

# Year-end Report

January-December



2013

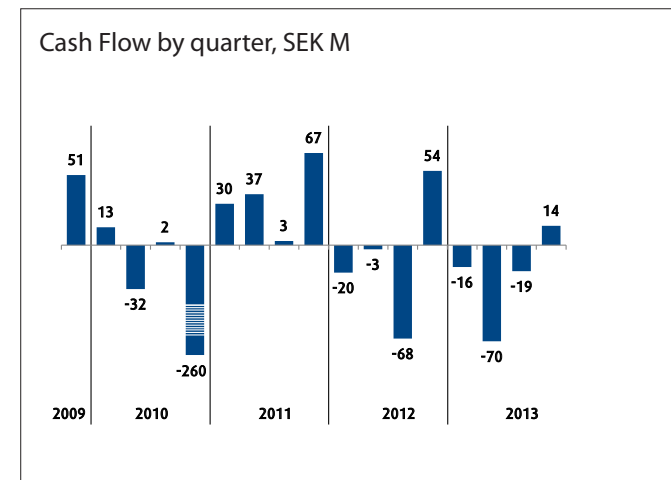
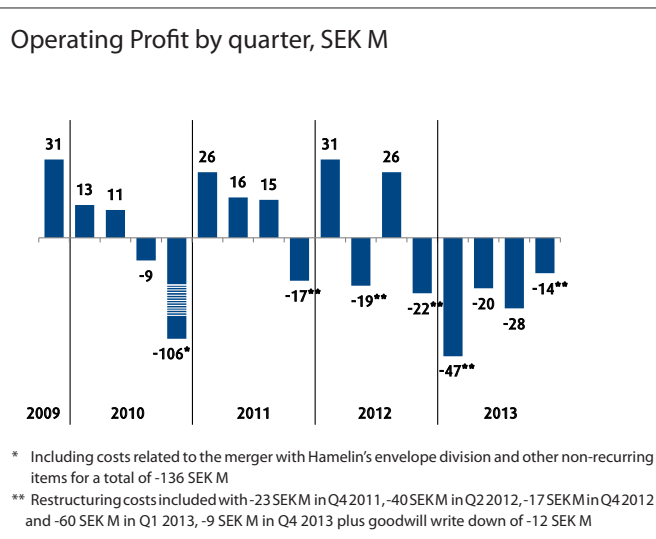
” The rights issue last summer helped to substantially strengthen the Group’s financial position,” says Bong’s President and CEO Anders Davidsson. ”The first positive effects from launched cost-cutting measures were visible already in the fourth quarter, in which operating expenses were clearly lower than previous year. We are now continuing to roll out our new comprehensive restructuring programme at a rapid pace. ”

#### October–December 2013

- Net debt SEK 802 million (1,005 31 December 2012)
- Cash flow after investments of SEK 14 million (54)
- Net sales SEK 664 million (762)
- Operating earnings SEK -14 million (-22), including non-recurring cost for restructuring programme of SEK -9 million (-17) and goodwill impairment write down of SEK -12 (0)
- Earnings after tax SEK -18 million (-44)
- Earnings per share SEK -0.12 (-2.54)

#### January–December 2013

- Net sales SEK 2,563 million (2,946)
- Operating earnings SEK -109 million (15), including non-recurring cost for restructuring programme of SEK -69 million (-57) and goodwill impairment write down of SEK -15 (0)
- Earnings after tax SEK -141 million (-55)
- Earnings per share SEK -2.20 (-3.20)
- Cash flow after investments SEK 91 million (-37)



Bong is a leading provider of specialised packaging and envelope products in Europe, offering solutions for distribution and packaging of information, advertising materials and lightweight goods. Important growth areas in the Group are the Propac packaging concept and Russia. The Group has annual sales of approximately SEK 2.5 billion and about 2,000 employees in 15 countries. Bong has strong market positions in the majority of key markets in Europe, and the Group sees interesting possibilities for continued expansion and development. Bong is a public limited company and its shares are listed on NASDAQ OMX Stockholm Small Cap.

