



Interim report Q1 • 2014

Interim report January-March 2014

(All figures in brackets refer to the corresponding period in 2013)

Net sales for the first quarter amounted to SEK 2,897 million (2,804). Organic growth totalled 3 per cent (neg: 2). No restructuring costs (–) impacted operating profit for the quarter. Operating profit amounted to SEK 97 million (62), corresponding to an operating margin of 3.3 per cent (2.2). Currency effects of approximately SEK 0 million affected the Group's operating profit, of which SEK 5 million (0) comprised translation effects and negative SEK 5 million (0) comprised transaction effects. Profit after tax totalled SEK 47 million (25), corresponding to earnings per share of SEK 0.28 (0.15). Operating cash flow amounted to SEK 132 million (neg: 53).

In total, market performance was deemed to be unchanged compared with the year-earlier period. The UK market strengthened from a low level. The Nordic market is estimated to have remained unchanged, while most of the markets in Continental Europe weakened.

Organic sales increased 3 per cent (neg: 2), positively impacted by more delivery days than in the year-earlier period. Currency effects impacted net sales positively for the quarter in an amount of SEK 89 million (neg: 121). Optifit, which was divested during the second quarter of 2013, reported sales of SEK 74 million in the first quarter of 2013.

The gross margin rose to 40.6 per cent (39.9), positively impacted by higher sales values and lower prices of materials, and negatively affected by exchange-rate fluctuations and the sales mix.

Operating profit increased primarily due to the improved gross margin, which offset lower sales volumes.

Currency effects of approximately SEK 0 million (0) affected the Group's operating profit, of which SEK 5 million (0) comprised translation effects and negative SEK 5 million (0) transaction effects.

Return on capital employed including restructuring costs amounted to 15.6 per cent over the past twelve-month period (Jan-Dec 2013: 14.6).

Operating cash flow improved primarily as a result of the positive change in working capital and higher earnings generation compared with the preceding year.

Comments from the CEO

"Nobia's sales increased during the seasonally weak first quarter. Our two largest regions displayed both organic growth and improved profitability.

In the UK, Magnet's transition to the Group's common standard dimension is progressing according to plan. Also, since the beginning of the year, organised co-operation in logistics, sales and service has been taking place between Magnet and Hygena.

In the Nordic region, the Myresjökök brand is being incorporated into Marbodahl and the first franchise store (Keittömailma) was introduced in an Isku store. Another 23 such stores will be opened throughout Finland during the year.

Going forward, we will make further reductions in the complexity of the product range, while at the same time focusing on generating sales growth that will take us closer to achieving our operating margin target," says Morten Falkenberg, President and CEO.

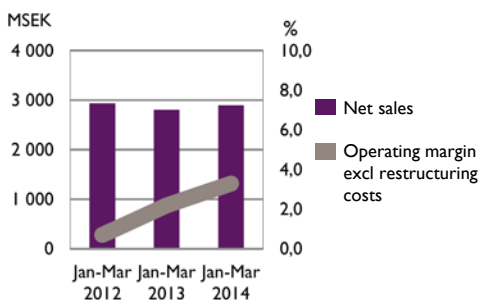
Nobia Group summary	Jan-Mar			Jan-Dec		
	2013	2014	Change, %	2013	2013/2014	Change, %
Net sales, SEK m	2,804	2,897	3	11,773	11,866	1
Gross margin, %	39.9	40.6	–	41.0	41.1	–
Operating margin before depreciation and impairment, %	5.6	7.2	–	9.2	9.5	–
Operating profit (EBIT), SEK m	62	97	56	690	725	5
Operating margin, %	2.2	3.3	–	5.9	6.1	–
Profit after financial items, SEK m	36	73	–	596	633	6
Profit/loss after tax, SEK m	25	47	88	350	372	6
Earnings/loss per share excl restructuring, after dilution, SEK 1)	0.15	0.28	87	2.29	2.42	6
Earnings/loss per share, after dilution, SEK	0.15	0.28	87	2.10	2.23	6
Operating cash flow, SEK m	-53	132	–	601	786	31

All figures, except for net sales, profit after tax and operating cash flow are adjusted for restructuring costs.

Additional information about restructuring costs is provided on pages 7 and 10.

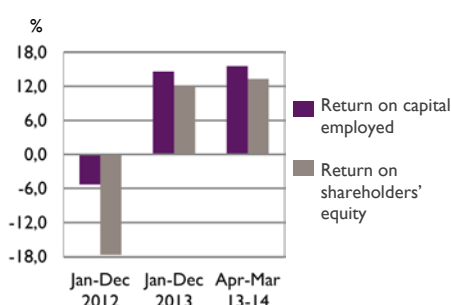
1) In the calculation of earnings per share excluding restructuring costs, an adjustment is also made for nonrecurring tax effects.

Net sales and operating margin, Jan-Mar



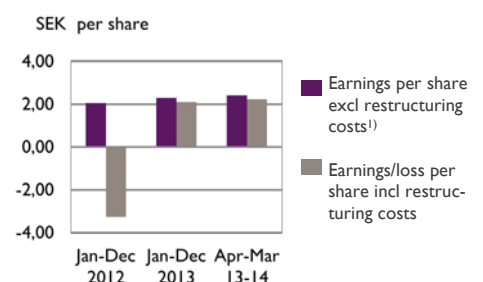
Net sales amounted to SEK 2,897 million and operating margin to 3.3 per cent.

