



Second quarter 2014

- Sales revenue increased by 7 percent to SEK 1,757 m (1,643), an increase of 4 percent when adjusted for currency and structure.
- Operating profit (EBIT) amounted to SEK 125 m (132), excluding one-off items of SEK –1 m (–6).
- The operating margin (EBIT), excluding one-off items, amounted to 7.1 percent (8.0).
- The after-tax result increased to SEK 82 m (61).
- Earnings per share increased to SEK 1.07 (0.80).
- Cash flow from operating activities improved to SEK 88 m (26).
- The net debt / equity ratio amounted to 0.6 (0.8) at the end of the quarter.

January – June 2014

- Sales revenue increased by 9 percent to SEK 3,263 m (2,984), an increase of 7 percent when adjusted for currency and structure.
- Operating profit (EBIT) increased to SEK 185 m (145), excluding one-off items of SEK –4 m (–12).
- The operating margin (EBIT), excluding one-off items, increased to 5.7 percent (4.9).
- The after-tax result increased to SEK 96 m (33).
- Earnings per share increased to SEK 1.26 (0.43).
- Cash flow from operating activities amounted to SEK –138 m (29).

Preparing the ground for the future

The sales growth of recent quarters has continued. The main part of our activities, Products & Solutions, is showing good sales growth in all regions and we are continuing to increase availability through new establishments in e.g. Nantes, Paris, Bratislava and Moscow, upgrading of branches, notably in Sweden and Romania, as well as a broadened product range. With an organic growth for this segment of eight percent, together with an improved operating margin, we see that the activities and plans we have started up are already generating results.

Unfortunately, our concern about an increasing slowdown in Russia and Belarus, which we had at the end of the first quarter, has been confirmed. This slowdown started already during the second half of 2013, and has been exacerbated by the increased political unrest in the region. This is affecting our Building Systems segment, which has significant exposure to these markets. Despite the fact that needs and demand exist,

customers are choosing to postpone capital-intensive decisions into the future. This is the single largest reason for the deterioration in earnings in the quarter for both the division and the Group. We expect that there will be a continued cautious trend in these markets during the autumn.

The after-tax result improved significantly in the quarter as a result of the new lower financing costs. The implementation of the new organisation which was launched in autumn 2013 has also generated the anticipated effects, and we are now working further on utilising the strength of our offering on the local markets. As an example, there have been successful initiatives to sell rainwater systems on what were previously deemed typical “ventilation markets” in Western Europe. Small steps, but clearly in the right direction.

Anders Berg, Grevie, July 2014





Comments on the report

Important events during the quarter

Changes in the Group management were announced in May. Bengt Andersson, Director Products and Markets has been part of the Group management from 1 June. Carl-Gustav Nilsson, General Counsel and HR manager is preparing to retire and will be succeeded in the Group management team by Fredrik Liedholm who will take up his new post on 1 September 2014.

Sales and markets

Sales revenue during the second quarter improved to SEK 1,757 m (1,643), which is an increase of 7 percent compared with the second quarter of 2013. Adjusted for currency and structure the change was 4 percent.

For the third quarter in a row, sales were significantly higher compared with the corresponding quarter of the previous year. Sales growth in the second quarter is explained by a continued strong development within the Products & Solutions segment, where sales grew by 8 percent adjusted for currency and structure. All of Lindab's regions in the segment and the majority of its markets have shown growth during the quarter. The new organisation in place since October 2013, together with a number of started and completed sales activities have contributed strongly to this growth, where the underlying market growth is estimated at around 1 percent, weighted for the relevant markets. However, the sales trend for the Building Systems segment has been negative as a result of very weak sales in the two main markets Russia and Belarus. Unrest in the region, as well as a weaker underlying demand in the last quarters has affected volumes significantly.

In the Nordics, which is Lindab's largest region, sales increased by 4 percent during the quarter when adjusted for currency and structure. Sweden, which is Lindab's biggest market, has shown continued high growth, while Denmark has shown a negative sales trend in the quarter.

Sales in the region Western Europe increased by 14 percent when adjusted for currency and structure. All Lindab's markets in the region are showing growth which includes the bigger markets of the UK, Germany and France.

Sales in the region CEE/CIS decreased by 6 percent when adjusted for currency and structure. This negative sales trend is mainly due to low volumes in Russia and Belarus in the quarter. Most of the markets in CEE, however, display positive growth. CIS represents approximately 9 percent of the Group's sales during the last twelve months.

Sales revenue during the period January–June improved to SEK

3,263 m (2,984), which is an increase of 9 percent compared with the corresponding period in 2013. Adjusted for currency and structure the change was 7 percent.

Profit

Operating profit (EBIT) for the second quarter amounted to SEK 125 m (132), excluding one-off items of SEK –1 m (–6), see Note 7. The operating margin (EBIT), excluding one-off items, amounted to 7.1 percent (8.0).

The lower operating profit in the quarter compared with the corresponding period of the previous year is explained by the lower sales volume in the Building Systems segment. Measures to reduce capacity as well as variable and fixed costs within the segment had already been taken at the end of the first quarter and continued during the second quarter. These measures have had an impact primarily at the end of the second quarter.

In the Products & Solutions segment, strategic sales initiatives and activities have started to produce results. These efforts have resulted in higher costs compared with the corresponding quarter of the previous year.

The quarter has been affected by one-off costs of SEK 1 m (6), all attributable to structural measures as part of the reorganisation, see Note 7.

Profit before tax (EBT) for the quarter improved to SEK 111 m (91), which is explained by significantly lower financing costs as a result of, since February, the new credit agreement, as well as lower indebtedness. The after-tax result increased to SEK 82 m (61). Earnings per share amounted to SEK 1.07 (0.80).

Operating profit (EBIT), excluding one-off items, for the period January–June improved to SEK 185 m, which is an increase of 28 percent compared with the previous year's earnings of SEK 145 m.

The operating margin (EBIT), excluding one-off items, for the same period increased to 5.7 percent (4.9).

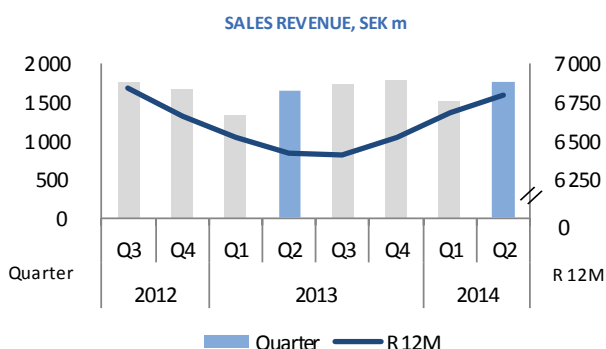
The pre-tax result for the period January–June improved to SEK 130 m (65). The after-tax result increased to SEK 96 m (33). Earnings per share increased to SEK 1.26 (0.43).

The profit and net financial items for the period January–June were impacted by costs, previously capitalised, attributable to previous credit agreements amounting to SEK 13 m.

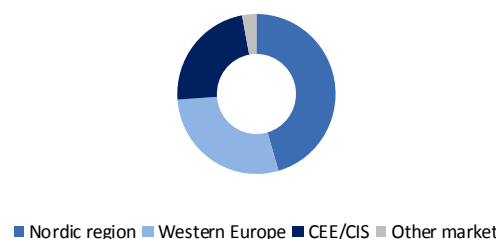
The total one-off costs for both the reorganisation and the cost-reduction programme are estimated at approximately SEK 180 m, of which SEK 164 m have now been expensed.

Seasonal variations

Lindab's operations are affected by seasonal variations in the construction industry, and the greatest proportion of sales is



BREAKDOWN OF SALES REVENUE BY MARKET, LAST 12 MONTHS





normally seen during the second half of the year.

There is normally a deliberate stock build-up of mainly finished goods during the first six months, which gradually becomes a stock reduction during the second half of the year as a result of increased activity within the construction market.

Depreciation/amortisation and write-downs

The depreciation for the quarter is in line with last year, amounting to SEK 40 m (38). Depreciation for the period January–June amounted to SEK 79 m (76).

Tax

Actual tax expenses for the quarter amounted to SEK 29 m (30). The pre-tax result amounted to SEK 111 m (91).

The average tax rate was 20 percent (22) and is based on a weighting of Lindab's profit and tax rate in each country. The actual tax rate was 26 percent (33). The differences between the actual and the average tax rate are due, among other things, to the fact that the taxable profit differs from the profit before tax (EBT), and that the adjustments have had an impact on the actual tax, such as deferred tax assets on loss carry-forwards have not been recognised in certain companies or adjustments having been made for deferred tax in respect of previous years. Among other things, Lindab has continued to recognise deferred tax on parts of the previously generated loss carry-forwards in the USA, which has also contributed to the reduction in the actual tax rate.

Tax expenses for the period January–June amounted to SEK 34 m (32). The pre-tax result amounted to SEK 130 m (65). The average tax rate for the period January-June was 20 percent (22). The actual tax rate was 26 percent (49).

Cash flow

Cash flow from operating activities for the second quarter amounted to SEK 88 m compared with SEK 26 m for the same period the previous year.

The change is explained in part by an improved cash flow from changes in working capital SEK –34 m (–74). The change in stock amounted to SEK –31 m (10) and the change in operating receivables amounted to SEK –142 m (–82), while the change in operating liabilities improved cash flow and amounted to SEK 139 m (–2).

