



Nolato AB (publ) year-end report 2013

Solid profitability and strong financial position

■ Fourth quarter of 2013 in brief

- Sales amounted to SEK 985 million (992)
- Operating profit (EBITA) rose by 12% to SEK 91 million (81)
- Profit after tax rose to SEK 77 million (59)
- Earnings per share were SEK 2.93 (2.24)
- Cash flow after investments was SEK 165 million (210), excl. disposal

■ Full year 2013 in brief

- Sales rose by 17% to SEK 4,522 million (3,874)
- Operating profit (EBITA) rose to SEK 427 million (303)
- The operating margin (EBITA) was a strong 9.4% (7.8)
- Earnings per share rose to SEK 11.94 (7.68)
- The equity/assets ratio was 52% (44) and net financial assets were SEK 122 million (-113)
- The Board proposes an ordinary dividend of SEK 4.00 (3.50) plus an extra dividend of SEK 4.00 (2.50), totalling SEK 8.00 per share (6.00)

■ Group highlights

	Note	Q4 2013	Q4 2012	Full year 2013	Full year 2012
SEK million unless otherwise specified					
Net sales		985	992	4,522	3,874
Operating profit (EBITDA) ¹⁾		128	118	568	444
Operating profit (EBITA) ²⁾		91	81	427	303
EBITA margin, %		9.2	8.2	9.4	7.8
Profit after financial income and expense		88	73	403	272
Profit after tax		77	59	314	202
Earnings per share, basic and diluted, SEK*		2.93	2.24	11.94	7.68
Adjusted earnings per share, SEK ³⁾ *		3.04	2.39	12.39	8.13
Cash flow after investments, excl. acquisitions and disposals		165	210	362	317
Net investm. affecting cash flow, excl. acq. and disposals		58	35	150	159
Return on capital employed, %	1	26.7	19.4	26.7	19.4
Return on shareholders' equity, %	1	24.9	17.7	24.9	17.7
Equity/assets ratio, %	1	52	44	52	44
Net financial assets (+) / liabilities (-)	1	122	- 113	122	- 113

*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 2013

- Sales rose by 1% adjusted for currency and company disposal
- Operating profit (EBITA) rose to SEK 91 million (81), including positive non-recurring items of SEK 4 million (7)
- Strong cash flow of SEK 165 million (210), excl. disposal

Sales

Consolidated sales totalled SEK 985 million (992). Adjusted for currency and a company disposal, sales increased by 1%.

Nolato Medical's sales were SEK 313 million (310); adjusted for currency, sales increased 1%. Sales growth was slightly lower in the quarter than the strong performance earlier in the year, due to lower deliveries in connection with the public holidays.

Nolato Telecom's sales were SEK 395 million (394); adjusted for currency, sales increased 1%. Demand was good during the quarter, but lower than the very strong earlier quarters of the year. The business area is negatively affected by the performance of a North American customer. At the same time, the very strong demand on the consumer market for a number of models, which contributed to very high sales in 2013, is not expected to be repeated in 2014.

Nolato Industrial's sales fell 4% to SEK 278 million (289); adjusted for currency and the disposal of operations, sales increased 2%. Volumes were stable, although there was an effect from the Christmas holidays because many customers closed down their production. However, the current quarter has started off with solid demand directly after the holidays.

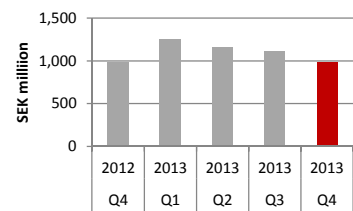
Profit

Group operating profit (EBITA) increased to SEK 91 million (81).

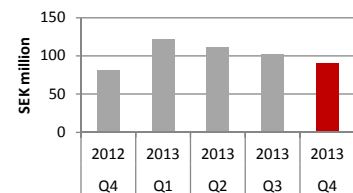
Nolato Medical's operating profit (EBITA) rose to SEK 39 million (34), Nolato Telecom's earnings declined to SEK 31 million (33) and Nolato Industrial's rose to SEK 27 million (24).

The EBITA margin for Nolato Medical was 12.5% (11.0). The margin was positively affected by a favourable product mix. Nolato Telecom's EBITA margin was 7.8% (8.4). In the same quarter of the previous year, there was a positive non-recurring item of SEK 7 million. Adjusted for this non-recurring effect, the margin was 6.6% in the previous year. Nolato Industrial's EBITA margin was 9.7% (8.3). High productivity and a favourable product mix had a positive effect on the margin. Overall, the Group's EBITA margin was 9.2% (8.2). Adjusted for non-recurring items, the margin was a strong 8.8% (7.5). During the quarter, an allocation of SEK 12 million from a former bankruptcy estate was received, and is recognised under other operating income. The disposal of a subsidiary gave a capital loss for the Group of SEK 8 million, which is recognised under other operating expenses. On a net basis, the non-recurring items amount to SEK +4 million, which has been recognised at Group level and has thus not affected the earnings of the business areas.

