

Q1

QUARTERLY REPORT JANUARY - MARCH

ELANDERS¹³

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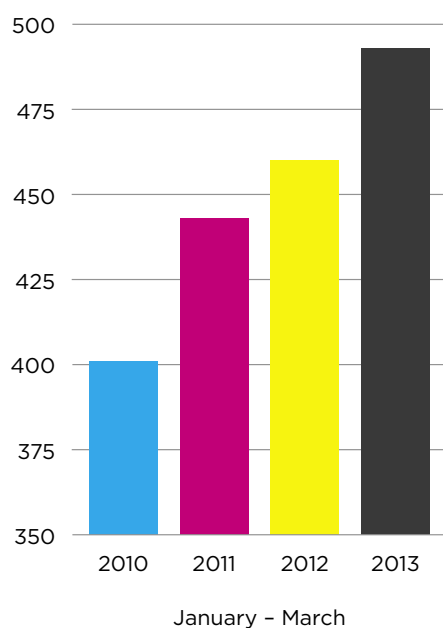
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This document is a translation of the Swedish original. In the event of any discrepancies between this translation and the Swedish original, the latter shall prevail.

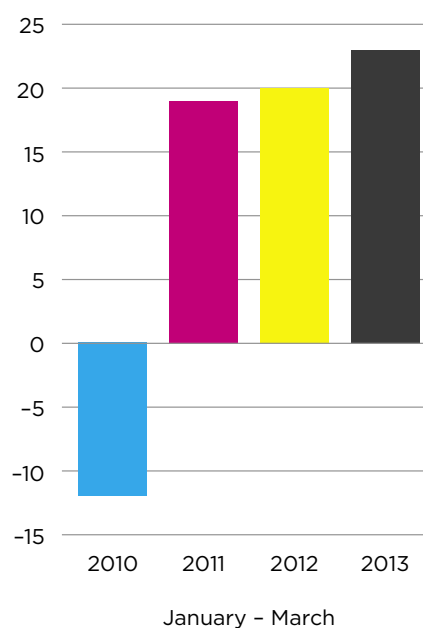
THE FIRST QUARTER

- Net sales increased by 7% and amounted to MSEK 493 (460).
- The operating result increased by 15% to MSEK 23 (20).
- The result before tax amounted to MSEK 16 (14).
- The net result was MSEK 11 (10) or SEK 0.46 (0.50) per share.
- Operating cash flow totaled MSEK -30 (27), of which acquisitions were MSEK -20 (0).
- The label printing company, McNaughtan's Printers in Glasgow, Scotland, was acquired during the quarter.

■ NET SALES, MSEK



■ OPERATING RESULT EXCLUDING ONE OFF ITEMS, MSEK



COMMENTS BY THE CEO

Elanders continues to increase the operating result compared to the same period last year. The improvement in the operating margin is primarily due to the measures taken in daily operations and the new acquisitions.

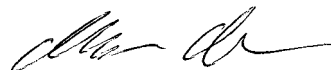
DEMAND ON THE Swedish and German markets in Commercial Print has continued to be hesitant during the quarter. The traditional demand for large volumes in offset is shifting to a growing demand for shorter series in digital print. This shows that the trend of generic print in long series being replaced by smaller editions with more niched and personalized information continues. The decline in offset volumes has led to lower net sales in both Sweden and Germany in the period. However, this has been compensated for in the Group by the newly acquired companies and the positive developments in several of our other foreign operations. An example of this is the continued success in our operations in China where volumes, primarily in packaging, have increased dramatically during the period.

In order to counter the contracting demand in Commercial Print and increase productivity we have intensified the process of consolidating our production units. During the first quarter and in the beginning of the second, decision was taken in Sweden to move operations in Västerås and Uppsala to Stockholm and also to shut down production in Falköping and move them to Gothenburg. Germany is going through the same process and by the beginning of the second

half of the year all production will be under one roof. All these measures are expected to generate substantial savings in the coming years as well as reduce the total need for investments since production will be concentrated to fewer units and a higher degree of utilization can be achieved.

The integration of Midland in the US, which was acquired in the fourth quarter of 2012, has proceeded according to plan. This company is an important part of the puzzle of developing our role as a global supplier to global customers that need local deliveries in different parts of the world. We can already see several synergies between Midland and our other units, both in the USA and in Europe. Also, Midland's management has taken over responsibility for our operations in Atlanta.

The acquisition of McNaughtan's in Scotland in the beginning of this year opens the door to a completely new customer category and broadens our offer in packaging and labels



Magnus Nilsson
President and Chief Executive Officer

■ THREE YEAR OVERVIEW

MSEK	First quarter		
	2013	2012	2011
Net sales	493	460	443
Operating expenses	-470	-440	-424
OPERATING RESULT	23	20	19
Net financial items	-7	-6	-7
RESULT AFTER FINANCIAL ITEMS	16	14	12

MSEK	Full year		
	2012	2011	2010
Net sales	1,924	1,839	1,706
Operating expenses	-1,805	-1,729	-1,782
OPERATING RESULT	119	110	-76
Net financial items	-25	-30	-29
RESULT AFTER FINANCIAL ITEMS	93	80	-105

GROUP

OPERATIONS

Elanders is a global printing group with production units in nine countries on four continents. Our customers can handle all their printing logistics through a single contact at Elanders, no matter how extensive they are or where in the world their products are delivered. Elanders has developed global Web-based order interfaces to support this process.

Our product areas are Commercial Print, Packaging and e-Commerce. Elanders offers services in Web-to-Print (W2P), EDI, advanced premedia, fulfillment and logistics within these areas. Elanders also sells photo products directly to consumers primarily in Germany under the brand fotokasten.

The Group's production units are located in Brazil (São Paulo), Italy (Treviso), China (Beijing), Poland (Płońsk), Great Britain (Glasgow and Newcastle), Sweden (Falköping, Gothenburg, Malmö and Stockholm), Germany (Stuttgart), Hungary (Zalaölő and Jászberény) as well as the USA (Atlanta and Davenport).

Elanders is also represented through sales offices in a number of other locations.

