



## Nolato AB (publ) year-end report 2012

# Nolato's best year yet – strong cash flow

### ■ Fourth quarter of 2012 in brief

- Sales rose by 35% to SEK 992 million (734)
- Operating profit (EBITA) rose to SEK 81 million (48)
- Profit after tax was SEK 59 million (33)
- Earnings per share increased by 79% to SEK 2.24 (1.25)
- Cash flow after investments was SEK 210 million (-11), excl. acquisitions

### ■ Full year 2012 in brief

- Sales rose by 30% to SEK 3,874 million (2,977)
- Operating profit (EBITA) rose to SEK 303 million (199)
- Earnings per share were SEK 7.68 (5.02)
- The equity/assets ratio was 46% (54) and net debt was SEK 78 million (82)
- The Board proposes an ordinary dividend of SEK 3.50 (3.00) plus an extra dividend of SEK 2.50 (2.00), totalling SEK 6.00 per share (5.00)

### ■ Group highlights

SEK million unless otherwise specified	Q4 2012	Q4 2011	Full year 2012	Full year 2011
Net sales	992	734	3,874	2,977
Operating profit (EBITDA) <sup>1)</sup>	118	82	444	360
Operating profit (EBITA) <sup>2)</sup>	81	48	303	199
EBITA margin, %	8.2	6.5	7.8	6.7
Profit after financial income and expense	73	45	272	183
Profit after tax	59	33	202	132
Earnings per share, basic and diluted, SEK*	2.24	1.25	7.68	5.02
Adjusted earnings per share, SEK <sup>3)</sup> *	2.39	1.33	8.13	5.28
Cash flow after investments, excl. acquisitions and disposals	210	- 11	317	112
Net investm. affecting cash flow, excl. acquisitions and disposals	35	47	159	134
Return on capital employed, %	—	—	19.5	13.9
Return on shareholders' equity, %	—	—	17.1	11.3
Equity/assets ratio, %	—	—	46	54
Net debt	—	—	78	82

\*The company does not have any financial instrument programmes which involve any dilution in the number of shares.

1) Operating profit (EBITDA): Earnings before interest, taxes, depreciation and amortisation.

2) Operating profit (EBITA): Earnings before interest, taxes and amortisation of intangible assets arising from acquisitions.

3) Adjusted earnings per share: Profit after tax, excluding amortisation of intangible assets arising from acquisitions, divided by the average number of shares.

This document is a translation from Swedish. In the event of any difference between this version and the Swedish original, the latter shall prevail.

## Fourth quarter 2012

- Strong sales and earnings trend
- Sales rose by 28% adjusted for currency and acquisitions
- Operating profit (EBITA) rose to SEK 81 million (48), including a positive non-recurring item of SEK 7 million (0)
- Strong cash flow of SEK 210 million (-11), excl. acquisitions

### Sales

Group sales totalled SEK 992 million (734), representing an increase of 35% compared with the corresponding period of the previous year. Adjusted for currency and acquisitions, sales increased by 28%.

Nolato Medical's sales rose 35% to SEK 310 million (230); adjusted for currency and acquisitions, sales increased 8%. Sales were well in line with the market.

Nolato Telecom's sales rose 90% to SEK 394 million (207); adjusted for currency, sales increased 90%. After Chinese public holidays at the beginning of the quarter, demand remained strong.

Nolato Industrial's sales declined by 3% to SEK 289 million (299); adjusted for currency, sales decreased by 2%. The slowdown in demand which occurred at the end of the third quarter continued to affect volumes in the fourth quarter. In particular, volumes were weak because customers shut down production over the Christmas holiday.

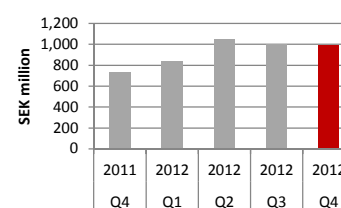
### Profit

Group operating profit (EBITA) increased to SEK 81 million (48).

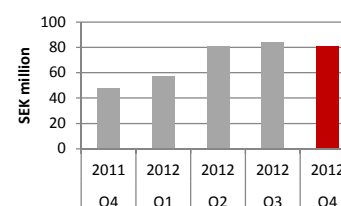
Operating profit (EBITA) for Nolato Medical rose to SEK 34 million (28), to SEK 33 million (4) for Nolato Telecom, and to SEK 24 million (24) for Nolato Industrial. Nolato Medical's EBITA margin was 11.0% (12.2). The acquisition and unfavorable product mix in the quarter affected the margin.

Nolato Telecom's EBITA margin was 8.4% (1.9). A positive non-recurring item of SEK 7 million (0) was reported in the quarter. Adjusted for this non-recurring effect, the margin was 6.6% (1.9). Improved capacity utilisation had a positive effect on the margin. Nolato Industrial's EBITA margin was 8.3% (8.0). Overall, the Group's EBITA margin was 8.2% (6.5). Adjusted for the non-recurring item, the margin was 7.5% (6.5).

