

QUARTERLY REPORT
JANUARY-SEPTEMBER

ELANDERS
2015 Q3

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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.*

CONTACT INFORMATION

Further information can be found on Elanders' website www.elanders.com or requested via e-mail info@elanders.com.

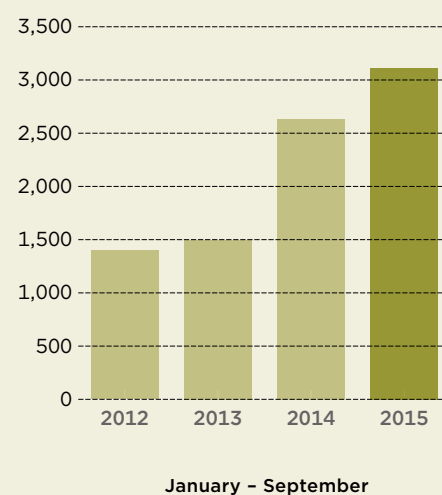
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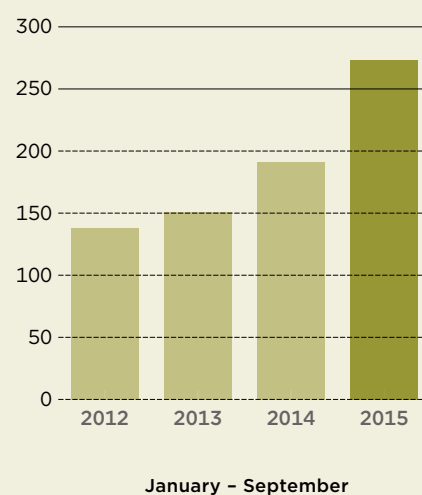
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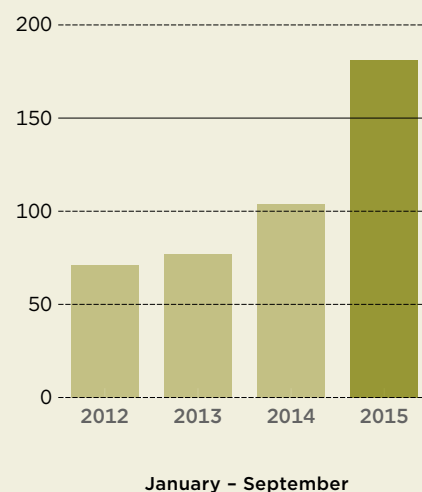
NET SALES, MSEK



EBITDA, MSEK



OPERATING RESULT, MSEK



January – September

- *Net sales increased by 18% and amounted to MSEK 3,113 (2,631).*
- *The operating result before depreciation (EBITDA) increased to MSEK 273 (191).*
- *The operating result (EBIT) increased to MSEK 181 (104), which is an improvement of 74% over the same period last year. The operating margin increased to 5.8 (4.0)%.*
- *The result before tax increased to MSEK 154 (78), which is an improvement of 99%.*
- *The net result increased to MSEK 101 (43) or SEK 3.81 (1.72) per share.*
- *Operating cash flow was MSEK 108 (–213). Excluding acquisitions, the operating cash flow amounted to MSEK 108 (41).*

Third Quarter

- *Net sales increased by 19% and amounted to MSEK 1,041 (871).*
- *The operating result before depreciation (EBITDA) increased to MSEK 95 (56).*
- *The operating result (EBIT) increased to MSEK 64 (27) while the operating margin was doubled to 6.2 (3.1)%.*
- *The result before tax increased to MSEK 55 (18).*
- *The net result increased to MSEK 36 (12) or SEK 1.35 (0.43) per share.*
- *Operating cash flow was MSEK –24 (–21).*

Comments by the CEO

The positive trend from previous quarters remains strong and both net sales and the operating margin are on the rise. Fluctuations in exchange rates increasingly effect Elanders as the company becomes more and more international. Seasonal variations in sales and profits are beginning to even out. Sales and results for the third quarter, historically Elanders' weakest quarter, are now on par with the second quarter.

Supply Chain Solutions continues to show good growth and was Elanders' largest business area in the third quarter as well. The operating result and operating margin improved compared to the same period last year. Behind this positive development is a higher market share and greater cost efficiency. We continue to develop our global offer within Supply Chain Management and it is now part of our offer in Brazil where the first pilot deliveries were made in September. We intend to grow further in this segment. We are therefore looking for businesses that can complement our existing operations. We are primarily interested in companies with a strong base in Europe or North America and whose customers can grow with us in Asia.

