



Interim report January-December 2015

(All figures in brackets refer to the corresponding period in 2014 and Hygena is recognised as a discontinued operation, refer to page 7.)

October-December 2015

- Net sales excluding items affecting comparability of a negative SEK 4 million (–) amounted to SEK 3,306 million (3,014), positively impacted by currency effects and organic growth.
- Organic growth was 3 per cent (5).
- Operating profit, excluding items affecting comparability of a negative SEK 96 million (neg: 97) pertaining to impairment in Poggenpohl, amounted to SEK 287 million (270), corresponding to an operating margin of 8.7 per cent (9.0).
- Currency gains of approximately SEK 35 million had a positive effect on the Group's operating profit, excluding items affecting comparability, of which SEK 10 million comprised translation effects and SEK 25 million transaction effects.
- Profit after tax, including items affecting comparability, amounted to SEK 128 million (57), corresponding to earnings per share of SEK 0.77 (0.33).
- Operating cash flow amounted to SEK 292 million (301).
- The Board proposes a dividend of SEK 2.50 per share (1.75).

Nobia Group summary

	Oct-Dec			Jan-Dec		
	2014	2015	Change, %	2014	2015	Change, %
Net Sales, SEK m	3,014	3,306	10	11,411	13,336	17
Gross margin, %	40.7	39.8	–	41.0	40.5	–
Operating margin before depreciation and impairment, %	11.3	11.0	–	11.3	11.8	–
Operating profit (EBIT), SEK m	270	287	6	975	1,241	27
Operating margin, %	9.0	8.7	–	8.5	9.3	–
Profit after financial items, SEK m	250	272	9	899	1,183	32
Profit/loss after tax incl IAC, SEK m	57	128	–	-27	828	–
Earnings/loss per share excl IAC, after dilution, SEK	0.85	1.21	42	3.20	5.36	68
Earnings/loss per share incl IAC, after dilution, SEK	0.33	0.77	–	-0.17	4.92	–
Operating cash flow, SEK m	301	292	-3	779	770	-1

All figures in the table except for profit after tax and operating cash flow were adjusted for items affecting comparability (IAC). Additional information about items affecting comparability is provided on pages 8 and 11.

Comments from the CEO

“In 2015, Nobia achieved the highest operating margin in the company's history, despite fourth-quarter earnings being impacted by both a number of nonrecurring items and operational disruptions in a couple of markets. These disruptions have now been addressed and in 2016 we will achieve the target of an operating margin of 10 per cent,” says Morten Falkenberg, President and CEO.

Consolidated net sales, earnings and cash flow

Overall market performance is deemed to have improved compared with the year-earlier period. The Nordic and the UK markets strengthened, while Nobia's markets in the Central Europe region were unchanged.

Sales increased organically 3 per cent (5). Currency gains of SEK 104 million (171) affected sales for the quarter. Commodore and CIE, which were consolidated on 1 November 2015, generated net sales of SEK 68 million during the last two months of the year.

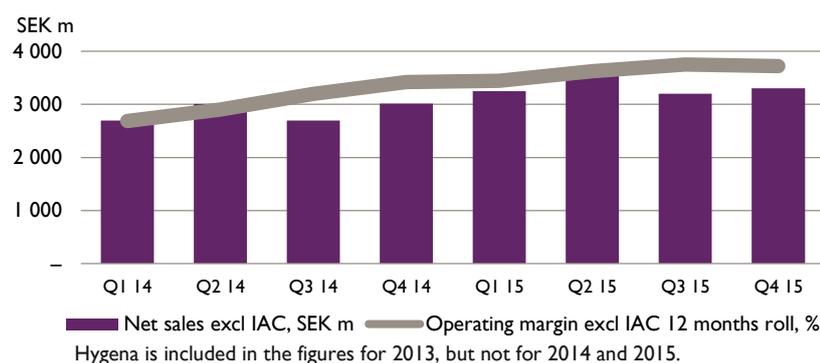
The gross margin excluding items affecting comparability amounted to 39.8 per cent (40.7), negatively impacted primarily by Rixonway, Commodore and CIE having structurally lower gross margins.

Operating profit improved primarily as a result of higher sales volumes and positive currency effects.

The return on operating capital including items affecting comparability was 26.9 per cent over the past twelve-month period (Jan-Dec 2014: 23.2). The return on shareholders' equity including items affecting comparability was 24.1 per cent over the past twelve-month period (Jan-Dec 2014: neg 0.9).

Operating cash flow declined mainly due to the negative change in working capital and higher investments.

Group net sales and operating margin



Analysis of net sales

	Oct-Dec	
	%	SEK m
2014		3,014
Organic growth	3	91
– of which Nordic region	5	68
– of which UK region	3	38
– of which CE region	-4	-15
Currency effect	3	104
Sales to Hygena	0	-11
Acquired operations ¹	3	104
2015	10	3,302

¹ Pertains to the acquisitions of Rixonway, which was consolidated on 1 November 2014, and Commodore och CIE, which were consolidated on 1 November 2015.

Currency effect on operating results excl items affecting comparability

SEK m	Trans- lation effect	Trans- action effect	Total effect
	Oct-Dec	Oct-Dec	Oct-Dec
Nordic region	-5	5	0
UK region	15	15	30
CE region	0	5	5
Group	10	25	35

Net sales and profit by region

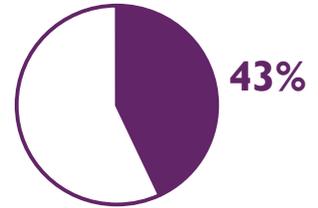
SEK m	Nordic Oct-Dec		UK Oct-Dec		Central Europe Oct-Dec		Group-wide and eliminations Oct-Dec		Group Oct-Dec		Change, %
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	
Net sales from external customers excl IAC	1,381	1,421	1,227	1,471	406	414	–	–	3,014	3,306	10
Net sales from other regions	1	0	–	–	1	1	-2	-1	–	–	–
Net sales excl IAC	1,382	1,421	1,227	1,471	407	415	-2	-1	3,014	3,306	10
Gross profit excl IAC	553	554	501	592	171	168	3	2	1,228	1,316	7
Gross margin excl IAC, %	40.0	39.0	40.8	40.2	42.0	40.5	–	–	40.7	39.8	–
Operating profit/loss excl IAC	193	172	91	154	34	8	-48	-47	270	287	6
Operating margin excl IAC, %	14.0	12.1	7.4	10.5	8.4	1.9	–	–	9.0	8.7	–
Operating profit/loss	187	172	8	154	34	-88	-56	-47	173	191	10
Operating margin, %	13.5	12.1	0.7	10.5	8.4	-21.4	–	–	5.7	5.8	–