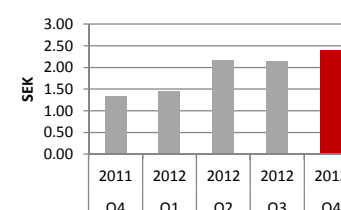
### Sales



### Operating profit (EBITA)



### Adjusted earnings per share



### Sales, operating profit (EBITA) and EBITA margin by business area

SEK million	Sales Q4/2012	Sales Q4/2011	Op. Profit EBITA Q4/2012	Op. Profit EBITA Q4/2011	EBITA margin Q4/2012	EBITA margin Q4/2011
Nolato Medical	310	230	34	28	11.0%	12.2%
Nolato Telecom	394	207	33	4	8.4%	1.9%
Nolato Industrial	289	299	24	24	8.3%	8.0%
Intra-Group adj., Parent Co	- 1	- 2	- 10	- 8	—	—
<b>Group total</b>	<b>992</b>	<b>734</b>	<b>81</b>	<b>48</b>	<b>8.2%</b>	<b>6.5%</b>

Operating profit (EBITA): Earnings before interest, taxes and amortisation of intangible assets arising from acquisitions.

Currency effects (transaction and translation effects) affected earnings by SEK 1 million (-1).

Operating profit (EBIT) rose to SEK 76 million (46).

Profit after net financial income/expense was SEK 73 million (45). Net financial income/expense included exchange rate fluctuations affecting earnings by SEK -2 million (-1) in the fourth quarter.

Profit after tax increased to SEK 59 million (33). Earnings per share, basic and diluted, were SEK 2.24 (1.25). Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions were SEK 2.39 (1.33).

## Full year 2012

### Sales and earnings

In 2012, Group sales rose by 30% to SEK 3,874 million (2,977). Adjusted for currency and acquisitions, sales rose by 21%.

Nolato Medical's sales increased by 26% to SEK 1,159 million (917), Nolato Telecom's by 66% to SEK 1,548 million (935) and Nolato Industrial's by 4% to SEK 1,170 million (1,129).

Consolidated operating profit (EBITA) amounted to SEK 303 million (199), giving an EBITA margin of 7.8% (6.7). Adjusted for the non-recurring item in the fourth quarter, the EBITA margin was 7.6% (6.6). Operating profit (EBIT) rose to SEK 287 million (190).

Profit after net financial income/expense was SEK 272 million (183).

Profit after tax increased to SEK 202 million (132). Earnings per share, basic and diluted, were SEK 7.68 (5.02). Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions were SEK 8.13 (5.28). The effective tax rate was 26% (28). The lower tax rate is chiefly due to non-recurring effects relating to a reduced tax rate in Sweden.

Return on capital employed increased to a strong 19.5% (13.9). Return on equity was 17.1% (11.3).

### Nolato Medical

Sales and profit full year (SEK million)	2012	2011
Sales	1,159	917
Operating profit (EBITA)	133	110
EBITA margin (%)	11.5	12.0
Operating profit (EBIT)	120	104

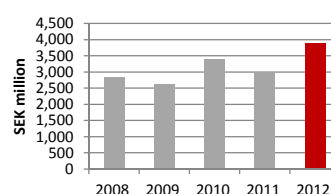
Nolato Medical saw sales rise to SEK 1,159 million (917), corresponding to growth of 26%. Adjusted for currency and acquisitions, sales rose by 5% and were in line with the market growth.

Operating profit (EBITA) rose to SEK 133 million (110). The EBITA margin was 11.5% (12.0). The margin was affected by the acquisition.

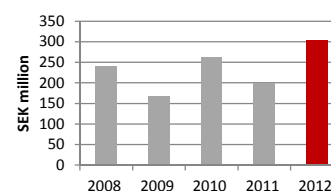
The British unit acquired in the spring is performing according to plan.

The extension of the Hungarian factory is complete and production has started during the fourth quarter.

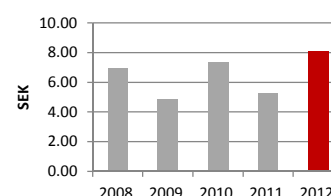
### Sales



### Operating profit (EBITA)



### Adjusted earnings per share



## ■ Nolato Telecom

Sales and profit full year (SEK million)	2012	2011
Sales	1,548	935
Operating profit (EBITA)	96	11
EBITA margin (%)	6.2	1.2
Operating profit (EBIT)	96	11

Nolato Telecom's sales rose 66% to SEK 1,548 million (935), of which onward sales of components amounted to SEK 0 million (95). Adjusted for currency, sales increased by 56%. Start-ups of new customer projects were implemented as planned and gradually replaced the older product portfolio. Demand for the new products was strong.