The ongoing consolidation of production capacity together with other productivity enhancing measures in Print & Packaging Solutions has resulted in a better operating margin and operating result. However, organic sales contracted by nearly six percent in the business area during the first nine months. This can partly be explained by structural changes in the industry but at the same time we have made a conscious effort to trim our operations down to our core business, choosing better margins over high volume. A drop in production in mining and civil engineering, particularly in North and South America, has also affected sales negatively.

Net sales continued to fall in our business area e-Commerce in the third quarter. We did, however, discern a slight recovery at the end of the period for one of our brands.



Magnus Nilsson
President and Chief Executive Officer

■ THREE YEAR OVERVIEW

| MSEK | January – September | | | Third quarter | | |
|-------------------------------------|---------------------|------------|-----------|---------------|-----------|-----------|
| | 2015 | 2014 | 2013 | 2015 | 2014 | 2013 |
| Net sales | 3,113 | 2,631 | 1,498 | 1,041 | 871 | 456 |
| Operating expenses | -2,932 | -2,527 | -1,421 | -977 | -844 | -443 |
| Operating result | 181 | 104 | 77 | 64 | 27 | 13 |
| Net financial items | -27 | -26 | -22 | -9 | -9 | -6 |
| Result after financial items | 154 | 78 | 55 | 55 | 18 | 7 |

Group

OUR BUSINESS

Elanders offers global solutions through its three business areas Supply Chain Solutions, Print & Packaging Solutions and e-Commerce Solutions. The Group has operations in more than 15 countries on four continents. The most important markets are China, Germany, Singapore, Sweden, United Kingdom and the USA. The largest customers are automotive, consumer electronics and white goods manufacturers.

NET SALES AND RESULT

January-September

Compared to the same period last year net sales increased by MSEK 481 to MSEK 3,113, i.e. 18%. The increase is primarily due to the development of the American dollar. If constant exchange rates were used net sales grew by 1%. Business area Print & Packaging Solutions had an organic decrease in sales but this was compensated by organic growth in

Supply Chain Solutions. The operating result increased to MSEK 181 (104), corresponding to an operating margin of 5.8 (4.0)%. Exchange rates have had a positive effect on operating result of about MSEK 33 but since most of our interest costs are in USD and EUR this effect has been somewhat reduced in the net result.

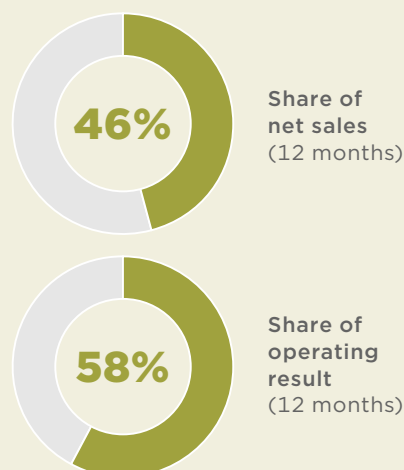
Third quarter

During the third quarter net sales increased by MSEK 169 to 1,041 (871), i.e. 19%. Organic net sales grew by around 4%. The operating result improved and increased to MSEK 64 (27), which corresponded to an operating margin of 6.2 (3.1)%. Exchange rates have had a positive effect on operating result of about MSEK 12 but since most of our interest costs are in USD and EUR this effect has been reduced in the net result. Net debt in relation to a rolling twelve month EBITDA, 2.7 at half-year, fell to 2.6.

SUPPLY CHAIN SOLUTIONS

Through its latest acquisition Elanders Group has become one of the leading companies in the world in Global Supply Chain Management. Our services include taking responsibility for and optimizing customers' material and information flows, everything from sourcing and procurement combined with warehousing to after sales service.

The positive trend from last year and previous quarters this year continued in business area Supply Chain Solutions. In the first nine months the business area grew organically by nearly 13%, primarily through existing customers though also by gaining new ones, and the operating margin continued to improve as well. The operating result for the business area during the period was boosted by a strong dollar as most of its business is conducted in this currency. Otherwise focus remains on developing current customers and creating new business that includes services from all our business areas. In addition, Supply Chain Solutions continues to work on broadening its customer base in order to reduce dependence on the consumer electronics trade.