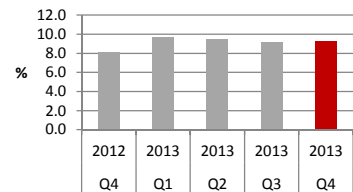
Sales



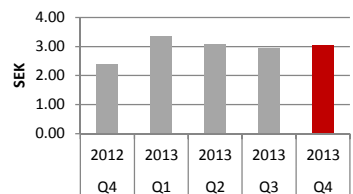
Operating profit (EBITA)



EBITA margin



Adjusted earnings per share



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

SEK million	Sales Q4/2013	Sales Q4/2012	Op. Profit EBITA Q4/2013	Op. Profit EBITA Q4/2012	EBITA margin Q4/2013	EBITA margin Q4/2012
Nolato Medical	313	310	39	34	12.5%	11.0%
Nolato Telecom	395	394	31	33	7.8%	8.4%
Nolato Industrial	278	289	27	24	9.7%	8.3%
Intra-Group adj., Parent Co	- 1	- 1	- 6	- 10	—	—
Group total	985	992	91	81	9.2%	8.2%

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

Operating profit (EBIT) rose to SEK 87 million (76).

Profit after net financial income/expense was SEK 88 million (73). Net financial income/expense included exchange rate fluctuations affecting earnings by SEK +2 million (-2) in the fourth quarter.

Profit after tax increased to SEK 77 million (59). Earnings per share, basic and diluted, were SEK 2.93 (2.24). Net non-recurring items including tax effects had a positive effect of SEK 0.34 on EPS. Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions were SEK 3.04 (2.39).

Full year 2013

Sales and earnings

In 2013, Group sales rose by 17% to SEK 4,522 million (3,874). Adjusted for currency, acquisitions and disposals, sales rose by 17%.

Nolato Medical's sales increased by 10% to SEK 1,274 million (1,159), Nolato Telecom's by 34% to SEK 2,079 million (1,548) and Nolato Industrial's were unchanged, amounting to SEK 1,170 million (1,170).

Consolidated operating profit (EBITA) amounted to SEK 427 million (303), giving an EBITA margin of 9.4% (7.8) Adjusted for the non-recurring items in the fourth quarters, the EBITA margin was 9.4% (7.6). Operating profit (EBIT) rose to SEK 411 million (287).

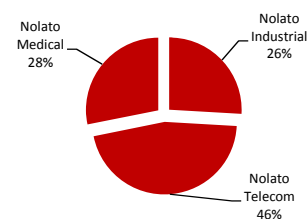
Profit after net financial income/expense was SEK 403 million (272).

Profit after tax increased to SEK 314 million (202). Earnings per share, basic and diluted, were SEK 11.94 (7.68). Adjusted earnings per share excluding amortisation of intangible assets arising from acquisitions were SEK 12.39 (8.13). The effective tax rate was 22% (26).

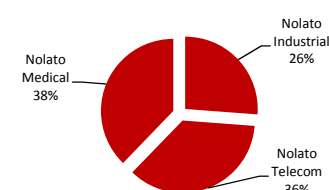
The lower tax rate was mainly due to an increased share of earnings in countries with lower tax rates, including the reduced tax rate in Sweden, together with a positive tax effect from the non-recurring items. The effect of the non-recurring items arose in the fourth quarter.

Return on capital employed rose to a strong 26.7% (19.4). Return on equity was 24.9% (17.7).

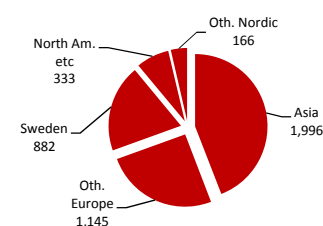
Business areas' share of sales



Business areas' share of operating profit (EBITA)



Sales by geographic markets SEK million



Nolato Medical

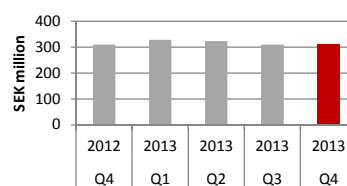
Sales and profit full year (SEK million)	2013	2012
Sales	1,274	1,159
Operating profit (EBITA)	165	133
EBITA margin (%)	13.0	11.5
Operating profit (EBIT)	152	120

Nolato Medical saw sales rise to SEK 1,274 million (1,159), corresponding to growth of 10%. Adjusted for currency and acquisitions, sales rose by 7%. Most of the business area's customer segments enjoyed solid volumes.