NET SALES AND RESULTS

Consolidated net sales for the year increased by 7% to MSEK 493 (460). The increase is entirely due to the acquisitions made during 2013 and 2012. The strong Swedish crown affected net sales negatively by close to MSEK 16.

The Swedish and German operations have been affected by a decrease in demand, particularly in the production of long series. This has led to lower capacity utilization in our offset units at the same time more work has come in for smaller editions, which has entailed higher capacity utilization in our digital print facilities. Nonetheless net sales have shrunk in total on both of these markets. Most of our other businesses have, however, continued to develop positively in 2013.

To counter the diminishing demand in Commercial Print and increase productivity we have continued the process of consolidating

our production units. During the first quarter and in the beginning of the second the decision was made in Sweden to move our operations in Västerås and Uppsala to Stockholm. We also decided to shut down production in Falköping and move it to Gothenburg. A similar process is taking place in Germany where all production after the second half of the year will be consolidated to one location. These measures are expected to generate significant savings in the coming years and reduce the total need for investments.

The operating result for the period increased to MSEK 23 (20), which is an operating margin of 5 (4)%. The operating result was affected negatively by close to MSEK 1 due to the strong Swedish crown. The result and margin has improved compared to the same period last year, even without the new acquisitions. Both of them, Midland and McNaughtan's, have contributed positively to net sales and the operating result this quarter. The label printer McNaughtan's was acquired by Elanders in February. The company has annual net sales of around MSEK 20 and several well known whiskey brands are customers. Their products are mainly labels with extremely high quality and a high level of enrichment.

The net result increased from MSEK 10 for the same period from last year to MSEK 11. Earnings per share were SEK 0.46 (0.50). The reduction in earnings per share is a result of the increase in shares due to the new issue in the second quarter of 2012.

From 2010 to 2012 Elanders submitted claims for VAT refunds to the Swedish Tax Agency pertaining to 2004 through 2007. In 2011 and 2012 the Swedish Tax Agency made consequential amendments regarding many of Elanders' customers who have then demanded compensation from Elanders. It is Elanders' position that the Swedish Tax Agency cannot make consequential amendments. Several judgments from the Court of Appeals in Stockholm, Gothenburg and Jönköping have supported Elanders' position. The Swedish Tax Agency has now appealed some of the decisions and sought reconsideration by the Supreme Administrative Court. Until this judgment has finally become legally binding Elanders believes there is still a great deal of

uncertainty regarding the rest amounts for 2004 and 2007 and therefore it is difficult to assess what effect they will have on Elanders' result.

On 7 July 2011 the Swedish Tax Agency presented its position regarding income tax for graphic companies that have claimed a refund of outgoing VAT. The Swedish Tax Agency's position is that the graphic companies that have made a claim for the refund of outgoing VAT must recognize this revenue as income in the year the claim is made to the Swedish Tax Agency and not, as Elanders has applied, the year the refund has been paid or at least when payment can be reliably expected. As a result the Swedish Tax Agency has raised Elanders' taxable income for the fiscal year of 2010 by MSEK 70. Elanders is in the opinion that Elanders is right in this matter and it will be taken to the Administrative Court. The total exposure is around MSEK 16, since only some of the refund can be set off against the loss carry forwards Elanders has. During the first quarter the period of respite for these MSEK 16 ended and a payment for this amount was made. This did not have any effect on Group result since it is recompensed by an increase in loss carry forwards. However, it did have a negative effect on Elanders' cash flow and net debt for the period.

PERSONNEL

The average number of employees during the period was 1,809 (1,556), of which 404 (400) were in Sweden. At the end of the period the Group had 1,843 (1,551) employees, of which 404 (398) were in Sweden.

INVESTMENTS AND DEPRECIATION

Investments for the period totaled MSEK 34 (14). Group depreciation and write-downs for the period amounted to MSEK 25 (22). Not counting acquisitions of operations for MSEK 20 (0) most of the investments during the period have been replacement investments.

FINANCIAL POSITION, CASH FLOW, EQUITY RATIO AND FINANCING

Group net debt on 31 March 2013 amounted to MSEK 745 (660). At the end of the year net debt was MSEK 688. The reasons behind the increase in the level of debt were a greater degree

of tied up working capital, the acquisition of McNaughtan's and the effect of the payment of MSEK 16 in tax due to the Swedish Tax Agency's raise in Elanders' taxes.

Operating cash flow in the first three months was MSEK -30 (27) and not including acquisi-

tions it amounted to MSEK -10 (27). The reduction in operating cash flow compared to the same period last year is almost entirely due to a greater degree of tied up working capital and higher investment levels.

PARENT COMPANY

The Parent company has provided joint Group services during the period. The average number

of employees during the year was 9 (8) and at the end of the period there were 9 (8) employees.

OTHER INFORMATION

ELANDERS' VISION

Elanders' vision is to be one of the leading graphic companies in the world. By leading we do not necessarily mean largest. We mean a company that best meets customer demands on effectiveness and delivery capability.

Elanders' strategies to fulfill our vision and support our business concept are:

- Develop local customers with global needs into global customers.
- Optimize use of the Group's global production and delivery capacity.
- Create uniform and automated processes in the Group.
- Develop products for future needs that can be used in our current business.
- Continue developing Web-to-Print (W2P) and EDI solutions.
- Strong expansion in packaging and solutions for personalized products.
- Broaden our customer base and product offer to lower sensitivity to fluctuations in the business cycle.

Historically the major part of Elanders' sales has been in the Commercial Print product area. The investments made in packaging, e-Commerce and personalized products are a conscious effort made to compensate for the inherent loss in

volume in Commercial Print due to the tough competition traditional media is facing from digital media like tablets. The production units used for Commercial Print can also be used to produce packaging and personalized products such as photo products.

RISKS AND UNCERTAINTIES

Elanders divides risks into circumstantial risks (the future of printed matter and business cycle sensitivity), financial risks (currency, interest, financing and credit risks) as well as business risks (customer concentration, operational risks, risks in operating expenses as well as contracts and disputes). These risks, together with a sensitivity analysis, are described in detail in the Annual Report 2012. Circumstances in the world around us since the Annual Report was published are not believed to have caused any significant risks or influenced the way in which the Group works with these compared to the description in the Annual Report 2012.