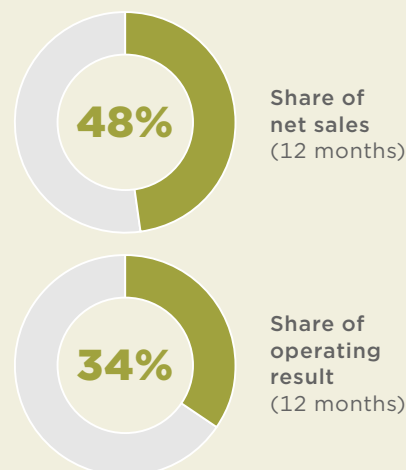


| | January – September | | Third quarter | | Last 12 months | Full year 2014 |
|-----------------------------|---------------------|---------|---------------|-------|----------------|----------------|
| | 2015 | 2014 | 2015 | 2014 | | |
| Supply Chain Solutions | | | | | | |
| Net sales, MSEK | 1,518.9 | 1,067.5 | 525.6 | 377.8 | 1,976.6 | 1,525.2 |
| Operating result, MSEK | 122.0 | 62.7 | 48.8 | 27.6 | 165.7 | 106.4 |
| Operating margin, % | 8.0 | 5.9 | 9.3 | 7.3 | 8.4 | 7.0 |
| ROCE (12m), % | - | - | - | - | 32.8 | 27.1 |
| Average number of employees | 1,433 | 1,508 | 1,420 | 1,524 | 1,450 | 1,506 |

PRINT & PACKAGING SOLUTIONS

Through its innovative force and global presence the business area Print & Packaging offers cost-effective solutions that can handle customer's local and global needs for printed material and packaging, often in combination with advanced order platforms on the Internet or just-in-time deliveries.

For years now the market for business area Print & Packaging has been weighed down by tough price pressure, contracting total volumes and overcapacity and this has not changed. Despite this several units in the business area produced significantly better numbers, particularly Print & Packaging Europe. The effects of the structural measures taken during the fourth quarter of 2014 in the Swedish operations are now apparent. Despite intentionally lower volumes there has been a noticeable improvement in results and margins. During the period Print & Packaging Asia has continued to struggle with diminishing demand from one of its larger customers which has had a negative effect on net sales and results.

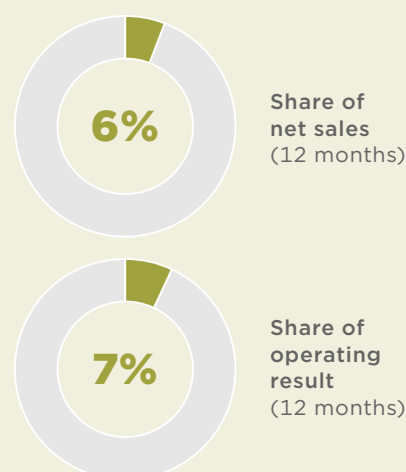


| Print & Packaging Solutions | January - September | | Third quarter | | Last 12 months | Full year 2014 |
|-----------------------------|---------------------|---------|---------------|-------|----------------|----------------|
| | 2015 | 2014 | 2015 | 2014 | | |
| Net sales, MSEK | 1,526.4 | 1,465.8 | 494.2 | 461.3 | 2,090.1 | 2,029.5 |
| Operating result, MSEK | 86.9 | 61.3 | 26.3 | 3.8 | 96.8 | 71.2 |
| Operating margin, % | 5.7 | 4.2 | 5.3 | 0.8 | 4.6 | 3.5 |
| ROCE (12m), % | - | - | - | - | 5.5 | 4.1 |
| Average number of employees | 1,679 | 1,767 | 1,676 | 1,749 | 1,697 | 1,764 |

E-COMMERCE SOLUTIONS

fotokasten, myphotobook and dlolm are the Group's brands in e-Commerce. Through the technical solutions for e-commerce provided by dlolm, fotokasten and myphotobook offer a broad range of photo products primarily to consumers.

The business area has substantial seasonal sales variations and the fourth quarter is by and far the strongest. Normally nearly all earnings for the year occurs in this quarter. Further measures will be taken during the fourth quarter to recover lost sales during the first nine months. In the past years the European market has seen a major consolidation and several players have been acquired. Our competitors Cimpress (Vistaprint) and Photobox are some of the companies that have been taking an active part in this consolidation.



| e-Commerce Solutions | January - September | | Third quarter | | Last 12 months | Full year 2014 |
|-----------------------------|---------------------|-------|---------------|------|----------------|----------------|
| | 2015 | 2014 | 2015 | 2014 | | |
| Net sales, MSEK | 124.9 | 141.7 | 39.5 | 49.8 | 246.5 | 263.3 |
| Operating result, MSEK | -4.7 | -1.6 | -3.6 | -0.5 | 20.8 | 23.9 |
| Operating margin, % | -3.8 | -1.1 | -9.1 | -1.0 | 4.6 | 9.1 |
| ROCE (12m), % | - | - | - | - | 13.4 | 20.2 |
| Average number of employees | 67 | 84 | 70 | 72 | 67 | 81 |