Nordic region

October-December 2015

- The Nordic kitchen market is deemed to have increased compared with the year-earlier period. Sweden remains the strongest market with growth in both consumer demand and in the professional customer segment.
- Net sales amounted to SEK 1,421 million (1,382).
- Organic growth was 5 per cent (6). Currency losses of SEK 27 million (gains: 33) impacted net sales for the quarter.
- Gross profit amounted to SEK 554 million (553) and the gross margin to 39.0 per cent (40.0).
- Operating profit, excluding items affecting comparability of SEK 0 million (neg: 6), amounted to SEK 172 million (193) and the operating margin was 12.1 per cent (14.0).
- Currency losses totalling about SEK 0 million impacted operating profit excluding items affecting comparability, of which a negative SEK 5 million comprised translation effects and a positive SEK 5 million transaction effects.

Share of consolidated net sales, fourth quarter



Store trend, Oct-Dec 2015

Renovated or relocated	–
Newly opened/closed, net	-3
Number of own kitchen stores	55

Comments on performance

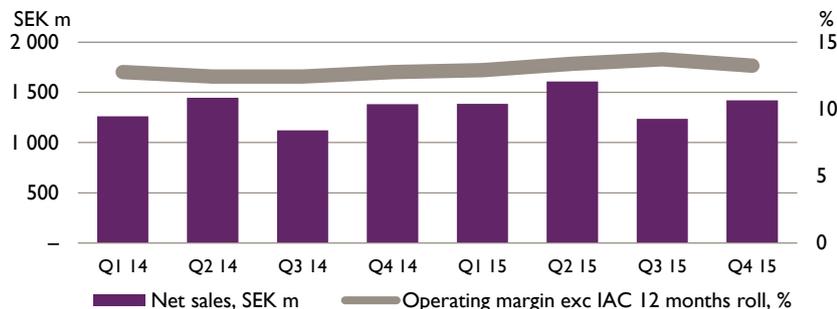
Organic growth was primarily attributable to the consumer segment, although sales to the professional segment also increased. The increase in consumer sales primarily pertained to Sweden, but also Norway. The increase in professional sales was attributable to Denmark and Sweden.

The gross margin weakened due to negative currency effects, cost increases for temporary production and delivery disruptions in the Finnish operations and for higher repair and maintenance activities.

The decline in operating profit was mainly due to the lower gross margin and higher costs for among other things increased marketing activities, which were partly offset by the higher sales level.

The Group's common standard was introduced in Finland. The former range will be phased out in the first quarter of 2016.

Net sales and operating margin



Our brands

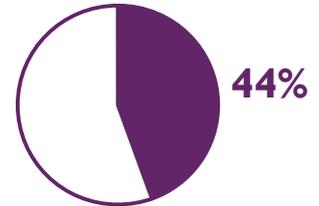


UK region

October-December 2015

- The UK kitchen market continued to grow. The private developer segment performed positively as a result of an increase in new-builds.
- Net sales amounted to SEK 1,471 million (1,227).
- Organic growth was 3 per cent (1). Currency gains of SEK 112 million (117) impacted net sales for the quarter.
- Gross profit amounted to SEK 592 million (501) and the gross margin was 40.2 per cent (40.8).
- Operating profit, excluding items affecting comparability of SEK 0 million (neg: 83), amounted to SEK 154 million (91) and the operating margin was 10.5 per cent (7.4).
- Currency gains totalling about SEK 30 million impacted operating profit, excluding items affecting comparability, of which SEK 15 million comprised translation effects and SEK 15 million transaction effects.

Share of consolidated net sales, fourth quarter



Store trend, Oct-Dec 2015

Renovated or relocated	–
Newly opened/closed, net	0
Number of own kitchen stores	206

Comments on performance

Organic growth was due to higher sales in Magnet. Magnet’s sales increase was mainly due to the consumer segment and project segment. Rixonway’s sales declined as a result of lower investments in renovations of social housing due to lower public financial aid.

Commodore and CIE, two kitchen companies active in the private developer market in the UK, were acquired and consolidated with Nobia’s accounts from 1 November 2015. Commodore and CIE reported sales of SEK 68 million in November and December.

The gross margin declined, negatively impacted by lower sales values and as an effect of the acquisitions of Rixonway, Commodore and CIE, and positively impacted by favourable currency gains.

The improvement in operating profit was mainly due to higher sales volumes, positive currency gains and lower costs.

Net sales and operating margin



Our brands



Central Europe region

October-December 2015

- The market trend in the Central Europe region is deemed to have remained unchanged compared with the year-earlier period.
- Net sales, excluding items affecting comparability of a negative SEK 4 million (–), amounted to SEK 415 million (407).
- Organic growth was a negative 4 per cent (pos: 9). Currency gains of SEK 19 million (25) impacted net sales for the quarter.
- Gross profit excluding items affecting comparability amounted to SEK 168 million (171) and the gross margin to 40.5 per cent (42.0).
- Operating profit, excluding items affecting comparability of a negative SEK 96 million (–), amounted to SEK 8 million (34) and the operating margin was 1.9 per cent (8.4).
- Currency gains totalling about SEK 5 million impacted operating profit excluding items affecting comparability, of which SEK 0 million comprised translation effects and SEK 5 million transaction effects.

Comments on performance

Organic sales declined both in Poggenpohl and in Austria. In Poggenpohl, sales to consumers fell in own stores, which was partly offset by higher project sales and sales via retailers. The sales decline in Austria was mainly due to lower sales values.