Operating profit (EBITA) rose to SEK 96 million (11). The EBITA margin rose to 6.2% (1.2). Adjusted for a positive non-recurring item of SEK 7 million (2), the margin was 5.7% (1.0). The renewal of the product portfolio during the year combined with high and relatively stable capacity utilisation as of the second quarter improved the margin.

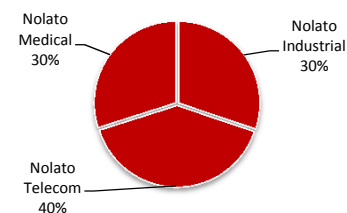
## ■ Nolato Industrial

Sales and profit full year (SEK million)	2012	2011
Sales	1,170	1,129
Operating profit (EBITA)	105	102
EBITA margin (%)	9.0	9.0
Operating profit (EBIT)	102	99

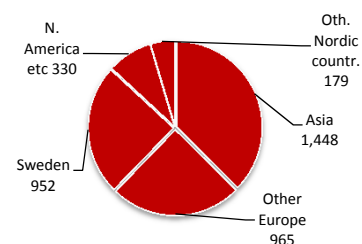
Nolato Industrial's sales rose 4% to SEK 1,170 million (1,129); adjusted for currency, sales increased 5%. Advanced market positions, new products and healthy demand until the end of the third quarter contributed to the higher sales. From the end of the third quarter, customer demand lost momentum in a cyclical slowdown which the business area believes will persist during the beginning of 2013.

Operating profit (EBITA) totalled SEK 105 million (102), with a strong EBITA margin of 9.0% (9.0).

## ■ Business areas' share of sales full year 2012



## ■ Sales by geographic markets full year 2012 (SEK million)



## Cash flow

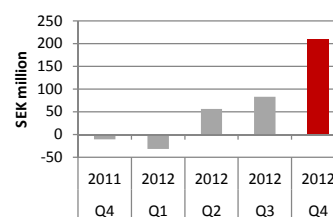
The positive earnings trend led cash flow before investments to rise to SEK 476 million (246). The change in working capital was a positive SEK 89 million (-58). Reduced activity due to the Christmas holiday had a positive effect on the working capital requirement.

Excluding acquisitions the cash flow after investment activities was SEK 317 million (112) and including acquisitions SEK 141 million (112). Net investments affecting cash flow totalled SEK 335 million (134), of which the acquisition of Cope Allman Jaycare accounted for SEK 176 million.

## Financial position

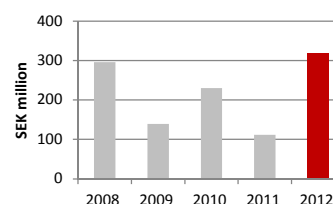
Interest-bearing assets totalled SEK 272 million (124), and interest-bearing liabilities and provisions totalled SEK 350 million (206). Net debt thus totalled SEK 78 million (82). After paying acquisition proceeds and dividends in the second quarter, a strong cash flow resulted in sharply reduced net debt. Shareholders' equity was SEK 1,205 million (1,151). The equity/assets ratio was 46% (54). In the second quarter, dividends totalling SEK 132 million (158) were paid out.

## Cash flow after investments



Excluding acquisitions and disposals

## Cash flow after investments



Excluding acquisitions and disposals

## Consolidated performance analysis

SEK million	Q4 2012	Q4 2011	Full year 2012	Full year 2011
Net sales	992	734	3,874	2,977
Gross profit excl. depreciation/amortisation	169	130	658	525
<i>As a percentage of net sales</i>	<i>17.0</i>	<i>17.7</i>	<i>17.0</i>	<i>17.6</i>
Costs	- 51	- 48	- 214	- 165
<i>As a percentage of net sales</i>	<i>5.1</i>	<i>6.5</i>	<i>5.5</i>	<i>5.5</i>
Operating profit (EBITDA)	118	82	444	360
<i>As a percentage of net sales</i>	<i>11.9</i>	<i>11.2</i>	<i>11.5</i>	<i>12.1</i>
Depreciation and amortisation	- 37	- 34	- 141	- 161
Operating profit (EBITA)	81	48	303	199
<i>As a percentage of net sales</i>	<i>8.2</i>	<i>6.5</i>	<i>7.8</i>	<i>6.7</i>
Amortisation of intang. assets arising from acquisitions	- 5	- 2	- 16	- 9
Operating profit (EBIT)	76	46	287	190
Financial income and expense	- 3	- 1	- 15	- 7
Profit after financial income and expense	73	45	272	183
Tax	- 14	- 12	- 70	- 51
<i>As a percentage of Profit after financial income and expense</i>	<i>19.2</i>	<i>26.7</i>	<i>25.7</i>	<i>27.9</i>
Profit after tax	59	33	202	132

