter in 2014.

Earnings before tax increased by 43.4% to MSEK 314 (219). Net profit grew by 39.8% to MSEK 232 (166).

Average capital employed excluding goodwill increased by around MSEK 41 from MSEK 891 at 31 March 2015 to MSEK 932 at the end of the quarter. EBITA in relation to average capital employed excluding goodwill was 116 % at 30 June 2015, up from 112 % at 31 March. The improvement was due chiefly to a higher profit as well as good control of the capital employed.

The Group's net interest-bearing debt increased by MSEK 23 from 31 March to 30 June 2015, to MSEK 2,389. The net debt/equity ratio was 0.7 at the end of the quarter, unchanged from 31 March. Lifco issued bonds during the quarter, which increased the Group's interest-bearing non-current liabilities by MSEK 1,023 from 31 March 2015 to MSEK 1,114 at 30 June. The Group's interest-bearing non-current liabilities declined in the first half by MSEK 1,104 to MSEK 1,842 at 30 June. At the end of the period 73 % of the Group's interest-bearing liabilities were denominated in EUR.

Cash flow from operating activities improved during the three-month period to MSEK 247 (189) compared with the same period the year before. The higher cash flow was primarily due to improved earnings. Cash flow from investing activities was MSEK -84 (-1,281).

On 10 July 2015, after the end of the reporting period, Lifco announced the acquisition of dental company J.H. Orsing AB, which manufactures saliva ejectors and saliva adaptors. The company had a turnover of around MSEK 20 in 2014 and will be consolidated in the Dental business area. The acquisition will not have a significant impact on Lifco's results and financial position in the current year. J.H. Orsing AB has production facilities in Råå outside Helsingborg in Sweden and has nine employees.

FINANCIAL PERFORMANCE – BUSINESS AREAS

Dental

	SIX MONTHS			SECOND QUARTER			LAST 12 MONTHS		FULL YEAR
MSEK	2015	2014	*change*	2015	2014	*change*		*change*	2014
Net sales	1,763	1,582	11.4%	869	828	5.0%	3,447	5.5%	3,266
EBITA	322	267	20.8%	153	147	3.9%	599	10.2%	543
EBITA margin	18.3%	16.9%	1.4	17.6%	17.8%	-0.2	17.4%	0.8	16.6%

The companies in the Dental business area are leading suppliers of consumables, equipment and technical service for dentists across Europe. Lifco also sells dental technology to dentists in the Nordic countries and Germany, and develops and sells medical record systems in Denmark and Sweden.

Dental's sales increased by 11.4% to MSEK 1,763 (1,582) in the first half, boosted by the acquisition of MDH of Germany, which was consolidated as of 1 April 2014. As of the second quarter of this year the MDH acquisition thus no longer affects comparisons. Sales growth remained stable in all regions in the first six months of the year. In the second quarter sales increased by 5.0% to MSEK 869 compared with the year-before period but declined by 2.9% quarter on quarter.

EBITA improved by 20.8% to MSEK 322 (267) and the EBITA margin increased to 18.3% (16.9%) in the first six months of the year. EBITA grew 3.9% compared with the same quarter in 2014 while the EBITA margin remained largely flat. EBITA in the second quarter fell by 10% quarter on quarter while the EBITA margin narrowed from 19.0% to 17.6%.

The dental market remains generally stable. The results for individual companies in Lifco's dental business may in any individual quarter be influenced by significant fluctuations in exchange rates, calendar effects (such as Easter), gained or lost contracts in procurements of consumables by public-sector or major private-sectors customers as well as fluctuations in the delivery of equipment. In the first half of 2015 there were no individual events having a substantial impact on the earnings of the dental group as a whole.

In the second quarter Lifco sold its stake in NETdental GmbH. The sale did not result in a capital loss or gain for Lifco and had a marginal impact on the business area's sales and results. NETdental, which was sold on 17 June, accounted for less than five per cent of total sales in Dental.