The gross margin fell as a result of a negative productivity trend, a changed sales mix and costs for personnel reductions in Poggenpohl.

The decline in operating profit was due to lower sales volumes and a weaker gross margin.

Poggenpohl reported an impairment of SEK 96 million for the fourth quarter of 2015, as a result of incorrect accounting in the US for a number of years. Measures have been and will be taken to restore confidence in the administrative management of Poggenpohl.

Nobia divested the French store chain, Hygena, to Fournier Group in the first quarter of 2015.

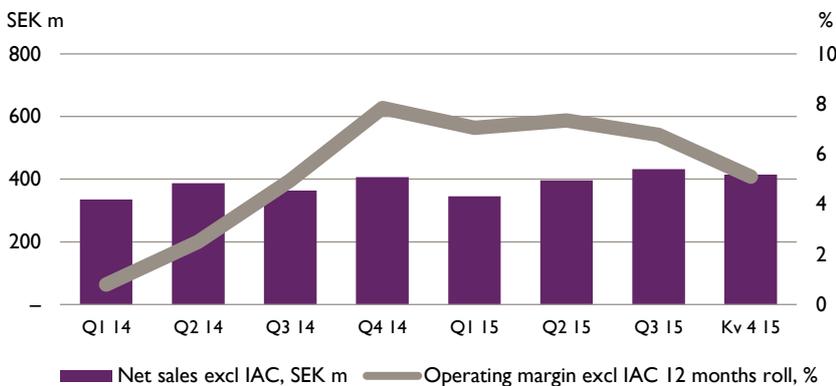
Share of consolidated net sales, fourth quarter



Store trend, Oct-Dec 2015

Renoverats eller bytt läge	–
Nyöppnats/avvecklats, netto	–
Antal egna köksbutiker	36

Net sales and operating margin



Hygena is included in the figures for 2013, but not for 2014 and 2015.

Our brands



Group, January-December 2015

January-December 2015

- Net sales, excluding items affecting comparability of a negative SEK 4 million (–), amounted to SEK 13,336 million (11,411).
- Organic growth was 6 per cent (2).
- Operating profit, excluding items affecting comparability of a negative SEK 96 million (neg: 97), amounted to SEK 1,241 million (975), corresponding to an operating margin of 9.3 per cent (8.5).
- Currency gains of approximately SEK 110 million affected operating profit excluding items affecting comparability, of which SEK 75 million comprised translation effects and SEK 35 million transaction effects.
- Profit after tax including items affecting comparability amounted to SEK 828 million (loss: 27), corresponding to earnings per share of SEK 4.92 (loss: 0.17).
- Operating cash flow amounted to SEK 770 million (779).

Sales increased organically 6 per cent (2), distributed as 8 per cent (2) in the Nordic region, 6 per cent (1) in the UK and a negative 2 per cent (4) in Central Europe. Currency gains of SEK 813 million (622) affected net sales. Acquired operations impacted net sales by SEK 451 million (57).

Operating profit excluding items affecting comparability improved primarily as a result of higher sales volumes and favourable exchange-rate fluctuations.

Group-wide items and eliminations posted an operating loss of SEK 156 million (loss: 161).

Operating cash flow declined slightly, adversely affected by a negative change in working capital and higher investments, and positively impacted by improved earnings generation.

Nobia's investments in fixed assets amounted to SEK 410 million (316), of which SEK 93 million (135) pertained to store investments.

Net sales and profit by region

SEK m	Nordic		UK		Central Europe		Group-wide and eliminations		Group		Change, %
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec		
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	
Net sales from external customers excl IAC	5,213	5,651	4,707	6,099	1,491	1,586	–	–	11,411	13,336	17
Net sales from other regions	2	1	–	–	2	2	-4	-3	–	–	–
Net sales excl IAC	5,215	5,652	4,707	6,099	1,493	1,588	-4	-3	11,411	13,336	17
Gross profit excl IAC	2,112	2,254	1,927	2,463	621	662	17	16	4,677	5,395	15
Gross margin excl IAC, %	40.5	39.9	40.9	40.4	41.6	41.7	–	–	41.0	40.5	–
Operating profit/loss excl IAC	666	749	353	567	117	81	-161	-156	975	1,241	27
Operating margin excl IAC, %	12.8	13.3	7.5	9.3	7.8	5.1	–	–	8.5	9.3	–
Operating profit/loss	660	749	270	567	117	-15	-169	-156	878	1,145	30
Operating margin, %	12.7	13.3	5.7	9.3	7.8	-0.9	–	–	7.7	8.6	–
Net financial items	–	–	–	–	–	–	–	–	-78	-58	26
Profit after financial items	–	–	–	–	–	–	–	–	800	1,087	36

Analysis of net sales

	Jan-Dec	
	%	SEK m
2014		11,411
Organic growth	6	673
– of which Nordic region	8	421
– of which UK region	6	283
– of which CE region	-2	-31
Currency effect	7	813
Sales to Hygena	0	-16
Acquired operations ¹	4	451
2015	17	13,332

¹ Pertains to the acquisitions of Rixonway, which was consolidated on 1 November 2014, and Commodore och CIE, which were consolidated on 1 November 2015.

Currency effect on operating results excl items affecting comparability

SEK m	Trans- lation effect	Trans- action effect	Total effect
	Jan-Dec	Jan-Dec	Jan-Dec
Nordic region	5	-30	-25
UK region	70	50	120
CE region	0	15	15
Group	75	35	110

Other information

Financing

In 2014, Nobia agreed a new syndicated loan of SEK 1 billion with a term of five years. In addition, Nobia has a bond loan from AB SEK Securities (Swedish Export Credit Corporation) of SEK 800 million, which expires in 2017.

Net debt including pension provisions amounted to SEK 774 million (1,206) at the year-end. The debt/equity ratio was 20 per cent (38) at the end of the period.

Net financial items amounted to an expense of SEK 58 million (expense: 78). Net financial items include the net of returns on pension assets and interest expense on pension liabilities corresponding to an expense of SEK 43 million (expense: 41). The net interest expense amounted to SEK 15 million (expense: 37).