## Financial position

SEK million	31/12/2012	31/12/2011
Interest-bearing liabilities, credit institutions	255	113
Interest-bearing pension liabilities	95	93
<b>Total borrowings</b>	<b>350</b>	<b>206</b>
Cash and bank	- 272	- 124
<b>Net debt</b>	<b>78</b>	<b>82</b>
Working capital	93	169
<i>As a percentage of sales (avg.) (%)</i>	<i>3.4</i>	<i>5.3</i>
Capital employed	1,555	1,357
<i>Return on capital employed (avg.) (%)</i>	<i>19.5</i>	<i>13.9</i>
Shareholders' equity	1,205	1,151
<i>Return on shareholders' equity (avg.) (%)</i>	<i>17.1</i>	<i>11.3</i>

## ■ Personnel

The average number of employees in the period was 8,421 (5,496). The increase in the number of employees is attributable to Nolato Telecom's operations in China, ensuing from higher volumes.

## ■ Significant risks and uncertainty factors

The business risks and risk management of the Group and the Parent Company, along with the management of financial risks, are described in the 2011 Annual Report on pages 35–37, and in Note 4 on pages 49–50.

No significant events have occurred during the period that would significantly affect or change these descriptions of the Group's and the Parent Company's risks or the management thereof.

## ■ Events after the balance sheet date

No significant events have occurred since the end of the period.

## ■ Dividend

The Board of Directors and CEO will propose to the AGM an ordinary dividend of SEK 3.50 per share (3.00) and an extra dividend of SEK 2.50 per share (2.00). The total dividend thus amounts to SEK 6.00 per share (5.00) corresponding to SEK 158 million (132). The payout ratio for ordinary dividend is 46%, and 78% in total. The dividend yield is 7,6% in relation to the listed price on 31 December 2012.

## ■ Ownership and legal structure

Nolato AB (publ), Swedish corporate identity number 556080-4592, is the Parent Company of the Nolato Group.

Nolato's B shares are listed on the NASDAQ OMX Nordic Exchange in the Stockholm Mid Cap segment and are included in the Industrials sector.

There were 7,445 shareholders per 31 December. The largest shareholders are the Paulsson family with 12%, Lannebo Fonder with 11%, the Jorlén family with 10%, the Boström family with 9%, Svolder with 6% and Skandia Fonder with 4% of the capital.

## ■ The Parent Company

Sales totalled SEK 19 million (19). Profit after financial income and expense was SEK 7 million (137). The poorer outcome is mainly due to lower dividends from subsidiaries. Group contributions paid and received are recognised as appropriations in the income statement.

## ■ Accounting and valuation principles

Nolato's consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU.

The consolidated accounts have been prepared in accordance with the same principles as those applied to the Annual Report, which are described in the 2011 Annual Report on pages 45–48.

The consolidated year-end report has been prepared in accordance with IAS 34 (Interim Financial Reporting). The applicable provisions of the Swedish Annual Accounts Act and the Swedish Securities Market Act have also been applied.

The Parent Company year-end report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Securities Market Act, in line with the provisions of RFR 2, Accounting for Legal Entities. Group contributions received and paid in the Parent Company are recognised as appropriations as of 2012.

The new or revised IFRS standards or IFRIC interpretations that entered into force on 1 January 2012 have not had any material effect on the Group's income statements or balance sheets.

## ■ Annual General Meeting

The Annual General Meeting will be held on 25 April 2013 at 4 PM. Any shareholders wishing to submit proposals to the Nomination Committee can contact the Chairman of the Nomination Committee, Henrik Jorlén, by e-mail to [henrik.jorlen@gmail.com](mailto:henrik.jorlen@gmail.com) or by post to Kommendörsgatan 4, 269 77 Torekov, Sweden.

## ■ Financial calendar

- 2012 Annual Report: Nolato's Annual Report will be published on the company's website, [www.nolato.se](http://www.nolato.se), during week 13 (25-28 March). A copy of the Annual Report will also be sent to those Nolato shareholders who have specifically requested such.
- Three-month interim report 2013: 25 April 2013
- 2013 Annual General Meeting: 25 April 2013
- Six-month interim report 2013: 19 July 2013
- Nine-month interim report 2013: 24 October 2013

Torekov, 5 February 2013  
Nolato AB (publ)  
The Board of Directors

## ■ Contact:

- Hans Porat, President and CEO, tel. +46431 442294.
- Per-Ola Holmström, CFO, tel. +46431 442293.