Demolition & Tools

MSEK	SIX MONTHS 2015	2014	*change*	SECOND QUARTER 2015	2014	*change*	LAST 12 MONTHS	*change*	FULL YEAR 2014
Net sales	760	637	19.3%	430	328	31.1%	1,412	9.5%	1,289
EBITA	184	139	32.1%	117	68	72.9%	332	15.5%	288
EBITA margin	24.2%	21.8%	2.4	27.3%	20.7%	6.6	23.6%	1.3	22.3%

Demolition & Tools develops, manufactures and sells equipment for the construction and demolition industries. Lifco is the world's leading supplier of demolition robots and crane attachments. The Company is also one of the leading global suppliers of excavator attachments. The operations are divided into two divisions – Demolition Robots and Crane & Excavator Attachments – which are of roughly equal size in terms of sales.

In the first six months net sales increased by 19.3% to MSEK 760 (637). The market situation was generally good and sales increased in the majority of markets. The UK was the fastest growing among the Company's major markets.

EBITA increased by 32.1% to MSEK 184 (139) in the first six months compared with the first six months of 2014. The EBITA margin expanded by 2.4 percentage points from 21.8% in the first half of 2014 to 24.2% in the first half of 2015. EBITA in the first quarter was MSEK 66 and the EBITA margin 20.2%. This meant that the EBITA margin increased by 7.1 percentage points from 20.2% in the first quarter to 27.3% in the second. Lifco works continuously to improve its product portfolios, strengthen its distribution systems and improve productivity in the Group's companies. The earnings impact of such measures will fluctuate from one quarter to the next, however.

The UK company Auger Torque was acquired in the first quarter and was consolidated from 1 March 2015. Auger Torque mainly manufactures earth drills, adding an entirely new product segment to the Crane & Excavator Attachments division as well as opening up further distribution channels, principally in the UK, Australia, USA and China.

Systems Solutions

MSEK	SIX MONTHS 2015	2014	change	SECOND QUARTER 2015	2014	change	LAST 12 MONTHS	change	FULL YEAR 2014
Net sales	1,348	1,029	30.9%	823	554	48.5%	2,565	14.2%	2,247
EBITA	119	96	23.4%	92	55	66.7%	233	10.7%	211
EBITA margin	8.8%	9.4%	-0.6	11.2%	9.9%	1.3	9.1%	-0.3	9.4%

Through its operating units Systems Solutions operates in industries offering systems solutions. Systems Solutions is divided into five divisions: Interiors for Service Vehicles, Contract Manufacturing, Environmental Technology, Sawmill Equipment and Relining (renovation of sewage pipes). The divisions are leading players in their geographic markets.

Net sales in Systems Solutions increased by 30.9% to MSEK 1,348 (1,029) in the first half of 2015. In the second quarter net sales grew by 48.5% year on year and by 56.8 quarter on quarter. All divisions achieved sales growth over the six-month period.

EBITA grew by 23.4% to MSEK 119 (96) in the first six months compared with the first six months of 2014. Over the three-month period EBITA increased by 66.7 % compared with the year-before period and more than trebled compared with the first quarter of this year.

The EBITA margin was 8.8% in the first half of 2015, down from 9.4% in the same period the year before. The decrease in the first half is due to a low EBITA margin of 5.2% in the first quarter. Profitability in the first quarter was hit by a low level of deliveries in Contract Manufacturing, less profitable projects in the Relining business and increased costs in a major project in Sawmill Equipment. The weak first-quarter result was more than offset by a sharp increase in sales. All divisions except Relining improved their results in the first six months.

Interiors for Service Vehicles continued to grow in terms of sales and profitability in the first half. The improvement comes on the back of a step-up in sales activities and an improved product range. Earnings have improved in 2015 but the level is not yet satisfactory. In the first quarter Lifco acquired Sanistål's Danish car interior business, making Lifco the leading supplier of interiors for service vehicles in the Danish market. Sanistål was consolidated from 1 February 2015 and is performing as planned.