SEASONAL VARIATIONS

The Group's net sales, and thereby income, are affected by seasonal variations. Elanders normally has a strong fourth quarter.

EVENTS AFTER THE BALANCE SHEET DATE

The decision was made in April to move production from Falköping to Gothenburg and notice of redundancy has been presented. Some of the employees will be offered employment in Gothenburg. This restructuring measure is expected to reduce costs in the future but the full effect will not be felt until the first quarter of 2014.

No other significant events have taken place after the balance sheet date up to the date this report was signed.

FORECAST

The company will continue to rationalize, integrate acquired units and develop global business. The company anticipates continued positive developments in results.

REVIEW AND ACCOUNTING PRINCIPLES

The company auditors have not reviewed this report. The quarterly report for the Group has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting and for the parent company in accordance with the Annual Accounts Act.

The same accounting principles and calculation methods as those in the last Annual Report have been used.

FUTURE REPORTS FROM ELANDERS

Q2 2013 12 July 2013
Q3 2013 23 October 2013
Q4 2013 27 January 2014

Mölnlycke den 7 May 2013



Magnus Nilsson
President and Chief Executive Officer

CONTACT INFORMATION

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INCOME STATEMENTS

MSEK	First quarter	
	2013	2012
Net sales	493.4	459.8
Cost of products and services sold	-383.4	-376.1
GROSS PROFIT	110.0	83.7
Sales and administrative expenses	-91.2	-68.4
Other operating income	5.7	6.4
Other operating expenses	-1.9	-2.2
OPERATING RESULT	22.6	19.5
Net financial items	-6.9	-5.8
RESULT AFTER FINANCIAL ITEMS	15.7	13.7
Income tax	-5.2	-3.7
RESULT FOR THE PERIOD	10.5	10.0
Result for the period attributable to:		
- parent company shareholders	10.5	9.8
- non-controlling interests	-	0.2
<i>Earnings per share, SEK ^{1) 2)}</i>	<i>0.46</i>	<i>0.50</i>
<i>Average number of shares, in thousands</i>	<i>22,730</i>	<i>19,530</i>
<i>Outstanding shares at the end of the year, in thousands</i>	<i>22,730</i>	<i>19,530</i>
MSEK	Last 12 months	Full year 2012
Net sales	1,957.8	1,924.2
Cost of products and services sold	-1,564.4	-1,557.2
GROSS PROFIT	393.3	367.0
Sales and administrative expenses	-336.6	-313.9
Other operating income	77.7	78.5
Other operating expenses	-12.8	-13.1
OPERATING RESULT	121.6	118.5
Net financial items	-26.2	-25.1
RESULT AFTER FINANCIAL ITEMS	95.4	93.4
Income tax	-50.3	-48.9
RESULT FOR THE PERIOD	45.1	44.5
Result for the period attributable to:		
- parent company shareholders	45.2	44.6
- non-controlling interests	-0.1	-0.1
<i>Earnings per share, SEK ^{1) 2)}</i>	<i>2.02</i>	<i>2.05</i>
<i>Average number of shares, in thousands</i>	<i>22,446</i>	<i>21,646</i>
<i>Outstanding shares at the end of the period, in thousand</i>	<i>22,730</i>	<i>22,730</i>

¹⁾ Earnings per share before and after dilution.

²⁾ Earnings per share calculated by dividing the result for the year by the average number of outstanding shares during the year.

■ STATEMENTS OF COMPREHENSIVE INCOME

MSEK	First quarter	
	2013	2012
RESULT FOR THE PERIOD	10.5	10.0
Translation differences, net after tax	-21.9	-12.2
Cash flow hedges, net after tax	-0.1	4.1
Hedging of net investment abroad, net after tax	1.7	0.6
TOTAL ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS	-20.3	-7.5
OTHER COMPREHENSIVE INCOME, NET AFTER TAX	-20.3	-7.5
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-9.8	2.5
Total comprehensive income attributable to:		
- parent company shareholders	-9.8	2.3
- non-controlling interests	-	0.2

MSEK	Last 12 months	Full year 2012
RESULT FOR THE PERIOD	45.1	44.5
Translation differences, net after tax	-40.1	-30.4
Cash flow hedges, net after tax	-5.0	-0.8
Hedging of net investment abroad, net after tax	3.0	1.9
TOTAL ITEMS THAT MAY BE RECLASSIFIED TO PROFIT OR LOSS	-42.1	-29.3
OTHER COMPREHENSIVE INCOME, NET AFTER TAX	-42.1	-29.3
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	3.0	15.2
Total comprehensive income attributable to:		
- parent company shareholders	3.1	15.3
- non-controlling interests	-0.1	-0.1

Since the Elanders' defined benefit plans that are accounted for in accordance with IAS 19 are not significant, the changes in IAS19 that have come into effect do not have any material effect on Group results or financial position. The total pension obligations amounted to MSEK 15 at the end of the period. Therefore figures for the comparable year have not been adjusted and no actuarial calculation has been made per 31 March 2013.