## Market and industry

The European envelope market rapidly declined in 2013. Electronic substitution and the weak economy in Europe had a negative impact on demand. According to trade association FEPE, volumes dropped by about 12 per cent during the first three quarters of 2013 compared with the corresponding period in 2012, and Bong's assessment is that the trend continued in the fourth quarter. In Russia, the envelope market weakened especially during the second half year because of a slowdown in the economy and greater savings requirements for public authorities and companies.

At the same time, consolidation and capacity adjustment in the industry continued. Papyrus sold its envelope manufacturing operation in Germany to Mayer during the second quarter. The factory has now closed and production has moved to other manufacturing units in the Mayer Group. Papyrus' share of the German market before the sale to Mayer is estimated at 7-8 per cent. In addition, in late 2013 Hamburg-based Hanse Kuvert, with a market share in Germany of about 5 per cent, announced that it had declared bankruptcy and production would cease. Moreover, a few small and medium-sized manufacturers in Spain, England and Italy have discontinued operations during the year. In early 2014 Spanish Printeos (formerly Tompla) announced that it had sold its British business, with sales of more than GBP 10 million, to Encore, the largest independent envelope company in the UK. In addition to these structural changes, all key players in Europe are working on adjusting costs and capacity.

The specialty packaging market, where Bong is active with its Propac range, is much bigger than the envelope market. The market is also much more fragmented. Market statistics for the niches where Bong is active are lacking or difficult to obtain. In Bong's assessment, demand for packages used in sectors including e-commerce, mail order and retail is still growing and strong growth potential is expected over time. In the short run, however, the weak economy also impacts demand for Propac.

## Sales and profit

January – December 2013

Consolidated sales for the period reached SEK 2,563 million (2,946). The main reason for the drop in sales is the downturn in the envelope market, which resulted in both lower volumes and price pressures and had a negative impact on Bong's gross earnings. In addition, exchange rate fluctuations had an impact on sales of SEK -42 million during the period compared with 2012.

Bong's total Propac sales amounted to SEK 417 million (486). Sales are lower compared with 2012 mainly because Bong chose to phase out certain unprofitable dealerships, as well as the decline in the sales of gift bags due to lower activity in the retail sector. Sales of Christmas gift bags were clearly lower than 2012 and other kinds of orders were postponed to the first quarter of 2014. Exchange rate fluctuations also had an impact on Propac sales of SEK -7 million compared with the corresponding period in 2012.

Operating earnings were SEK -109 million (15), including costs of SEK -69 million (-57) for a restructuring programme launched partly in the

spring and partly in the fourth quarter of 2013. The structural measures from spring 2013 proceeded according to plan, with full impact in the fourth quarter of 2013. The new comprehensive restructuring programme that was launched in the fourth quarter of 2013 is expected to have an impact primarily during the second half of 2014 (for details, please see separate paragraph "New Action Plan..." below).

After valuation of goodwill it was decided during the year to write down SEK 15 million, partly as a result of restructuring of the British corporate structure and partly as a result of annual impairment testing of consolidated goodwill in the balance sheet.

During the corresponding period in 2012 a building in France was sold with capital gains of SEK 17 million.

Net financial items during the quarter totalled SEK -67 million (-71), earnings before tax were SEK -176 million (-56) and reported earnings after tax were SEK -141 million (-55). Tax expense for the period was affected by approximately SEK -15 million because Holdham's ownership interest in Bong AB after the issue increased to 33.7 per cent, which according to German tax law reduced Bong's deferred tax asset in Germany accordingly.

## Sales and profit

October – December 2013

Consolidated sales for the fourth quarter were SEK 664 million (762).