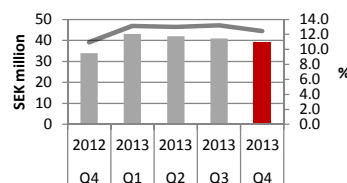
Operating profit (EBITA) rose to SEK 165 million (133). The EBITA margin was 13.0% (11.5). The margin was positively affected by high productivity and a favourable product mix.

The extension of the Chinese and Hungarian factories is proceeding according to plan.

Nolato Medical sales



Nolato Medical operating profit (EBITA) & EBITA margin



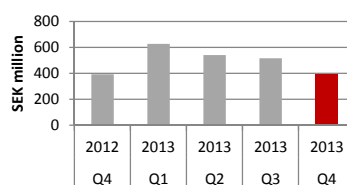
Nolato Telecom

Sales and profit full year (SEK million)	2013	2012
Sales	2,079	1,548
Operating profit (EBITA)	166	96
EBITA margin (%)	8.0	6.2
Operating profit (EBIT)	166	96

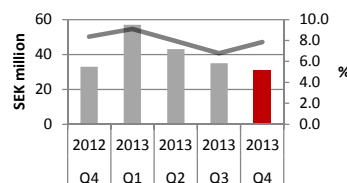
Nolato Telecom's sales rose by 34% to SEK 2,079 million (1,548). Adjusted for currency, sales increased by 37%. Volumes have been very high, particularly in the first half of the year, driven by very strong demand for a number of models on the consumer market.

Operating profit (EBITA) rose to SEK 166 million (96). The EBITA margin rose to 8.0% (5.7 excluding non-recurring items). The margin was positively affected by high capacity utilisation.

Nolato Telecom sales



Nolato Telecom operating profit (EBITA) & EBITA margin



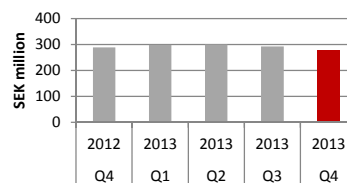
Nolato Industrial

Sales and profit full year (SEK million)	2013	2012
Sales	1,170	1,170
Operating profit (EBITA)	119	105
EBITA margin (%)	10.2	9.0
Operating profit (EBIT)	116	102

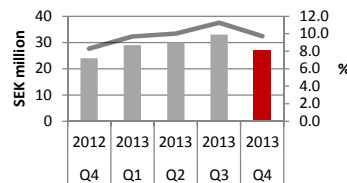
Nolato Industrial's sales were unchanged at SEK 1,170 million (1,170). Adjusted for currency and disposals, sales rose by 2%. Volumes in the automotive segment were lower, especially in the first half of the year, while certain other segments such as hygiene made a positive contribution.

Operating profit (EBITA) totalled SEK 119 million (105), with a strong EBITA margin of 10.2% (9.0). A strong focus on constant improvement and profitability, and a favourable product mix, had a positive effect on the margin.

Nolato Industrial sales



Nolato Industrial operating profit (EBITA) & EBITA margin



Cash flow

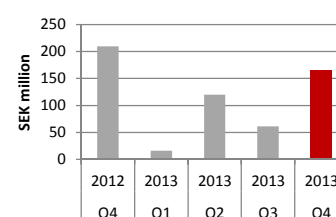
The positive earnings trend led cash flow before investments to rise to SEK 512 million (476). The change in working capital was a positive SEK 61 million (89). Reduced activity due to the Christmas holiday had a positive effect on the working capital requirement.

Excluding the subsidiary disposal, cash flow after investments was SEK 362 million (317 excluding acquisitions) and SEK 368 million including the disposal (141 including acquisitions). Net investments affecting cash flow totalled SEK 144 million (335, of which the acquisition of Cope Allman Jaycare accounted for SEK 176 million). Excluding the effect of the subsidiary disposal, net investments affecting cash flow amounted to SEK 150 million.

Financial position

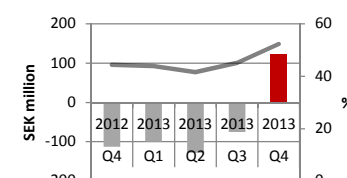
Interest-bearing assets totalled SEK 318 million (272), and interest-bearing liabilities and provisions totalled SEK 196 million (385). Net financial assets thus totalled SEK 122 million (-113). The healthy cash flow brought about a sharp drop in the debt level. Shareholders' equity was SEK 1,348 million (1,170). The equity/assets ratio was 52% (44). In the second quarter, dividends totalling SEK 158 million (132) were paid out.