Profitability trend including restructuring costs



Return on capital employed including restructuring costs was 15.6 per cent during the past twelve-month period.

Earnings/loss per share



Earnings per share after dilution excluding restructuring costs¹⁾ amounted to SEK 2.42 over the past twelve-month period.



Interim report Q1 • 2014

Analysis of net sales and regional reporting

Positive currency effects of SEK 89 million (neg: 121) impacted first-quarter net sales. Organic growth was positive in the Nordic and UK regions, but was negative in the Continental Europe region. Combined, organic growth was 3 per cent (neg: 2).

Analysis of net sales	Jan-Mar	
	%	SEK m
2013		2,804
Organic growth	3	78
– of which UK region	2	19
– of which Nordic region	6	66
– of which Continental Europe region	–1	–7
Currency effect	3	89
Divested operations ¹⁾	–3	–74
2014	3	2,897

1) Pertains to the sale of Optifit on 1 May 2013.

Net sales and profit/loss per region (operating segment)

	UK		Nordic		Continental Europe		Group-wide and eliminations		Group		Change, %
	Jan-Mar		Jan-Mar		Jan-Mar		Jan-Mar		Jan-Mar		
SEK m	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	
Net sales from external customers	985	1,075	1,199	1,262	620	560	–	–	2,804	2,897	3
Net sales from other regions	6	24	1	0	2	1	–9	–25	–	–	–
Net sales	991	1,099	1,200	1,262	622	561	–9	–25	2,804	2,897	3
Gross profit	394	444	476	503	240	226	8	3	1,118	1,176	5
Gross margin, %	39.8	40.4	39.7	39.9	38.6	40.3	–	–	39.9	40.6	–
Operating profit/loss	32	51	111	128	–48	–39	–33	–43	62	97	56
Operating margin, %	3.2	4.6	9.3	10.1	–7.7	–7.0	–	–	2.2	3.3	–

Nobia develops and sells kitchens through some twenty strong brands in Europe, including Magnet in the UK; Hygena in France; HTH, Norema, Sigdal, Invita, Marbodan in Scandinavia; Petra, Parma and A la Carte in Finland; Ewe, FM and Intuo in Austria, as well as Poggenpohl globally.

Nobia generates profitability by combining economies of scale with attractive kitchen offerings. The Group has approximately 6,600 employees and net sales of about SEK 12 billion. The Nobia share is listed on the NASDAQ OMX Stockholm under the short name NOBI. Website: www.nobia.com.



UK region

Net sales for the first quarter amounted to SEK 1,099 million (991). Organic growth was 2 per cent (2). No restructuring costs (–) impacted operating profit for the quarter. Operating profit amounted to SEK 51 million (32) and the operating margin was 4.6 per cent (3.2). Currency effects of approximately positive SEK 15 million (neg: 10) on operating profit comprised a translation effect of SEK 5 million and a transaction effect of SEK 10 million.

Kitchen market

The UK kitchen market continued to grow due to generally higher consumer confidence. Market growth was primarily attributable to the lower price segments.

Nobia

The organic sales growth was attributable to B2B sales. In Magnet, sales of kitchens declined, which was partly offset by higher sales of joinery products.

Positive currency effects of SEK 71 million (neg: 60) impacted net sales for the quarter.

The gross margin improved, positively impacted by higher sales values and lower prices of materials, and negatively affected by a changed sales mix.

Operating profit increased as a result of the improved gross margin, which was partly offset by lower volumes.

Magnet's transition to the Group's common standard dimension is proceeding according to plan. Costs for this were charged to ongoing earnings at approximately SEK 12 million for the period.

Measured in local currency, operating profit for the region totalled GBP 4.8 million (3.2).

Quarterly data in SEK

	2013				2014
	I	II	III	IV	I
Net sales, SEK m	991	1,086	1,034	1,029	1,099
Gross profit, SEK m	394	429	407	422	444
Gross margin, %	39.8	39.5	39.4	41.0	40.4
Operating profit, SEK m	32	77	65	73	51
Operating margin, %	3.2	7.1	6.3	7.1	4.6

Quarterly data in GBP

	2013				2014
	I	II	III	IV	I
Net sales, GBP m	99.1	108.0	101.7	97.6	102.7
Gross profit, GBP m	39.4	42.6	40.1	40.1	41.5
Gross margin, %	39.7	39.5	39.4	41.0	40.4
Operating profit, GBP m	3.2	7.6	6.5	6.9	4.8
Operating margin, %	3.2	7.0	6.4	7.1	4.7

Store trend, Jan-Mar

Renovated or relocated	–
Newly opened, net	-2
Number of own kitchen stores	206

Percentage of consolidated net sales, first quarter



Our brands

Gower



Magnet



Nordic region

Net sales for the first quarter amounted to SEK 1,262 million (1,200). Organic growth was 6 per cent (neg: 7). No restructuring costs (-) impacted operating profit for the quarter. Operating profit totalled SEK 128 million (111) and the operating margin was 10.1 per cent (9.3). Currency effects of approximately negative SEK 15 million (pos: 5) on operating profit comprised a translation effect of SEK 0 million and a transaction effect of negative SEK 15 million.