*The information contained in this interim report is the information which Nolato is obliged to make public in accordance with the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. This information was made public on 5 February 2013 at 2:30 PM.*

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

## ■ Consolidated income statement (summary)

SEK million	Q4 2012	Q4 2011	Full year 2012	Full year 2011
Net sales	992	734	3,874	2,977
Cost of goods sold	– 859	– 638	– 3,353	– 2,610
<b>Gross profit</b>	<b>133</b>	<b>96</b>	<b>521</b>	<b>367</b>
Other operating income	9	5	11	39
Selling expenses	– 25	– 20	– 82	– 72
Administrative expenses	– 44	– 35	– 156	– 144
Other operating expenses	3	—	– 7	—
	– 57	– 50	– 234	– 177
<b>Operating profit</b>	<b>76</b>	<b>46</b>	<b>287</b>	<b>190</b>
Financial income and expense	– 3	– 1	– 15	– 7
<b>Profit after financial income and expense</b>	<b>73</b>	<b>45</b>	<b>272</b>	<b>183</b>
Tax	– 14	– 12	– 70	– 51
<b>Profit after tax</b>	<b>59</b>	<b>33</b>	<b>202</b>	<b>132</b>
All earnings are attrib. to the Parent Co.'s shareholders				
Depreciation/amortisation	42	36	157	170
Earnings per share, basic and diluted (SEK)	2.24	1.25	7.68	5.02
Number of shares at the end of the period	26,307,408	26,307,408	26,307,408	26,307,408
Average number of shares	26,307,408	26,307,408	26,307,408	26,307,408

## ■ Consolidated comprehensive income (summary)

SEK million	Q4 2012	Q4 2011	Full year 2012	Full year 2011
<b>Profit after tax</b>	<b>59</b>	<b>33</b>	<b>202</b>	<b>132</b>
<b>Other comprehensive income</b>				
Translation differences for the period	4	1	– 17	0
Cash flow hedges	0	– 1	1	– 2
Tax attributable to cash flow hedges	0	0	0	0
<b>Other comprehensive income, net of tax</b>	<b>4</b>	<b>0</b>	<b>– 16</b>	<b>– 2</b>
<b>Total comp. income for the period attributable to the Parent Co.'s shareholders</b>	<b>63</b>	<b>33</b>	<b>186</b>	<b>130</b>

## ■ Reconciliation of consolidated income before tax

SEK million	Full year 2012	Full year 2011
<b>Operating profit (EBIT)</b>		
Nolato Medical	120	104
Nolato Telecom	96	11
Nolato Industrial	102	99
Group adjustments, Parent Company	– 31	– 24
<b>Consolidated operating profit (EBIT)</b>	<b>287</b>	<b>190</b>
Financial income and expense (not distributed by business areas)	– 15	– 7
<b>Consolidated profit before tax</b>	<b>272</b>	<b>183</b>



## ■ Consolidated balance sheet (summary)

SEK million	31/12/2012	31/12/2011
<b>Assets</b>		
<b>Fixed assets</b>		
Intangible fixed assets	553	434
Property, plant and equipment	735	706
Other securities held as non-current assets	2	2
Other long-term receivables	2	1
Deferred tax assets	35	40
<b>Total fixed assets</b>	<b>1,327</b>	<b>1,183</b>
<b>Current assets</b>		
Inventories	288	236
Accounts receivable	682	521
Other current assets	65	80
Cash and bank	272	124
<b>Total current assets</b>	<b>1,307</b>	<b>961</b>
<b>Total assets</b>	<b>2,634</b>	<b>2,144</b>
<b>Shareholders' equity and liabilities</b>		
<b>Shareholders' equity</b>	<b>1,205</b>	<b>1,151</b>
Long-term liabilities and provisions	119	97
Deferred tax liabilities	114	115
Current liabilities and provisions	1,196	781
<b>Total liabilities and provisions <sup>1)</sup></b>	<b>1,429</b>	<b>993</b>
<b>Total shareholders' equity and liabilities</b>	<b>2,634</b>	<b>2,144</b>
<sup>1)</sup> Interest-bearing/non-interest-bearing liabilities and provisions:		
Interest-bearing liabilities and provisions	350	206
Non-interest-bearing liabilities and provisions	1,079	787
<b>Total liabilities and provisions</b>	<b>1,429</b>	<b>993</b>

## ■ Changes in consolidated shareholders' equity (summary)

SEK million	Full year 2012	Full year 2011
<b>Shareholders' equity at the beginning of the period</b>	<b>1,151</b>	<b>1,179</b>
Total comprehensive income for the period	186	130
Dividends	– 132	– 158
<b>Shareholders' equity at the end of period attrib. to Parent Co's shareholders</b>	<b>1,205</b>	<b>1,151</b>

In 2012, a dividend totalling SEK 132 million was paid to the Parent Company's shareholders, corresponding to an ordinary dividend of SEK 3.00 and extraordinary dividend of SEK 2.00, totalling SEK 5.00 per share. The Group does not have any incentive programmes resulting in a dilutive effect.