Corporate acquisitions and divestments

On 30 October 2014, Nobia signed an agreement for the divestment of the French kitchen chain Hygena to Fournier Group for EUR 20 million on a cash and debt-free basis, conditional upon approval of the French competition authority. In conjunction with signing this sales agreement, Hygena's net assets were reclassified to the Disposal group held for sale, in accordance with IFRS 5.

On 23 February 2015, the French competition authority approved the divestment of Hygena to Fournier Group.

The transaction took place on 2 March 2015 and Nobia thus received the purchase consideration.

On 12 November 2015, Nobia announced the acquisition of Commodore and CIE, two companies active in the private developer market in the UK. The purchase consideration amounted to GBP 28 million on a cash and debt free-basis, and a variable consideration of a maximum of GBP 4 million, conditional upon the business performance.

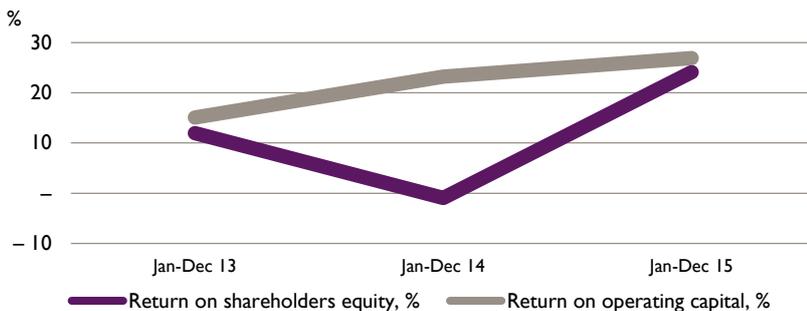
The acquisition of Commodore and CIE strengthens Nobia's position on the UK private developer market and enables realisation of synergy effects, primarily in purchasing and production. Nobia expects Commodore and CIE to generate an operating margin of almost 10 per cent.

Commodore and CIE generate sales of almost GBP 40 million, with Commodore accounting for about 95 per cent of the income. Commodore and CIE were consolidated in Nobia's accounts on 1 November 2015.

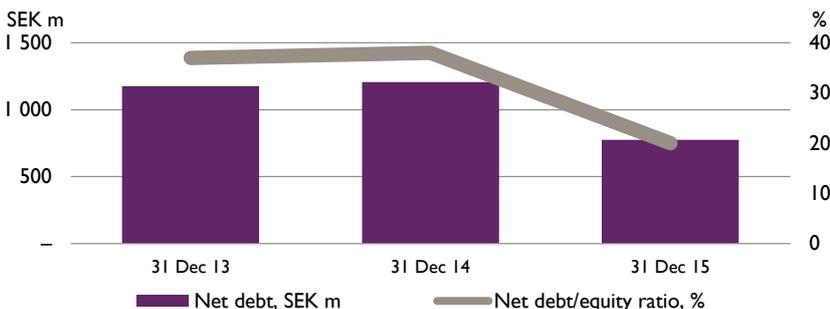
Earnings from discontinued operations

Hygena's operations are recognised as discontinued operations from 1 January 2015 and the income statement, organic growth, specification of items affecting comparability, cash-flow statement and comparative data per region for 2014 have been restated. Restatements are presented in the appendix available from Nobia's website under Investor Relations/Reports and presentations.

Return on shareholders' equity and operating capital



Net debt and net debt/equity ratio



A gain after tax of SEK 3 million (loss: 622) from discontinued operations was reported for 2015, of which SEK 58 million pertained to the divestment of Hygena, a loss of SEK 51 million to Hygena's current earnings and a loss of SEK 4 million (loss: 17) referred to the stores that Nobia acquired from franchises with the intention of subsequently selling on.

During the first six months of 2015, there was no change in the number of stores that Nobia acquired from franchisees and that are recognised as Discontinued operations and disposal group held for sale. During the third quarter, two stores were sold on. No changes took place during the fourth quarter. At year-end, Nobia had four stores in Denmark and one in Sweden, totalling five stores, which are recognised in accordance with IFRS 5.

Items affecting comparability

Items affecting comparability refer to certain nonrecurring costs that were referred to as restructuring costs in previous interim reports, see page 11.

Items affecting comparability of a loss of SEK 96 million were charged to operating profit for the January-December 2015 period. These items were attributable to impairment in Poggenpohl due to incorrect accounting in Poggenpohl USA for a number of years. These Poggenpohl impairments were recognised in the fourth quarter of 2015 and the cost item did not impact cash flow.

Items affecting comparability for 2014 amounted to a loss of SEK 564 million and were charged to profit after tax, of which a negative SEK 97 million impacted operating profit and a negative SEK 2 million as charged to net financial items. The tax effect amounted to SEK 20 million. Profit for discontinued operations was charged with items affecting comparability of a negative SEK 485 million.

Approved and implemented restructuring costs for prior years totalling SEK 23 million (76) were charged against cash flow for the period.

Financial instruments – fair value

The carrying amounts of the Group's financial assets and liabilities, recognised at amortised cost, are a reasonable 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 18 million (31 Dec 2014: 20) and liabilities at a value of SEK 14 million (31 Dec 2014: 24). The measurement of these items is attributable to level 2 of the fair value hierarchy, meaning based on indirectly observable market data. The supplementary purchase consideration of SEK 53 million pertaining to the acquisition of Commodore and CIE is conditional upon the business performance and is valued at level 3 in the fair value hierarchy.

Personnel

The number of employees at the end of the period was 6,539 (6,925). The increase in the number of employees

since the end of the third quarter was mainly due to the acquisition of Commodore and CIE, which had 144 employees at year-end.

Changes in management

On 1 October 2015, Patrick Heinen assumed the position as Executive Vice President and Head of Poggenpohl.

Michael Larsen, Executive Vice President, Supply Chain Operations, left Nobia on 30 November 2015.

Lars Bay-Smidt, Executive Vice President, EVP Nordic Region and Head of Commercial Denmark, left Nobia on 18 January 2016.