The change in stock, operating receivables, and the part of the change in operating liabilities relating to accounts payable is explained by a higher rate of sales in Products & Solutions compared with the same period in the previous year. The change in operating liabilities is also explained by higher advance payments from customers within Building Systems during the quarter.

The development is also attributable to an improved cash flow

from operating activities before the change in working capital SEK 122 m (100). Operating profit (EBIT) for the period is on a par with the previous year at SEK 124 m (126). Reversed items not affecting cash flow have increased to SEK 33 m (19). Interest paid has also affected cash flow positively by SEK –15 m compared with SEK –32 m for the corresponding period of the previous year.

For the period January–June, cash flow from operating activities amounted to SEK –138 m (29).

Cash flow from investing activities is explained under the headings “Investments” and “Business combinations”.

Financing activities for the quarter resulted in a cash flow of SEK 26 m (–13).

Financing activities for the period January–June resulted in a cash flow of SEK 335 m (17). The increase in borrowings is explained by the seasonal negative cash flow from operating activities, but also by investment in the production facility in the Czech Republic, and the acquisition of the assets of NovoClima.

Investments

Investments for the quarter in fixed assets amounted to SEK 36 m (27), of which SEK 11 m (3) refers to investments in intangible assets related to IT projects. Disposals amounted to SEK 1 m (0). Net cash flow from investing activities amounted to SEK –35 m (–27), excluding acquisitions.

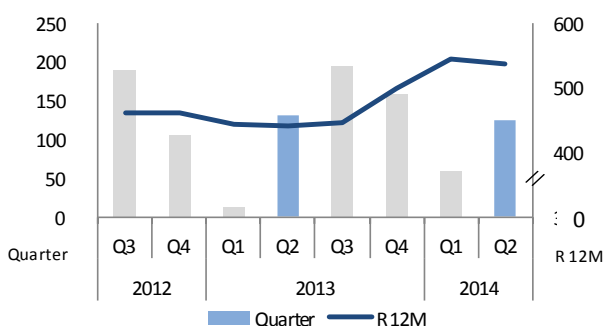
For the period from January–June, investments in fixed assets amounted to SEK –198 m (–46), while disposals amounted to SEK 1 m (1). The increase was mainly due to the acquisition of a production facility in the Czech Republic previously operationally leased. The purchase price amounted to SEK 139 m, which corresponds to the current market value of the property. The property is used primarily for the central production of ventilation products within the Group. The estimated positive full-year effect on operating profit (EBIT) is around SEK 4 m. The net cash flow from investing activities amounted to SEK –197 m (–45), excluding acquisitions.

Business combinations

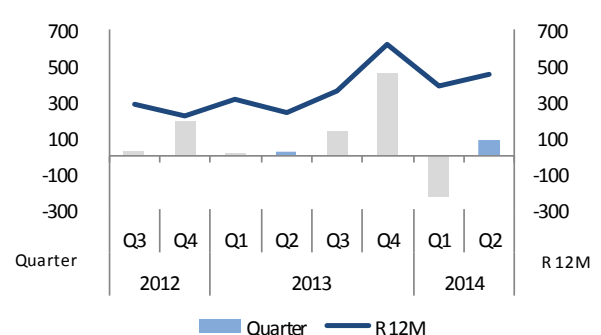
No acquisitions were made during the quarter. The cash flow for the corresponding period previous year relates to regulated payments for the acquisition of Centrum Klima S.A., which occurred in 2012.

During the period January–June, the business activities of NovoClima were acquired through an acquisition of assets, which were placed in a newly formed company, Lindab Götene AB. The company is based in Götene and has annual sales of approximately SEK 40 m, of which only a marginal proportion were to customers outside the Lindab Group. The number of employees was 26 and activities include the manufacture of waterborne indoor climate

OPERATING PROFIT (EBIT), SEK m (adjusted for one-off items)



CASH FLOW FROM OPERATING ACTIVITIES, SEK m





products included in the Lindab range. The purchase price amounted to SEK 16 m and affected Lindab's cash flow negatively by the corresponding amount.

With the acquisition of NovoClima, Lindab has assured and increased efficiency in the value chain.

No acquisitions were made during 2013. The cash flow relates to regulated payments for the acquisition of Centrum Klima S.A., which happened in 2012.

The net cash flow from acquisitions for the period January–June amounted to SEK –16 m (–15).

Financial position

Net debt amounted to SEK 1,998 m (2,139) as of 30 June 2014. Currency fluctuations have had a marginal effect on the net debt during the quarter. The equity/assets ratio amounted to 45 percent (40) and the net debt-equity ratio was 0.6 (0.8). Net financial items for the quarter amounted to SEK –13 m (–35). This positive development is explained by lower indebtedness, as well as better conditions and lower credit limit in the new credit agreement which was concluded with Nordea, SEB and Svensk Exportkredit (SEK) in February 2014.

As of 30 June 2014, the long-term credit agreements amount to SEK 1,600 m from Nordea and SEB, and SEK 500 m from Svensk Exportkredit. The credit limit with SEB/Nordea is valid for 3 years and the credit limit with Svensk Exportkredit is valid for 5 years. These agreements replace the previous credit agreements of SEK 2,800 m as of 31 December 2013. The agreements contain covenants, which are monitored quarterly. Lindab fulfills the terms of these credit agreements.

The lower credit limit compared to the previous agreements is mainly due to a number of short-term overdraft facilities and guarantee frameworks having been signed, primarily with Nordea and SEB. These facilities were previously part of the long-term credit limit. Overall, the new agreements offer substantially improved terms with regard to margins and flexibility.

For the period January-June net financial items amounted to SEK –51 m (–67).

Pledged assets and contingent liabilities

By reason of the new credit agreement, which was signed in February, the amount for floating charges in pledged assets had decreased by SEK 330 m at the end of the quarter and now amounts to SEK 15 m (345). There have not been any other significant changes to pledged assets and contingent liabilities in 2014.

The parent company

Sales revenue for the quarter amounted to SEK 1 m (2). The after-tax result amounted to SEK –9 m (–18).

Sales revenue for the period January–June amounted to SEK 2 m (2). The after-tax result for the period amounted to SEK –23 m (–36).

Significant risks and uncertainties

There have been no significant changes to what was stated by Lindab in its Annual Report for 2013 under Risks and Risk Management (pages 81–85).

Employees

The number of employees at the end of the quarter, converted to equivalent full-time employees, amounted to 4,624 (4,368). Adjusted for acquisitions, the net increase in the number of employees was 226 compared with the corresponding quarter of last year, mainly in production, and explained by higher volumes.

Annual General Meeting 2014

Lindab International AB's Annual General Meeting on 29 April 2014 resolved on the following:

- That dividends for the financial year 2013 would not be paid.
- The re-election of Kjell Nilsson as Chairman of the Board. Furthermore, it was decided to re-elect Sonat Burman-Olsson, Stefan Charette, Erik Eberhardson and Birgit Nørgaard and to newly elect Hans Porat as Board members. Pontus Andersson and Markku Rantala remain as employee representatives.
- The Chairman of the Board was tasked with appointing the nominating committee, to consist of at least four members, in consultation with the company's biggest shareholders, of which the chairman of the Board is one.
- To appoint Deloitte AB as the company's auditors, with Hans Warén as principal auditor.

The Lindab Share

The highest price paid for Lindab shares during the period January–June was SEK 83.70 on 28 February and 9 June, and the lowest was SEK 61.25 on 4 February. The closing price on 30 June was SEK 78.45. The average daily trading volume of Lindab shares was 285,752 shares per day (134,958).

Lindab holds 2,375,838 treasury shares (2,375,838), equivalent to 3.0 percent (3.0) of the total number of Lindab shares. The number of outstanding shares totals 76,331,982 (76,331,982), while the total number of shares is 78,707,820.

The largest shareholders at the end of the quarter in relation to the number of outstanding shares are Creades AB with 10.3 percent (10.3), Lannebo Fonder with 7.8 percent (8.6), Livförsäkringsaktiefbolaget Skandia with 7.5 percent (8.7), Handelsbanken Fonder with 6.9 percent (4.6), and Swedbank Robur Fonder with 5.8 percent (5.7). The ten largest holdings constitute 56.4 percent of the shares (62.2), excluding Lindab's own holding.

Systemair AB (publ), which was Lindab's largest shareholder in 2013 with 12.0 percent at the end of the quarter in the previous year, sold its entire holding on 3 March 2014.

Incentive programme

From the incentive programme LTIP 2011-2014 resolved by the Annual General Meeting, only matching shares consisting of one share for each share held at the end of May 2014 will be allocated and the allocation is predicated on continued employment at that point in time. In total, 35,091 shares were allocated.

There were no allocation of performance shares, since none of the set targets have been met.

The LTIP Incentive programme 2012-2015 resolved by the Annual General Meeting continues and allocations under this programme will be made after 31 May 2015.

No incentive programmes were resolved by the 2013 and 2014 Annual General Meetings.

Events after the reporting period

No events to report.

Accounting principles

See note 1, page 15. From 1 January 2014, a new segment structure has been introduced. For more information, see note 4, page 15. One-off items are specified in note 7, page 17.

Unless otherwise specified, all statements refer to the Group. Figures in parentheses indicate the outcome for the corresponding period in the previous year. A compilation of key ratios can be found on pages 13-14.