Contract Manufacturing had a weak start to the year amid low sales, resulting in a significantly weaker result, but the market situation was stable and the second quarter saw a sharp increase in sales, which more than offset a weak first quarter. Net sales and earnings both improved compared with the first six months of 2014. The division's customers include world-leading manufacturers of equipment for the pharmaceutical industry as well as manufacturers of railway equipment, which require a high standard of quality as well as delivery flexibility and documentation.

Environmental Technology had a good first quarter and the strong trend continued into the second quarter, driven mainly by the acquisition of Rapid Granulator. The division thus performed well in the first six months. The acquisition of Rapid Granulator, a leading global manufacturer of granulators for plastic production waste, has given Lifco access to an entirely new area of production in Environmental Technology. Rapid Granulator was consolidated from 1 March 2015.

Sawmill Equipment achieved good sales growth in both the first and second quarters, but one of the division's ongoing projects was hit by cost increases, which had an impact on first-quarter earnings. Earnings growth improved in the second quarter, resulting in a solid increase in earnings for the six-month period. Sales of pellet systems were particularly strong in the first half, and the division has achieved a leading position in the Nordic, Baltic and Russian markets.

Relining's performance remained unsatisfactory in the first six months due to lower margins and productivity in certain projects. Sales remained stable, however.

ACQUISITIONS AND SALES

Lifco has made the following acquisitions and sales in 2015:

Consolidated from	Acquisition	Business area	Net sales	Employees
February	Sanistål's Danish car interior business	Systems Solutions	MDKK 25	11
March	Auger Torque	Demolition & Tools	MGBP 10	114
March	Rapid Granulator	Systems Solutions	MSEK 300	139
April	Top Dental	Dental	MGBP 3.4	25

Consolidated up to	Sale	Business area	Net sales	Employees
May	All shares of NETdental. Lifco owned 65% of the shares.	Dental	MSEK 140	13

Further information on acquisitions is provided on page 16 of the interim report. The figures for net sales and number of employees refer to the estimated annual net sales and the number of employees at the acquisition date.

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OTHER FINANCIAL INFORMATION

Employees

The average number of employees in the second quarter was 3,323 (3,009) and the number of employees at the end of the period was 3,367 (3,023). Acquisitions added 289 employees in the six-month period, all in the first quarter.

Events after the end of the reporting period

After the end of the reporting period the Group has acquired dental company J.H. Orsing AB.

Related-party transactions

No transactions with related parties took place during the period.

Annual General Meeting 2015

The Annual General Meeting was held on 6 May in Stockholm. The AGM approved the Board's proposed sale of the subsidiary company NETdental GmbH.

Risks and uncertainties

The risk factors which have the biggest impact for Lifco are the competitive situation, structural changes in the market and the strength of the economy. Lifco is also exposed to financial risks, including currency risks, interest rate risks, credit and counterparty risks.

The Parent Company is affected by the above risks and uncertainties through its function as owner of the subsidiaries.

Accounting principles

The Lifco Group applies the International Financial Reporting Standards (IFRS), as adopted by the EU. The applied accounting principles are consistent with those described in Lifco's annual report for 2014, which is available at www.lifco.se. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The Parent Company applies the Swedish Annual Accounts Act and RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Accounting Standards Council. Under RFR 2, the Parent Company is required to apply all EU-adopted IFRS and interpretations in the interim report for the legal entity insofar as this is possible under the Swedish Annual Accounts Act and Pension Obligations Vesting Act and with regard to the relationship between accounting and taxation.

This report has not been examined by the Company's auditors.