Cash flow after investments



Excluding acquisitions and disposals

Net financial assets (+) liabilities (-) & assets/equity ratio



Consolidated performance analysis

SEK million	Q4 2013	Q4 2012	Full year 2013	Full year 2012
Net sales	985	992	4,522	3,874
Gross profit excl. depreciation/amortisation	182	169	790	658
<i>As a percentage of net sales</i>	18.5	17.0	17.5	17.0
Costs	-54	-51	-222	-214
<i>As a percentage of net sales</i>	5.5	5.1	4.9	5.5
Operating profit (EBITDA)	128	118	568	444
<i>As a percentage of net sales</i>	13.0	11.9	12.6	11.5
Depreciation and amortisation	-37	-37	-141	-141
Operating profit (EBITA)	91	81	427	303
<i>As a percentage of net sales</i>	9.2	8.2	9.4	7.8
Amortisation of intang. assets arising from acquisitions	-4	-5	-16	-16
Operating profit (EBIT)	87	76	411	287
Financial income and expense	1	-3	-8	-15
Profit after financial income and expense	88	73	403	272
Tax	-11	-14	-89	-70
<i>As a percentage of Profit after financial income and expense</i>	12.5	19.2	22.1	25.7
Profit after tax	77	59	314	202

Financial position

SEK million	Note	31/12/2013	31/12/2012
Interest-bearing liabilities, credit institutions		-85	-254
Interest-bearing pension liabilities		-111	-131
Total borrowings		-196	-385
Cash and bank		318	272
Net financial assets (+) / liabilities (-)	1	122	-113
Working capital		29	93
<i>As a percentage of sales (avg.) (%)</i>		1.3	3.4
Capital employed	1	1,544	1,555
<i>Return on capital employed (avg.) (%)</i>	1	26.7	19.4
Shareholders' equity	1	1,348	1,170
<i>Return on shareholders' equity (avg.) (%)</i>	1	24.9	17.7

■ Personnel

The average number of employees in the period was 9,357 (8,421). 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 2012 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 have decided to propose to the AGM an ordinary dividend of SEK 4.00 per share (3.50) and an extra dividend of SEK 4.00 per share (2.50). The total dividend thus amounts to SEK 8.00 per share (6.00) corresponding to SEK 210 million (158). The payout ratio for ordinary dividend is 34%, and 67% in total. The dividend yield is 5.5% in relation to the listed price on 31 December 2013.

■ 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 8,373 shareholders per 31 December. The largest shareholders are the Jorlén family with 10%, the Boström family with 9%, Svolder with 5%, Odin Fonder with 4%, Skandia Fonder with 4% and the Paulsson family with 3% of the capital.

■ The Parent Company

Sales totalled SEK 23 million (19). Profit after financial income and expense was SEK 85 million (7). The improved outcome is mainly due to higher dividends from subsidiaries.

■ Accounting and valuation principles

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

The consolidated interim report was prepared in accordance with IAS 34 (Interim Financial Reporting) and applicable provisions of the Swedish Annual Accounts Act. The Swedish Securities Market Act was applied for publishing this interim report.

The consolidated accounts were prepared in accordance with the same principles as the latest annual report, except for the change concerning the reporting of pension obligations and other comprehensive income. Pension obligations are recognised in accordance with the amended IAS 19, as stated in note 1, while other comprehensive income is recognised in accordance with the change of IAS 1 *Presentation of financial statements*.

The new or revised IFRS standards or IFRIC interpretations that entered into force on 1 January 2013 have not, with the exception concerning reporting of pension obligations, had any material effect on the Group's income statements or balance sheets.

The interim report for the Parent Company was prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act.

■ Annual General Meeting

The Annual General Meeting will be held on 28 April 2014 at 4 pm in Grevie, Sweden. 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 or by post to Kommendörsgatan 4, 269 77 Torekov, Sweden.

■ Financial calendar

- 2013 Annual Report: Nolato's Annual Report will be published on the company's website, www.nolato.se, during week 13. A copy of the Annual Report will also be sent to those Nolato shareholders who have specifically requested such.
- Three-month interim report 2014: 28 April 2014
- 2014 Annual General Meeting: 28 April 2014
- Six-month interim report 2014: 21 July 2014
- Nine-month interim report 2014: 28 October 2014

Torekov, 4 February 2014
Nolato AB (publ)
The Board of Directors

■ Contact:

- Hans Porat, President and CEO, tel. +46705 517550.
- Per-Ola Holmström, CFO, tel. +46705 763340.

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 4 February 2014 at 2:30 pm.