Rune Stephansen took office as Executive Vice President and Head of Commercial Denmark on 1 February 2016.

Annual General Meeting

Nobia's Annual General Meeting will be held on Monday, 11 April 2016 at 3:00 p.m. at Lundqvist & Lindqvist Klara Strand Konferens, Klarabergsviadukten 90 in Stockholm, Sweden.

The notice of the AGM, including the Nomination Committee's complete proposals, will be published no later than 14 March.

The Annual Report is scheduled to be published on the Nobia website on 21 March and distributed in printed form on 29 March.

Proposed dividend

The Board proposes that a dividend of SEK 2.50 per share be paid for the 2015 fiscal year, corresponding to 51 per cent of the company's profit after tax for the year. The proposal entails a total dividend of approximately SEK 421 million. The record day for payment of the dividend is 13 April 2016.

Transfer of treasury shares

During the January-December 2015 period, Nobia transferred 620,000 shares under the 2011 Employee Share Option Scheme and 135,147 shares under the 2012 Performance Share Plan, totalling 755,147 shares.

As per 31 December 2015, Nobia's holding of treasury shares amounted to 7,012,153.

The 2011 Annual General Meeting resolved to introduce an Employee Share Option Scheme that encompasses approximately 100 senior executives. According to the conditions for this scheme, an employee option carries entitlement to acquire one Nobia share during the period up to 31 December 2015, at a predetermined exercise price of SEK 54.10.

The 2012 Performance Share Plan encompassed approximately 100 senior executives and was based on participants investing in Nobia shares that were locked into the plan. Each Nobia share invested in under the framework of the plan entitled participants, following a vesting period of approximately three years and provided that certain conditions were fulfilled, to allotment of matching and performance shares in Nobia.

Parent Company

The Parent Company invoiced Group-wide services to subsidiaries in an amount of SEK 199 million (118) during the period. The Parent Company reported profit of SEK 416 million (312) from participations in Group companies.

Significant risks in the Group and Parent Company

Nobia is exposed to strategic, operating and financial risks, which are described on pages 33-35 of the 2014 Annual Report. During the January-December 2015 period, the overall Nordic market displayed an improvement. Demand in the UK is considered to have increased slightly, while demand in Central Europe was weak. Overall, market conditions are deemed 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 as of 31 December 2015 contained goodwill of SEK 2,551 million (2,278). The value of this asset item is tested if there are any indications of a decline in value and at least once annually.

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 2014 Annual Report.

Stockholm, 5 February 2016

Morten Falkenberg
President and CEO

Nobia AB, Corporate Registration Number 556528-2752

This Year-end Report is unaudited.

Condensed consolidated income statement

SEK m	Oct-Dec		Jan-Dec	
	2014	2015	2014	2015
Net sales	3,014	3,302	11,411	13,332
Cost of goods sold	-1,846	-2,023	-6,794	-7,974
Gross profit	1,168	1,279	4,617	5,358
Selling and administration expenses	-990	-1,103	-3,743	-4,237
Other income/expenses	-5	15	4	24
Operating profit	173	191	878	1,145
Net financial items	-22	-15	-78	-58
Profit/loss after financial items	151	176	800	1,087
Tax	-57	-53	-205	-262
Profit/loss after tax from continuing operations	94	123	595	825
Profit/loss from discontinued operations, net after tax	-37	5	-622	3
Profit/loss after tax	57	128	-27	828
Total profit attributable to:				
Parent Company shareholders	57	130	-28	829
Non-controlling interests	0	-2	1	-1
Total profit/loss	57	128	-27	828
Total depreciation ¹	81	76	310	341
Total impairment ¹	8	11	16	5
Gross margin, %	38.8	38.7	40.5	40.2
Operating margin, %	5.7	5.8	7.7	8.6
Return on operating capital, %	-	-	23.2	26.9
Return on shareholders equity, %	-	-	-0.9	24.1
Earnings per share before dilution, SEK ²	0.34	0.77	-0.17	4.93
Earnings per share after dilution, SEK ²	0.33	0.77	-0.17	4.92
Number of shares at period end before dilution, 000s ³	167,526	168,281	167,526	168,281
Average number of shares before dilution, 000s ³	167,504	168,270	167,334	168,060
Number of shares after dilution at period end, 000s ³	168,002	168,684	167,933	168,657
Average number of shares after dilution, 000s ³	167,982	168,662	167,734	168,517

1) Excludes depreciation and impairment recognised on the line "Profit/loss from discontinued operations, net after tax".

2) Earnings/loss per share attributable to Parent Company shareholders.

3) Excluding treasury shares.

Consolidated statement of comprehensive income

SEK m	Oct-Dec		Jan-Dec	
	2014	2015	2014	2015
Profit/loss after tax	57	128	-27	828
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Exchange-rate differences attributable to translation of foreign operations	112	-124	369	-89
Cash flow hedges before tax	25	-7	-5	4
Tax attributable to change in hedging reserve for the period	-5	1	1	-1
	132	-130	365	-86
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit pension plans	-25	108	-202	170
Tax relating to remeasurements of defined benefit pension plans	6	-22	41	-34
	-19	86	-161	136
Other comprehensive income/loss	113	-44	204	50
Total comprehensive income/loss	170	84	177	878
Total comprehensive income/loss attributable to:				
Parent Company shareholders	170	86	176	879
Non-controlling interests	0	-2	1	-1
Total comprehensive income/loss	170	84	177	878

Specification of items affecting comparability¹

Items affecting comparability per function, SEK m	Oct-Dec		Jan-Dec	
	2014	2015	2014	2015
Net Sales	-	-4	-	-4
Cost of goods sold	-60	-33	-60	-33
Selling and administrative expenses	-17	-59	-17	-59
Other expenses	-20	0	-20	0
Total items affecting comparability	-97	-96	-97	-96

Items affecting comparability per region, SEK m	Oct-Dec		Jan-Dec	
	2014	2015	2014	2015
Nordic	-6	-	-6	-
UK	-83	-	-83 ²	-
Central Europe	-	-96	-	-96 ³
Group-wide and eliminations	-8	-	-8	-
Group	-97	-96	-97	-96

1) Refers to costs affecting operating profit.