## Consolidated cash flow statement (summary)

SEK million	Q4 2012	Q4 2011	Full year 2012	Full year 2011
Cash flow from op. activities bef. changes in work. cap.	122	83	387	304
Changes in working capital	123	- 47	89	- 58
<b>Cash flow from operating activities</b>	<b>245</b>	<b>36</b>	<b>476</b>	<b>246</b>
Cash flow from investment activities	- 33	- 47	- 335	- 134
<b>Cash flow before financing activities</b>	<b>212</b>	<b>- 11</b>	<b>141</b>	<b>112</b>
Cash flow from financing activities	- 54	- 16	12	- 225
<b>Cash flow for the period</b>	<b>158</b>	<b>- 27</b>	<b>153</b>	<b>- 113</b>
<b>Liquid assets at the beginning of the period</b>	<b>115</b>	<b>153</b>	<b>124</b>	<b>239</b>
Exchange rate difference in liquid assets	- 1	- 2	- 5	- 2
<b>Liquid assets at the end of the period</b>	<b>272</b>	<b>124</b>	<b>272</b>	<b>124</b>

## Earnings per share

SEK million	Q4 2012	Q4 2011	Full year 2012	Full year 2011
<b>Profit after tax</b>	<b>59</b>	<b>33</b>	<b>202</b>	<b>132</b>
Adjusted earnings:				
Amortisation of intangible assets arising from acquis.	5	2	16	9
Tax on amortisation	- 1	0	- 4	- 2
<b>Adjusted earnings</b>	<b>63</b>	<b>35</b>	<b>214</b>	<b>139</b>
Average number of shares *	26,307,408	26,307,408	26,307,408	26,307,408
Earnings per share, basic and diluted (SEK) *	2.24	1.25	7.68	5.02
Adjusted earnings per share (SEK) *	2.39	1.33	8.13	5.28

\* The company does not have any ongoing financial instrument programmes which involve any dilution in the number of shares.

## Five-year overview

	2012	2011	2010	2009	2008
Net sales (SEK million)	3,874	2,977	3,375	2,602	2,824
Operating profit (EBITA) (SEK million)	303	199	262	166	240
EBITA margin (%)	7.8	6.7	7.8	6.4	8.5
Operating profit (EBIT) (SEK million)	287	190	253	158	232
Profit after financial income and expense (SEK million)	272	183	243	148	216
Profit after tax (SEK million)	202	132	187	123	178
Cash flow after investments, excl. acq. and disposals (SEK million)	317	112	230	139	296
Return on capital employed (%)	19.5	13.9	18.4	12.1	18.4
Return on shareholders' equity (%)	17.1	11.3	16.5	11.5	18.4
Net debt (SEK million)	78	82	34	40	95
Equity/assets ratio (%)	46	54	50	51	50
Earnings per share (SEK)	7.68	5.02	7.11	4.68	6.77
Adjusted earnings per share (SEK)	8.13	5.28	7.37	4.90	6.99
Dividend per share (2012 proposal) (SEK)	6.00	5.00	6.00	3.00	2.75
Average number of employees	8,421	5,496	7,563	4,308	4,531

## Quarterly data (summary)

		Q1	Q2	Q3	Q4	Full year
Net sales (SEK million)	2012	837	1,046	999	992	3,874
	2011	759	766	718	734	2,977
	2010	746	878	887	864	3,375
Operating profit (EBITDA) (SEK million)	2012	91	117	118	118	444
	2011	79	88	111	82	360
	2010	100	105	103	99	407
Operating profit (EBITA) (SEK million)	2012	57	81	84	81	303
	2011	44	53	54	48	199
	2010	63	69	67	63	262
EBITA margin (%)	2012	6.8	7.7	8.4	8.2	7.8
	2011	5.8	6.9	7.5	6.5	6.7
	2010	8.4	7.9	7.6	7.3	7.8
Operating profit (EBIT) (SEK million)	2012	55	77	79	76	287
	2011	42	51	51	46	190
	2010	61	67	65	60	253
Profit after financial income and expense (SEK million)	2012	51	74	74	73	272
	2011	38	50	50	45	183
	2010	57	65	60	61	243
Profit after tax (SEK million)	2012	37	54	52	59	202
	2011	28	35	36	33	132
	2010	45	52	47	43	187
Cash flow after inv., excl. acq. and disp. (SEK million)	2012	– 32	56	83	210	317
	2011	111	– 36	48	– 11	112
	2010	0	71	4	155	230
Earnings per share, basic and diluted (SEK)	2012	1.41	2.05	1.98	2.24	7.68
	2011	1.06	1.33	1.37	1.25	5.02
	2010	1.71	1.98	1.78	1.64	7.11
Adjusted earnings per share (SEK)	2012	1.44	2.17	2.13	2.39	8.13
	2011	1.10	1.41	1.44	1.33	5.28
	2010	1.79	2.01	1.83	1.74	7.37
Shareholders' equity per share (SEK)	2012	45	42	43	46	46
	2011	45	40	42	44	44
	2010	43	43	43	45	45
Return on total capital (%)	2012	9.4	9.8	10.9	11.9	11.9
	2011	10.9	10.0	9.4	8.7	8.7
	2010	10.2	11.3	11.5	11.3	11.3
Return on capital employed (%)	2012	15.2	15.9	17.8	19.5	19.5
	2011	17.6	16.4	15.0	13.9	13.9
	2010	16.1	18.4	18.6	18.4	18.4
Return on operating capital (%)	2012	17.0	17.2	19.6	22.6	22.6
	2011	20.6	18.6	16.2	15.5	15.5
	2010	18.0	20.8	20.5	21.6	21.6
Return on shareholders' equity (%)	2012	11.9	14.7	15.5	17.1	17.1
	2011	14.6	14.0	12.7	11.3	11.3
	2010	14.9	17.5	18.6	16.5	16.5