Kitchen market

The Nordic kitchen market is deemed to have remained unchanged compared with the year-earlier period. Consumers remained cautious and the only professional market with a clear growth trend was the Swedish market.

Nobia

The growth in organic sales was attributable to both increased deliveries to the professional segment and higher consumer sales. The increase in sales was partly related to the calendar effect of Easter, which entailed a higher number of delivery days compared with the

year-earlier period. In the professional segment, sales rose in all markets, while sales in the consumer segment only increased in Norway. Negative currency effects of SEK 4 million (neg: 33) impacted net sales for the quarter.

The gross margin improved slightly due to lower prices of materials and higher sales values, which offset the negative currency effects.

Operating profit increased as a result of higher sales volumes and an improved gross margin.

The merger of the Marbodal and Myresjökök brands is under way and the response from customers has been positive.

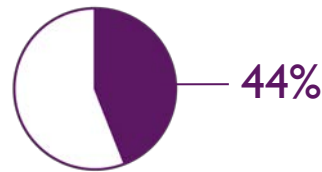
Quarterly data in SEK

	2013				2014
	I	II	III	IV	I
Net sales, SEK m	1,200	1,449	1,104	1,275	1,262
Gross profit, SEK m	476	612	439	521	503
Gross margin, %	39.7	42.2	39.8	40.9	39.9
Operating profit, SEK m	111	224	136	162	128
Operating margin, %	9.3	15.5	12.3	12.7	10.1

Store trend, Jan-Mar

Renovated or relocated	-
Newly opened, net	-1
Number of own kitchen stores	70

Share of consolidated net sales, first quarter



Our brands





Continental Europe region

Net sales for the first quarter amounted to SEK 561 million (622). Organic growth was negative 1 per cent (pos: 1). No restructuring costs (-) impacted operating profit for the quarter. Operating loss amounted to SEK 39 million (loss: 48) and the operating margin was negative 7.0 per cent (neg: 7.7). Currency effects of approximately SEK 0 million (5) on operating profit comprised a translation effect of SEK 0 million and a transaction effect of SEK 0 million.

Kitchen market

The market trend was negative during the period. The lower level of activity was notable in most of Nobia's markets, but was particularly evident in the French market.

Nobia

The decline in sales was attributable to the French chain Hygena, while sales for the other brands in the region increased.

In the first quarter of 2013, Optifit, which was divested in the second quarter 2013, reported sales of SEK 74 million.

Positive currency effects of SEK 22 million (neg: 28) impacted net sales for the quarter.

The gross margin improved, primarily as a result of higher sales values. Operating profit was positively impacted primarily by the improved gross margin.

An action programme, with support from Magnet's sales organisation, is being implemented in Hygena to generate profitable growth. However, it is estimated that it will be some time before these measures will start yielding results.

Quarterly data in SEK

	2013				2014
	I	II	III	IV	I
Net sales, SEK m	622	756	685	632	561
Gross profit excl restructuring costs, SEK m	240	300	288	277	226
Gross margin excl restructuring costs, %	38,6	39,7	42,0	43,8	40,3
Operating profit excl restructuring costs, SEK m	-48	-10	9	2	-39
Operating margin excl restructuring costs, %	-7,7	-1,3	1,3	0,3	-7,0
Operating profit/loss, SEK m	-48	-46	9	2	-39
Operating margin, %	-7,7	-6,1	1,3	0,3	-7,0

Store trend, Jan-Mar

Renovated or relocated	-
Newly opened, net	-
Number of own kitchen stores	161

Percentage of consolidated net sales, first quarter



Our brands

ewe
and other registered brands

FM
Die Köche zum Leben

hygena

goldreif

INTUO

**poggen
pohl**



Consolidated earnings, cash flow and financial position January–March 2014

Net sales for the first quarter amounted to SEK 2,897 million (2,804). Organic growth totalled 3 per cent (neg: 2). No restructuring costs (–) impacted operating profit for the quarter. Operating profit amounted to SEK 97 million (62), corresponding to an operating margin of 3.3 per cent (2.2). Profit after tax was SEK 47 million (25), corresponding to earnings per share of SEK 0.28 (0.15). Operating cash flow amounted to SEK 132 million (neg: 53).

Nobia's organic growth during the period totalled 3 per cent (neg: 2), specified as follows: positive 2 per cent (2) in the UK, positive 6 per cent (neg: 7) in the Nordic region and negative 1 per cent (pos: 1) in the Continental Europe region.

Currency effects had a positive impact of SEK 89 million (neg: 121) on net sales. The divestment of Optifit had an adverse effect of SEK 74 million on sales compared with the preceding year.

Currency effects on operating profit amounted to approximately SEK 0 million (0), comprising a translation effect of positive SEK 5 million (0) and a transaction effect of negative SEK 5 million (0).

Operating profit strengthened primarily due to higher sales values and lower prices for materials, which offset lower volumes.

Group-wide items and eliminations reported an operating loss of SEK 43 million (loss: 33).

Net financial items amounted to an expense of SEK 24 million (expense: 26). Net financial items include the net of return on pension assets and interest expense for pension liabilities corresponding to an expense of SEK 7 million (expense: 9).

The net interest expense totalled SEK 16 million (expense: 15).

Operating cash flow improved primarily as a result of a positive change in working capital and higher earnings generation compared with the year-earlier period.