Segments

Products & Solutions

- Sales revenue during the second quarter improved to SEK 1,545 m (1,392), an increase of 11 percent. Adjusted for currency and structure, sales increased by 8 percent.
- The operating margin (EBIT) for the second quarter, excluding one-off items, increased to 7.8 percent (7.5).

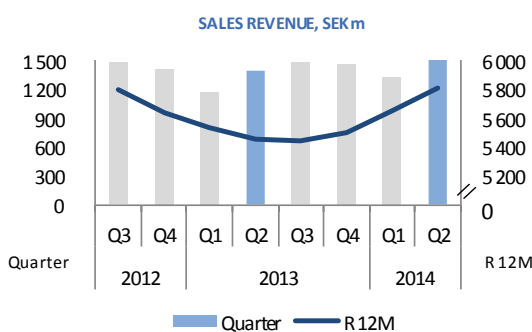
Sales and markets

Sales revenue for Products & Solutions during the second quarter increased by 11 percent compared with the corresponding period the previous year, improved to SEK 1,545 m (1,392). Adjusted for currency and structure, sales revenue increased by 8 percent.

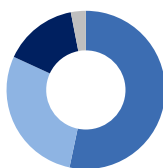
All regions and product areas showed growth in the quarter. In the Nordic region, primarily Sweden, but also Norway showed good growth rates while Denmark, and to a lesser extent Finland, have had negative sales trends. In Sweden, which is the largest market for the segment, sales of indoor climate solutions continue to develop very strongly. In the region Western Europe, Germany is demonstrating good growth as a result of the reorganisation and structural measures, including a change in the management and the sales organisation. Even the UK, which is the segment's third-biggest market, is showing continued strong growth. In the region CEE/CIS, which accounts for approximately 15 percent of the segment's sales, growth is continuing to rise substantially.

The improvement in sales is mainly due to the new organisation, in place since October 2013, with its focus on profitable growth and of a number of completed and ongoing strategic sales activities.

Sales revenue increased for the period January–June by 12 percent to SEK 2,870 m (2,560), an increase of 9 percent when adjusted for currency and structure.



BREAKDOWN OF SALES REVENUE BY MARKET, LAST 12 MONTHS



■ Nordic region ■ Western Europe ■ CEE/CIS ■ Other market

Profit

The operating profit (EBIT) for Products & Solutions for the second quarter, excluding one-off items, improved to SEK 120 m (104). The operating margin (EBIT) increased to 7.8 percent (7.5). The improvement in the quarter is explained by higher volumes. A number of initiated strategic product and marketing activities have resulted in higher costs in the quarter compared with the corresponding quarter of the previous year. Even the costs of production and logistics were higher as a result of the increased volume but also a result of disruptions in the logistics and production processes based on growth over expectations in certain areas. Projects have been initiated to handle this structurally.

No one-off items were reported during the quarter.

Operating profit (EBIT) for the period January–June, excluding one-off items, improved to SEK 191 m (125).

Activities – Products & Solutions

For ventilation and indoor climate systems a number of major orders, each in the range of SEK 3–6 m, were received in Finland, France, Denmark, Switzerland and Belgium. In the Norwegian market, an important two-year distribution agreement has been concluded for both ventilation and indoor climate solutions beginning 1 July 2014. In France, Lindab has received a highly regarded technical quality certificate for Lindab's airtight duct system products, which strengthens our competitiveness among both customers and specifiers.

During the quarter three large orders, each with values exceeding SEK 10 m were received that refer to project sales of building solutions. Two of these are for the Swedish market and one is for Baku in Azerbaijan.

Efforts to increase availability and proximity to customers are continuing at a good pace. New branches and sales offices have opened in strategically important places in Paris, Nantes, Rome and Bratislava, and a new competence and distribution centre for ventilation and building products has been opened in the Moscow region.

Building Systems

- Sales revenue during the second quarter amounted to SEK 212 m (251), a decrease of 16 percent. Adjusted for currency and structure, sales decreased by 16 percent.
- The operating margin (EBIT) for the second quarter, excluding one-off items, amounted to 7.5 percent (13.1).

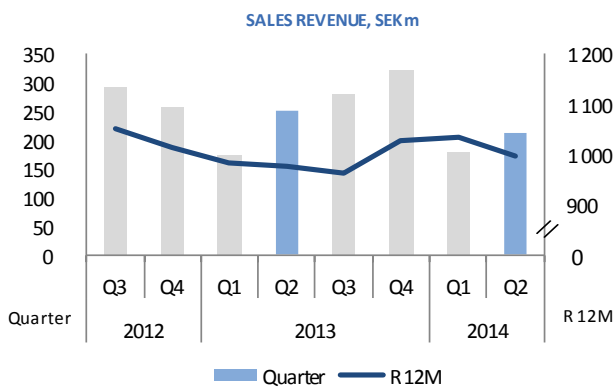
Sales and markets

Sales revenue for Building Systems decreased by 16 percent to SEK 212 m (251) during the second quarter. Adjusted for currency and structure, sales decreased by 16 percent.

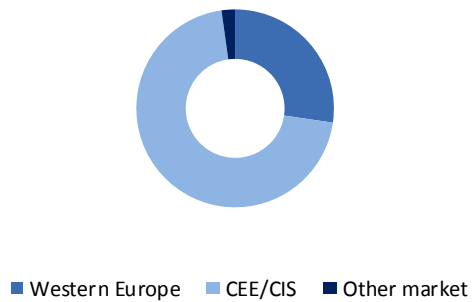
Sales for the segment were lower than in the corresponding period of the previous year due to very weak sales in the two most important markets Russia and Belarus. Unrest in the CIS region, as well as weaker underlying demand in the last two quarters has had a significant impact on volumes, and led to prolonged lead times from quotation to decision on orders. In addition, project sales in Belarus in the corresponding quarter of the previous year were particularly significant. Sales in Western Europe, however, have increased, due to big deliveries to Germany, Switzerland and Luxembourg.



Sales revenue for the period January–June decreased by 7 percent to SEK 393 m (424), a decrease of 5 percent when adjusted for currency and structure.



BREAKDOWN OF SALES REVENUE BY MARKET, LAST 12 MONTHS



Profit

The operating profit (EBIT) for Building Systems for the quarter, excluding one-off items, amounted to SEK 16 m (33). The

operating margin (EBIT) amounted to 7.5 percent (13.1) during the quarter.

The deterioration in the result is explained by lower volumes. Measures to temporarily reduce the capacity in the Russian unit in particular were already carried out at the end of the first quarter and have had a positive effect through lower fixed and variable costs in the second quarter.

The quarter has been affected by one-off costs of SEK 1 m (0), all attributable to structural measures as part of the reorganisation, see Note 7.

The operating profit (EBIT) for the period January–June, excluding one-off items, amounted to SEK 13 m (33).

Activities – Building Systems

During the quarter, three large orders were received, each to values exceeding SEK 10 m. They related to Russia, Switzerland and Algeria.

A new technical solution for heavy construction intended for large, complex buildings has been developed and the first suborder for such a building has been received during the quarter.

Despite the weakened market situation in Russia, great interest in the number of customer inquiries has been noted. Marketing activities under the Astron brand have continued with frequent participations in trade fairs and targeted campaigns.



SALES REVENUE AND GROWTH

| | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Jun 2014 | Jan-Jun 2013 | Jan-Dec 2013 |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Sales revenue, SEK m | 1,757 | 1,643 | 3,263 | 2,984 | 6,523 |
| Change, SEK m | 114 | -94 | 279 | -232 | -133 |
| Change, % | 7 | -5 | 9 | -7 | -2 |
| Of which | | | | | |
| Volumes and prices, % | 4 | -2 | 7 | -6 | -1 |
| Acquisitions/divestments, % | 0 | 1 | 0 | 2 | 1 |
| Currency effects, % | 3 | -4 | 2 | -3 | -2 |

SALES REVENUE PER MARKET

| SEK m | Apr-Jun 2014 | % | Apr-Jun 2013 | % | Jan-Jun 2014 | % | Jan-Jun 2013 | % | Jan-Dec 2013 | % |
|----------------|-----------------|------------|-----------------|------------|-----------------|------------|-----------------|------------|-----------------|------------|
| Nordic region | 805 | 46 | 767 | 47 | 1,530 | 47 | 1,403 | 47 | 2,968 | 46 |
| Western Europe | 523 | 30 | 430 | 26 | 999 | 31 | 830 | 28 | 1,761 | 27 |
| CEE/CIS | 377 | 21 | 398 | 24 | 644 | 20 | 656 | 22 | 1,590 | 24 |
| Other markets | 52 | 3 | 48 | 3 | 90 | 2 | 95 | 3 | 204 | 3 |
| Total | 1,757 | 100 | 1,643 | 100 | 3,263 | 100 | 2,984 | 100 | 6,523 | 100 |

SALES REVENUE PER SEGMENT

| SEK m | Apr-Jun 2014 | % | Apr-Jun 2013 | % | Jan-Jun 2014 | % | Jan-Jun 2013 | % | Jan-Dec 2013 | % |
|--|-----------------|------------|-----------------|------------|-----------------|------------|-----------------|------------|-----------------|------------|
| Products & Solutions | 1,545 | 88 | 1,392 | 85 | 2,870 | 88 | 2,560 | 86 | 5,496 | 84 |
| Building Systems | 212 | 12 | 251 | 15 | 393 | 12 | 424 | 14 | 1,027 | 16 |
| Other operations | - | - | - | - | - | - | - | - | - | - |
| Total | 1,757 | 100 | 1,643 | 100 | 3,263 | 100 | 2,984 | 100 | 6,523 | 100 |
| Gross internal sales all segments | 2 | | 0 | | 2 | | 2 | | 5 | |