2) Impairment of SEK 17 million referring to kitchen displays.

3) Impairment of SEK 10 million referring to kitchen displays.

Condensed consolidated balance sheet

SEK m	31 Dec	
	2014	2015
ASSETS		
Goodwill	2,278	2,551
Other intangible fixed assets	158	146
Tangible fixed assets	1,672	1,722
Long-term receivables	35	37
Deferred tax assets	303	241
Total fixed assets	4,446	4,697
Inventories	853	934
Accounts receivable	1,091	1,269
Other receivables	403	396
<i>Total current receivables</i>	<i>1,494</i>	<i>1,665</i>
Cash and cash equivalents	470	765
Assets held for sale	592	8
Total current assets	3,409	3,372
Total assets	7,855	8,069
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	58	58
Other capital contributions	1,470	1,478
Reserves	7	-78
Profit brought forward	1,656	2,360
<i>Total shareholders' equity attributable to Parent Company shareholders</i>	<i>3,191</i>	<i>3,818</i>
Non-controlling interests	5	4
Total shareholders' equity	3,196	3,822
Provisions for pensions	869	732
Other provisions	159	122
Deferred tax liabilities	143	133
Other long-term liabilities, interest-bearing	811	811
Total long-term liabilities	1,982	1,798
Current liabilities, interest-bearing	4	4
Current liabilities, non-interest-bearing	2,313	2,442
Liabilities attributable to assets held for sale	360	3
Total current liabilities	2,677	2,449
Total shareholders' equity and liabilities	7,855	8,069
BALANCE-SHEET RELATED KEY RATIOS		
Equity/assets ratio, %	41	47
Debt/equity ratio, %	38	20
Net debt, closing balance, SEK m	1,206	774
Operating capital, closing balance, SEK m	4,402	4,596
Capital employed, closing balance, SEK m	4,880	5,369

Statement of changes in consolidated shareholders' equity

Attributable to Parent Company shareholders

SEK m	Share capital	Other capital contributions	Exchange-rate differences attributable to translation of foreign operations	Cash-flow hedges after tax	Profit brought forward	Total	Non-controlling interests	Total shareholders equity
Opening balance, 1 January 2014	58	1,463	-361	3	1,991	3,154	4	3,158
Profit/loss for the period	-	-	-	-	-28	-28	1	-27
Other comprehensive income/loss for the period	-	-	369	-4	-161	204	0	204
Total comprehensive income for the period	-	-	369	-4	-189	176	1	177
Dividend	-	-	-	-	-167	-167	0	-167
Allocation of employee share option and share saving schemes	-	7	-	-	-	7	-	7
Treasury shares sold ¹	-	-	-	-	21	21	-	21
Closing balance, 31 December 2014	58	1,470	8	-1	1,656	3,191	5	3,196
Opening balance, 1 January 2015	58	1,470	8	-1	1,656	3,191	5	3,196
Profit/loss for the period	-	-	-	-	829	829	-1	828
Other comprehensive income/loss for the period	-	-	-89	3	136	50	0	50
Total comprehensive income/loss for the period	-	-	-89	3	965	879	-1	878
Dividend	-	-	-	-	-294	-294	0	-294
Allocation of employee share option and share saving schemes	-	8	-	-	-	8	-	8
Treasury shares sold ¹	-	-	-	-	34	34	-	34
Closing balance, 31 December 2015	58	1,478	-81	2	2,361	3,818	4	3,822

1) Attributable to the 2011 Employee Share Option Scheme.

Condensed consolidated cash-flow statement

SEK m	Oct-Dec		Jan-Dec	
	2014	2015	2014	2015
<i>Operating activities</i>				
Operating profit	173	191	878	1,145
Operating profit/loss for discontinued operations	-43	3	-484	3
Depreciation/Impairment	91	87	722 ¹	346 ²
Adjustments for non-cash items	97	106	99	66
Tax paid	-84	-86	-194	-216
Change in working capital	160	119	12	-199
Cash flow from operating activities	394	420	1,033	1,145
<i>Investing activities</i>				
Investments in fixed assets	-109	-140	-316	-410
Other items in investing activities	16	12	62	35
Interest received	4	2	6	6
Change in interest-bearing assets	0	-2	1	-1
Acquisition of operations	-250	-348	-250	-348
Divestment of operations	-14	-2	-16	230
Cash flow from investing activities	-353	-478	-513	-488
Operating cash flow before acquisition/divestment of operations interest, increase/decrease of interest-bearing assets	301	292	779	770
Operating cash flow after acquisition/divestment of operations, interest, increase/decrease of interest-bearing assets	41	-58	520	657
<i>Financing activities</i>				
Interest paid	-13	-1	-43	-20
Change in interest-bearing liabilities	-145	-18	-190 ³	-30 ⁴
Treasury shares sold	3	2	21	34
Dividend	-	-	-167	-294
Cash flow from financing activities	-155	-17	-379	-310
Cash flow for the period excluding exchange-rate differences in cash and cash equivalents	-114	-75	141	347
Cash and cash equivalents at beginning of the period	546	863	278	470
Cash flow for the period	-114	-75	141	347
Exchange-rate differences in cash and cash equivalents	38	-23	51	-52
Cash and cash equivalents at period-end	470	765	470	765

1) Impairment amounted to SEK 351 million and pertained to goodwill SEK 328 million, other intangible assets SEK 2 million and kitchen displays SEK 21 million. Reversal of previous impairment amounted to SEK 7 million and pertained to buildings.

2) Impairment amounted to SEK 5 million and pertained to kitchen displays SEK 10 million, machinery SEK 1 million and buildings SEK 1 million. Reversal of previous impairment amounted to SEK 7 million and pertained to kitchen displays.

3) Loan repayments totalling SEK 100 million.

4) No repayment or loans raised.