The return on capital employed including restructuring costs over the past twelve-month period amounted to 15.6 per cent (Jan-Dec 2013: 14.6) and the return on shareholders' equity including restructuring costs was 13.3 per cent (Jan-Dec 2013: 12.0).

Nobia's investments in fixed assets amounted to SEK 54 million (55), of which SEK 24 million (18) was related to store investments.

Goodwill at the end of the period amounted to SEK 2,165 million (2,008), corresponding to 68 per cent (80) of the Group's shareholders' equity.

Net debt including pension provisions amounted to SEK 1,104 million (1,803). The debt/equity ratio was 35 per cent at the end of the period (72).

Net sales and profit/loss per region (operating segment)

SEK m	UK Jan-Mar		Nordic Jan-Mar		Continental Europe Jan-Mar		Group-wide and eliminations Jan-Mar		Group Jan-Mar		Change, %
	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	
Net sales from external customers	985	1,075	1,199	1,262	620	560	–	–	2,804	2,897	3
Net sales from other regions	6	24	1	0	2	1	-9	-25	–	–	–
Total net sales	991	1,099	1,200	1,262	622	561	-9	-25	2,804	2,897	3
Gross profit	394	444	476	503	240	226	8	3	1,118	1,176	5
Gross margin, %	39.8	40.4	39.7	39.9	38.6	40.3	–	–	39.9	40.6	–
Operating profit (EBIT)	32	51	111	128	-48	-39	-33	-43	62	97	56
Operating margin, %	3.2	4.6	9.3	10.1	-7.7	-7.0	–	–	2.2	3.3	–
Financial items	–	–	–	–	–	–	–	–	-26	-24	8
Profit after financial items	–	–	–	–	–	–	–	–	36	73	–



Interim report Q1 • 2014

Restructuring measures in progress

Restructuring costs pertain to certain nonrecurring costs, see page 10. No restructuring costs (–) impacted operating profit for the first quarter. Approved and implemented restructuring measures of SEK 8 million (23) were charged to cash flow, of which the total amount (23) derived from the previous years' approved restructuring measures.

Divested operations and fixed assets held for sale

Nobia holds a number of stores, which were acquired from franchisees with the intention of selling these on. At the end of 2013, Nobia had four stores in Denmark and four stores in Sweden, a total of eight stores.

During the first quarter of 2014, two additional stores were acquired in Sweden. At the end of the first quarter, Nobia had four stores in Denmark and six stores in Sweden, which are recognised in the Nordic region as Discontinued operations and a divestment group held for sale, in accordance with IFRS 5.

Loss after tax for these stores amounted to SEK 4 million (loss: 2) during the period January-March 2014.

Corporate acquisitions and divestments

On 1 May 2013, the operations in the Optifit Group were divested to the local management of Optifit in conjunction with the relocation of manufacturing under Hygena to the UK. The divestment resulted in an expense of SEK 150 million for the fourth quarter of 2012 and for the second quarter of 2013, an additional expense of SEK 36 million. Of the expenses for the divestment, about SEK 60 million affects cash flow, of which about SEK 40 million impacted the cash flow for 2013 and SEK 1 million impacted cash flow in the first quarter of 2014.

The production relocation and the divestment are expected to have a positive effect of approximately SEK 25 million per year on Nobia's operating profit and also entail lower sales of approximately SEK 380 million per year.

Personnel

The number of employees at the end of the period amounted to 6,609 (6,922). The decline was primarily due to the divestment of Optifit, which had 225 employees.

Change to management

Lars Völkel, Executive Vice President, Luxury Retail & Professional, will leave Nobia at his own request at the end of May 2014. The process of recruiting a replacement is underway.

Annual General Meeting

Nobia's Annual General Meeting was held on 9 April 2014 in Stockholm. The Annual General Meeting resolved in accordance with the proposed dividend to shareholders for the 2013 fiscal year of SEK 1.00 per share or about SEK 167 million in total. Payment took place on 17 April.

The Annual General Meeting resolved that the Board would comprise eight members. Morten Falkenberg, Lilian Fossum Biner, Nora Førisdal

Larssen, Johan Molin, Thore Ohlsson and Fredrik Palmstierna were re-elected. Stefan Jacobsson and Ricard Wennerklint were elected new Board members. Johan Molin was re-elected Chairman of the Board.

The company's auditors, KPMG AB, with George Pettersson as the new Auditor in Charge, were re-elected for the period up to end of the next Annual General Meeting.

The Annual General Meeting resolved to introduce a Performance Share Plan, similar to the plan introduced in 2012 and 2013. The plan comprises approximately 100 employees and imposes the requirement that participants must personally purchase shares. After three years, the participants are entitled to allotment of one matching share and a maximum of four performance shares in Nobia free of charge, provided that certain conditions have been fulfilled. The conditions are linked to continued employment and ownership of shares and a financial performance target.

For the Performance Share Plan, the Annual General Meeting resolved to sell a maximum of 1,500,000 treasury shares to the participants of the Plan.

The Annual General Meeting resolved to authorise the Board of Directors, during the period until the next Annual General Meeting, to acquire and sell treasury shares.

A detailed description of the resolutions made at the Annual General Meeting is available from Nobia's website.

Related-party transactions

The Parent Company invoiced Group-wide services to subsidiaries in an amount of SEK 33 million (22) during the period.