OPERATING PROFIT (EBIT), OPERATING MARGIN AND RESULT BEFORE TAX (EBT)

| SEK m | Apr-Jun 2014 | % | Apr-Jun 2013 | % | Jan-Jun 2014 | % | Jan-Jun 2013 | % | Jan-Dec 2013 | % |
|---|-----------------|------------|-----------------|------------|-----------------|------------|-----------------|------------|-----------------|------------|
| Products & Solutions | 120 | 7.8 | 104 | 7.5 | 191 | 6.7 | 125 | 4.9 | 360 | 6.6 |
| Building Systems | 16 | 7.5 | 33 | 13.1 | 13 | 3.3 | 33 | 7.8 | 159 | 15.5 |
| Other operations | -11 | - | -5 | - | -19 | - | -13 | - | -21 | - |
| Total (EBIT), excluding one-off items | 125 | 7.1 | 132 | 8.0 | 185 | 5.7 | 145 | 4.9 | 498 | 7.6 |
| One-off items* | -1 | - | -6 | - | -4 | - | -12 | - | -46 | - |
| Total (EBIT), including one-off items* | 124 | 7.1 | 126 | 7.7 | 181 | 5.5 | 133 | 4.5 | 452 | 6.9 |
| Net financial income | -13 | - | -35 | - | -51 | - | -68 | - | -123 | - |
| Result before tax (EBT) | 111 | - | 91 | - | 130 | - | 65 | - | 329 | - |

*) One-off items are described in note 7.

NUMBER OF EMPLOYEES AT CLOSE OF PERIOD

| | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Jun 2014 | Jan-Jun 2013 | Jan-Dec 2013 |
|----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Products & Solutions | 3,859 | 3,606 | 3,859 | 3,606 | 3,605 |
| Building Systems | 719 | 719 | 719 | 719 | 720 |
| Other operations | 46 | 43 | 46 | 43 | 46 |
| Total | 4,624 | 4,368 | 4,624 | 4,368 | 4,371 |



Statement of comprehensive income

(Income statement)

| Amounts in SEK m | Apr-Jun | Apr-Jun | Jan-Jun | Jan-Jun | Rolling 12 M | Rolling 12 M | Jan-Dec |
|---|-------------|-------------|-------------|-------------|------------------------|------------------------|---------------|
| | 2014 | 2013 | 2014 | 2013 | Jul 2013 - Jun 2014 | Jul 2012 - Jun 2013 | 2013 |
| Sales revenue | 1,757 | 1,643 | 3,263 | 2,984 | 6,802 | 6,424 | 6,523 |
| Cost of goods sold | -1,266 | -1,171 | -2,350 | -2,156 | -4,837 | -4,620 | -4,643 |
| Gross profit | 491 | 472 | 913 | 828 | 1,965 | 1,804 | 1,880 |
| Other operating income | 14 | 35 | 27 | 54 | 94 | 109 | 120 |
| Selling expenses | -238 | -217 | -469 | -433 | -942 | -871 | -905 |
| Administrative expenses | -118 | -111 | -231 | -227 | -451 | -464 | -446 |
| R & D expenses | -12 | -12 | -26 | -23 | -48 | -44 | -45 |
| Other operating expenses | -13 | -41 | -33 | -66 | -118 | -178 | -152 |
| Total operating expenses | -367 | -346 | -732 | -695 | -1,465 | -1,448 | -1,428 |
| Operating profit (EBIT)* | 124 | 126 | 181 | 133 | 500 | 356 | 452 |
| Interest income | 2 | 0 | 3 | 2 | 11 | 10 | 9 |
| Interest expenses | -15 | -34 | -52 | -68 | -112 | -151 | -127 |
| Other financial income and expenses | 0 | -1 | -2 | -2 | -5 | -6 | -5 |
| Net financial items | -13 | -35 | -51 | -68 | -106 | -147 | -123 |
| Result before tax (EBT) | 111 | 91 | 130 | 65 | 394 | 209 | 329 |
| Tax on profit for the period | -29 | -30 | -34 | -32 | -98 | -64 | -96 |
| Profit for the period | 82 | 61 | 96 | 33 | 296 | 145 | 233 |
| <i>–attributable to the parent company's shareholders</i> | <i>82</i> | <i>61</i> | <i>96</i> | <i>33</i> | <i>296</i> | <i>145</i> | <i>233</i> |
| Other comprehensive income | | | | | | | |
| Items that will not be reclassified to the income statement | | | | | | | |
| Actuarial gains/losses, defined benefit plans | 0 | -7 | -7 | -7 | 11 | -11 | 11 |
| Deferred tax attributable to defined benefit plans | 0 | 1 | 1 | 1 | -2 | 2 | -2 |
| | 0 | -6 | -6 | -6 | 9 | -9 | 9 |
| Items that can later be reclassified to the income statement | | | | | | | |
| Translation differences, foreign operations | 145 | 149 | 126 | -8 | 189 | -69 | 55 |
| Hedging of net investments | -30 | - | -31 | - | -49 | - | -18 |
| Deferred tax attributable to hedging of net investments | 7 | - | 6 | - | 11 | - | 4 |
| Cash flow hedges | - | - | - | - | - | 6 | - |
| Deferred tax attributable to cash flow hedges | - | - | - | - | - | -2 | - |
| | 122 | 149 | 101 | -8 | 151 | -65 | 41 |
| Other comprehensive income, net of tax | 122 | 143 | 95 | -14 | 160 | -74 | 50 |
| Total comprehensive income | 204 | 204 | 191 | 19 | 456 | 71 | 283 |
| <i>–attributable to the parent company's shareholders</i> | <i>204</i> | <i>204</i> | <i>191</i> | <i>19</i> | <i>456</i> | <i>71</i> | <i>283</i> |
| Earnings per share, SEK | | | | | | | |
| Undiluted | 1.07 | 0.80 | 1.26 | 0.43 | 3.88 | 1.90 | 3.05 |
| Diluted | 1.07 | 0.80 | 1.26 | 0.43 | 3.88 | 1.90 | 3.05 |

*) One-off items are described in note 7.



Statement of cash flows

(Indirect method)

| <i>Amounts in SEK m</i> | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Jun 2014 | Jan-Jun 2013 | Rolling 12 M | Rolling 12 M | Jan-Dec 2013 |
|---|-----------------|-----------------|-----------------|-----------------|------------------------|------------------------|-----------------|
| | | | | | Jul 2013 - Jun 2014 | Jul 2012 - Jun 2013 | |
| Operating activities | | | | | | | |
| Operating profit | 124 | 126 | 181 | 133 | 500 | 356 | 452 |
| Reversal of depreciation/amortisation | 40 | 38 | 79 | 76 | 160 | 156 | 157 |
| Reversal of capital gains (-) / losses (+) reported in operating profit | 0 | 0 | 0 | 0 | 2 | 1 | 2 |
| Provisions, not affecting cash flow | -13 | 2 | -32 | 3 | -45 | 37 | -10 |
| Adjustment for other items not affecting cash flow | 6 | -21 | -4 | -22 | 12 | -25 | -6 |
| Total | 157 | 145 | 224 | 190 | 629 | 525 | 595 |
| Interest received | 2 | 2 | 3 | 3 | 10 | 2 | 10 |
| Interest paid | -15 | -32 | -36 | -62 | -89 | -140 | -115 |
| Tax paid | -22 | -15 | -51 | -7 | -106 | -76 | -62 |
| Cash flow from operating activities before change in working capital | 122 | 100 | 140 | 124 | 444 | 311 | 428 |
| Change in working capital | | | | | | | |
| Stock (increase - /decrease +) | -31 | 10 | -155 | -130 | -17 | 24 | 8 |
| Operating receivables (increase - /decrease +) | -142 | -82 | -229 | -133 | -20 | 101 | 76 |
| Operating liabilities (increase + /decrease -) | 139 | -2 | 106 | 168 | 46 | -192 | 108 |
| Total change in working capital | -34 | -74 | -278 | -95 | 9 | -67 | 192 |
| Cash flow from operating activities | 88 | 26 | -138 | 29 | 453 | 244 | 620 |
| Investing activities | | | | | | | |
| Acquisition of Group companies | - | -5 | -16 | -15 | -22 | -30 | -21 |
| Investments in intangible fixed assets | -11 | -3 | -13 | -7 | -23 | -21 | -17 |
| Investments in tangible fixed assets | -25 | -24 | -185 | -39 | -222 | -92 | -76 |
| Change in financial fixed assets | 0 | 0 | 0 | 0 | 0 | -1 | 0 |
| Sale/disposal of intangible fixed assets | 0 | - | 1 | - | 1 | - | 0 |
| Sale/disposal of tangible fixed assets | 1 | 0 | 0 | 1 | 2 | 4 | 3 |
| Cash flow from investing activities | -35 | -32 | -213 | -60 | -264 | -140 | -111 |
| Financing activities | | | | | | | |
| Proceeds from borrowings | 29 | - | 2,215 | 17 | 2,198 | - | - |
| Repayment of borrowings | -1 | -13 | -1,878 | - | -2,360 | -105 | -482 |
| Shares to be allocated, incentive programme | -2 | - | -2 | - | -2 | - | - |
| Cash flow from financing activities | 26 | -13 | 335 | 17 | -164 | -105 | -482 |
| Cash flow for the period | 79 | -19 | -16 | -14 | 25 | -1 | 27 |
| Cash and cash equivalents at start of the period | 232 | 294 | 331 | 301 | 287 | 292 | 301 |
| Effect of exchange rate changes on cash and cash equivalents | 14 | 12 | 10 | 0 | 13 | -4 | 3 |
| Cash and cash equivalents at end of the period | 325 | 287 | 325 | 287 | 325 | 287 | 331 |