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

■ Consolidated income statement (summary)

SEK million	Q4 2013	Q4 2012	Full year 2013	Full year 2012
Net sales	985	992	4,522	3,874
Cost of goods sold	- 838	- 859	- 3,868	- 3,353
Gross profit	147	133	654	521
Other operating income	15	9	19	11
Selling expenses	- 23	- 25	- 89	- 82
Administrative expenses	- 44	- 44	- 165	- 156
Other operating expenses	- 8	3	- 8	- 7
	- 60	- 57	- 243	- 234
Operating profit	87	76	411	287
Financial income and expense	1	- 3	- 8	- 15
Profit after financial income and expense	88	73	403	272
Tax	- 11	- 14	- 89	- 70
Profit after tax	77	59	314	202
All earnings are attrib. to the Parent Co.'s shareholders				
Depreciation/amortisation	41	42	157	157
Earnings per share, basic and diluted (SEK)	2.93	2.24	11.94	7.68
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

SEK million	Note	Q4 2013	Q4 2012	Full year 2013	Full year 2012
Profit after tax		77	59	314	202
Other comprehensive income					
<i>Items that cannot be transferred to profit for the period</i>					
Revaluations of defined benefit pension plans	1	9	0	9	1
Tax attributable to items that cannot be transferred to profit for the period	1	- 2	0	- 2	- 2
		7	0	7	- 1
<i>Items that have been converted or can be converted into profit for the period</i>					
Translation differences for the period		15	4	15	- 17
Cash flow hedges	2	- 1	0	—	1
Tax attributable to cash flow hedges	2	—	0	—	0
		14	4	15	- 16
Other comprehensive income, net of tax		21	4	22	- 17
Total comp. income for the period attributable to the Parent Co.'s shareholders		98	63	336	185

■ Reconciliation of consolidated income before tax

SEK million	Full year 2013	Full year 2012
Operating profit (EBIT)		
Nolato Medical	152	120
Nolato Telecom	166	96
Nolato Industrial	116	102
Group adjustments, Parent Company	- 23	- 31
Consolidated operating profit (EBIT)	411	287
Financial income and expense (not distributed by business areas)	- 8	- 15
Consolidated profit before tax	403	272

■ Consolidated balance sheet (summary)

SEK million	Note	31/12/2013	31/12/2012
Assets			
Fixed assets			
Intangible fixed assets		538	553
Property, plant and equipment		733	735
Other securities held as non-current assets		2	2
Other long-term receivables		2	2
Deferred tax assets		36	35
Total fixed assets		1,311	1,327
Current assets			
Inventories		259	288
Accounts receivable		598	682
Other current assets	2	87	65
Cash and bank		318	272
Total current assets		1,262	1,307
Total assets		2,573	2,634
Shareholders' equity and liabilities			
Shareholders' equity	1, 2	1,348	1,170
Long-term liabilities and provisions ¹⁾	1	141	164
Deferred tax liabilities ¹⁾	1	84	104
Current liabilities and provisions ¹⁾	2	1,000	1,196
Total liabilities and provisions		1,225	1,464
Total shareholders' equity and liabilities		2,573	2,634
¹⁾ Interest-bearing/non-interest-bearing liabilities and provisions:			
Interest-bearing liabilities and provisions		196	385
Non-interest-bearing liabilities and provisions		1,029	1,079
Total liabilities and provisions		1,225	1,464

■ Changes in consolidated shareholders' equity (summary)

SEK million	Note	Full year 2013	Full year 2012
Shareholders' equity at the beginning of the period	1	1,170	1,117
Total comprehensive income for the period	1	336	185
Dividends		- 158	- 132
Shareholders' equity at the end of period attrib. to Parent Co's shareholders	1	1,348	1,170

In 2013, a dividend totalling SEK 158 million was paid to the Parent Company's shareholders, corresponding to an ordinary dividend of SEK 3.50 and extraordinary dividend of SEK 2.50, totalling SEK 6.00 per share. The Group does not have any incentive programmes resulting in a dilutive effect in the number of shares.

■ Consolidated cash flow statement (summary)

SEK million	Q4 2013	Q4 2012	Full year 2013	Full year 2012
Cash flow from op. activities bef. changes in working capital	120	122	451	387
Changes in working capital	103	123	61	89
Cash flow from operating activities	223	245	512	476
Cash flow from investment activities	- 52	- 33	- 144	- 335
Cash flow before financing activities	171	212	368	141
Cash flow from financing activities	- 115	- 54	- 327	12
Cash flow for the period	56	158	41	153
Liquid assets at the beginning of the period	256	115	272	124
Exchange rate difference in liquid assets	6	- 1	5	- 5
Liquid assets at the end of the period	318	272	318	272

■ Earnings per share

SEK million	Q4 2013	Q4 2012	Full year 2013	Full year 2012
Profit after tax	77	59	314	202
Adjusted earnings:				
Amortisation of intangible assets arising from acquis.	4	5	16	16
Tax on amortisation	- 1	- 1	- 4	- 4
Adjusted earnings	80	63	326	214
Average number of shares *	26,307,408	26,307,408	26,307,408	26,307,408
Earnings per share, basic and diluted (SEK) *	2.93	2.24	11.94	7.68
Adjusted earnings per share (SEK) *	3.04	2.39	12.39	8.13