The Parent Company reported a profit of SEK 0 million (0) from participations in Group companies.

Financial instruments

The carrying amounts of the Group's financial assets are an approximation of their fair values. Financial instruments measured at fair value in the balance sheet are forward agreements and an interest swap comprised of assets at a value of SEK 3 million (31 Dec 2013: 10) and liabilities at a value of SEK 17 million (31 Dec 2013: 7). The measurement of these items is attributable to level 2 of the fair value hierarchy, meaning based on indirectly observable market data.

Significant risks for the Group and Parent Company

Nobia is exposed to strategic, operating and financial risks, which are described on pages 35-37 of the 2013 Annual Report. During the first quarter of 2014, the overall Nordic market is deemed to have remained unchanged. Demand in the UK is deemed to have increased from a low level, while demand in Continental Europe has weakened. Overall, market conditions are deemed to remain challenging. This means that total production and deliveries remain at a low level. Nobia is continuing to capitalise on synergies and economies of scale by harmonising the product range, co-ordinating production and enhancing purchasing efficiency. Nobia's balance sheet contains goodwill of SEK 2,165 million. The value of this asset item is tested if there are any indications of a decline in value and at least annually.

Currency effect (EBIT)

	Translation effect	Transaction effect	Total effect
	Jan-Mar	Jan-Mar	Jan-Mar
UK region	5	10	15
Nordic region	0	-15	-15
Continental Europe region	0	0	0
Group	5	-5	0



Interim report Q1 • 2014

Accounting policies

This interim report has been prepared in accordance with IFRS, with the application of IAS 34 Interim Financial Reporting. For the Parent Company, accounting policies are applied in accordance with Chapter 9, Interim Reports, of the Swedish Annual Accounts Act. Nobia has applied the same accounting policies in this interim report as were applied in the 2013 Annual Report.

New accounting policies 2014

New or revised IFRS and interpretations from the IFRS Interpretation Committee (IFRS IC) did not have any effect on the Group's or the Parent Company's financial position, earnings or other disclosures.

For further information

Please contact any of the following on: +46 (0)8 440 16 00 or +46 (0)705 95 51 00:

- Morten Falkenberg, President and CEO
- Mikael Norman, CFO
- Lena Schattauer, Head of Investor Relations

Presentation

The interim report will be presented on Monday, 28 April 2014 at 9:00 a.m. CET in a webcast teleconference that can be followed on Nobia's website. To participate in the teleconference, call one of the following numbers:

- From Sweden: +46 (0)8 505 564 74
- From the UK: +44 (0)20 336 453 74
- From the US: +1 855 753 22 30

Financial calendar

21 July 2014 Interim report January-June 2014
27 October 2014 Interim report January-September 2014

Stockholm, 28 April 2014

Morten Falkenberg
President and CEO

Nobia AB, Corporate Registration Number 556528-2752

This interim report is unaudited.

The information in this interim report is such that Nobia AB (publ) is obliged to publish in accordance with the Swedish Securities Market Act. The information was released to the media for publication on 28 April 2014 at 8:00 a.m. CET.

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Corporate Registration Number: 556528-2752 • The registered office of the Board of Directors is in Stockholm, Sweden



Condensed consolidated income statement

SEK m	Jan-Mar		Jan-Dec	Apr-Mar
	2013	2014	2013	2013/14
Net sales	2,804	2,897	11,773	11,866
Cost of goods sold	-1,686	-1,721	-6,949	-6,984
Gross profit	1,118	1,176	4,824	4,882
Selling and administration expenses	-1,050	-1,097	-4,163	-4,210
Other income/expenses	-6	18	-7	17
Operating profit	62	97	654	689
Net financial items	-26	-24	-94	-92
Profit/loss after financial items	36	73	560	597
Tax	-9	-22	-195	-208
Profit/loss after tax from continuing operations	27	51	365	389
Profit/loss from discontinued operations, net after tax	-2	-4	-15	-17
Profit/loss after tax	25	47	350	372
Total profit attributable to:				
Parent Company shareholders	25	47	351	373
Non-controlling interests	0	0	-1	-1
Total profit/loss	25	47	350	372
Total depreciation	95	101	377	383
Total impairment	1	12	13	24
Gross margin, %	39.9	40.6	41.0	41.1
Operating margin, %	2.2	3.3	5.6	5.8
Return on capital employed, %	-	-	14.6	15.6
Return on shareholders equity, %	-	-	12.0	13.3
Earnings per share before dilution, SEK ¹⁾	0.15	0.28	2.10	2.23
Earnings per share after dilution, SEK ¹⁾	0.15	0.28	2.10	2.23
Number of shares at period end before dilution, 000s ²⁾	167,131	167,131	167,131	167,131
Average number of shares after dilution, 000s ²⁾	167,131	167,131	167,131	167,131
Number of shares after dilution at period end, 000s ²⁾	167,271	167,405	167,351	167,383
Average number of shares after dilution, 000s ²⁾	167,271	167,405	167,310	167,363

1) Earnings per share attributable to Parent Company shareholders.

2) Excluding treasury shares.