Bong's total Propac sales amounted to SEK 118 million (151). The decline in Propac sales in the fourth quarter was primarily due to lower sales of gift bags to retailers, missed Christmas campaigns etc., and postponed orders to the first quarter of 2014.

Operating earnings were SEK -14 million (-22), including non-recurring cost for restructuring programme of SEK -9 million (-17) and goodwill impairment write down of SEK -12 (0). Costs for purchasing, production, sales and administration all dropped substantially compared with the corresponding period in 2012, causing a substantial improvement in financial performance year on year, despite clearly lower sales.

Net financial items for the quarter totalled SEK -19 million (-19) including currency movements that had a negative impact of about SEK -3 million, while interest expense decreased correspondingly as a result of lower debt after the new rights issue.

Earnings before tax were SEK -32 million (-42) and reported earnings after tax were SEK -18 million (-44).

## Cash flow and investments

In the fourth quarter cash flow after investing activities was positive and amounted to SEK 14 million (54). Cash flow after investing activities for the period January-December was SEK -91 million (-37). Payments for the ongoing restructuring programme had a negative impact on cash flow for the year of SEK -66 million (-55). Investments and acquisitions affected cash flow with a net of SEK -28 million (-36).

## Financial position

Cash and cash equivalents at 31 December 2013 amounted to SEK 82 million (112 at 31 December 2012). The Group had unutilised credit facilities

of SEK 60 million on the same date. Total available cash and cash equivalents amounted to SEK 142 million.

The successfully completed rights issue in the third quarter of 2013 decisively strengthened the Group's financial position. Equity increased, net interest-bearing debt decreased and the equity ratio significantly improved as a result.

Consolidated equity at 31 December 2013 was SEK 522 million (SEK 372 million at 31 December 2012). Translation of the net asset value of foreign subsidiaries to Swedish krona and changes in the fair value of derivative instruments increased consolidated equity by SEK 4 million. Interest-bearing net loan debt declined by SEK 203 million to SEK 802 million (1,005 at 31 December 2012) during the period. Translation of net loans in foreign currency to Swedish kronor increased the Group's net loan debt by SEK 3 million.

## Rights issue

The Extraordinary General Meeting on 17 July 2013 resolved to increase the Company's capital by issuing new shares at a value of about SEK 126 million as well as the issuance of a five-year convertible loan of about SEK 75 million, which together would provide the Company with about SEK 200 million in new capital. The meeting also resolved on set-off issues in which Bong's single largest shareholder, Holdham, would settle shareholder loans of about SEK 100 million against new shares in Bong, and the company's two largest lending banks would settle loans of SEK 50 million against new shares.

The above issues were completed during the third quarter and had a positive impact on equity of SEK 290 million as follows:

- Rights issue SEK +126 million
  - Set-off issues (Holdham and banks) SEK +150 million
  - Convertible loan (option value according to IFRS) SEK +14 million
- Issue expenses amounted to a total of SEK 16 million, which has had a negative effect on equity during the third quarter.

As a result of the rights issues, the total number of shares increased to 156,659,604 (183,932,331 after full conversion of the convertible loan).

Consolidated share capital increased by SEK 60 million from SEK 175 million to 235 million. Nominal value per share changed from SEK 10 to SEK 1.50.

## Long-term bank financing

Bong reached an agreement in connection with the rights issue on long-term bank financing with its two largest banks. The financing consists of a three-year facility of SEK 350 million, and two five-year facilities totalling SEK 140 and SEK 100 million, respectively.

## New action plan for rapid and significant improvement in performance

In 2013, Bong's main focus has been on strengthening its financial position. The Company has successfully achieved this objective through the rights issue, a new long-term banking agreement and a new five-year convertible loan. With this stronger financial position the Company is now

better equipped to implement the changes necessary to improve profitability and create growth in selected areas, such as special packaging. Financial items are also expected to improve by SEK 15 million a year as a result of the lower debt.