## Quarterly data business areas

Net sales (SEK million)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2012	246	315	288	310	1,159
	2011	232	235	220	230	917
	2010	186	185	202	235	808
Nolato Telecom	2012	287	423	444	394	1,548
	2011	259	249	220	207	935
	2010	320	434	444	377	1,575
Nolato Industrial	2012	304	309	268	289	1,170
	2011	268	283	279	299	1,129
	2010	241	259	241	253	994
Group adjustments, Parent Company	2012	0	– 1	– 1	– 1	– 3
	2011	—	– 1	– 1	– 2	– 4
	2010	– 1	—	—	– 1	– 2
Group total	2012	837	1,046	999	992	3,874
	2011	759	766	718	734	2,977
	2010	746	878	887	864	3,375

Operating profit (EBITA) (SEK million)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2012	31	36	32	34	133
	EBITA margin (%)	12.6	11.4	11.1	11.0	11.5
	2011	28	29	25	28	110
	EBITA margin (%)	12.1	12.3	11.4	12.2	12.0
	2010	23	24	25	28	100
	EBITA margin (%)	12.4	13.0	12.4	11.9	12.4
Nolato Telecom	2012	7	21	35	33	96
	EBITA margin (%)	2.4	5.0	7.9	8.4	6.2
	2011	– 4	4	7	4	11
	EBITA margin (%)	– 1.5	1.6	3.2	1.9	1.2
	2010	32	34	32	24	122
	EBITA margin (%)	10.0	7.8	7.2	6.4	7.7
Nolato Industrial	2012	28	29	24	24	105
	EBITA margin (%)	9.2	9.4	9.0	8.3	9.0
	2011	25	27	26	24	102
	EBITA margin (%)	9.3	9.5	9.3	8.0	9.0
	2010	17	23	21	18	79
	EBITA margin (%)	7.1	8.9	8.7	7.1	7.9
Group adjustments, Parent Company	2012	– 9	– 5	– 7	– 10	– 31
	2011	– 5	– 7	– 4	– 8	– 24
	2010	– 9	– 12	– 11	– 7	– 39
Group total	2012	57	81	84	81	303
	EBITA margin (%)	6.8	7.7	8.4	8.2	7.8
	2011	44	53	54	48	199
	EBITA margin (%)	5.8	6.9	7.5	6.5	6.7
	2010	63	69	67	63	262
	EBITA margin (%)	8.4	7.9	7.6	7.3	7.8

Depreciation/amortisation (SEK million)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2012	15	18	19	20	72
	2011	14	16	14	15	59
	2010	12	12	13	16	53
Nolato Telecom	2012	10	10	10	11	41
	2011	13	10	35	10	68
	2010	16	14	14	13	57
Nolato Industrial	2012	11	12	10	11	44
	2011	10	11	11	11	43
	2010	11	12	11	10	44
Group total	2012	36	40	39	42	157
	2011	37	37	60	36	170
	2010	39	38	38	39	154

## ■ Group financial highlights

	Q4 2012	Q4 2011	Full year 2012	Full year 2011
Net sales (SEK million)	992	734	3,874	2,977
Sales growth (%)	35	– 15	30	– 12
Percentage of sales outside Sweden (%)	78	70	75	70
Operating profit (EBITDA) (SEK million)	118	82	444	360
Operating profit (EBITA) (SEK million)	81	48	303	199
EBITA margin (%)	8.2	6.5	7.8	6.7
Profit after financial income and expense (SEK million)	73	45	272	183
Profit margin (%)	7.4	6.1	7.0	6.1
Profit after tax (SEK million)	59	33	202	132
Return on total capital (%)	—	—	11.9	8.7
Return on capital employed (%)	—	—	19.5	13.9
Return on operating capital (%)	—	—	22.6	15.5
Return on shareholders' equity (%)	—	—	17.1	11.3
Equity/assets ratio (%)	—	—	46	54
Debt/equity (%)	—	—	29	18
Interest coverage ratio (times)	26	14	23	16
Net investments affecting cash flow, excl. acq. and disposals (SEK million)	35	47	159	134
Cash flow after investments, excl. acq. and disposals (SEK million)	210	– 11	317	112
Net debt (SEK million)	—	—	78	82
Earnings per share, basic and diluted (SEK)	2.24	1.25	7.68	5.02
Adjusted earnings per share (SEK)	2.39	1.33	8.13	5.28
Cash flow per share, excl. acq. and disposals (SEK)	7.98	– 0.42	12.05	4.26
Shareholders' equity per share (SEK)	—	—	46	44
Average number of employees	—	—	8,421	5,496