Consolidated statement of comprehensive income

SEK m	Jan-Mar		Jan-Dec	Apr-Mar
	2013	2014	2013	2013/14
Profit/loss after tax	25	47	350	372
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Exchange-rate differences attributable to translation of foreign operations	-150	26	109	285
Cash flow hedges before tax	4	-17	4	-17
Tax attributable to change in hedging reserve for the period	-1	4	-1	4
	-147	13	112	272
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit pension plans	-53	-27	150	176
Tax relating to remeasurements of defined benefit pension plans	12	5	-37	-44
	-41	-22	113	132
Other comprehensive income/loss	-188	-9	225	404
Total comprehensive income/loss	-163	38	575	776
Total comprehensive income/loss attributable to:				
Parent Company shareholders	-163	38	576	777
Non-controlling interests	0	0	-1	-1
Total comprehensive income/loss	-163	38	575	776

Specification of restructuring costs¹⁾

Restructuring costs per function SEK m	Jan-Mar		Jan-Dec	Apr-Mar
	2013	2014	2013	2013/14
Cost of goods sold	-	-	-	-
Selling and administrative expenses	-	-	-	-
Other expenses	-	-	-36	-36
Total restructuring costs	-	-	-36	-36
Restructuring costs per region				
SEK m	Jan-Mar		Jan-Dec	Apr-Mar
	2013	2014	2013	2013/14
UK	-	-	-	-
Nordic	-	-	-	-
Continental Europe	-	-	-36	-36
Group-wide and eliminations	-	-	-	-
Group	-	-	-36	-36

1) Refers to costs affecting operating profit.



Condensed consolidated balance sheet

SEK m	31 Mar		31 Dec
	2013	2014	2013
ASSETS			
Goodwill	2,008	2,165	2,153
Other intangible fixed assets	180	170	176
Tangible fixed assets	1,855	1,818	1,876
Long-term receivables	52	55	55
Deferred tax assets	485	432	410
Total fixed assets	4,580	4,640	4,670
Inventories	910	867	849
Accounts receivable	1,118	1,179	949
Other receivables	451	483	424
<i>Total current receivables</i>	<i>1,569</i>	<i>1,662</i>	<i>1,373</i>
Cash and cash equivalents	140	348	278
Assets held for sale	66	23	15
Total current assets	2,685	2,900	2,515
Total assets	7,265	7,540	7,185
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	58	58	58
Other capital contributions	1,459	1,465	1,463
Reserves	-619	-345	-366
Profit brought forward	1,597	2,016	1,999
<i>Total shareholders' equity attributable to Parent Company shareholders</i>	<i>2,495</i>	<i>3,194</i>	<i>3,154</i>
Non-controlling interests	5	4	4
Total shareholders' equity	2,500	3,198	3,158
Provisions for pensions	831	652	654
Other provisions	271	202	209
Deferred tax liabilities	157	158	162
Other long-term liabilities, interest-bearing	1,001	805	806
Total long-term liabilities	2,260	1,817	1,831
Current liabilities, interest-bearing	117	2	2
Current liabilities, non-interest-bearing	2,285	2,519	2,192
Liabilities attributable to assets held for sale	103	4	2
Total current liabilities	2,505	2,525	2,196
Total shareholders' equity and liabilities	7,265	7,540	7,185
BALANCE-SHEET RELATED KEY RATIOS			
Equity/assets ratio, %	34	42	44
Debt/equity ratio, %	72	35	37
Net debt, SEK m	1,803	1,104	1,176
Capital employed, closing balance, SEK m	4,449	4,658	4,620



Statement of changes in consolidated shareholders' equity

SEK m	Attributable to Parent Company shareholders							Non-controlling interests	Total shareholders equity
	Share capital	Other capital contributions	Exchange-rate differences attributable to translation of foreign operations	Cash-flow hedges after tax	Profit brought forward	Total			
Opening balance, 1 January 2013	58	1,458	-472	0	1,613	2,657	5	2,662	
Profit/loss for the period	-	-	-	-	25	25	0	25	
Other comprehensive income/loss for the period	-	-	-150	3	-41	-188	0	-188	
Total comprehensive income for the period	-	-	-150	3	-16	-163	0	-163	
Allocation of employee share option and share saving schemes	-	1	-	-	-	1	-	1	
Closing balance, 31 March 2013	58	1,459	-622	3	1,597	2,495	5	2,500	
Opening balance, 1 January 2013	58	1,463	-361	3	1,991	3,154	4	3,158	
Profit/loss for the period	-	-	-	-	47	47	0	47	
Other comprehensive income/loss for the period	-	-	26	-13	-22	-9	0	-9	
Total comprehensive income/loss for the period	-	-	26	-13	25	38	0	38	
Dividend	-	-	-	-	0	0	0	0	
Allocation of employee share option and share saving schemes	-	2	-	-	-	2	-	2	
Closing balance, 31 March 2014	58	1,465	-335	-10	2,016	3,194	4	3,198	