IMPORTANT EVENTS DURING THE PERIOD

Book VAT

From 2010 to 2012 Elanders submitted claims for VAT refunds to the Swedish Tax Agency pertaining to 2004 to 2007. In the years 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 judgements from the Court of Appeals in Stockholm, Gothenburg and Jönköping have supported Elanders' position. The Swedish Tax Agency appealed some of the decisions and sought reconsideration by the Supreme Administrative Court. Their verdicts was announced in 2014 and were in favor of the Swedish Tax Agency. However, these verdicts are not expected to have any significant effect on either Elanders' result or financial position. In a case decided by the Svea Court of Appeals in 2014 a customer demanded compensation for the VAT money from their printer but the customer lost the case. In March 2015 Elanders lost a case in the Gothenburg District Court where a customer sued Elanders. Elanders believes its position is correct in this matter and the judgement has been appealed to the Court of Appeal for Western Sweden.

INVESTMENTS AND DEPRECIATION

January-September

Net investments for the period January to September amounted to MSEK 28 (289), of which acquisitions were MSEK 0 (254). Investments for the period refer primarily to replacement investments in production plants. Depreciation amounted to MSEK 92 (88).

Third quarter

Net investments for the third quarter amounted to MSEK 7 (8), depreciation to MSEK 31 (29).

FINANCIAL POSITION, CASH FLOW, EQUITY AND FINANCING

Group net debt per 30 September 2015 was MSEK 951 compared to MSEK 895 at year-end. In the net change is an increase of MSEK 32 due to a weakening of the Swedish crown against primarily the US dollar. Operating cash flow, excluding acquisitions, for the period January to September amounted to MSEK 108 (41). Operating cash flow in the third quarter was MSEK -24 (-21).

At the end of June Elanders signed a new one-year agreement concerning financing with our two Swedish main banks. There is an option in the contracts for a one year extension. The facilities in the agreement are MEUR 30, MSEK 476 and MUSD 75, i.e. a total of SEK 1.4 billion. The old agreement was due 30 September 2015. If market interest rates and our debt structure remain unchanged the new agreement entails a savings for Elanders of around MSEK 4-8 annually. Due to the fact that the contract only lasts one year all bank financing will be reported as current in the balance sheet, even if it is long-term in its nature.

PERSONNEL

January-September

The average number of employees during the period was 3,186 (3,369), of which 275 (327) were in Sweden. At the end of the period the Group had 3,182 (3,327) employees.

Third quarter

During the third quarter the average number of employees was 3,174 (3,354), of which 280 (307) in Sweden.

Parent Company

The parent company has provided joint Group services during the period. The average number of employees during the period was 8 (8) and at the end of the year 10 (8).

Other Information

ELANDERS' OFFER

Our offer contains everything from producing photo products, marketing material, user information and packaging to taking an overall responsibility for complex and global deliveries encompassing procurement, configuration, picking, printing, packaging, distribution, payment solutions and after sales services.

The services are provided by business-oriented employees. They use their expertise and intelligent IT solutions to develop our customers' offers, which are often completely dependent on efficient product, component and service flows as well as traceability and information.

In addition to our offer to B2B markets Elanders also sells photo products directly to consumers through its own brands fotokasten and myphotobook.

GOAL AND STRATEGY

Elanders shall be a world leading company in global solutions in supply chain, print & packaging and e-commerce. Our strategy is to work in niches in each business area where the company can attain a leading position in the market. We will achieve this goal by being best at meeting customers' demands for efficiency and delivery. In order to be successful we need to continuously develop our offer as technology and customer needs evolve. Acquisitions play an important role in our company's development and provide competence, broader product and service offers and enlarge our customer base.

RISKS AND UNCERTAINTIES

Elanders divides risks into circumstantial risk (the future of our products/services and business cycle sensitivity), financial risk (currency, interest, financing and credit risks) as well as business risk (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 2014. 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 2014.

SEASONAL VARIATIONS

The Group's net sales, and thereby income, are affected by seasonal variations. Historically the fourth quarter have been the strongest.

EVENTS AFTER THE BALANCE SHEET DATE

No significant events have occurred after the balance sheet date until the day this report was signed.