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

■ Five-year overview

Note	2013	2012	2011	2010	2009	
Net sales (SEK million)	4,522	3,874	2,977	3,375	2,602	
Operating profit (EBITA) (SEK million)	427	303	199	262	166	
EBITA margin (%)	9.4	7.8	6.7	7.8	6.4	
Operating profit (EBIT) (SEK million)	411	287	190	253	158	
Profit after financial income and expense (SEK million)	403	272	183	243	148	
Profit after tax (SEK million)	314	202	132	187	123	
Cash flow after investments, excl. acq. and disposals (SEK million)	362	317	112	230	139	
Return on capital employed (%) *	1	26.7	19.4	13.9	18.4	12.1
Return on shareholders' equity (%) *	1	24.9	17.7	11.6	16.5	11.5
Net financial assets (+) liabilities (-) (SEK million) *	1	122	- 113	- 119	- 34	- 40
Equity/assets ratio (%) *	1	52	44	52	50	51
Earnings per share (SEK)		11.94	7.68	5.02	7.11	4.68
Adjusted earnings per share (SEK)		12.39	8.13	5.28	7.37	4.90
Dividend per share (2013 proposal) (SEK)		8.00	6.00	5.00	6.00	3.00
Average number of employees		9,357	8,421	5,496	7,563	4,308

* The years 2009 - 2010 have not been restated for the amendment of pension provisions in IAS 19, which means that the corridor method to even out actuarial gains / losses no longer applies (see note 1).

■ Quarterly data (summary)

	Note		Q1	Q2	Q3	Q4	Full year
Net sales (SEK million)		2013	1,254	1,164	1,119	985	4,522
		2012	837	1,046	999	992	3,874
		2011	759	766	718	734	2,977
Operating profit (EBITDA) (SEK million)		2013	157	147	136	128	568
		2012	91	117	118	118	444
		2011	79	88	111	82	360
Operating profit (EBITA) (SEK million)		2013	122	111	103	91	427
		2012	57	81	84	81	303
		2011	44	53	54	48	199
EBITA margin (%)		2013	9.7	9.5	9.2	9.2	9.4
		2012	6.8	7.7	8.4	8.2	7.8
		2011	5.8	6.9	7.5	6.5	6.7
Operating profit (EBIT) (SEK million)		2013	118	107	99	87	411
		2012	55	77	79	76	287
		2011	42	51	51	46	190
Profit after financial income and expense (SEK million)		2013	113	105	97	88	403
		2012	51	74	74	73	272
		2011	38	50	50	45	183
Profit after tax (SEK million)		2013	85	78	74	77	314
		2012	37	54	52	59	202
		2011	28	35	36	33	132
Cash flow after inv., excl. acq. and disp. (SEK million)		2013	16	120	61	165	362
		2012	- 32	56	83	210	317
		2011	111	- 36	48	- 11	112
Earnings per share, basic and diluted (SEK)		2013	3.23	2.97	2.81	2.93	11.94
		2012	1.41	2.05	1.98	2.24	7.68
		2011	1.06	1.33	1.37	1.25	5.02
Adjusted earnings per share (SEK)		2013	3.35	3.07	2.93	3.04	12.39
		2012	1.44	2.17	2.13	2.39	8.13
		2011	1.10	1.41	1.44	1.33	5.28
Shareholders' equity per share (SEK)	1	2013	47	45	48	51	51
		2012	43	41	42	44	44
		2011	44	39	41	42	42
Return on total capital (%)		2013	13.6	13.7	15.0	15.9	15.9
		2012	9.4	9.8	10.9	11.9	11.9
		2011	10.9	10.0	9.4	8.7	8.7
Return on capital employed (%) *	1	2013	23.3	23.0	25.5	26.7	26.7
		2012	15.2	15.9	17.8	19.4	19.4
		2011	17.6	16.4	15.0	13.9	13.9
Return on operating capital (%) *	1	2013	26.3	26.9	28.8	32.6	32.6
		2012	16.9	17.2	19.6	22.6	22.6
		2011	20.6	18.6	16.2	15.5	15.5
Return on shareholders' equity (%) *	1	2013	20.9	24.2	25.2	24.9	24.9
		2012	12.3	15.2	15.9	17.7	17.7
		2011	14.6	14.0	12.7	11.6	11.6

* Q1 - Q3 for 2011 have not been restated for the amendment of pension provisions in IAS 19, which means that the corridor method to even out actuarial gains / losses no longer applies (see note 1).