In 2014 and 2015 the top priority will be to reverse the Company's performance back to profitability. From 2015 onwards, the focus will gradually shift to accelerating growth within the Group's two strategic growth areas of specialty packaging (Propac), and Russia and Eastern Europe.

To return to profitability as soon as possible Bong has formulated a new action plan to achieve a rapid and significant improvement in performance in 2014 and 2015.

The plan has three main components:

- Reduce expenses/production capacity and improve margins, especially in the envelope division
- Strengthen cash flow by increasing inventory turnover and disposing of assets that become redundant, such as real estate and machinery
- Conduct a strategic review of the different parts of Bong's specialty packaging (Propac) in order to make informed decisions on adjustments to the product offering and determine which parts Bong will primarily invest in for the future

Overall, the savings measures will result in lower fixed costs of SEK 150-200 million on an annual basis. Non-recurring restructuring costs to achieve these savings are expected to reach SEK 150-200 million. Most of the costs are expected to be incurred in 2014, but measures launched in December 2013 were carried as an expense in December.

The goal is to achieve an operating profit (EBIT) before restructuring costs in 2014.

## Employees

The average number of employees during the period was 2,051 (2,271). The number of employees at 31 December 2013 was 1,961 (2,218). Bong continually works on improving productivity and adjusting staffing to meet current demand and the reduction is the result of the implemented restructuring programme.

## Parent Company

The Parent Company's business extends to management of operating subsidiaries and some Group management functions. Net sales were SEK 21 million (38) and earnings before tax for the period were SEK -28 million (3).

## Risks and opportunities

Business risks for the Bong Group are primarily related to market development and various types of financial risks. For further information, please refer to Bong's annual report and website [bong.com](http://bong.com).

## Accounting policies

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, and the Swedish Annual Accounts Act. Application was consistent with the accounting principles outlined in the 2012 annual report and the interim report should be read along with those principles. Please refer to Bong's 2012 annual report for a specification of the new amendments, interpretations

and standards that took effect 1 January 2013, other than what is stated below.

IAS 19 "Employee benefits", amendment. This amendment entails the discontinuation of the corridor approach, that all actuarial gains and losses are now recognised in Other comprehensive income as they arise and that past service cost will be recognised on an ongoing basis. According to the new standard, instead of interest expenses and expected return on plan assets, financial income/expense will be recognised net by applying a discounting rate equivalent to that used to discount the pension liability, to the Group's net debt. Costs for the year's pension vesting and financial income/expenses are recognised net in profit or loss. The amended standard came into force on January 1, 2013 with retroactive application.

The transition effects on the balance sheet, shareholders' equity, income statement and Other comprehensive income for the 2012 comparative year are as follows:

Shareholders' equity at 1 January 2012 was negatively impacted by SEK 35 million net after tax as a result of the recognition of unrealised actuarial losses and taking into account special employer's contributions and an increase in deferred tax assets. Accordingly, this entailed an increase of SEK 48 million in pension provisions and an increase in deferred tax assets of about SEK 13 million.

Net income for financial year 2012 was also restated in accordance with the new principles, which entailed a negative impact of a total of about SEK 1 million after tax. The amended standard also had a negative impact on operating result for financial year 2012 of SEK 1 million, which entails a marginally positive impact on tax expense. The effect is spread evenly over the year. The amended standard had a negative impact on earnings per share of 5 öre for financial year 2012 and 1 öre per share for the January-March 2012 reporting period.

The impact on Other comprehensive income for 2012 was positive with a total of about SEK 4 million net after tax attributable to actuarial gains that arose during the period. The revaluation result is also distributed evenly throughout the year. The total negative effect on shareholders' equity at 31 December 2012 was about SEK 35 million. Accordingly, at the end of 2012 the new policy resulted in an increase of SEK 48 million in pension provisions and of SEK 14 million in deferred tax assets, compared with earlier policies.

## The board of directors' proposal for dividend

Bong's current priority continues to be to reduce debt and improve profitability. Therefore, the Board proposes that no dividend be paid for 2013. No dividend was paid for 2012.