DECLARATION OF THE BOARD OF DIRECTORS

The Board of Directors and Chief Executive Officer warrant and declare that this six-month report gives a true and fair view of the Parent Company's and Group's operations, financial positions and results, and that it describes significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Enköping, 16 July 2015

Carl Bennet
Chairman of the Board

Gabriel Danielsson
Director

Ulrika Dellby
Director

Erik Gabrielson
Director

Ulf Grunander
Director

Fredrik Karlsson
President and CEO, Director

Annika Norlund
Director, employee representative

Johan Stern
Director

Axel Wachtmeister
Director

Hans-Erik Wallin
Director, employee representative

FINANCIAL CALENDAR

2015
The report for the third quarter will be published on 3 November
2016
The report for the fourth quarter and the year-end report for 2015 will be published on 22 February
The report for the first quarter will be published on 12 May
The Annual General Meeting will be held at 3pm on 12 May at Bonnierhuset, Torsgatan 21, Stockholm
The report for the second quarter will be published on 15 July
The report for the third quarter will be published on 26 October

FURTHER INFORMATION

Media and investor relations: Åse Lindskog, ir@lifco.se, telephone +46 (0)730 24 48 72

TELECONFERENCE

Media and analysts are welcome to call in to a teleconference, where CEO Fredrik Karlsson, CFO Thérèse Hoffman and Head of Business Area Dental Per Waldemarson will present the interim report. The presentation is expected to take around 20 minutes, after which participants will be invited to ask questions.

Time: 7 p.m. Thursday 16 July

Link to the presentation:
http://cloud.magneetto.com/wonderland/2015_0716_Lifco_Q2_Report/view

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This information is released at 7:30 a.m. CET on 16 July in accordance with the Swedish Securities Market Act, the Swedish Financial Instruments Trading Act and/or the regulations of Nasdaq Stockholm.

CONDENSED CONSOLIDATED INCOME STATEMENT

MSEK	SIX MONTHS 2015	SIX MONTHS 2014	change	SECOND QUARTER 2015	SECOND QUARTER 2014	change	FULL YEAR 2014
Net sales	3,870	3,248	19.1%	2,122	1,710	24.1%	6,802
Cost of goods sold	-2,383	-2,010	18.6%	-1,310	-1,050	24.8%	-4,249
Gross profit	**1,487**	**1,238**	**20.1%**	**812**	**660**	**23.1%**	**2,553**
Selling expenses	-304	-222	37.1%	-165	-123	34.6%	-467
Administrative expenses	-597	-536	11.3%	-303	-288	5.3%	-1,097
Development costs	-33	-29	14.7%	-17	-13	22.4%	-55
Non-recurring items	-	-	-	-	-	-	-110
Other income and expenses	-9	-10	-15.2%	-4	-7	-42.2%	-18
Operating profit	**544**	**441**	**23.4%**	**323**	**229**	**41.0%**	**806**
Net financial items	-7	-23	-68.4%	-9	-10	0%	-43
Profit before tax	**537**	**418**	**28.3%**	**314**	**219**	**43.4%**	**763**
Tax	-140	-104	33.5%	-82	-53	54.8%	-193
Net profit	**397**	**314**	**26.6%**	**232**	**166**	**39.8%**	**570**
Profit attributable to:							
Parent Company shareholders	392	309	27.0%	227	163	39.6%	560
Non-controlling interests	5	5	1.4%	5	3	48.6%	10
Earnings per share for the period before dilution, attributable to Parent Company shareholders	4.31	3.39	27.1%	2.50	1.79	39.7%	6.17
Earnings per share for the period after dilution, attributable to Parent Company shareholders	4.31	3.39	27.1%	2.50	1.79	39.7%	6.17
EBITA	583	465	25.2%	341	252	35.4%	966
Depreciation of tangible assets	39	31	26.8%	21	16	33.3%	67
Amortisation of intangible assets	34	18	91.6%	19	14	30.6%	46

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MSEK	SIX MONTHS 2015	SIX MONTHS 2014	change	SECOND QUARTER 2015	SECOND QUARTER 2014	change	FULL YEAR 2014
Profit after tax	397	314	26.6%	232	166	39.8%	570
Other comprehensive income							
Items that can later be reserved in profit or loss:							
Translation differences	-58	57	-202%	-19	52	-137%	131
Total comprehensive income for the period	**339**	**371**	**-8.5%**	**213**	**218**	**-2.7%**	**701**
Comprehensive income attributable to:							
Parent Company shareholders	335	365	-8.3%	209	215	-2.8%	689
Non-controlling interests	4	6	-22.7%	4	3	3.5%	11
	339	**371**	**-8.5%**	**213**	**218**	**-2.7%**	**701**