FORECAST

No forecast is given for 2015.

REVIEW AND ACCOUNTING PRINCIPLES

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

| | |
|---------|-----------------|
| Q4 2015 | 27 January 2016 |
| Q1 2016 | 28 April 2016 |
| Q2 2016 | 13 July 2016 |

REPORT OF REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the condensed interim financial information (interim report) of Elanders AB (publ), 556008-1621, as of 30 September 2015 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

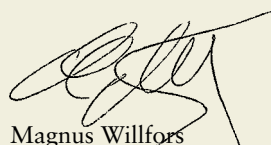
We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Report Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted audit-

ing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Gothenburg, 22 October 2015
PricewaterhouseCoopers AB



Magnus Willfors
Authorised Public Accountant

CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENTS

| MSEK | January - September | | Third quarter | | Last 12 months | Full year 2014 |
|---|---------------------|---------------|---------------|---------------|----------------|----------------|
| | 2015 | 2014 | 2015 | 2014 | | |
| Net sales | 3,112.6 | 2,631.3 | 1,041.0 | 870.5 | 4,211.4 | 3,730.1 |
| Cost of products and services sold | -2,430.0 | -2,057.1 | -812.6 | -686.4 | -3,270.4 | -2,897.4 |
| Gross profit | 682.6 | 574.3 | 228.3 | 184.1 | 941.0 | 832.7 |
| Sales and administrative expenses | -526.3 | -487.5 | -172.5 | -160.3 | -718.6 | -679.8 |
| Other operating income | 38.2 | 23.2 | 13.7 | 6.3 | 47.8 | 32.8 |
| Other operating expenses | -13.7 | -6.0 | -5.4 | -3.3 | -18.8 | -11.1 |
| Operating result | 180.8 | 104.1 | 64.1 | 26.9 | 251.4 | 174.6 |
| Net financial items | -26.4 | -26.3 | -8.7 | -8.9 | -34.8 | -34.7 |
| Result after financial items | 154.4 | 77.7 | 55.4 | 17.9 | 216.6 | 139.9 |
| Income tax | -53.3 | -35.1 | -19.6 | -6.4 | -70.3 | -52.1 |
| Result for the period | 101.1 | 42.6 | 35.7 | 11.5 | 146.3 | 87.8 |
| Result for the period attributable to: | | | | | | |
| - parent company shareholders | 101.1 | 42.6 | 35.7 | 11.5 | 146.3 | 87.8 |
| <i>Earnings per share, SEK^{1) 2) 3)}</i> | <i>3.81</i> | <i>1.72</i> | <i>1.35</i> | <i>0.43</i> | <i>5.52</i> | <i>3.48</i> |
| <i>Average number of shares, in thousands³⁾</i> | <i>26,518</i> | <i>24,766</i> | <i>26,518</i> | <i>26,518</i> | <i>26,518</i> | <i>25,204</i> |
| <i>Outstanding shares at the end of the year, in thousands³⁾</i> | <i>26,518</i> | <i>26,518</i> | <i>26,518</i> | <i>26,518</i> | <i>26,518</i> | <i>26,518</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.

³⁾ Historic number of shares have been adjusted for the bonus issue element in the new share issue in 2014.

STATEMENTS OF COMPREHENSIVE INCOME

| MSEK | January - September | | Third quarter | | Last 12 months | Full year 2014 |
|---|---------------------|--------------|---------------|-------------|----------------|----------------|
| | 2015 | 2014 | 2015 | 2014 | | |
| Result for the period | 101.1 | 42.6 | 35.7 | 11.5 | 146.3 | 87.8 |
| Translation differences, net after tax | 62.6 | 95.2 | 2.7 | 62.8 | 148.3 | 180.9 |
| Cash flow hedges, net after tax | 0.1 | 2.6 | 0.1 | 0.1 | -0.5 | 2.0 |
| Hedging of net investment abroad, net after tax | -37.5 | -37.2 | -2.7 | -32.5 | -64.8 | -64.5 |
| Total items that may be reclassified to the income statement | 25.2 | 60.6 | 0.1 | 30.4 | 83.0 | 118.4 |
| Other comprehensive income | 25.2 | 60.6 | 0.1 | 30.4 | 83.0 | 118.4 |
| Total comprehensive income for the period | 126.3 | 103.2 | 35.8 | 41.9 | 229.3 | 206.2 |
| Total comprehensive income attributable to: | | | | | | |
| - parent company shareholders | 126.3 | 103.2 | 35.8 | 41.9 | 229.3 | 206.2 |