## Annual General Meeting

The Annual General Meeting will be held on 21 May 2014 at 4:00 p.m. in Bong's premises at Uddevägen 3 in Kristianstad. The January-March 2014 interim report will be published in connection with the AGM. The annual report will be available no later than 30 April 2014.

Malmö 13 February 2014

Anders Davidsson

President and Chief Executive Officer

## Auditors' report

We have reviewed this report for the period 1 January 2013 to 31 December 2013 for Bong AB (publ). The Board of Directors and the President are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SÖG) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing (ISA) and other generally accepted auditing standards. The procedures performed in a review consequently do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Based on our review, nothing has come to our attention that causes us to believe that the interim report has not been prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group and with the Swedish Annual Accounts Act regarding the Parent Company.

Malmö 13 February 2014  
PricewaterhouseCoopers AB

Eric Salander

Authorised Public Accountant

Christer Olausson

Authorised Public Accountant

## Presentation of report

The report will be presented at a teleconference at 10:00 AM on 13 February. The telephone number to the teleconference is +46 (0)8 5052 0110. Slides for the teleconference will be available on our website [www.bong.com](http://www.bong.com) in connection to that this report is published.

## For further information, please contact

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+46 (0) 70-545 70 80 (mobile)

## Financial calendar:

- Interim Report January-March 2014, 21 May 2014
- Interim Report January-June 2014, July 2014
- Interim Report January-September 2014, November 2014
- Year-end Report 2014, February 2015

# Year-end Report 31 December 2013

## INCOME STATEMENT IN SUMMARY

SEK M	Oct-Dec 2013 3 month	Oct-Dec 2012 3 month	Jan-Dec 2013 12 month	Jan-Dec 2012 12 month
Revenue	664.2	762.3	2,563.5	2,945.9
Cost of goods sold	-533.1	-637.3	-2,118.7	-2,399.6
<b>Bruttoresultat</b>	<b>131.1</b>	<b>125.0</b>	<b>444.8</b>	<b>546.3</b>
Selling expenses	-68.1	-72.3	-262.1	-264.8
Administrative expenses	-58.3	-62.9	-224.9	-238.7
Other operating income and expenses <sup>1)</sup>	-18.4	-12.2	-67.2	-28.1
Operating profit	-13.7	-22.3	-109.5	14.8
Net financial items	-18.7	-19.4	-66.7	-71.3
Result before tax	-32.4	-41.7	-176.2	-56.4
Income tax	14.1	-2.3	35.5	1.1
Net result for the year	-18.2	-44.0	-140.6	-55.3

1) Whereof write down of goodwill Jan - Dec SEK 15.1 million and Oct - Dec SEK 11.6 million

Total comprehensive income attributable to:

Share holders in Parent Company	-18.2	-44.7	-140.6	-56.0
Non-controlling interests	0.0	0.7	0.0	0.7

Basic earnings per share	-0.12	-2.54	-2.20	-3.20
Diluted earnings per share	-0.12	-2.54	-2.20	-3.20
Average number of shares, basic	156,659,604	17,480,995	63,873,865	17,480,995
Average number of shares, diluted	183,932,331	18,727,855	73,796,014	18,727,855

## STATEMENT OF COMPREHENSIVE INCOME

SEK M	Oct-Dec 2013	Oct-Dec 2012	Jan-Dec 2013	Jan-Dec 2012
Net result for the year	-18.2	-44.0	-140.6	-55.3

Other comprehensive income

Items that will not be reclassified to profit or loss:

Actuarial loss on post employment benefit obligations	15.2	1.3	15.2	5.4
	15.2	1.3	15.2	5.4

Items that may be reclassified subsequently to profit or loss:

Cash flow hedges <sup>1)</sup>	-0.4	0.7	2.6	2.1
Hedging of net investments	-6.1	-17.6	-24.2	36.5
Exchange rate differences	13.1	28.3	21.9	-50.6
Income tax relating to components of other comprehensive income	7.0	5.6	4.0	-9.8
	13.6	17.1	4.2	-21.9

Other comprehensive income for the period, net of tax	28.8	18.4	19.4	-16.5
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Cont.