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SEGMENT OVERVIEW

Lifco's operations are monitored and evaluated by the CEO and resources are allocated based on information from the three operating segments: Dental, Demolition & Tools and Systems Solutions. The defined quantitative limits are exceeded only by Dental and Demolition & Tools. One further operating segment, Systems Solutions, is presented. This operating segment consists of a merger of those divisions which have similar economic characteristics and which do not individually meet the defined quantitative limits. These divisions are Interiors for Service Vehicles, Contract Manufacturing, Environmental Technology, Sawmill Equipment and Relining.

NET SALES TO EXTERNAL CUSTOMERS

No sales are made between the segments.

	SIX MONTHS			SECOND QUARTER			LAST 12 MONTHS		FULL YEAR
MSEK	2015	2014	*change*	2015	2014	*change*		*change*	2014
Dental	1,763	1,582	11.4%	869	828	5.0%	3,447	5.5%	3,266
Demolition & Tools	760	637	19.3%	430	328	31.1%	1,412	9.5%	1,289
Systems Solutions	1,348	1,029	30.9%	823	554	48.5%	2,565	14.2%	2,247
Group	**3,870**	**3,248**	**19.1%**	**2,122**	**1,710**	**24.1%**	**7,424**	**9.1%**	**6,802**

EBITA

A breakdown of results by segment is made up to and including EBITA. EBITA is reconciled to profit before tax in accordance with the following table:

	SIX MONTHS			SECOND QUARTER			LAST 12 MONTHS		FULL YEAR
MSEK	2015	2014	*change*	2015	2014	*change*		*change*	2014
Dental	322	267	20.8%	153	147	3.9%	599	10.2%	543
Demolition & Tools	184	139	32.1%	117	68	72.9%	332	15.5%	288
Systems Solutions	119	96	23.4%	92	55	66.7%	233	10.7%	211
Central Group functions	-42	-37	14.3%	-21	-18	14.6%	-81	7.0%	-76
EBITA	**583**	**465**	**25.2%**	**341**	**252**	**35.4%**	**1,083**	**12.2%**	**966**
Amortisation of intangible assets arising on acquisition	-29	-14	110%	-16	-12	30.7%	-53	40.8%	-38
Restructuring, integration and acquisition costs	-9	-10	-10.5%	-1	-10	-86.2%	-121	-0.9%	-122
Net financial expense	-7	-23	-68.3%	-9	-10	-8.3%	-28	-35.8%	-43
Profit before tax	**537**	**418**	**28.3%**	**314**	**219**	**43.4%**	**882**	**15.5%**	**763**

CONDENSED CONSOLIDATED BALANCE SHEET

MSEK	30 Jun 2015	30 Jun 2014	31 Dec 2014
ASSETS			
Intangible assets	4,961	4,596	4,677
Tangible assets	418	361	386
Financial assets	59	46	54
Inventories	999	847	823
Accounts receivable – trade	930	789	770
Current receivables	310	233	188
Cash and cash equivalents	537	321	536
TOTAL ASSETS	**8,214**	**7,193**	**7,435**
EQUITY AND LIABILITIES			
Equity	3,576	2,644	3,473
Non-current interest-bearing liabilities incl. pension provisions	1,114	118	2,351
Other non-current liabilities and provisions	313	264	284
Current interest-bearing liabilities	1,842	3,025	276
Accounts payable – trade	422	368	344
Other current liabilities	947	774	707
TOTAL EQUITY AND LIABILITIES	**8,214**	**7,193**	**7,435**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to Parent Company shareholders