Statement of financial position

(Condensed Balance sheet)

| <i>Amounts SEK m</i> | 30 Jun 2014 | 30 Jun 2013 | 31 Dec 2013 |
|---|--------------------|--------------------|--------------------|
| Assets | | | |
| Fixed assets | | | |
| Goodwill | 2,797 | 2,689 | 2,734 |
| Other intangible fixed assets | 62 | 62 | 60 |
| Tangible fixed assets | 1,290 | 1,172 | 1,144 |
| Financial fixed assets, interest bearing | 41 | 39 | 42 |
| Other financial fixed assets | 156 | 173 | 152 |
| Total fixed assets | 4,346 | 4,135 | 4,132 |
| Current assets | | | |
| Stock | 1,146 | 1,093 | 958 |
| Accounts receivable | 1,185 | 1,120 | 942 |
| Other current assets | 202 | 175 | 153 |
| Other receivables, interest bearing | 4 | 5 | 1 |
| Cash and bank | 325 | 287 | 331 |
| Total current assets | 2,862 | 2,680 | 2,385 |
| TOTAL ASSETS | 7,208 | 6,815 | 6,517 |
| Shareholders' equity and liabilities | | | |
| Shareholders' equity | 3,169 | 2,703 | 2,967 |
| Long-term liabilities | | | |
| Provisions, interest-bearing | 177 | 181 | 169 |
| Liabilities, interest-bearing | 2,059 | 2,096 | 1,645 |
| Provisions | 159 | 165 | 176 |
| Other long-term liabilities | 6 | 9 | 10 |
| Total long-term liabilities | 2,401 | 2,451 | 2,000 |
| Current liabilities | | | |
| Other Liabilities, interest-bearing | 132 | 192 | 171 |
| Provisions | 43 | 73 | 62 |
| Accounts payable | 710 | 671 | 681 |
| Other short-term liabilities | 753 | 725 | 636 |
| Total current liabilities | 1,638 | 1,661 | 1,550 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 7,208 | 6,815 | 6,517 |



Statement of changes in equity

| <i>Amounts in SEK m</i> | Equity relating to the parent company's shareholders | | | | |
|---|--|---------------------------|-------------------------------|------------------------|--------------|
| | Share Capital | Other contributed capital | Foreign currency transl. adj. | Profit brought forward | Total Equity |
| Opening balance, 1 January 2013 | 79 | 2,227 | -96 | 473 | 2,683 |
| Profit for the period | | | | 33 | 33 |
| Other comprehensive income, net of tax | | | | | |
| Actuarial gains/losses, defined benefit plans | | | | -6 | -6 |
| Translation differences, foreign operations | | | -8 | | -8 |
| Hedging of net investments | | | - | | - |
| Total comprehensive income | - | - | -8 | 27 | 19 |
| Incentive programme ¹⁾ | | 1 | | | 1 |
| Closing balance, 30 June 2013 | 79 | 2,228 | -104 | 500 | 2,703 |
| Profit for the period | | | | 200 | 200 |
| Other comprehensive income, net of tax | | | | | |
| Actuarial gains/losses, defined benefit plans | | | | 15 | 15 |
| Translation differences, foreign operations | | | 63 | | 63 |
| Hedging of net investments | | | -14 | | -14 |
| Total comprehensive income | - | - | 49 | 215 | 264 |
| Incentive programme ¹⁾ | | 0 | | | 0 |
| Closing balance, 31 December 2013 | 79 | 2,228 | -55 | 715 | 2,967 |
| Opening balance, 1 January 2014 | 79 | 2,228 | -55 | 715 | 2,967 |
| Profit for the period | | | | 96 | 96 |
| Other comprehensive income, net of tax | | | | | |
| Actuarial gains/losses, defined benefit plans | | | | -6 | -6 |
| Translation differences, foreign operations | | | 126 | | 126 |
| Hedging of net investments | | | -25 | | -25 |
| Total comprehensive income | - | - | 101 | 90 | 191 |
| Incentive programme ¹⁾ | | 0 | | | 0 |
| Maturity of futures contracts to acquire treasury shares, incentive programme | | 11 | | | 11 |
| Effect unused shares, incentive programme | | 2 | | | 2 |
| Shares to be allocated, incentive programme | | -2 | | | -2 |
| Closing balance, 30 June 2014 | 79 | 2,239 | 46 | 805 | 3,169 |

- 1) The 2011 and 2012 Annual General Meetings decided to introduce a long-term Incentive programme for each year. To ensure that Lindab holds shares for the maximum allocation, futures contracts have been signed with third parties to acquire treasury shares, meaning that no dilution occurs. Provisions for the Incentive programme initiated in 2012 are continuing during 2014. The Incentive programme initiated in 2011 fell due in 2013 and was regulated during the second quarter 2014.

Share capital

The share capital of SEK 78,707,820 is divided among 78,707,820 shares with a face value of SEK 1.00. Lindab International AB (publ) holds 2,375,838 (2,375,838) treasury shares, corresponding to 3.0 percent (3.0) of the total number of Lindab shares.

Proposed distribution of earnings

The Annual General Meeting on 29 April 2014 resolved in accordance with the proposal of the Lindab Board of Directors that no dividends would be paid for the financial year 2013. The retained earnings at the disposal of the Board will be carried forward.



Parent company

Income statement

| <i>Amounts SEK m</i> | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Jun 2014 | Jan-Jun 2013 | Jan-Dec 2013 |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Sales revenue* | 1 | 2 | 2 | 2 | 3 |
| Administrative expenses | -1 | -2 | -2 | -2 | -4 |
| Other operating income/costs | 0 | 0 | 0 | 0 | 0 |
| Operating profit | 0 | 0 | 0 | 0 | -1 |
| Profit from subsidiaries | - | - | - | - | 94 |
| Interest expenses, internal | -12 | -23 | -30 | -46 | -93 |
| Result before tax | -12 | -23 | -30 | -46 | 0 |
| Tax on profit for the period | 3 | 5 | 7 | 10 | 0 |
| Profit for the period** | -9 | -18 | -23 | -36 | 0 |

*) Other operating income has been reclassified to Sales revenue.

**) Comprehensive income corresponds to profit for the period.

Condensed Balance sheet

| <i>Amounts SEK m</i> | 30 Jun 2014 | 30 Jun 2013 | 31 Dec 2013 |
|---|--------------|--------------|--------------|
| Assets | | | |
| Fixed assets | | | |
| Shares in Group companies | 3,467 | 3,467 | 3,467 |
| Financial fixed assets, interest bearing | 7 | 7 | 7 |
| Other long-term receivables | 2 | 12 | 2 |
| Total fixed assets | 3,476 | 3,486 | 3,476 |
| Current assets | | | |
| Other receivables | 8 | 0 | 1 |
| Cash and bank | 1 | 3 | 2 |
| Total current assets | 9 | 3 | 3 |
| TOTAL ASSETS | 3,485 | 3,489 | 3,479 |
| Shareholders' equity and liabilities | | | |
| Shareholders' equity | 1,361 | 1,347 | 1,383 |
| Provisions | | | |
| Provisions, interest-bearing | 7 | 7 | 8 |
| Long-term liabilities | | | |
| Liabilities to Group companies, interest-bearing | 2,115 | 2,132 | 2,086 |
| Total provisions and long-term liabilities | 2,122 | 2,139 | 2,094 |
| Current liabilities | | | |
| Other liabilities | 2 | 3 | 2 |
| Total current liabilities | 2 | 3 | 2 |
| TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES | 3,485 | 3,489 | 3,479 |
| Pledged assets | - | - | - |
| Contingent liabilities | - | - | - |