Cont'd. Statement of comprehensive income	Oct-Dec 2013	Oct-Dec 2012	Jan-Dec 2013	Jan-Dec 2012
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>10.6</b>	<b>-25.6</b>	<b>-121.2</b>	<b>-71.8</b>

Total comprehensive income attributable to:

Share holders in Parent Company	10.6	-26.3	-121.2	-72.5
Non-controlling interests	0.0	0.7	0.0	0.7

1) Cash flow hedges	Oct-Dec 2013	Oct-Dec 2012	Jan-Dec 2013	Jan-Dec 2012
Interest rate swaps - cash flow hedges	0.2	0.4	2.8	1.6
Currency forwards - cash flow hedges	-0.6	0.4	-0.3	0.5
<b>Total cash flow hedges</b>	<b>-0.4</b>	<b>0.7</b>	<b>2.6</b>	<b>2.1</b>

CONSOLIDATED BALANCE SHEETS IN SUMMARY	31 Dec 2013	31 Dec 2012
SEK M		
<b>Assets</b>		
Intangible assets <sup>1)</sup>	576.4	576.1
Tangible assets	445.4	511.4
Financial assets	193.5	133.9
Inventories	263.9	312.0
Current receivables	468.5	505.0
Cash and cash equivalents	81.6	112.3
<b>Total assets</b>	<b>2,029.5</b>	<b>2,150.6</b>
<b>Equity and liabilities</b>		
Equity <sup>2)</sup>	521.8	371.5
Non-current liabilities <sup>3)</sup>	731.9	975.2
Current liabilities <sup>4), 5)</sup>	775.7	803.9
<b>Total equity and liabilities</b>	<b>2,029.5</b>	<b>2,150.6</b>
1) Of which goodwill	533.2	539.8
2) Of which non-controlling interests	-0.4	-12.0
3) Of which interest-bearing	694.2	946.9
4) Of which interest-bearing	189.8	170.0
5) Financial assets and liabilities at fair value		

The table shows the Group's financial assets and liabilities in the form of derivatives measured at fair value. All financial derivatives measured at fair value are in Category 2. These include interest rate swaps and foreign exchange contracts and the valuation is based on the forward interest rates derived from observable yield curves.

2013-12-31	Assets	Liabilities
Interest rate swaps - cash flow hedges	0.0	1.9
Currency forwards - cash flow hedges	0.5	0.3
Currency forwards - held for trading	0.0	1.7
<b>Total</b>	<b>0.5</b>	<b>3.9*</b>

2012-12-31	Assets	Liabilities
Interest rate swaps - cash flow hedges	0.0	4.7
Currency forwards - cash flow hedges	1.1	0.7
Currency forwards - held for trading	0.1	1.0
<b>Total</b>	<b>1.2</b>	<b>6.4*</b>

\* For the above contracts, the following amounts are found in the hedge reserve under Total comprehensive income; interest rate swaps – cash flow hedges SEK -1.9 million (-4.7), currency forwards - cash flow hedges SEK 0.2 million (0.5).

#### Other financial assets and liabilities

Fair value of the following financial assets and liabilities is estimated to be equal to book value:

- Trade receivables and other receivables
- Other current receivables
- Cash and cash equivalents
- Long-term and short-term loans
- Leverantörsskulder och övriga skulder
- Trade payables and other liabilities

#### Information about netting of financial assets and liabilities

The Group does not apply net recognition for any of its other significant assets and liabilities and has no netting agreements with financial counterparties.