STATEMENTS OF CASH FLOW

MSEK	First quarter	
	2013	2012
RESULT AFTER FINANCIAL ITEMS	15.7	13.7
Adjustments for items not included in cash flow	22.4	19.1
Paid tax	-23.9	-4.8
Changes in working capital	-41.4	2.6
CASH FLOW FROM OPERATING ACTIVITIES	-27.3	30.6
Net investments in intangible and tangible assets	-14.5	-14.8
Acquisition of operations	-19.9	-
Changes in long-term receivables	0.9	0.6
CASH FLOW FROM INVESTING ACTIVITIES	-33.5	-14.2
Changes in long- and short-term borrowing	5.4	-7.9
CASH FLOW FROM FINANCING ACTIVITIES	5.4	-7.9
CASH FLOW FOR THE PERIOD	-55.4	8.5
Liquid funds at the beginning of the year	168.0	81.2
Translation difference	-1.3	-2.1
LIQUID FUNDS AT THE END OF THE PERIOD	111.3	87.6
NET DEBT AT THE BEGINNING OF THE PERIOD	688.3	675.5
Translation difference in net debt	-4.1	0.9
Net debt in acquired operations	-6.8	-
Change in net debt	67.9	-16.2
NET DEBT AT THE END OF THE PERIOD	745.3	660.2
OPERATING CASH FLOW	-29.9	27.1
MSEK	Last 12 months	Full year 2012
RESULT AFTER FINANCIAL ITEMS	95.4	93.4
Adjustments for items not included in cash flow	100.9	97.6
Paid tax	-42.4	-23.3
Changes in working capital	3.0	47.0
CASH FLOW FROM OPERATING ACTIVITIES	156.8	214.7
Net investments in intangible and tangible assets	-71.6	-71.9
Acquisition and disposal of operations	-146.1	-126.3
Changes in long-term receivables	1.9	1.7
CASH FLOW FROM INVESTING ACTIVITIES	-215.8	-196.5
Changes in long- and short-term borrowing	95.7	82.4
Dividend to parent company share holders	-9.8	-9.8
CASH FLOW FROM FINANCING ACTIVITIES	85.9	72.6
CASH FLOW FOR THE YEAR	26.9	90.8
Liquid funds at the beginning of the year	87.6	81.2
Translation difference	-3.2	-4.0
LIQUID FUNDS AT THE END OF THE YEAR	111.3	168.0
NET DEBT AT THE BEGINNING OF THE YEAR	660.2	675.5
Translation difference in net debt	-8.6	-3.6
Net debt in acquired and disposed operations	-14.6	-7.8
Change in net debt	108.3	24.2
NET DEBT AT THE END OF THE YEAR	745.3	688.3
OPERATING CASH FLOW	9.6	66.6

STATEMENTS OF FINANCIAL POSITION

ASSETS

MSEK	31 Mar. 2013	31 Mar. 2012	31 Dec. 2012
Intangible assets	1,037.9	860.6	1,031.3
Tangible assets	337.0	312.0	347.1
Other fixed assets	155.6	157.2	140.1
TOTAL FIXED ASSETS	1,530.5	1,329.8	1,518.6
Inventories	117.6	125.4	115.7
Accounts receivable	397.8	364.2	392.5
Other current assets	70.1	72.1	66.4
Cash and cash equivalents	111.3	87.6	168.0
TOTAL CURRENT ASSETS	696.7	649.3	742.6
TOTAL ASSETS	2,227.2	1,979.1	2,261.2

EQUITY AND LIABILITIES

MSEK	31 Mar. 2013	31 Mar. 2012	31 Dec. 2012
EQUITY	944.0	882.0	953.8
LIABILITIES			
Non-interest-bearing long-term liabilities	60.0	39.7	56.5
Interest-bearing long-term liabilities	45.2	35.5	46.9
TOTAL LONG-TERM LIABILITIES	105.2	75.2	103.4
Non-interest-bearing current liabilities	366.5	309.6	394.6
Interest-bearing current liabilities	811.6	712.3	809.4
TOTAL CURRENT LIABILITIES	1,178.0	1,021.9	1,204.0
TOTAL EQUITY AND LIABILITIES	2,227.2	1,979.1	2,261.2

■ STATEMENTS OF CHANGES IN EQUITY

MSEK	Equity attributable to parent company shareholders	Equity attributable to non-controlling interests	Total equity
OPENING BALANCE ON 1 JAN. 2012	879.5	0.1	879.6
Dividend to parent company shareholders	-9.8	-	-9.8
New share issue	68.8	-	68.8
Total comprehensive income for the year	15.3	-0.1	15.2
CLOSING BALANCE ON 31 DEC. 2012	953.8	-	953.8
OPENING BALANCE ON 1 JAN. 2012	879.5	0.1	879.6
Total comprehensive income for the period	2.3	0.2	2.5
CLOSING BALANCE ON 31 MAR. 2012	881.8	0.3	882.0
OPENING BALANCE ON 1 JAN. 2013	953.8	-	953.8
Total comprehensive income for the period	-9.8	-	-9.8
CLOSING BALANCE ON 31 MAR. 2013	944.0	-	944.0

■ SEGMENT REPORTING

Group operations are reported as one reportable segment, since this is how the Group is governed. The units in each country or sometimes groups of countries are identified as operating segments. The operating segments have then been merged to create a single reportable segment, consisting of the entire Group, since the units have similar economic characteristics and resemble each other regarding the nature of their

products and services, production processes, customer types etc. The President has been identified as the highest executive decision-maker. Regarding the financial information for the reportable segment please see the consolidated income statements and the statements of financial position along with related notes.

■ FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

The financial instruments recognized at fair value in the Group's report on financial position are derivatives identified as hedging instruments. The derivatives consist of forward exchange contracts and interest rate swaps and are used for hedging purposes. Valuation at fair value of forward exchange contracts is based on published forward rates on an active market. Valuation at fair value of interest rate swaps is

based on forward interest rates derived from observable yield curves. All derivatives are therefore included in level 2 in the fair value hierarchy. Since all the financial instruments recognized at fair value are included in level 2 there have been no transfers between valuation levels. The table below presents fair value respective booked value per class of financial assets and liabilities, which are recorded gross.

MSEK	31 Mar. 2013	31 Mar. 2012	31 Dec. 2012
Other current assets – Derivative instruments in hedge accounting relationships	-	3.2	-
Non-interest-bearing current liabilities – Derivative instruments in hedge accounting relationships	5.4	0.4	4.2

The fair value of other financial assets and liabilities valued at their amortized purchase price is estimated to be equivalent to their book value.