MSEK	30 Jun 2015	30 Jun 2014	31 Dec 2014
Opening equity	3,455	2,366	2,366
Comprehensive income for the period	335	365	689
Transactions with owners	-	-	500
Dividend	-236	-100	-100
Closing equity	**3,554**	**2,631**	**3,455**
Equity attributable to:			
Parent Company shareholders	3,554	2,631	3,455
Non-controlling interests	22	13	18
	3,576	**2,644**	**3,473**

LIFCO

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

MSEK	SIX MONTHS 2015	SIX MONTHS 2014	SECOND QUARTER 2015	SECOND QUARTER 2014	FULL YEAR 2014
Operating activities					
Operating profit	544	441	323	229	806
Non-cash items	73	55	39	36	113
Interest and financial items, net	-7	-23	-9	-10	-43
Tax paid	-133	-101	-55	-47	-181
Cash flow before change in working capital	477	372	298	208	695
Change in working capital					
Inventories	-62	-79	25	-25	-40
Current receivables	-183	-116	-71	-13	-84
Current liabilities	130	47	-5	19	15
Cash flow from operating activities	**362**	**224**	**247**	**189**	**586**
Business acquisitions and sales, net	-460	-1,264	-46	-1,264	-1,264
Net investment in tangible assets	-45	-40	-32	-11	-86
Net investment in intangible assets	-11	-6	-6	-6	-11
Cash flow from investing activities	**-516**	**-1,310**	**-84**	**-1,281**	**-1,361**
Borrowings/repayment of borrowings, net	400	1,128	-10	-53	535
Shareholder contributions	-	-	-	-	500
Dividends paid	-245	-109	-236	-9	-109
Group contribution paid	-	-100	-	-	-100
Cash flow from financing activities	**155**	**919**	**-246**	**-62**	**826**
Cash flow for the period	**1**	**-167**	**-83**	**-1,154**	**50**
Cash and cash equivalents at beginning of period	536	442	624	1,447	442
Translation differences	0	46	-4	28	44
Cash and cash equivalents at end of period	**537**	**321**	**537**	**321**	**536**

LIFCO

ACQUISITIONS IN 2015

Lifco has acquired all shares of Auger Torque, Rapid Granulator and Top Dental. Lifco has also acquired the assets and liabilities of Sanistål's Danish car interiors business.

In the second quarter NETdental was sold in accordance with a resolution of the 2015 AGM. The sale had no significant impact on the Group's earnings and financial position.

The preliminary purchase price allocation covers all acquisitions made so far this year. After the end of the period Lifco has acquired dental company J.H. Orsing AB, which is not included in the below purchase price allocation.

Preliminary purchase price allocation

Net assets, MSEK	Carrying amount	Value adjustment	Fair value
Intangible assets	1	205	206
Tangible assets	35	-	35
Trade and other receivables	153	-	153
Trade and other payables	- 145	- 48	- 193
Cash and cash equivalents	34	-	34
Net assets	**78**	**157**	**235**
Goodwill	-	213	213
Total net assets	**78**	**370**	**448**

Effect on cash flow, MSEK	
Purchase price	448
Cash and cash equivalents in acquired companies	-34
Payments related to acquisitions in previous year	46
Total cash flow effect	**460**

FINANCIAL INSTRUMENTS

	CARRYING AMOUNT		FAIR VALUE	
MSEK	30 Jun 2015	30 Jun 2014	30 Jun 2015	30 Jun 2014
Loans and receivables				
Accounts receivable – trade	930	789	930	789
Other financial receivables	6	2	6	2
Cash and cash equivalents	537	321	537	321
Total	**1,473**	**1,112**	**1,473**	**1,112**
Liabilities at fair value through profit or loss				
Other liabilities	-	30	-	30
Other financial liabilities				
Interest-bearing borrowings	2,886	3,026	2,886	3,026
Accounts payable – trade	422	368	422	368
Other liabilities	30	48	30	48
Total	**3,338**	**3,472**	**3,338**	**3,472**

Financial instruments at fair value are classified into different levels depending on how fair value is determined. All financial instruments at fair value in the Lifco Group have been classified as level 3, i.e. non-observable inputs. The fair value of short-term borrowings is equal to the carrying amount, as the discount effect is insignificant. Other liabilities classified as financial instruments refer to mandatory call/put options relating to non-controlling interests. Changes in financial liabilities attributable to mandatory call/put options are recognised in equity.