Interim report Q1 • 2014

Condensed consolidated cash-flow statement

SEK m	Jan-Mar		Jan-Dec	Apr-Mar
	2013	2014	2013	2013/14
<i>Operating activities</i>				
Operating profit	62	97	654	689
Depreciation/Impairment	96 ¹⁾	113 ²⁾	390 ³⁾	407
Adjustments for non-cash items	-4	-4	18	18
Tax paid	-29	-52	-159	-182
Change in working capital	-126	23	-72	77
Cash flow from operating activities	-1	177	831	1,009
<i>Investing activities</i>				
Investments in fixed assets	-55	-54	-251	-250
Other items in investing activities	3	9	21	27
Interest received	1	0	4	3
Change in interest-bearing assets	-1	1	-2	0
Divestment of operations	-	-1	-38	-39
Cash flow from investing activities	-52	-45	-266	-259
Operating cash flow before acquisition/divestment of operations interest, increase/decrease of interest-bearing assets	-53	132	601	786
Operating cash flow after acquisition/divestment of operations, interest, increase/decrease of interest-bearing assets	-53	132	565	750
<i>Financing activities</i>				
Interest paid	-16	-16	-58	-58
Change in interest-bearing liabilities	42 ⁴⁾	-47 ⁵⁾	-318 ⁶⁾	-407
Dividend	-	0	-84	-84
Cash flow from financing activities	26	-63	-460	-549
Cash flow for the period excluding exchange-rate differences in cash and cash equivalents	-27	69	105	201
Cash and cash equivalents at beginning of the period	171	278	171	140
Cash flow for the period	-27	69	105	201
Exchange-rate differences in cash and cash equivalents	-4	1	2	7
Cash and cash equivalents at period-end	140	348	278	348

1) Impairment amounted to SEK 1 million and pertained to buildings

2) Impairment amounted to SEK 12 million and pertained to kitchen displays.

3) Impairment amounted to SEK 13 million, of which SEK 6 million pertained to buildings, SEK 5 million to machinery and equipment and SEK 2 million to kitchen displays.

4) Loans raised amounting to SEK 70 million.

5) No loan repayments or loans raised.

6) Loan repayments totalling SEK 130 million.

Analysis of net debt

SEK m	Jan-Mar		Jan-Dec	Apr-Mar
	2013	2014	2013	2013/14
Opening balance	1,707	1,176	1,707	1,803
Divestment of operations	-	1	38	39
Translation differences	-35	7	1	43
Operating cash flow	53	-132	-601	-786
Interest paid, net	15	16	54	55
Remeasurements of defined benefit pension plans	54	27	-150	-177
Other change in pension liabilities	9	9	43	43
Dividend	-	0	84	84
Closing balance	1,803	1,104	1,176	1,104



Interim report Q1 • 2014

Parent Company

Condensed Parent Company income statement		Jan-Mar		Jan-Dec	Apr-Mar
SEK m	2013	2014	2013	2013	2013/14
Net sales	23	29	77	83	
Administrative expenses	-38	-48	-167	-177	
Operating loss	-15	-19	-90	-94	
Profit from shares in Group companies	-	-	244	244	
Other financial income and expenses	-8	-16	-41	-49	
Profit/loss after financial items	-23	-35	113	101	
Tax on profit/loss for the period	0	0	0	0	
Profit/loss for the period	-23	-35	113	101	

Parent Company balance sheet		31 Mar		31 Dec
SEK m	2013	2014	2013	2013
ASSETS				
Fixed assets				
Shares and participations in Group companies	2,230	2,231	2,231	
Total fixed assets	2,230	2,231	2,231	
Current assets				
<i>Current receivables</i>				
Accounts receivable	15	7	13	
Receivables from Group companies	2,752	2,485	2,501	
Other receivables	6	9	6	
Prepaid expenses and accrued income	36	33	47	
Cash and cash equivalents	24	152	152	
Total current assets	2,833	2,686	2,719	
Total assets	5,063	4,917	4,950	
SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES				
Shareholders' equity				
<i>Restricted shareholders' equity</i>				
Share capital	58	58	58	
Statutory reserve	1,671	1,671	1,671	
	1,729	1,729	1,729	
<i>Non-restricted shareholders' equity</i>				
Share premium reserve	52	52	52	
Buy-back of shares	-468	-468	-468	
Profit brought forward	2,342	2,376	2,261	
Profit/loss for the period	-23	-35	113	
	1,903	1,925	1,958	
Total shareholders' equity	3,632	3,654	3,687	
Provisions for pensions	10	12	11	
Long-term liabilities				
Liabilities to credit institutes	800	800	800	
Current liabilities				
Liabilities to credit institutes	116	0	0	
Accounts payable	14	11	14	
Liabilities to Group companies	467	415	406	
Other liabilities	0	4	4	
Accrued expenses and deferred income	24	21	28	
Total current liabilities	621	451	452	
Total shareholders' equity, provisions and liabilities	5,063	4,917	4,950	
Pledged assets	-	-	-	
Contingent liabilities	392	168	172	



Interim report Q1 • 2014

Comparative data per region

Net sales	Jan-Mar		Jan-Dec	Apr-Mar
	2013	2014	2013	2013/14
SEK m				
UK	991	1,099	4,140	4,248
Nordic	1,200	1,262	5,028	5,090
Continental Europe	622	561	2,695	2,634
Group-wide and eliminations	-9	-25	-90	-106
Group	2,804	2,897	11,773	11,866

Gross profit excluding restructuring costs	Jan-Mar		Jan-Dec	Apr-Mar
	2013	2014	2013	2013/14
SEK m				
UK	394	444	1,652	1,702
Nordic	476	503	2,048	2,075
Continental Europe	240	226	1,105	1,091
Group-wide and eliminations	8	3	19	14
Group	1,118	1,176	4,824	4,882