INCOME STATEMENTS

MSEK	First quarter	
	2013	2012
Net sales	-	-
Cost of products and services sold	-	-
GROSS PROFIT	-	-
Operating expenses	-6.7	-7.0
OPERATING RESULT	-6.7	-7.0
Net financial items	14.5	-2.9
RESULT AFTER NET FINANCIAL ITEMS	7.8	-9.9
Income tax	1.7	2.4
RESULT FOR THE PERIOD	9.5	-7.5

MSEK	Last 12 months	Full year 2012
Net sales	-	-
Cost of products and services sold	-	-
GROSS PROFIT	-	-
Operating expenses	-29.1	-29.4
OPERATING RESULT	-29.1	-29.4
Net financial items	86.3	68.9
RESULT AFTER NET FINANCIAL ITEMS	57.2	39.5
Income tax	-22.9	-22.2
RESULT FOR THE PERIOD	34.3	17.3

STATEMENTS OF COMPREHENSIVE INCOME

MSEK	First quarter	
	2013	2012
RESULT FOR THE PERIOD	9.5	-7.5
Other comprehensive income	0.7	-0.4
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	10.2	-7.9

MSEK	Last 12 months	Full year 2012
RESULT FOR THE PERIOD	34.3	17.3
Other comprehensive income	-1.5	-2.6
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	32.8	14.7

■ BALANCE SHEETS

MSEK	31 Mar. 2013	31 Mar. 2012	31 Dec. 2012
ASSETS			
Fixed assets	1,437.0	1,229.9	1,442.1
Current assets	148.5	154.7	132.3
TOTAL ASSETS	1,585.5	1,384.6	1,574.4
EQUITY, PROVISIONS AND LIABILITIES			
Equity	792.3	700.5	782.1
Provisions	6.4	3.9	6.4
Long-term liabilities	70.7	65.1	70.7
Current liabilities	716.1	615.1	715.2
TOTAL EQUITY AND LIABILITIES	1,585.5	1,384.6	1,574.4

■ STATEMENTS OF CHANGES IN EQUITY

MSEK	Share capital	Statutory reserve	Retained earnings and result for the period	Total equity
OPENING BALANCE ON 1 JAN. 2012	195.3	332.4	180.7	708.4
Dividend to parent company shareholders	-	-	-9.8	-9.8
New share issue	32.0	-	36.8	68.8
Total comprehensive income for the year	-	-	14.7	14.7
CLOSING BALANCE ON 31 DEC. 2012	227.3	332.4	222.4	782.1
OPENING BALANCE ON 1 JAN. 2012	195.3	332.4	180.7	708.4
Total comprehensive income for the period	-	-	-7.9	-7.9
CLOSING BALANCE ON 31 MAR. 2012	195.3	332.4	172.8	700.5
OPENING BALANCE ON 1 JAN. 2013	227.3	332.4	222.4	782.1
Total comprehensive income for the period	-	-	10.2	10.2
CLOSING BALANCE ON 31 MAR. 2013	227.3	332.4	232.6	792.3

■ QUARTERLY DATA

MSEK	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3	2011 Q2	2011 Q1
Net sales	493	527	456	481	460	538	423	434	443
Operating result	23	48	13	39	20	57	13	21	19
Operating margin, %	4.6	9.0	2.8	8.0	4.2	10.6	3.0	4.8	4.3
Result after financial items	16	41	7	32	14	49	4	14	12
Result after tax	11	8	4	22	10	37	3	9	11
Earnings per share, SEK ¹⁾	0.46	0.36	0.19	1.03	0.50	1.92	0.15	0.44	0.58
Operating cash flow	-30	-21	18	42	27	76	-12	12	18
Cash flow per share, SEK ²⁾	-1.20	5.58	1.01	1.59	1.57	3.57	-0.90	0.49	1.15
Depreciation	25	23	23	23	22	22	22	22	21
Net investments	34	161	16	5	14	2	8	8	10
Goodwill	984	977	872	890	828	834	847	840	831
Total assets	2,227	2,261	2,086	2,049	1,979	2,005	2,037	1,952	1,956
Equity	944	954	936	964	882	880	854	831	811
Equity per share, SEK	41.53	41.96	41.19	42.42	45.15	45.03	43.75	42.55	41.53
Net debt	745	688	627	642	660	676	750	721	718
Capital employed	1,689	1,642	1,563	1,606	1,542	1,555	1,605	1,551	1,529
Return on total assets, % ³⁾	4.1	9.0	2.5	10.2	4.8	14.0	4.0	5.8	5.5
Return on equity, % ³⁾	4.4	3.5	1.8	9.7	4.4	17.3	1.4	4.2	5.5
Return on capital employed, % ³⁾	5.4	11.9	3.2	9.8	5.0	14.5	3.2	5.4	4.9
Debt/equity ratio	0.8	0.7	0.7	0.7	0.7	0.8	0.9	0.9	0.9
Equity ratio, %	42.4	42.2	44.9	47.1	44.6	43.9	42.0	42.6	41.5
Interest coverage ratio ⁴⁾	5.7	5.6	5.8	5.4	4.5	4.4	2.4	neg.	neg.
Number of employees at the end of the period	1,843	1,780	1,600	1,599	1,551	1,582	1,562	1,554	1,523

¹⁾ There is no dilution.

²⁾ Cash flow per share refers to cash flow from operating activities.

³⁾ Return ratios have been annualized.

⁴⁾ Interest coverage ratio calculation is based on a moving 12 month period.

■ FIVE YEAR OVERVIEW – FULL YEAR

	2012	2011	2010	2009	2008
Net sales, MSEK	1,924	1,839	1,706	1,757	2,191
Result after financial items, MSEK	93	80	-105	-96	-34
Result after tax, MSEK	45	60	-84	-74	-26
Earnings per share, SEK ¹⁾	2.05	3.09	-6.79	-7.57	-2.62
Cash flow from operating activities per share, SEK	9.92	4.32	-4.68	5.60	12.35
Equity per share, SEK	41.96	45.03	41.94	78.34	89.88
Dividends per share, SEK	0.60 ²⁾	0.50	0.00	0.00	0.00
Operating margin, %	6.2	6.0	-4.5	-3.4	0.7
Return on total assets, %	7.4	7.3	-3.2	-2.2	1.7
Return on equity, %	4.8	7.1	-10.6	-9.1	-3.0
Return on capital employed, %	7.4	7.1	-4.8	-3.6	0.9
Debt/equity ratio	0.7	0.8	0.9	1.1	1.0
Equity ratio, %	42.2	43.9	40.7	36.2	36.8
Average number of shares, in thousands ³⁾	21,646	19,530	12,342	9,765	9,765

Key ratios correspond to those presented in the Annual Report for each year.

¹⁾ There is no dilution.

²⁾ Proposed by the board.