■ Quarterly data business areas

Net sales (SEK million)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2013	328	323	310	313	1,274
	2012	246	315	288	310	1,159
	2011	232	235	220	230	917
Nolato Telecom	2013	627	541	516	395	2,079
	2012	287	423	444	394	1,548
	2011	259	249	220	207	935
Nolato Industrial	2013	299	300	293	278	1,170
	2012	304	309	268	289	1,170
	2011	268	283	279	299	1,129
Group adjustments, Parent Company	2013	0	0	0	-1	-1
	2012	0	-1	-1	-1	-3
	2011	—	-1	-1	-2	-4
Group total	2013	1,254	1,164	1,119	985	4,522
	2012	837	1,046	999	992	3,874
	2011	759	766	718	734	2,977

Operating profit (EBITA) (SEK million)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2013	43	42	41	39	165
	<i>EBITA margin (%)</i>	13.1	13.0	13.2	12.5	13.0
	2012	31	36	32	34	133
	<i>EBITA margin (%)</i>	12.6	11.4	11.1	11.0	11.5
	2011	28	29	25	28	110
	<i>EBITA margin (%)</i>	12.1	12.3	11.4	12.2	12.0
Nolato Telecom	2013	57	43	35	31	166
	<i>EBITA margin (%)</i>	9.1	7.9	6.8	7.8	8.0
	2012	7	21	35	33	96
	<i>EBITA margin (%)</i>	2.4	5.0	7.9	8.4	6.2
	2011	-4	4	7	4	11
	<i>EBITA margin (%)</i>	-1.5	1.6	3.2	1.9	1.2
Nolato Industrial	2013	29	30	33	27	119
	<i>EBITA margin (%)</i>	9.7	10.0	11.3	9.7	10.2
	2012	28	29	24	24	105
	<i>EBITA margin (%)</i>	9.2	9.4	9.0	8.3	9.0
	2011	25	27	26	24	102
	<i>EBITA margin (%)</i>	9.3	9.5	9.3	8.0	9.0
Group adjustments, Parent Company	2013	-7	-4	-6	-6	-23
	2012	-9	-5	-7	-10	-31
	2011	-5	-7	-4	-8	-24
Group total	2013	122	111	103	91	427
	<i>EBITA margin (%)</i>	9.7	9.5	9.2	9.2	9.4
	2012	57	81	84	81	303
	<i>EBITA margin (%)</i>	6.8	7.7	8.4	8.2	7.8
	2011	44	53	54	48	199
	<i>EBITA margin (%)</i>	5.8	6.9	7.5	6.5	6.7

Depreciation/amortisation (SEK million)		Q1	Q2	Q3	Q4	Full year
Nolato Medical	2013	18	20	18	19	75
	2012	15	18	19	20	72
	2011	14	16	14	15	59
Nolato Telecom	2013	10	10	9	10	39
	2012	10	10	10	11	41
	2011	13	10	35	10	68
Nolato Industrial	2013	11	10	10	12	43
	2012	11	12	10	11	44
	2011	10	11	11	11	43
Group total	2013	39	40	37	41	157
	2012	36	40	39	42	157
	2011	37	37	60	36	170

■ Group financial highlights

	Note	Q4 2013	Q4 2012	Full year 2013	Full year 2012
Net sales (SEK million)		985	992	4,522	3,874
Sales growth (%)		- 1	35	17	30
Percentage of sales outside Sweden (%)		78	78	80	75
Operating profit (EBITDA) (SEK million)		128	118	568	444
Operating profit (EBITA) (SEK million)		91	81	427	303
EBITA margin (%)		9.2	8.2	9.4	7.8
Profit after financial income and expense (SEK million)		88	73	403	272
Profit margin (%)		8.9	7.4	8.9	7.0
Profit after tax (SEK million)		77	59	314	202
Return on total capital (%)		15.9	11.9	15.9	11.9
Return on capital employed (%)	1	26.7	19.4	26.7	19.4
Return on operating capital (%)	1	32.6	22.6	32.6	22.6
Return on shareholders' equity (%)	1	24.9	17.7	24.9	17.7
Equity/assets ratio (%)	1	52	44	52	44
Debt/equity (%)	1	15	33	15	33
Interest coverage ratio (times)		38	26	37	23
Net investments affecting cash flow, excl. acq. and disposals (SEK million)		58	35	150	159
Cash flow after inv., excl. acq. and disp. (SEK million)		165	210	362	317
Net financial assets (+) / liabilities (-) (SEK million)	1	122	- 113	122	- 113
Earnings per share, basic and diluted (SEK)		2.93	2.24	11.94	7.68
Adjusted earnings per share (SEK)		3.04	2.39	12.39	8.13
Cash flow per share, excl. acq. and disposals (SEK)		6.27	7.98	13.76	12.05
Shareholders' equity per share (SEK)	1	—	—	51	44
Average number of employees		—	—	9,357	8,421

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.