Key figures

| | 2014 | 2014 | 2013 | 2013 | 2013 | 2013 | 2012 | 2012 | 2012 | 2012 |
|--|-------------|--------|--------|--------|-------------|--------|--------|--------|-------------|--------|
| | Apr- | Jan- | Oct- | Jul- | Apr- | Jan- | Oct- | Jul- | Apr- | Jan- |
| | Jun | Mar | Dec | Sep | Jun | Mar | Dec | Sep | Jun | Mar |
| <i>SEK m unless otherwise specified</i> | | | | | | | | | | |
| Sales revenue | 1,757 | 1,506 | 1,786 | 1,753 | 1,643 | 1,341 | 1,667 | 1,773 | 1,737 | 1,479 |
| Operating profit, (EBITDA) ¹⁾ | 164 | 97 | 194 | 206 | 164 | 45 | 84 | 219 | 158 | 29 |
| Operating profit, (EBITA) ²⁾ | 124 | 57 | 154 | 165 | 126 | 7 | 40 | 183 | 119 | -8 |
| Depreciation/amortisation and write-downs | 40 | 39 | 40 | 41 | 38 | 38 | 44 | 36 | 39 | 37 |
| Operating profit, (EBIT) ³⁾ | 124 | 57 | 154 | 165 | 126 | 7 | 40 | 183 | 119 | -8 |
| Operating profit, (EBIT), excluding one-off items | 125 | 60 | 158 | 195 | 132 | 13 | 105 | 190 | 135 | 30 |
| After tax result | 82 | 14 | 99 | 101 | 61 | -28 | 2 | 110 | 56 | -46 |
| Total comprehensive income | 204 | -12 | 191 | 73 | 204 | -185 | 62 | -10 | 32 | -48 |
| Operating margin, (EBITA), % ⁴⁾ | 7.1 | 3.8 | 8.6 | 9.4 | 7.7 | 0.5 | 2.4 | 10.3 | 6.9 | -0.5 |
| Operating margin, (EBITA), % ⁵⁾ | 7.1 | 3.8 | 8.6 | 9.4 | 7.7 | 0.5 | 2.4 | 10.3 | 6.9 | -0.5 |
| Operating margin (EBIT), excluding one-off items, % | 7.1 | 4.0 | 8.8 | 11.1 | 8.0 | 1.0 | 6.3 | 10.7 | 7.8 | 2.0 |
| Undiluted average number of shares, (000's) | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 75,980 | 75,332 |
| Diluted average number of shares, (000's) ⁶⁾ | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 75,980 | 75,332 |
| Undiluted number of shares, (000's) | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 75,332 |
| Diluted number of shares, (000's) ⁶⁾ | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 76,332 | 75,332 |
| Undiluted earnings per share, SEK ⁷⁾ | 1.07 | 0.18 | 1.30 | 1.32 | 0.80 | -0.37 | 0.03 | 1.44 | 0.74 | -0.61 |
| Diluted earnings per share, SEK ⁸⁾ | 1.07 | 0.18 | 1.30 | 1.32 | 0.80 | -0.37 | 0.03 | 1.44 | 0.74 | -0.61 |
| Cash flow from operating activities | 88 | -226 | 455 | 136 | 26 | 3 | 192 | 23 | 97 | -90 |
| Cash flow from operating activities per share, SEK ⁹⁾ | 1.15 | -2.96 | 5.96 | 1.78 | 0.34 | 0.04 | 2.52 | 0.30 | 1.28 | -1.19 |
| Total assets | 7,208 | 6,770 | 6,517 | 6,726 | 6,815 | 6,589 | 6,623 | 7,031 | 7,153 | 6,521 |
| Net debt ¹⁰⁾ | 1,998 | 2,038 | 1,612 | 2,020 | 2,139 | 2,140 | 2,106 | 2,252 | 2,224 | 1,962 |
| Net debt/equity ratio, times ¹¹⁾ | 0.6 | 0.7 | 0.5 | 0.7 | 0.8 | 0.9 | 0.8 | 0.9 | 0.8 | 0.7 |
| Equity | 3,169 | 2,955 | 2,967 | 2,776 | 2,703 | 2,498 | 2,683 | 2,621 | 2,647 | 2,630 |
| Undiluted equity per share, SEK ¹²⁾ | 41.52 | 38.71 | 38.87 | 36.37 | 35.41 | 32.73 | 35.15 | 34.34 | 34.68 | 34.91 |
| Diluted equity per share, SEK ¹³⁾ | 41.52 | 38.71 | 38.87 | 36.37 | 35.41 | 32.73 | 35.15 | 34.34 | 34.68 | 34.91 |
| Equity/asset ratio, % ¹⁴⁾ | 44.0 | 43.6 | 45.5 | 41.3 | 39.7 | 37.9 | 40.5 | 37.3 | 37.0 | 40.3 |
| Return on equity, % ¹⁵⁾ | 10.2 | 9.9 | 8.5 | 5.1 | 5.5 | 5.4 | 4.6 | 4.3 | 3.4 | 3.6 |
| Return on capital employed, % ¹⁶⁾ | 9.8 | 10.0 | 9.1 | 6.7 | 7.0 | 7.0 | 6.8 | 7.4 | 7.0 | 7.4 |
| Return on operating capital, % ¹⁷⁾ | 10.3 | 10.5 | 9.6 | 7.1 | 7.4 | 7.3 | 7.1 | 7.6 | 7.4 | 7.8 |
| Return on operating capital, excluding one-off items, % | 11.0 | 11.4 | 10.5 | 9.3 | 9.2 | 9.3 | 9.8 | 9.8 | 9.5 | 9.5 |
| Return on total assets, % ¹⁸⁾ | 7.5 | 7.6 | 6.9 | 5.1 | 5.2 | 5.2 | 5.0 | 5.4 | 5.2 | 5.5 |
| Interest coverage ratio, times ¹⁹⁾ | 3.4 | 1.5 | 4.9 | 5.5 | 3.7 | 0.3 | 1.2 | 4.1 | 2.9 | -0.2 |
| No. of employees at close of period ²⁰⁾ | 4,624 | 4,558 | 4,371 | 4,387 | 4,368 | 4,350 | 4,363 | 4,438 | 4,593 | 4,344 |

* Not restated. Changes in IAS 19R are not reflected.

For Definitions, see page 18.



Key figures

| | Quarterly periods, cont. | | | Year-to-date Jan-Jun | | | | | | Full-year periods | | | | |
|--|--------------------------|----------------------|----------------------|----------------------|--------|--------|--------|--------|--------|-------------------|--------|--------|--------|--------|
| | 2011 *Apr- Jun | 2010 *Apr- Jun | 2009 *Apr- Jun | 2014 | 2013 | 2012 | *2011 | *2010 | *2009 | 2013 | 2012 | *2011 | *2010 | *2009 |
| <i>SEK m unless otherwise specified</i> | | | | | | | | | | | | | | |
| Sales revenue | 1,755 | 1,715 | 1,821 | 3,263 | 2,984 | 3,216 | 3,132 | 2,949 | 3,592 | 6,523 | 6,656 | 6,878 | 6,527 | 7,019 |
| Operating profit, (EBITDA) ¹⁾ | 174 | 134 | 142 | 260 | 209 | 187 | 189 | 206 | 222 | 609 | 490 | 511 | 565 | 479 |
| Operating profit, (EBITA) ²⁾ | 135 | 92 | 88 | 181 | 133 | 111 | 111 | 119 | 115 | 452 | 334 | 348 | 401 | 265 |
| Depreciation/amortisation and write-downs | 39 | 45 | 56 | 79 | 76 | 76 | 78 | 92 | 112 | 157 | 156 | 163 | 280 | 225 |
| Operating profit, (EBIT) ³⁾ | 135 | 89 | 85 | 181 | 133 | 111 | 111 | 114 | 110 | 452 | 334 | 348 | 284 | 254 |
| Operating profit, (EBIT), excluding one-off items | 135 | 110 | 97 | 185 | 145 | 165 | 128 | 60 | 122 | 498 | 460 | 407 | 347 | 301 |
| After tax result | 60 | 27 | 13 | 96 | 33 | 10 | 8 | -1 | -8 | 233 | 122 | 91 | 27 | 34 |
| Total comprehensive income | 153 | -26 | 53 | 192 | 19 | -16 | 78 | -183 | -21 | 283 | 36 | 36 | -298 | -142 |
| Operating margin, (EBITA), % ⁴⁾ | 7.7 | 5.4 | 4.8 | 5.5 | 4.5 | 3.5 | 3.5 | 4.0 | 3.2 | 6.9 | 5.0 | 5.1 | 6.1 | 3.8 |
| Operating margin, (EBITA), % ⁵⁾ | 7.7 | 5.2 | 4.7 | 5.5 | 4.5 | 3.5 | 3.5 | 3.9 | 3.1 | 6.9 | 5.0 | 5.1 | 4.4 | 3.6 |
| Operating margin (EBIT), excluding one-off items, % | 7.7 | 6.4 | 5.3 | 5.7 | 4.9 | 5.1 | 4.1 | 2.0 | 3.4 | 7.6 | 6.9 | 5.9 | 5.3 | 4.3 |
| Undiluted average number of shares, (000's) | 75,332 | 75,332 | 74,772 | 76,332 | 76,332 | 75,658 | 75,332 | 75,072 | 74,772 | 76,332 | 75,998 | 75,332 | 75,203 | 74,772 |
| Diluted average number of shares, (000's) ⁶⁾ | 75,332 | 75,332 | 74,772 | 76,332 | 76,332 | 75,658 | 75,332 | 75,072 | 74,772 | 76,332 | 75,998 | 75,332 | 75,203 | 74,772 |
| Undiluted number of shares, (000's) | 75,332 | 75,332 | 74,772 | 76,332 | 76,332 | 76,332 | 75,332 | 75,332 | 74,772 | 76,332 | 76,332 | 75,332 | 75,332 | 74,772 |
| Diluted number of shares, (000's) ⁶⁾ | 75,332 | 75,332 | 74,772 | 76,332 | 76,332 | 76,332 | 75,332 | 75,332 | 74,772 | 76,332 | 76,332 | 75,332 | 75,332 | 74,772 |
| Undiluted earnings per share, SEK ⁷⁾ | 0.80 | 0.36 | 0.17 | 1.26 | 0.43 | 0.13 | 0.11 | -0.01 | -0.11 | 3.05 | 1.61 | 1.21 | 0.36 | 0.45 |
| Diluted earnings per share, SEK ⁸⁾ | 0.80 | 0.36 | 0.17 | 1.26 | 0.43 | 0.13 | 0.11 | -0.01 | -0.11 | 3.05 | 1.61 | 1.21 | 0.36 | 0.45 |
| Cash flow from operating activities | 217 | 67 | 332 | -138 | 29 | 7 | -22 | -105 | 145 | 620 | 222 | 345 | 391 | 719 |
| Cash flow from operating activities per share, SEK ⁹⁾ | 2.88 | 0.89 | 4.44 | -1.81 | 0.38 | 0.09 | -0.29 | -1.40 | 1.94 | 8.12 | 2.92 | 4.58 | 5.20 | 9.62 |
| Total assets | 7,122 | 7,482 | 8,226 | 7,208 | 6,815 | 7,153 | 7,122 | 7,482 | 8,226 | 6,517 | 6,623 | 6,479 | 6,570 | 7,442 |
| Net debt ¹⁰⁾ | 2,043 | 2,243 | 2,906 | 1,998 | 2,139 | 2,224 | 2,043 | 2,243 | 2,906 | 1,612 | 2,106 | 1,747 | 1,856 | 2,422 |
| Net debt/equity ratio, times ¹¹⁾ | 0.7 | 0.8 | 0.9 | 0.6 | 0.8 | 0.8 | 0.7 | 0.8 | 0.9 | 0.5 | 0.8 | 0.6 | 0.7 | 0.8 |
| Equity | 2,758 | 2,869 | 3,119 | 3,169 | 2,703 | 2,647 | 2,758 | 2,869 | 3,119 | 2,967 | 2,683 | 2,699 | 2,755 | 3,003 |
| Undiluted equity per share, SEK ¹²⁾ | 36.61 | 38.08 | 41.71 | 41.52 | 35.41 | 34.68 | 36.61 | 38.08 | 41.71 | 38.87 | 35.15 | 35.83 | 36.57 | 40.16 |
| Diluted equity per share, SEK ¹³⁾ | 36.61 | 38.08 | 41.71 | 41.52 | 35.41 | 34.68 | 36.61 | 38.08 | 41.71 | 38.87 | 35.15 | 35.83 | 36.57 | 40.16 |
| Equity/asset ratio, % ¹⁴⁾ | 38.7 | 38.3 | 37.9 | 44.0 | 39.7 | 37.0 | 38.7 | 38.3 | 37.9 | 45.5 | 40.5 | 41.7 | 41.9 | 40.4 |
| Return on equity, % ¹⁵⁾ | 1.3 | 1.4 | 10.5 | 10.2 | 5.5 | 3.4 | 1.3 | 1.4 | 10.5 | 8.5 | 4.6 | 3.3 | 0.9 | 1.1 |
| Return on capital employed, % ¹⁶⁾ | 5.6 | 4.7 | 10.9 | 9.8 | 7.0 | 7.0 | 5.6 | 4.7 | 10.9 | 9.1 | 6.8 | 7.1 | 5.5 | 4.3 |
| Return on operating capital, % ¹⁷⁾ | 5.8 | 4.7 | 11.2 | 10.3 | 7.4 | 7.4 | 5.8 | 4.7 | 11.2 | 9.6 | 7.1 | 7.4 | 5.6 | 4.3 |
| Return on operating capital, excluding one-off items, % | 8.5 | 4.4 | 13.4 | 11.0 | 9.2 | 9.5 | 8.5 | 4.4 | 13.4 | 10.5 | 9.8 | 8.7 | 6.9 | 5.1 |
| Return on total assets, % ¹⁸⁾ | 4.1 | 3.5 | 8.0 | 7.5 | 5.2 | 5.2 | 4.1 | 3.5 | 8.0 | 6.9 | 5.0 | 5.2 | 4.1 | 3.3 |
| Interest coverage ratio, times ¹⁹⁾ | 3.4 | 2.0 | 2.5 | 3.4 | 1.9 | 1.4 | 1.4 | 1.4 | 1.7 | 3.5 | 2.1 | 2.1 | 1.6 | 1.8 |
| No. of employees at close of period ²⁰⁾ | 4,487 | 4,444 | 4,898 | 4,624 | 4,368 | 4,593 | 4,487 | 4,444 | 4,898 | 4,371 | 4,363 | 4,347 | 4,381 | 4,435 |