Analysis of net debt

SEK m	Oct-Dec		Jan-Dec	
	2014	2015	2014	2015
Opening balance	1,099	808	1,176	1,206
Acquisition of operations	361	353	361	353
Divestment of operations	14	2	16	-230
Translation differences	2	7	14	24
Operating cash flow	-301	-292	-779	-770
Interest paid, net	9	-1	37	14
Remeasurements of defined benefit pension plans	18	-108	195	-170
Other change in pension liabilities	7	7	40	87
Dividend	-	-	167	294
Treasury shares sold	-3	-2	-21	-34
Closing balance	1,206	774	1,206	774

Note I – Corporate acquisition

On 12 November 2015, Nobia acquired 100 per cent of the share capital of the UK kitchen companies Commodore and CIE via Nobia Holding UK. The acquisition of Commodore and CIE strengthens Nobia's position in the UK private developer market and enables synergy effects primarily in purchasing and production. Transaction costs for the acquisition amounted to SEK 9 million for the year and are recognized among the Group's other operating expenses. The supplementary purchase consideration of a maximum of SEK 53 million is conditioned upon the business performance for the next two years and is valued at level 3 in the fair value hierarchy. Commodore and CIE were consolidated on 1 November and generated net sales of SEK 68 million in the final two months of 2015. Sales from the beginning of the year amounted to approximately SEK 516 million.

The acquisition analysis below is preliminary since the final acquisition values for the fair values have not yet been determined.

Acquired net assets and goodwill

SEK m

Cash purchase consideration	369
Supplementary purchase consideration	53
Fair value of acquired net assets	-125
Goodwill	297

Assets and liabilities included in the acquisition

SEK m

	Fair value	Acquired carrying amount
Cash and bank balances	21	21
Tangible fixed assets	9	9
Intangible fixed assets	–	–
Inventories	46	46
Receivables	102	102
Liabilities	-46	-46
Interest-bearing liabilities	-5	-5
Taxes	-2	-2
Deferred tax, net	0	0
Acquired net assets	125	125
Cash-settled purchase consideration		369
Cash and cash equivalents in acquired subsidiaries		21
Reduction of Group's cash and cash equivalents on consolidation		348

Parent company

Condensed Parent company income statement

SEK m	Oct-Dec		Jan-Dec	
	2014	2015	2014	2015
Net sales	20	48	118	200
Administrative expenses	-84	-73	-238	-262
Operating loss	-64	-25	-120	-62
Profit from shares in Group companies	295	416	312	416
Other financial income and expenses	-17	-22	-39	-49
Profit/loss after financial items	214	369	153	305
Tax on profit/loss for the period	0	0	1	0
Profit/loss for the period	214	369	154	305

Parent company balance sheet

SEK m	31 Dec	
	2014	2015
ASSETS		
Fixed assets		
Shares and participations in Group companies	2,234	2,084
Total fixed assets	2,234	2,084
Current assets		
<i>Current receivables</i>		
Accounts receivable	8	1
Receivables from Group companies	3,195	2,863
Other receivables	12	13
Prepaid expenses and accrued income	54	59
Cash and cash equivalents	184	472
Total current assets	3,453	3,408
Total assets	5,687	5,492
SHAREHOLDERS' EQUITY, PROVISIONS AND LIABILITIES		
Shareholders' equity		
<i>Restricted shareholders' equity</i>		
Share capital	58	58
Statutory reserve	1,671	1,671
	1,729	1,729
<i>Non-restricted shareholders' equity</i>		
Share premium reserve	52	52
Buy-back of shares	-447	-402
Profit brought forward	2,215	2,071
Profit/loss for the period	154	305
	1,974	2,026
Total shareholders' equity	3,703	3,755
Provisions for pensions	13	15
Long-term liabilities		
Liabilities to credit institutes	800	800
Current liabilities		
Liabilities to credit institutes	0	0
Accounts payable	22	18
Liabilities to Group companies	1,110	864
Other liabilities	2	11
Accrued expenses and deferred income	37	29
Total current liabilities	1,171	922
Total shareholders' equity, provisions and liabilities	5,687	5,492
Pledged assets	0	0
Contingent liabilities	179	177

Comparative data per region

	Oct-Dec		Jan-Dec	
	2014	2015	2014	2015
Net sales excl IAC, SEK m				
Nordic	1,382	1,421	5,215	5,652
UK	1,227	1,471	4,707	6,099
Central Europe	407	415	1,493	1,588
Group-wide and eliminations	-2	-1	-4	-3
Group	3,014	3,306	11,411	13,336

	Oct-Dec		Jan-Dec	
	2014	2015	2014	2015
Net sales, SEK m				
Nordic	1,382	1,421	5,215	5,652
UK	1,227	1,471	4,707	6,099
Central Europe	407	411	1,493	1,584
Group-wide and eliminations	-2	-1	-4	-3
Group	3,014	3,302	11,411	13,332

	Oct-Dec		Jan-Dec	
	2014	2015	2014	2015
Gross profit excl IAC, SEK m				
Nordic	553	554	2,112	2,254
UK	501	592	1,927	2,463
Central Europe	171	168	621	662
Group-wide and eliminations	3	2	17	16
Group	1,228	1,316	4,677	5,395

	Oct-Dec		Jan-Dec	
	2014	2015	2014	2015
Gross margin excl IAC, %				
Nordic	40.0	39.0	40.5	39.9
UK	40.8	40.2	40.9	40.4
Central Europe	42.0	40.5	41.6	41.7
Group	40.7	39.8	41.0	40.5

	Oct-Dec		Jan-Dec	
	2014	2015	2014	2015
Operating profit excl IAC, SEK m				
Nordic	193	172	666	749
UK	91	154	353	567
Central Europe	34	8	117	81
Group-wide and eliminations	-48	-47	-161	-156
Group	270	287	975	1,241

	Oct-Dec		Jan-Dec	
	2014	2015	2014	2015
Operating margin excl IAC, %				
Nordic	14.0	12.1	12.8	13.3
UK	7.4	10.5	7.5	9.3
Central Europe	8.4	1.9	7.8	5.1
Group	9.0	8.7	8.5	9.3

Comparative data per region cont.