³⁾ No adjustment of the historic number of shares has been made since the new share issues in 2010 and 2012 did not entail any bonus issue element.

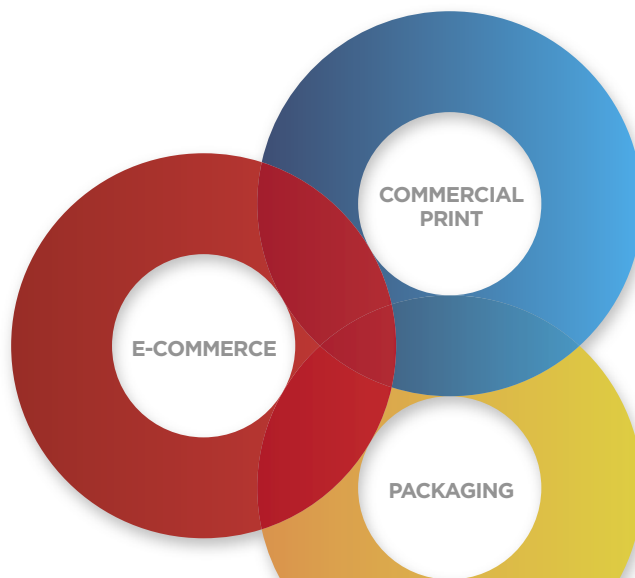
■ FIVE YEAR OVERVIEW – FIRST QUARTER

	2013 Q1	2012 Q1	2011 Q1	2010 Q1	2009 Q1
Net sales, MSEK	493	460	443	401	477
Result after tax, MSEK	11	10	11	-19	3
Earnings per share, SEK ¹⁾	0.46	0.50	0.58	-1.92	0.34
Cash flow from operating activities per share, SEK	-1.20	1.57	1.15	-3.11	1.04
Equity per share, SEK	41.53	45.15	41.53	73.73	91.51
Return on equity, % ²⁾	4.4	4.4	5.5	-10.0	1.5
Return on capital employed, % ²⁾	5.4	5.0	4.9	-3.0	2.8
Operating margin, %	4.6	4.2	4.3	-3.0	2.5
Average number of shares, in thousands ³⁾	22,730	19,530	19,530	9,765	9,765

¹⁾ There is no dilution.

²⁾ Return ratios have been annualized.

³⁾ No adjustment of the historic number of shares has been made since the new share issues in 2010 and 2012 did not entail any bonus issue element.



ELANDERS' OFFER & PRODUCT AREAS

Elanders operates on global market and has three product areas: Commercial Print, Packaging and e-Commerce. With production in nine countries on four continents Elanders is one of the few suppliers that can offer global solutions for all kinds of printed information.

COMMERCIAL PRINT comprises magazines, books, catalogues, information and marketing material. Manuals and product information are also included in this category and the entire product area represents close to 80 percent of Elanders' net sales.

Elanders is a global player that can offer and deliver tailor-made solutions to global customers that are often in the automotive industry or manufacture consumer electronics. Mid-sized companies, organizations and authorities are also prioritized customer groups. A line of business Elanders aims for in the future is to serve small companies that place online orders and cut manual handling to a minimum.

The competition in Commercial Print is fierce on pretty much every market in the world. However, thanks to its size and global resources Elanders has been able to shift printing from the high-cost countries Germany and Sweden to the low-cost countries Poland and Hungary. Since 2009 these printing volumes have quadrupled and it appears this trend will hold over the next few years.

Developments in Western Europe have been very difficult for printing companies that have not been able to move production like Elanders has. The graphic industry has been going

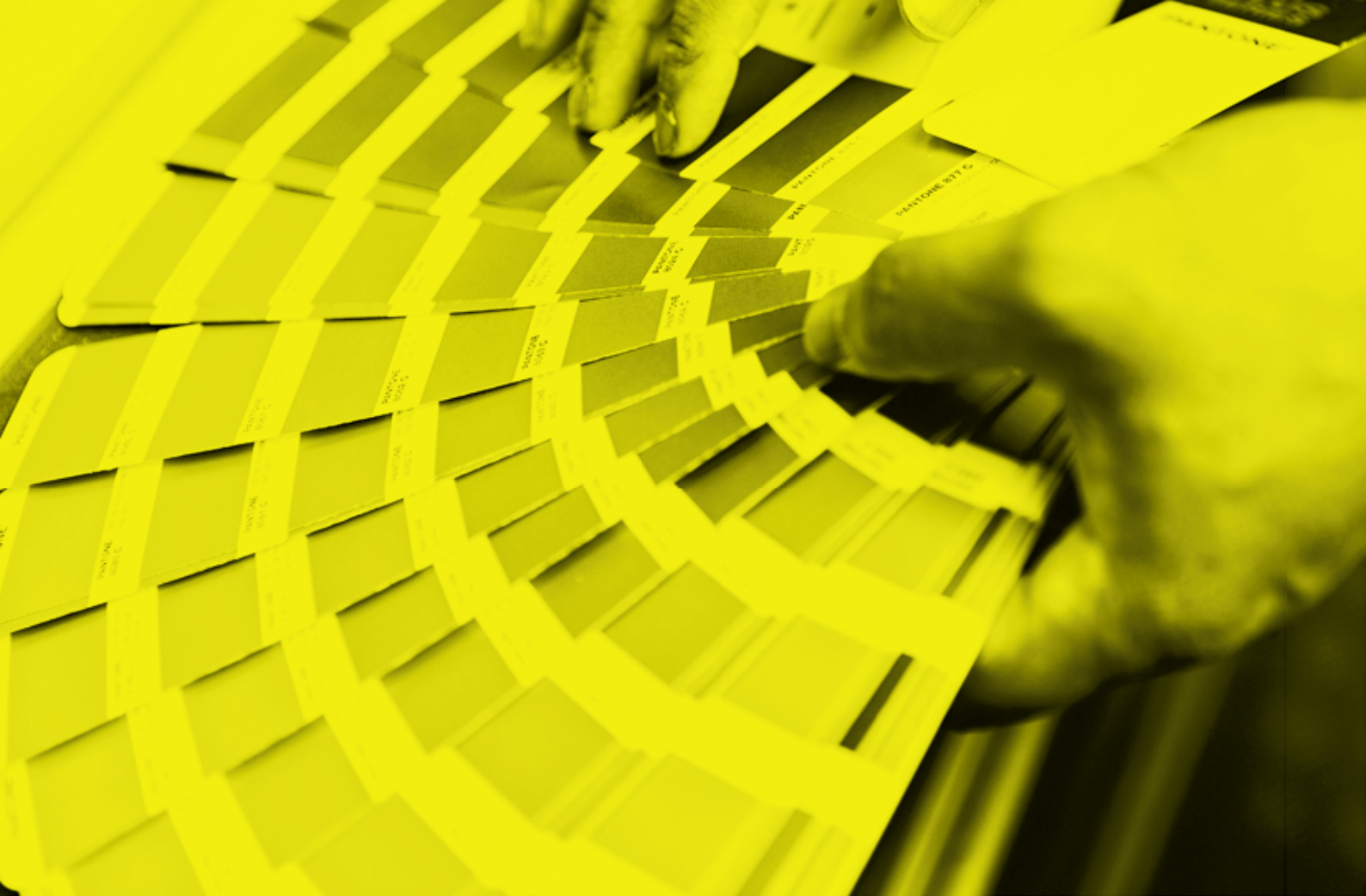
through structural changes for years in the West and this accelerated after the economic crisis in 2008. There is an ongoing natural elimination of unprofitable players and this has opened up new opportunities for Elanders to make strategic acquisitions and take market shares.