KEY PERFORMANCE INDICATORS

ROLLING TWELVE MONTHS TO	2015 30 JUN	2014 31 DEC	2014 30 JUN
Net sales, MSEK	7,424	6,802	6,318
Change in net sales, %	9.1	12.8	5.6
EBITA, MSEK	1,083	966	844
EBITA margin, %	14.6%	14.2	13.4
EBITDA, MSEK	1,168	1,041	913
EBITDA margin, %	15.7	15.3	14.5
Capital employed incl. goodwill, MSEK	5,725	5,137	4,346
Return on capital employed, %	18.9	18.8	19.4
Return on capital employed excl. goodwill, %	116.2	105.4	92.2
Return on equity, %	18.7	19.2	20.1
Net interest-bearing debt, MSEK	2,389	2,013	2,745
Net debt/equity ratio	0.7	0.6	1.0
Net debt/EBITDA	2.0	1.9	3.0
Equity/assets ratio, %	43.5	46.7	36.8
Average number of employees	3,323	3,013	3,009

CONDENSED PARENT COMPANY INCOME STATEMENT

	SIX MONTHS		SECOND QUARTER		FULL YEAR
MSEK	**2015**	**2014**	**2015**	**2014**	**2014**
Administrative expenses	-50	-43	-24	-22	-87
Non-recurring items	-	-	-	-	-110
Other operating income	-	55	-	55	80
Operating profit	**-50**	**12**	**-24**	**33**	**-117**
Net financial items	264	221	44	217	211
Profit after financial items	**214**	**233**	**20**	**250**	**94**
Appropriations	-	-	-	-	104
Tax	1	-3	0	-9	3
Net profit for the period	**215**	**230**	**20**	**241**	**201**

CONDENSED PARENT COMPANY BALANCE SHEET

MSEK	30 Jun 2015	31 Dec 2014
ASSETS		
Tangible assets	0	0
Financial assets	3,610	3,456
Current receivables	1,915	1,881
Cash and cash equivalents	378	417
TOTAL ASSETS	**5,903**	**5,755**
EQUITY AND LIABILITIES		
Equity	2,134	2,155
Untaxed reserves	20	20
Non-current interest-bearing liabilities	1,041	2,263
Current interest-bearing liabilities	1,834	232
Current non-interest-bearing liabilities	874	1,085
TOTAL EQUITY AND LIABILITIES	**5,903**	**5,755**
Pledged assets	-	-
Contingent liabilities	79	39

LIFCO

DEFINITIONS

Return on equity	Net profit attributable to Parent Company shareholders and non-controlling interests as a percentage of average equity
Return on capital employed	EBITA as a percentage of average capital employed
Return on capital employed excl. goodwill and other intangible assets	EBITA as a percentage of average capital employed excluding goodwill and other intangible assets
EBIT	Operating profit/Profit before financial items and taxes
EBITA	Operating profit before amortisation of intangible assets arising on acquisition, and restructuring, integration and acquisition costs
EBITA margin	EBITA as a percentage of net sales
EBITDA	Operating profit before depreciation, amortisation and restructuring, integration and acquisition costs
EBITDA margin	EBITDA as a percentage of net sales
Net debt/equity ratio	Net interest-bearing debt divided by equity
Earnings per share	Net profit attributable to Parent Company shareholders divided by average number of outstanding shares
Net interest-bearing debt	Liabilities to credit institutions including interest-bearing pension provisions less cash and cash equivalents
Equity/assets ratio	Equity as a percentage of total assets (balance sheet total)
Capital employed	Total assets less cash and cash equivalents, interest-bearing pension provisions and non-interest-bearing liabilities