Operating profit, SEK m	Oct-Dec		Jan-Dec	
	2014	2015	2014	2015
Nordic	187	172	660	749
UK	8	154	270	567
Central Europe	34	-88	117	-15
Group-wide and eliminations	-56	-47	-169	-156
Group	173	191	878	1,145

Operating margin, %	Oct-Dec		Jan-Dec	
	2014	2015	2014	2015
Nordic	13.5	12.1	12.7	13.3
UK	0.7	10.5	5.7	9.3
Central Europe	8.4	-21.4	7.8	-0.9
Group	5.7	5.8	7.7	8.6

Quarterly data per region

Net sales excl IAC, SEK m	2014				2015			
	I	II	III	IV	I	II	III	IV
Nordic	1,262	1,448	1,123	1,382	1,385	1,609	1,237	1,421
UK	1,099	1,173	1,208	1,227	1,522	1,571	1,535	1,471
Central Europe	335	387	364	407	345	396	432	415
Group-wide and eliminations	-1	-1	0	-2	-1	-1	0	-1
Group	2,695	3,007	2,695	3,014	3,251	3,575	3,204	3,306

Net sales, SEK m	2014				2015			
	I	II	III	IV	I	II	III	IV
Nordic	1,262	1,448	1,123	1,382	1,385	1,609	1,237	1,421
UK	1,099	1,173	1,208	1,227	1,522	1,571	1,535	1,471
Central Europe	335	387	364	407	345	396	432	411
Group-wide and eliminations	-1	-1	0	-2	-1	-1	0	-1
Group	2,695	3,007	2,695	3,014	3,251	3,575	3,204	3,302

Gross profit excl IAC, SEK m	2014				2015			
	I	II	III	IV	I	II	III	IV
Nordic	503	599	457	553	550	659	491	554
UK	444	477	505	501	604	636	631	592
Central Europe	131	151	168	171	140	170	184	168
Group-wide and eliminations	3	6	5	3	5	4	5	2
Group	1,081	1,233	1,135	1,228	1,299	1,469	1,311	1,316

Gross margin excl IAC, %	2014				2015			
	I	II	III	IV	I	II	III	IV
Nordic	39.9	41.4	40.7	40.0	39.7	41.0	39.7	39.0
UK	40.4	40.7	41.8	40.8	39.7	40.5	41.1	40.2
Central Europe	39.1	39.0	46.2	42.0	40.6	42.9	42.6	40.5
Group	40.1	41.0	42.1	40.7	40.0	41.1	40.9	39.8

Operating profit excl IAC, SEK m	2014				2015			
	I	II	III	IV	I	II	III	IV
Nordic	128	207	138	193	151	254	172	172
UK	51	103	108	91	94	156	163	154
Central Europe	18	22	43	34	7	27	39	8
Group-wide and eliminations	-41	-39	-33	-48	-41	-37	-31	-47
Group	156	293	256	270	211	400	343	287

Operating margin excl IAC, %	2014				2015			
	I	II	III	IV	I	II	III	IV
Nordic	10.1	14.3	12.3	14.0	10.9	15.8	13.9	12.1
UK	4.6	8.8	8.9	7.4	6.2	9.9	10.6	10.5
Central Europe	5.4	5.7	11.8	8.4	2.0	6.8	9.0	1.9
Group	5.8	9.7	9.5	9.0	6.5	11.2	10.7	8.7

Quarterly data per region cont.

Operating profit, SEK m	2014				2015			
	I	II	III	IV	I	II	III	IV
Nordic	128	207	138	187	151	254	172	172
UK	51	103	108	8	94	156	163	154
Central Europe	18	22	43	34	7	27	39	-88
Group-wide and eliminations	-41	-39	-33	-56	-41	-37	-31	-47
Group	156	293	256	173	211	400	343	191

Operating margin, %	2014				2015			
	I	II	III	IV	I	II	III	IV
Nordic	10.1	14.3	12.3	13.5	10.9	15.8	13.9	12.1
UK	4.6	8.8	8.9	0.7	6.2	9.9	10.6	10.5
Central Europe	5.4	5.7	11.8	8.4	2.0	6.8	9.0	-21.4
Group	5.8	9.7	9.5	5.7	6.5	11.2	10.7	5.8

Definitions

Return on shareholders' equity

Net 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 operating capital

Operating profit as a percentage of average operating capital excluding net assets attributable to discontinued operations. The calculation of average operating capital has been adjusted for acquisitions and divestments.

Gross margin

Gross profit as a percentage of net sales.

EBITDA

Earnings before depreciation/amortisation and impairment.

Net debt

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

Operating capital

Capital employed excluding interest-bearing assets.

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 in interest-bearing assets.

Region

A region comprises an operating segment in accordance with IFRS 8.

Earnings per share

Net profit for the period divided by a weighted average number of outstanding shares during the period.

Operating margin

Operating profit as a 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 balance-sheet total.

Capital employed

Balance-sheet total less non-interest-bearing provisions and liabilities.

Currency effects

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

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

Information to shareholders

For further information

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 Communication and Investor Relations

Presentation

The interim report will be presented on Friday, 5 February at 3:00 p.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)8 519 993 64
- From the UK: +44 (0)203 364 5373
- From the US: +1 855 753 22 30

Financial calendar

11 April 2016	Annual General Meeting 2016
27 April 2016	Interim report January-March 2016
20 July 2016	Interim report January-June 2016
28 October 2016	Interim report January-September 2016

Nobia develops and sells kitchens through some twenty strong brands in Europe, including Magnet in the UK; HTH, Norema, Sigdal, Invita, Marbodal in Scandinavia; Petra 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 6,500 employees and net sales of about SEK 13 billion in 2015. The Nobia share is listed on Nasdaq Stockholm under the ticker NOBI. Website: www.nobia.com.

Box 70376 • SE-107 24 Stockholm, Sweden • Office address: Klarabergsviadukten 70 A5 • Tel +46 (0)8 440 16 00 • Fax +46 (0)8 503 826 49 • www.nobia.com. Corporate Registration Number: 556528-2752 • Board domicile: Stockholm, Sweden