Despite the weakening market, primarily in Europe and the US, Elanders has succeeded in meeting the new situation by giving customers greater added value in the form of logistic solutions, personalized printing and more.

A good example of this is the demand for manuals in the automotive industry. The manuals have become simpler and thinner and part of the information that was previously printed is now delivered digitally.

Elanders can provide a customer further added value by also offering packaging print and packing together with the manuals. The same trend can be found among producers of home appliances where Elanders often becomes a comprehensive print supplier that offers just-in-time deliveries and storage.

The demand for customized and chassis unique manuals is on the rise in the automotive industry. Elanders has long and extensive experience in this area and a large number of leading, global vehicle manufacturers are our customers.



PACKAGING is the section of the graphic industry with the largest volumes and everything points to continued growth in this product area in the near future. Demand is stable in Western Europe and the US and increasing slightly in Latin America. Packaging is expected to grow in Asia by around 35 percent from 2012 to 2016.

In the past few years Elanders has singled out and acquired companies that will help us grow in this area. Elanders offers an entire range from simple boxes to exclusive handmade packaging in everything from small to enormous editions.

Elanders can also offer personalized print on packaging and this segment is growing stronger every year. Packaging print is getting more complex technically to produce, requiring special machines and skilled workers with experience.

The importance of a company's brand is escalating and this is driving developments towards packaging that gets attention and sticks out on shop shelves. And when it's a matter of premium quality, the packaging also needs to tell you have made the right choice. Although this is particularly obvious in home electronics you can also see it in other areas like cosmetics, pharmaceuticals and food.

E-COMMERCE is a prioritized product area for Elanders which in just a few short years has grown to represent ten percent of the Group net sales. The acquisition of fotokasten and dlo!m has given Elanders hundreds of thousands of consumer customers.

Technical developments are fast in this product area and consumers' purchase patterns are constantly changing. *e-Commerce* is growing in both the US and Western Europe and Elanders specialization in personalization is more often the rule rather than the exception. Customers can put in their orders for photo books, calendars and other printed material on specially designed websites and in some cases even follow the entire process from order to delivered printed matter.

In addition to the volumes, delivery speed is also impressive. Within 48 hours customers can receive their photo books, calendars or whatever they have ordered. The technical solutions are such that it only takes a few minutes to prepare a photo book for print.

Elanders' strategy in *e-Commerce* is to serve our existing customers in the best way possible via order portals but also to be the obvious choice for customers that are focused on end consumers where Elanders can even offer white labeling solutions.

CUSTOMER BENEFITS IN EVERYTHING WE DO

During a year Elanders produces thousands of deliveries for customers in nine countries and on four continents. On the next three pages we have chosen to describe a few examples to illustrate the breadth, complexity and benefits in Elander's offers. The cases demonstrate how well digital developments can work together with an innovative graphic industry.

BMW

COMMERCIAL PRINT:
Manuals and other
printed information

PRODUCTION:
Elanders in Germany

DESCRIPTION:
Elanders began supplying manuals and other printed information to BMW two years ago. In order to deliver "just-in-sequence" in to BMW's production line Elanders has a direct connection, and is integrated with, their factory in Dingolfing. We deliver the exact quantity of kits required and a kit can consist of several different printed items. What we produce is decided by the number and model of vehicles in the production process. With this system Elanders guarantees that BMW always has the right number of products no later than two days before the vehicles roll out of the factory. This means producing around 1,500 packed kits a day. Elanders also delivers to several other major car manufacturers in the premium and middle range.



FRIEND-CALENDAR.COM

E-COMMERCE:
Facebook application and
personalized calendars

PRODUCTION:
d|o|m and Elanders
in Germany

DESCRIPTION:
In the autumn of 2012 Friend-Calendar.com launched a Facebook application where the user can create a photo calendar with pictures of their best friends – one for each month and three images per friend. The application has a built-in algorithm which automatically chooses which friends end up in the pictures based on the number of "likes", comments and other kinds of interaction.





FOTOKASTEN

**PACKAGING
AND E-COMMERCE:**
Christmas and
Photo Calendars

PRODUCTION:
Elanders in Germany

DESCRIPTION:
Through fotokasten, Elanders' brand for selling personalized photo products on the Internet, anyone can quickly and easily create their own customized Christmas Calendar. The customer can choose between 24 of their own pictures or personal messages that are hidden behind delicious chocolate hearts from world leading chocolate-maker Lindt.