■ Sale of Nolato Sunne AB

On 1 November 2013, Nolato divested the subsidiary Nolato Sunne AB to an associated company within Per Vannesjö Industri AB. The disposal is part of our focus on the development and manufacture of products made from plastic, silicone and TPE. Nolato Sunne had 95 employees in Sunne with sales of around SEK 130 million.

Net assets	Balance sheet at time of sale
Property, plant and equipment	23
Financial assets	1
Current assets	40
Cash and cash equivalents	15
Provisions	- 14
Deferred tax liabilities	- 4
Current liabilities	- 32
Sold net assets	29

Cash flow effects	
Cash received, sale proceeds	22
Less selling expenses	- 1
Less cash and cash equivalents sold	- 15
Net cash flow from the sale	6

■ Parent Company income statement (summary)

SEK million	Q4 2013	Q4 2012	Full year 2013	Full year 2012
Net sales	3	1	23	19
Other operating income	0	—	2	—
Selling expenses	-2	-2	-8	-7
Administrative expenses	-15	-15	-48	-42
Other operating expenses	—	-1	—	-3
Operating profit	-14	-17	-31	-33
Profit from participations in Group companies	100	35	113	51
Financial income	6	6	22	25
Financial expenses	-13	-17	-19	-36
Profit after financial income and expense	79	7	85	7
Appropriations	157	149	157	149
Tax	-38	-39	-48	-39
Profit after tax	198	117	194	117
Depreciation/amortisation	—	0	—	0

■ Parent Company balance sheet (summary)

SEK million	31/12/2013	31/12/2012
Assets		
Intangible fixed assets	1	1
Property, plant and equipment	—	0
Financial assets	1,030	994
Deferred tax assets	4	4
Total fixed assets	1,035	999
Other receivables	349	472
Cash and bank	40	42
Total current assets	389	514
Total assets	1,424	1,513
Shareholders' equity and liabilities		
Shareholders' equity	935	899
Untaxed reserves	181	179
Other provisions	6	5
Long-term liabilities	—	17
Current liabilities	302	413
Total shareholders' equity and liabilities	1,424	1,513
Pledged assets	—	—
Contingent liabilities	98	110

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 2013	23	-4	22	0	113	764	175
Subsidiary	Full year 2012	19	-3	25	-1	51	912	142

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.



NOTES

Note 1 Change in provisions for pensions in IAS 19 regarding defined benefit pension plans

The amendment to IAS 19 regarding defined benefit pension plans applies to fiscal years starting on 1 January 2013 with retroactive application, and the previous application of the corridor method as an equalisation mechanism for actuarial gains/losses has thus been removed.

Effect of change in accounting principle SEK million	Adjusted opening bal. 01/01/2012	Adjusted profit 2012	Adjusted closing bal. 31/12/2012
Impact on balance sheet			
Provisions for pensions and similar obligations	37	- 1	36
Deferred tax liabilities	- 12	2	- 10
Other provisions	9	0	9
Shareholders' equity	- 34	- 1	- 35
Impact on income statement			
Profit for the year		—	
Other comprehensive income		1	
Tax on other comprehensive income		- 2	
Total other comprehensive income		- 1	

For Nolato, this has involved the recognised pension liability for PRI increasing by SEK 37 million at 31/12/2011 and by SEK 36 million at 31/12/2012.

Net debt has thus increased by the above amounts and the change is recognised retroactively in this report as of 31/12/2011.

Adding to the change in the pension liability itself is also a special employer's contribution liability, which is recognised under other provisions in the consolidated balance sheet. Furthermore, deferred tax is calculated on the change in pension liability, including the special employer's contribution recognised among deferred tax liabilities.

The total effect of the above is then recognised in other comprehensive income (equity) and has, at 31/12/2011, involved a reduction in equity of SEK 34 million and, at 31/12/2012, of SEK 35 million.

The change in closing balances between the years has been distributed linearly over the quarters.

Return on equity, the equity/assets ratio, debt/equity ratio and equity per share have been affected by the reduction in equity. Return on capital employed and operating capital have also been affected, but not materially.

All key ratios above have been retroactively restated in this report as of 31/12/2011.

Note 2 Financial instruments

Financial instruments are measured at fair value in the statement of financial position, pursuant to measurement hierarchy Level 2.

SEK million	31/12/2013	31/12/2012
Other receivables		
Derivative assets	3	3
Other liabilities		
Derivative liabilities	0	1

No instruments have been offset in the statement of financial position, but have been recognised gross.

For a description of the valuation techniques and input data for the fair value measurement of financial instruments, please see Note 33 of the 2012 Annual Report. For other financial assets and liabilities in the Group, the carrying amounts are a reasonable approximation of their fair values. For a specification of such financial assets and liabilities, please see note 34 in the 2012 Annual Report.