* Not restated. Changes in IAS 19R are not reflected.

For Definitions, see page 18.



Notes

NOTE 1 ACCOUNTING POLICIES

The consolidated accounts for the second quarter of 2014, as for the annual accounts for 2013, have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU, the Annual Accounts Act and the Swedish Financial Reporting Board RFR 1, Supplementary Accounting Rules for Groups.

This quarterly report has been prepared in accordance with IAS 34. The Group has applied the same accounting policies as described in the Annual Report for 2013.

From 1 January 2014, Lindab will be applying the following new and amended accounting standards:

- IFRS 10 Consolidated Financial Statements and the Amendment in IAS 27 Consolidated Financial Statements and separate financial reports.
- IFRS 11 Joint Arrangements and the amendment in IAS 28 Investments in Associates and Joint Ventures
- IFRS 12 Disclosure of Interests in Other Entities
- IAS 32 Financial Instruments: Presentation – Amendment
- IAS 36 Impairment of Assets – Amendment
- IAS 39 Financial Instruments: Recognition and Measurement – Amendment.

None of the new or revised standards, interpretations and improvements adopted by the EU have had any effect on the Group.

The parent company's financial statements are prepared in accordance with the Swedish Annual Accounts Act (ÅRL) and RFR 2, Accounting for legal entities, and according to the same accounting principles that were applied to the Annual Report for 2013.

NOTE 2 EFFECTS OF CHANGES IN ACCOUNTING ESTIMATES

Significant estimates and assumptions are described in note 4 in the Annual Report for 2013.

There have not been any changes made to anything that could have a material impact on the interim report.

NOTE 3 BUSINESS COMBINATIONS

| | Acquisitions | |
|--------------------------------|--------------|------|
| | 2014 | 2013 |
| Purchase price | 16 | - |
| Identifiable net assets | | |
| Tangible fixed assets | 6 | - |
| Stock | 12 | - |
| Current liabilities | -2 | - |
| Acquired net assets | 16 | - |

No acquisitions were made during the quarter.

During the period January–June, the business activities of NovoClima were acquired through an acquisition of assets, which were placed in a newly formed company, Lindab Götene AB. The purchase price amounted to SEK 16 m and affected Lindab's cash flow negatively by the corresponding amount. The direct costs related to the acquisition amounted to SEK 0 m. The fair value of the acquired assets and liabilities correspond with their

carrying amount. The purchase price analysis is preliminary pending the final valuation.

No acquisitions were made during 2013.

The total cash flow effect for acquisitions amounts to SEK –16 m (–15). The cash flow for 2013 is attributable to regulated payments for the acquisition of Centrum Klima S.A., which was acquired in 2012.

NOTE 4 OPERATING SEGMENTS

Lindab's business was operated in three business areas up until the reorganisation of 1 October 2013. The previous business area structure for Ventilation and Building Components has been replaced by a geographically-based sales organisation to take advantage of Lindab's strong market presence and is supported by four product and system areas plus central production and purchasing functions. Throughout 2013, the segments were reported in accordance with the previous structure. From 1 January 2014 onwards, reports will be issued under the new reporting structure, which means that the group now consists of two segments, Products & Solutions and Building Systems. Products & Solutions consists of the former business areas Ventilation and Building Components, and Building Systems will continue as its own segment as was previously the case. This is also reflected in the figures presented for the segments. The segment Other as previously covers the parent company's functions.

Information about revenues from external customers and operating profit, excluding one-off items, by operating segment is shown in the tables on page 7.

Revenues from other segments total small amounts and a breakdown of this sum by segment therefore does not offer any additional value.

Inter-segment transfer pricing is determined on an arms-length basis i.e. between parties that are independent of one another, are well informed and have an interest in the implementation of the transaction. Assets and investments are reported wherever the asset is located.

Assets and liabilities per segment that have changed by more than 10 percent compared with the end of 2013 are shown below:

- Products & Solutions: Stock has increased by 23 percent, and Other assets have increased by 23 percent.
- Building Systems: Other assets have increased by 30 percent.

NOTE 5 TRANSACTIONS WITH RELATED PARTIES

Lindab's related parties and the extent of transactions with its related parties are described in note 29 of the 2013 Annual Report.

Systemair AB (publ), which was Lindab's biggest shareholder in 2013 with 12 percent, sold its entire holding on 3 March 2014. Other transactions described in the Annual Report 2013 have continued to the same extent during 2014. These have not had a significant impact on the company's position and profit.



NOTE 6 FINANCIAL INSTRUMENTS

Disclosures regarding the fair value by class

| | 30 Jun 2014 | | 31 Dec 2013 | |
|--|------------------------------|-------------------|------------------------------|-------------------|
| | Total carrying amount | Fair value | Total carrying amount | Fair value |
| Financial assets | | | | |
| Other investments held as fixed assets | 3 | - | 3 | - |
| Other long-term receivables | 2 | -* | 2 | -* |
| Accounts receivable | 4 | 4 | - | - |
| Other receivables | 1,185 | -* | 942 | -* |
| Accrued income | 6 | -* | 14 | -* |
| Cash and cash equivalents | 325 | -* | 331 | -* |
| Total financial assets | 1,528 | 4 | 1,297 | - |
| | | | | |
| | Total carrying amount | Fair value | Total carrying amount | Fair value |
| Financial liabilities | | | | |
| Overdraft facilities | 122 | 122 | 160 | 160 |
| Liabilities to credit institutions | 2,066 | 2,071 | 1,607 | 1,607 |
| Derivative liabilities | 3 | 3 | 2 | 2 |
| Accounts payable | 710 | -* | 682 | -* |
| Other liabilities | 9 | -* | 102 | -* |
| Accrued expenses | 173 | -* | 329 | -* |
| Total financial liabilities | 3,083 | 2,143 | 2,882 | 1,769 |

Description of fair value

Other investments held as fixed assets

No information about fair value with respect to unlisted shares and participations is provided. Lindab considers that a fair value cannot be calculated in a reliable manner, and that the market for these holdings is limited.