TESCO

COMMERCIAL PRINT:
Brochures, magazines and
retail marketing material

PRODUCTION:
Elanders in Great Britain,
Poland and Hungary

DESCRIPTION:
Almost a year ago Elanders began to work extensively with Tesco in Great Britain. With over 500,000 employees in 14 countries and stores in Europe, North America and Asia, Tesco is one of the largest retailers in the world. Besides printed retail marketing material for its stores we work with several other Tesco business areas; Tesco Bank, Tesco Clubcard, Tesco Dobbies, Tesco Photo, Tesco Clothing range - F & F, One Stop Shop and Tesco Events. Our collaboration has now expanded to comprise Tesco's other European operations as well and, all in all, it is expected to grow to four times current volumes before the end of 2013.



GUNNEBO SLOTT

**COMMERCIAL PRINT
AND PACKAGING:**
Book and present box

PRODUCTION:
The book:
Elanders in Sweden
(Fälth & Hässler)
Present box:
Elanders in China

DESCRIPTION:
Gunnebo House and Gardens is one of Sweden's foremost 18th century facilities and is beautifully situated in Mölndal, just south of Gothenburg. In order to generate more interest in the facility Gunnebo House and Gardens produced a book about the palace, gardens and horticulture that also includes their ecological philosophy on food. The book is printed with Elanders' own developed HD technology which produces brilliant definition and printed images even on uncoated paper. Since the book will often be used by the city and local companies as a present and marketing material for special guests its exclusive present box is a fitting part of the delivery.



VOLVO TRUCK CORPORATION

**COMMERCIAL PRINT
AND E-COMMERCE:**
Company calendars

PRODUCTION:
Elanders in Sweden

DESCRIPTION:
Elanders produces three different calendars for Volvo Truck Corporation. Around 300 dealers can get their calendars customized and printed with their own logo. The dealers can order the number of calendars they want through a web portal and based on those orders Elanders sets up an optimal and cost-effective production plan. Before they are delivered the calendars are packed in specially produced packaging.

DEFINITIONS

CASH FLOW FROM OPERATING ACTIVITIES PER SHARE

Cash flow from operating activities for the year divided by average number of shares.

CAPITAL EMPLOYED

Total assets less cash and cash equivalents and non-interest-bearing liabilities.

DEBT/EQUITY RATIO

Interest-bearing liabilities less cash and cash equivalents in relation to reported equity, including non-controlling interests.

EARNINGS PER SHARE

Earning for the year divided by the average number of shares.

EQUITY PER SHARE

Equity divided by outstanding shares at the end of the year.

EQUITY RATIO

Equity, including non-controlling interests, in relation to total assets.

INTEREST COVERAGE RATIO

Operating result plus interest income divided by interest costs.

OPERATING CASH FLOW

Cash flow from operating activities and investing activities adjusted for paid taxes and net financial items.

OPERATING MARGIN

Operating result in relation to net turnover.

RETURN ON CAPITAL EMPLOYED

Operating result in relation to average capital employed.

RETURN ON EQUITY

Result for the year in relation to average equity.

RETURN ON TOTAL ASSETS

Operating result plus financial income in relation to total assets.

SPECIFIC TERMS

COMMERCIAL PRINT

Production of printed matter such as magazines, books, catalogues, manuals, marketing material etc. Production is made by both offset technique and digital print. Commercial Print is a product area at Elanders.

DIGITAL PRINT AND DIGITAL PRINT TECHNIQUE

The transfer of information to paper via a digital file that is then printed out with the help of a high-speed printer. This technique is a prerequisite for Print-on-Demand and makes quick deliveries in small editions possible. Offset technique is still more efficient for larger editions and four color production.

E-COMMERCE

Orders are made via Web shop platforms by end customers themselves. This includes cases where Elanders sells directly to consumers and where we are subcontractors to e-commerce companies. e-Commerce is a product area at Elanders.

FULFILMENT

This term is increasingly used, particularly in the automotive industry, to describe a number of steps in the process between printing and distribution. They can include packaging for end customers, bar-coding, adding other objects such as plastic cards etc.

OFFSET TECHNIQUE

A printing method in which ink and water are spread out on a printing plate that is then pressed against a rubber blanket. This absorbs the ink and transfers it to the paper. The expression offset comes from the fact that the printing plate never touches the paper. For smaller editions (1,000–30,000) sheet-fed offset is used. In this process the paper is fed into the press page by page. Web offset is usually more efficient for larger editions (over 30,000). The press is fed from a roll of paper and the printed paper is then cut into sheets.

ONE STOP SHOPPING

With a single contact you gain access to Elanders' entire global and broad product range and can easily order the products and services that you need.

PACKAGING

A product manufactured to protect, handle, deliver and present an item. Packaging is a product area at Elanders.

PREMEDIA

Our collective term for the work done before printing/publishing. The term includes layout, typography, image retouching and production of originals. In our world even other services are included such as: advertisement management, file management, quality assurance, printing plate production as well as database solutions for digital material.

PRINT-ON-DEMAND (POD)

With the help of high-speed printers printed matter can be produced as needed and in very small editions.

WEB-TO-PRINT (W2P)

A web-based order interface where the production and distribution of information and marketing material can easily be ordered and made accessible for editing and ordering via the Internet.

WHITE-LABELLING

This is a concept that is the equivalent of private labeling where retailers sell products under their own brand (for example Coop, ICA, Tesco) although the items are produced by a supplier to them. White-labeling is based on the suppliers' perspective when they provide this kind of service.



YOUR WORLDWIDE PRINTING PARTNER

Elanders is a global printing group with production units in nine countries on four continents. Our product areas are Commercial Print, Packaging and e-Commerce. Elanders also offers services in Web-to-Print (W2P), EDI, advanced premedia, fulfilment and logistics within these areas. Elanders also sells photo products directly to consumers primarily in Germany under the brand fotokasten. Elanders has approximately 1,800 employees and net sales of more than

SEK 1.9 billion. The Elanders share is listed on the NASDAQ OMX Stockholm, Small Cap.

The Group's production units are located in Brazil (São Paulo), Italy (Treviso), China (Beijing), Poland (Płońsk), Great Britain (Glasgow and Newcastle), Sweden (Falköping, Gothenburg, Malmö and Stockholm), Germany (Stuttgart), Ungern (Zalalövő and Jászberény) as well as the USA (Atlanta and Davenport). Elanders is also represented through sales offices in a number of other locations.