#### QUARTERLY DATA. GROUP

SEK M	4/2013	3/2013	2/2013	1/2013	4/2012	3/2012	2/2012	1/2012	4/2011	3/2011	2/2011
Net Revenue	664.2	594.6	627.9	676.8	762.3	655.6	711.7	816.3	849.7	751.2	747.3
Operating expenses	-677.9	-622.9	-648.1	-724.0	-784.7	-629.6	-730.7	-786.1	-866.8	-736.3	-731.1
Operating profit	-13.7	-28.3	-20.3	-47.2	-22.3	26.0	-19.1	30.3	-17.1	14.9	16.3
Net financial items	-18.7	-15.0	-16.7	-16.3	-19.4	-17.4	-17.3	-17.2	-17.4	-13.8	-17.8
Profit before tax	-32.4	-43.3	-37.0	-63.5	-41.7	8.7	-36.4	13.1	-34.5	1.1	-1.6

#### CHANGES IN CONSOLIDATED EQUITY. GROUP

SEK M	Jan-Dec 2013	Jan-Dec 2012
Opening balance for the period	371.5	495.9
New issue	275.5	-
Convertible loan	13.8	-
Issue costs	-16.0	-
Dividends paid	-	-0.4
Non-controlling interests	-1.7	-13.6
Actuarial loss on post employment benefit obligations	-	-38.6
Total comprehensive income	-121.2	-71.8
Closing balance for the period	521.8	371.5

#### CONSOLIDATED CASH FLOW STATEMENTS

SEK M	Oct-Dec 2013	Oct-Dec 2012	Jan-Dec 013	Jan-Dec 2012
Operating activities				
Operating profit	-13.7	-22.3	-109.5	14.8
Depreciation amortisation and impairment	34.0	27.6	106.7	102.1
Financial items	-18.7	-19.4	-66.7	-71.3
Tax paid	0.0	-4.0	-7.1	-22.4
Other non-cash items	-14.8	20.3	-1.5	-23.8
Cash flow from operating activities before changes in working capital	-13.2	2.2	-78.1	-0.6
Changes in working capital	35.3	63.8	15.0	-1.1
Cash flow from operating activities	22.2	66.0	-63.1	-1.7
Cash flow from investing activities	-8.4	-11.8	-27.8	-35.8
Cash flow after investing activities	13.8	54.1	-90.9	-37.5
Cash flow from financing activities	9.9	-16.4	59.8	0.0
Cash flow for the period	23.7	37.7	-31.2	-37.5
Cash and cash equivalents at beginning of period	56.8	74.9	112.3	151.4
Exchange rate difference in cash and cash equivalents	1.2	-0.4	0.4	-1.6
Cash and cash equivalents at end of period	81.6	112.3	81.6	112.3

#### KEY RATIOS

	Jan-Dec 2013	Jan-Dec 2012
Operating profit %	-4.3	0.5
Profit margin %	-6.9	-1.9
Return on equity %	neg	neg
Return on capital employed %	neg	1.0
Equity/assets ratio %	25.7	17.3
Gearing ratio times	1.54	2.70
Net loan debt/EBITDA	neg	8.59
Capital employed SEK M	1,405.8	1,488.4
Interest-bearing net loan debt SEK M	802.3	1,004.6

#### DATA PER SHARE

	Jan-Dec 2013	Jan-Dec 2012
Basic earnings per share SEK	-2.20	-3.20
Diluted earnings per share SEK <sup>1)</sup>	-2.20	-3.20
Basic equity per share SEK	3.33	21.25
Diluted equity per share SEK	3.06	20.50
Basic number of shares outstanding at end of period	156,659,604	17,480,995
Diluted number of shares outstanding at end of period	183,932,331	18,727,855
Average number of shares basic	63,873,865	17,480,995
Average number of shares diluted	73,796,014	18,727,855

1) The dilution effect is not taken into account when it leads to a better result.