Other long-term receivables

Other long-term receivables consists of cash deposited as security for rent, which means that the carrying amount is considered to be a reasonable approximation of fair value.

Interest-bearing liabilities

The fair value of interest-bearing liabilities is provided for the purposes of disclosure and is calculated by discounting the future cash flows of principals and interest payments, discounted at current market interest rates.

Derivatives

Forward exchange contracts are valued at fair value by discounting the difference between the contracted forward rate and the rate that can be subscribed for on the balance sheet date for the remaining contract term.

** Other financial assets and liabilities*

For cash and cash equivalents, accounts receivable, other receivables, accrued income, accounts payable, overdraft facilities, other liabilities and accrued expenses with a remaining maturity of less than six (6) months, the carrying amount is considered to reflect the fair value.

Valuation hierarchy

The derivative assets, derivative liabilities and interest-bearing liabilities that exist can all be found at Level 2 in the valuation hierarchy.



NOTE 7 SPECIFICATION OF ONE-OFF ITEMS

| Quarter | Current year | Products & Solutions | Building Systems | Other Operations | Total | Reporting period outcome | |
|--|---|----------------------|------------------|------------------|------------|---|---|
| | | | | | | Operating profit (EBIT) incl. one-off items | Operating profit (EBIT) excl. one-off items |
| 1/2014 | | -3 | - | - | -3 | 57 | 60 |
| 2/2014 | | - | -1 | - | -1 | 124 | 125 |
| Total | | -3 | -1 | - | -4 | 181 | 185 |
| Operating profit (EBIT) incl. one-off items, acc. 2014 | | 188 | 12 | -19 | 181 | | |
| Operating profit (EBIT) excl. one-off items | | 191 | 13 | -19 | 185 | | |
| <i>The previous year, acc. reporting period</i> | | | | | | | |
| 1/2013 | | -4 | - | -2 | -6 | 7 | 13 |
| 2/2013 | | -6 | - | - | -6 | 126 | 132 |
| 3/2013 | | -10 | -1 | -19 | -30 | 165 | 195 |
| 4/2013 | | -4 | - | - | -4 | 154 | 158 |
| Total | | -24 | -1 | -21 | -46 | 452 | 498 |
| Operating profit (EBIT) incl. one-off items, acc. 2013 | | 336 | 158 | -42 | 452 | | |
| Operating profit (EBIT) excl. one-off items | | 360 | 159 | -21 | 498 | | |
| <i>Operating profit (EBIT) has been adjusted by the following one-off items per quarter:</i> | | | | | | | |
| 1/2014 | SEK -3 m relating to restructuring costs resulting from the reorganisation. | | | | | | |
| 2/2014 | SEK -1 m relating to restructuring costs resulting from the reorganisation. | | | | | | |
| 1/2013 | SEK -6 m relating to restructuring costs resulting from the cost-reduction programme. | | | | | | |
| 2/2013 | SEK -6 m relating to restructuring costs resulting from the cost-reduction programme. | | | | | | |
| 3/2013 | SEK -30 m relating to restructuring costs resulting from the cost-reduction programme and reorganisation. | | | | | | |
| 4/2013 | SEK -4 m relating to restructuring costs resulting from the cost-reduction programme and reorganisation. | | | | | | |

The Board and the CEO hereby affirm that the half-yearly financial report for Lindab International AB (publ) gives a true and fair picture of the company's and the Group's operations, financial position and profit/loss and describes significant risks and uncertainties that the company and the companies in the Group are facing.

Båstad 17 July 2014

Kjell Nilsson
Chairman

Anders Berg
CEO and President

Sonat Burman-Olsson
Board member

Stefan Charette
Board member

Erik Eberhardson
Board member

Hans Porat
Board member

Birgit Nørgaard
Board member

Pontus Andersson
Employee representative

Markku Rantala
Employee representative

This report has not been subject to examination by Lindab's auditors.



Definitions

- 1) **Operating profit (EBITDA)** comprises the results before depreciation and before consolidated amortisation of the surplus value on intangible assets.
- 2) **Operating profit (EBITA)** comprises the results after planned depreciation but before consolidated amortisation of the surplus value in intangible assets.
- 3) **Operating profit (EBIT)** comprises the results before financial items and tax.
- 4) **Operating margin (EBITA)** has been calculated as operating profit (EBITA) as a percentage of sales revenue during the period.
- 5) **Operating margin (EBITA)** has been calculated as operating profit (EBIT) expressed as a percentage of sales revenue during the period.
- 6) **Average number of shares after dilution** Weighted average number of shares outstanding at the end of the period, as well as potential additional shares in accordance with IAS 33.
- 7) **Undiluted earnings per share, SEK** Profit for the period in relation to the undiluted average number of outstanding shares.
- 8) **Diluted earnings per share, SEK** Profit for the period in relation to the diluted average number of outstanding shares.
- 9) **Cash flow from operating activities per share, SEK** Cash flow from operating activities in relation to the undiluted average number of outstanding shares during the period.
- 10) **Net debt** The net debt consists of interest bearing liabilities and assets, as well as cash and bank.
- 11) **Net debt/equity ratio** The net debt/equity ratio is expressed as the net debt in relation to shareholders' equity.
- 12) **Undiluted equity per share, SEK** Shareholders' equity in relation to the outstanding undiluted number of shares at the end of the period.
- 13) **Diluted equity per share, SEK** Shareholders' equity in relation to the outstanding diluted number of shares at the end of the period.
- 14) **Equity/asset ratio, %** The equity ratio has been calculated as shareholders' equity as a percentage of total assets according to the balance sheet.
- 15) **Return on equity, %** Return on equity comprises the profit after tax for the period, rolling twelve-month value, as a percentage of the average shareholders' equity* excluding shares without controlling interests.
- 16) **Return on capital employed, %** Return on capital employed comprises the profit before tax (EBT) plus financial expenses, rolling twelve-month value, as a percentage of capital employed*. Capital employed refers to total assets less non-interest-bearing provisions and liabilities.
- 17) **Return on operating capital, %** Return on operating capital comprises the operating profit (EBIT), rolling twelve months, as a percentage of average operating capital*. Operating capital refers to the total of net debt and shareholders' equity.
- 18) **Return on total assets, %** The return on total assets comprises the profit before tax (EBT) plus financial expenses, rolling twelve months, as a percentage of average total assets*.
- 19) **Interest coverage ratio** interest coverage ratio has been calculated as the profit after financial items plus financial expenses in relation to financial expenses.
- 20) **Number of employees at the end of the period** The number of employees at the end of the period consists of the number of employees converted to full-time positions.

*) Average capital is based on the quarterly value.



2014 financial reporting dates

Interim Report January-September 28 October 2014

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For more information, please also visit www.lindab.com

Subscribe to our customer magazine (Lindab Direct), press releases, Annual Reports and Interim Reports.

Lindab in brief

The Group had sales revenue of SEK 6,523 m in 2013 and is established in 32 countries with approximately 4,400 employees.

The main market is non-residential construction, which accounts for 80 percent of sales, while residential accounts for 20 percent of sales. During 2013, the Nordic market accounted for 46 percent, the CEE/CIS (Central and Eastern Europe plus other former Soviet states) for 24 percent, Western Europe for 27 percent and other markets for 3 percent of total sales.

The share is listed on the Nasdaq OMX Nordic Exchange, Stockholm List, Large Cap, under the ticker symbol LIAB.

Business concept

Lindab develops, manufactures, markets and distributes products and system solutions for simplified construction and improved indoor climate.

Business model

Lindab's product and solution offering includes products and entire systems for ventilation, cooling and heating, as well as construction products and building solutions such as roof drainage in steel, roof and wall cladding, steel profiles for wall, roof and beam constructions and large span buildings. Lindab



also offers complete, pre-engineered steel construction systems under the Astron brand. These are complete building solutions comprising the outer shell with the main structure, wall, roof and accessories.

The products are characterised by their high quality, ease of assembly, energy efficiency and environmental design and are delivered with high levels of service.

Lindab's value chain is characterised by a good balance between centralised and decentralised functions. Steel is purchased and processed centrally. Parts of the production are highly automated (pressed ventilation and roof drainage fittings), while others are located in low cost countries (mainly the Czech Republic) and some are local (e.g. bulky products). The distribution has been developed in order to be close to the customer. Sales are made through more than 120 Lindab branches and more than 2,000 stock-keeping retailers, with the exception of Building Systems, which conducts sales through a network of more than 280 building contractors.

The information provided here is what Lindab International AB has willingly chosen to make public, or what it is obliged to make public under the Swedish Securities Market Act and/or the Financial Instruments Trading Act. This information was made public on 18 July 2014 at 07.40 (CET).

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