## Definitions

### Return on total capital

Profit after financial income and expense, plus financial expenses as a percentage of average total capital in the balance sheet.

### Return on capital employed

Profit after financial income and expense, plus financial expenses as a percentage of average capital employed. Capital employed consists of total capital less non-interest-bearing liabilities and provisions.

### Return on operating capital

Operating profit as a percentage of average operating capital. Operating capital consists of total capital less non-interest-bearing liabilities and provisions, less interest-bearing assets.

### Return on shareholders' equity

Profit after tax as a percentage of average shareholders' equity.

### EBITA margin

Operating profit (EBITA) as a percentage of net sales.

### Adjusted earnings per share

Profit after tax, excluding amortisation of intangible assets arising from acquisitions, divided by the average number of shares.

### Cash flow per share

Cash flow before financing activities, divided by average number of shares.

### Net debt

Interest-bearing liabilities and provisions less interest-bearing assets.

### Earnings per share

Profit after tax, divided by average number of shares.

### Interest coverage ratio

Profit after financial income and expense, plus financial expenses, divided by financial expenses.

### Operating profit (EBITDA)

Earnings before interest, taxes and depreciation/amortisation.

### Operating profit (EBITA)

Earnings before interest, taxes and amortisation of intangible assets arising from acquisitions.

### Operating profit (EBIT)

Earnings before interest and taxes.

### Debt/equity ratio

Interest-bearing liabilities and provisions divided by shareholders' equity.

### Equity/assets ratio

Shareholders' equity as a percentage of total capital in the balance sheet.

### Profit margin

Profit after financial income and expense as a percentage of net sales.

## ■ Parent Company income statement (summary)

SEK million	Q4 2012	Q4 2011	Full year 2012	Full year 2011
Net sales	1	- 1	19	19
Other operating income	—	0	—	5
Selling expenses	- 2	- 2	- 7	- 9
Administrative expenses	- 15	- 8	- 42	- 37
Other operating expenses	- 1	—	- 3	—
<b>Operating profit</b>	<b>- 17</b>	<b>- 11</b>	<b>- 33</b>	<b>- 22</b>
Profit from participations in Group companies	35	9	51	162
Financial income	6	9	25	18
Financial expenses	- 17	- 15	- 36	- 21
<b>Profit after financial income and expense</b>	<b>7</b>	<b>- 8</b>	<b>7</b>	<b>137</b>
Appropriations	149	130	149	130
Tax	- 39	- 33	- 39	- 29
<b>Profit after tax</b>	<b>117</b>	<b>89</b>	<b>117</b>	<b>238</b>
Depreciation/amortisation	0	0	0	0

## ■ Parent Company balance sheet (summary)

SEK million	31/12/2012	31/12/2011
<b>Assets</b>		
Intangible fixed assets	1	1
Property, plant and equipment	0	0
Financial assets	994	794
Deferred tax assets	4	6
<b>Total fixed assets</b>	<b>999</b>	<b>801</b>
Other receivables	472	420
Cash and bank	42	39
<b>Total current assets</b>	<b>514</b>	<b>459</b>
<b>Total assets</b>	<b>1,513</b>	<b>1,260</b>
<b>Shareholders' equity and liabilities</b>		
Shareholders' equity	899	915
Untaxed reserves	179	160
Other provisions	5	4
Long-term liabilities	17	17
Current liabilities	413	164
<b>Total shareholders' equity and liabilities</b>	<b>1,513</b>	<b>1,260</b>
Pledged assets	—	—
Contingent liabilities	110	225

### Transactions with related parties:

Related party	Period	Services sold	Services bought	Interest income	Interest expenses	Res. from shares in Group comp.	Rec. fr. rel. part. on bal. sh. date	Liab. to rel. part. on bal. sh. date
Subsidiary	Full year 2012	19	- 3	25	- 1	51	912	142
Subsidiary	Full year 2011	19	- 10	13	- 3	162	711	165

None of the company's Board members or senior executives currently have, or have previously had, any direct or indirect involvement in any business transaction with the company which is, or was, of an unusual character in terms of its conditions. Nor has the Group issued any loans, pledged any guarantees or entered into any surety arrangements for any of the company's Board members or senior executives.