Gross margin excluding restructuring costs	Jan-Mar		Jan-Dec	Apr-Mar
	2013	2014	2013	2013/14
%				
UK	39.8	40.4	39.9	40.1
Nordic	39.7	39.9	40.7	40.8
Continental Europe	38.6	40.3	41.0	41.4
Group	39.9	40.6	41.0	41.1

Operating profit excluding restructuring costs	Jan-Mar		Jan-Dec	Apr-Mar
	2013	2014	2013	2013/14
SEK m				
UK	32	51	247	266
Nordic	111	128	633	650
Continental Europe	-48	-39	-47	-38
Group-wide and eliminations	-33	-43	-143	-153
Group	62	97	690	725

Operating margin excluding restructuring costs	Jan-Mar		Jan-Dec	Apr-Mar
	2013	2014	2013	2013/14
%				
UK	3.2	4.6	6.0	6.3
Nordic	9.3	10.1	12.6	12.8
Continental Europe	-7.7	-7.0	-1.7	-1.4
Group	2.2	3.3	5.9	6.1

Operating profit	Jan-Mar		Jan-Dec	Apr-Mar
	2013	2014	2013	2013/14
SEK m				
UK	32	51	247	266
Nordic	111	128	633	650
Continental Europe	-48	-39	-83	-74
Group-wide and eliminations	-33	-43	-143	-153
Group	62	97	654	689

Operating margin	Jan-Mar		Jan-Dec	Apr-Mar
	2013	2014	2013	2013/14
%				
UK	3.2	4.6	6.0	6.3
Nordic	9.3	10.1	12.6	12.8
Continental Europe	-7.7	-7.0	-3.1	-2.8
Group	2.2	3.3	5.6	5.8



Interim report Q1 • 2014

Quarterly data per region

Net sales		2013				2014
SEK m		I	II	III	IV	I
UK		991	1,086	1,034	1,029	1,099
Nordic		1,200	1,449	1,104	1,275	1,262
Continental Europe		622	756	685	632	561
Group-wide and eliminations		-9	-29	-25	-27	-25
Group		2,804	3,262	2,798	2,909	2,897

Gross profit excluding restructuring costs		2013				2014
SEK m		I	II	III	IV	I
UK		394	429	407	422	444
Nordic		476	612	439	521	503
Continental Europe		240	300	288	277	226
Group-wide and eliminations		8	3	5	3	3
Group		1,118	1,344	1,139	1,223	1,176

Gross margin excluding restructuring costs		2013				2014
%		I	II	III	IV	I
UK		39.8	39.5	39.4	41.0	40.4
Nordic		39.7	42.2	39.8	40.9	39.9
Continental Europe		38.6	39.7	42.0	43.8	40.3
Group		39.9	41.2	40.7	42.0	40.6

Operating profit excluding restructuring costs		2013				2014
SEK m		I	II	III	IV	I
UK		32	77	65	73	51
Nordic		111	224	136	162	128
Continental Europe		-48	-10	9	2	-39
Group-wide and eliminations		-33	-42	-30	-38	-43
Group		62	249	180	199	97

Operating margin excluding restructuring costs		2013				2014
%		I	II	III	IV	I
UK		3.2	7.1	6.3	7.1	4.6
Nordic		9.3	15.5	12.3	12.7	10.1
Continental Europe		-7.7	-1.3	1.3	0.3	-7.0
Group		2.2	7.6	6.4	6.8	3.3

Operating profit		2013				2014
SEK m		I	II	III	IV	I
UK		32	77	65	73	51
Nordic		111	224	136	162	128
Continental Europe		-48	-46	9	2	-39
Group-wide and eliminations		-33	-42	-30	-38	-43
Group		62	213	180	199	97

Operating margin		2013				2014
%		I	II	III	IV	I
UK		3.2	7.1	6.3	7.1	4.6
Nordic		9.3	15.5	12.3	12.7	10.1
Continental Europe		-7.7	-6.1	1.3	0.3	-7.0
Group		2.2	6.5	6.4	6.8	3.3



Definitions

Return on shareholders' equity

Profit for the period as a percentage of average shareholders' equity. The calculation of average shareholders' equity has been adjusted for increases and decreases in capital.

Return on capital employed

Profit after financial revenue as a percentage of average capital employed. The calculation of average capital employed has been adjusted for acquisitions and divestments.

Gross margin

Gross profit as a percentage of net sales.

EBITDA

Profit before depreciation and impairment.

Net debt

Interest-bearing liabilities less interest-bearing assets. Interest-bearing liabilities include pension liabilities.

Operating cash flow

Cash flow from operating activities including cash flow from investing activities, excluding cash flow from acquisitions/divestments of operations, interest received, increase/decrease of interest-bearing assets.

Region

Region corresponds to operating segment according to IFRS 8.

Earnings per share

Profit after tax for the period divided by a weighted average number of outstanding shares during the period.

Operating margin

Operating profit as percentage of net sales.

Debt/equity ratio

Net debt as a percentage of shareholders' equity, including non-controlling interests.

Equity/assets ratio

Shareholders' equity, including non-controlling interests, as a percentage of total assets.

Capital employed

Total assets less non-interest-bearing provisions and liabilities.

Currency effects

Translation effects refer to the currency effects arising when foreign results and balance sheets are translated to SEK.

Transaction effects refer to the currency effects arising when purchases or sales are made in currency other than the currency of the producing country (functional currency).