# Financial overview

KEY RATIOS	2013	2012	2011	2010	2009
Revenue sales SEK M	2,564	2,946	3,203	2,326	1,915
Operating profit/loss SEK M	-109	15	40	-91	65
Profit after tax SEK M	-141	-55	-16	-97	24
Cash flow after investing activities SEK M	-91	-38	137	-277	169
Operating margin %	-4.3	0.5	1.3	-3.9	3.4
Profit margin %	-6.9	-1.9	-0.7	-5.6	1.4
Capital turnover rate times	1.2	1.3	1.3	1.2	1.1
Return on equity %	neg	neg	neg	neg	3.6
Return on capital employed %	neg	1.0	2.6	neg	5.5
Equity ratio %	26	17	21	21	36
Net loan debt SEK M	802	1,005	947	1,062	589
Net debt/equity ratio times	1.54	2.70	1.91	2.00	0.98
Net loan debt/EBITDA times	-292.0	8.6	6.3	42.7	3.8
EBITDA/net financial items times	-0.2	1.7	2.4	0.6	4.5
Average number of employees	2,051	2,271	2,431	1,540	1,220
Data per share					
Number of shares					
Basic number of shares outstanding at end of period	156,659,604	17,480,995	17,480,995	17,480,995	13,128,227
Diluted number of shares outstanding at end of period	183,932,331	18,727,855	18,727,855	18,727,855	13,230,227
Average basic number of shares	63,873,865	17,480,995	17,480,995	14,216,419	13,128,227
Average diluted number of shares	73,796,014	18,727,855	18,727,855	14,528,134	13,230,227
Earnings per share					
Basic SEK	-2.20	-3.20	-1.04	-6.97	1.65
Diluted SEK	-2.20	-3.20	-1.04	-6.97	1.63
Equity per share					
Basic SEK	3.33	21.25	28.37	30.39	45.56
Diluted SEK	3.06	20.50	26.48	28.37	45.77
Cash flow from operating activities per share					
Basic SEK	-0.40	-0.10	8.53	3.01	13.98
Diluted SEK	-0.34	-0.09	7.96	2.81	13.87
Other data per share					
Dividend SEK	0.00	0.00	0.00	1.00	1.00
Quoted market price on the balance sheet date SEK	1.5	9.7	17.9	32.0	21.0
P/E ratio times	neg	neg	neg	neg	13
Price/book value after dilution %	45	45	63	105	46
Price/equity after dilution %	49	47	68	113	46



PARENT COMPANY PROFIT AND LOSS ACCOUNTS IN SUMMARY	Jan–Dec	Jan–Dec
SEK M	2013	2012
Revenue	21.0	38.1
Gross profit	21.0	38.1
Administrative expenses	-46.8	-70.6
Other operating income and expenses	4.6	9.5
Operating profit/loss	-21.1	-23.0
Net financial items	-7.2	26.2
Result	-28.4	3.2
Income tax	7.0	-1.0
Net result	-21.4	2.2

STATEMENT OF COMPREHENSIVE INCOME	Jan–Dec	Jan–Dec
SEK M	2013	2012
Profit after tax	-21.4	2.2
Other comprehensive income		
Cash flow hedges	6.0	2.0
Income tax relating to components of other comprehensive income	-1.3	-0.5
Other comprehensive income after tax	4.7	1.5
Total comprehensive income	-16.7	3.7

PARENT COMPANY BALANCE SHEETS IN SUMMARY	31 Dec	31 Dec
SEK M	2013	2012
Assets		
Intangible assets	0.0	24.6
Tangible assets	0.0	2.5
Financial assets	1,428.5	1,971.6
Current receivables	15.8	175.1
Cash and cash equivalents	20.9	42.5
Summa tillgångar	1,465.2	2,216.3
Equity and liabilities		
Equity	974.5	717.9
Provisions	0.0	11.5
Non-current liabilities	426.5	1 083.8
Current liabilities	64.2	403.0
Total equity and liabilities	1,465.2	2,216.3