STATEMENTS OF CASH FLOW

| MSEK | January – September | | Third quarter | | Last 12 months | Full year 2014 |
|---|---------------------|----------------|---------------|----------------|----------------|----------------|
| | 2015 | 2014 | 2015 | 2014 | | |
| Result after financial items | 154.4 | 77.7 | 55.4 | 17.9 | 216.6 | 139.9 |
| Adjustments for items not included in cash flow | 30.8 | 93.8 | 8.7 | 42.0 | 109.2 | 172.2 |
| Paid tax | -75.5 | -46.1 | -27.1 | -5.6 | -90.6 | -61.2 |
| Changes in working capital | -76.2 | -122.6 | -89.9 | -82.0 | -42.7 | -89.1 |
| Cash flow from operating activities | 33.5 | 2.8 | -52.9 | -27.7 | 192.5 | 161.8 |
| Net investments in intangible and tangible assets | -30.8 | -36.0 | -7.9 | -8.6 | -38.5 | -43.7 |
| Acquisition of operations | - | -254.2 | - | - | - | -254.2 |
| Payments received regarding long-term holdings | 3.0 | 1.6 | 1.0 | 0.6 | 3.6 | 2.2 |
| Cash flow from investing activities | -27.8 | -288.6 | -6.9 | -8.0 | -34.9 | -295.7 |
| Amortization of loans | -79.3 | -163.4 | -26.1 | -11.8 | -131.1 | -215.2 |
| Changes in long- and short-term borrowing | 6.1 | 444.9 | 50.1 | 1.8 | -0.2 | 438.6 |
| New share issue | - | 121.0 | - | - | - | 121.0 |
| Dividend to parent company shareholders | -29.2 | -18.2 | - | - | -29.2 | -18.2 |
| Cash flow from financing activities | -102.4 | 384.3 | 24.0 | -10.0 | -160.5 | 326.2 |
| Cash flow for the period | -96.7 | 98.5 | -35.8 | -45.7 | -2.9 | 192.3 |
| Liquid funds at the beginning of the period | 456.7 | 215.3 | 405.4 | 371.4 | 337.5 | 215.3 |
| Translation difference | 12.2 | 23.7 | 2.6 | 11.9 | 37.5 | 49.0 |
| Liquid funds at the end of the period | 372.2 | 337.5 | 372.2 | 337.5 | 372.2 | 456.7 |
| Net debt at the beginning of the period | 895.3 | 738.9 | 881.9 | 948.6 | 1,015.7 | 738.9 |
| Translation difference in net debt | 31.7 | 45.2 | 9.3 | 31.2 | 62.9 | 76.4 |
| Net debt in acquired operations | - | -93.5 | - | - | - | -93.5 |
| Change in net debt | 24.3 | 325.1 | 60.1 | 35.9 | -127.2 | 173.6 |
| Net debt at the end of the period | 951.3 | 1,015.7 | 951.3 | 1,015.7 | 951.3 | 895.3 |
| Operating cash flow | 107.6 | -213.4 | -24.0 | -21.2 | 283.0 | -38.0 |

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENTS OF FINANCIAL POSITION

ASSETS

| MSEK | 30 Sep. | | 31 Dec. 2014 |
|-----------------------------|----------------|----------------|-----------------|
| | 2015 | 2014 | |
| Intangible assets | 1,292.1 | 1,260.6 | 1,296.7 |
| Tangible assets | 367.5 | 392.3 | 392.3 |
| Other fixed assets | 199.0 | 172.5 | 190.9 |
| Total fixed assets | 1,858.6 | 1,825.4 | 1,879.8 |
| Inventories | 271.4 | 256.2 | 253.5 |
| Accounts receivable | 888.7 | 764.7 | 843.8 |
| Other current assets | 156.5 | 152.3 | 136.0 |
| Cash and cash equivalents | 372.2 | 337.5 | 456.7 |
| Total current assets | 1,688.9 | 1,510.6 | 1,690.0 |
| Total assets | 3,547.5 | 3,336.0 | 3,569.8 |

EQUITY AND LIABILITIES

| MSEK | 30 Sep. | | 31 Dec. 2014 |
|--|----------------|----------------|-----------------|
| | 2015 | 2014 | |
| Equity | 1,444.7 | 1,244.6 | 1,347.7 |
| Liabilities | | | |
| Non-interest-bearing long-term liabilities | 86.7 | 82.8 | 86.1 |
| Interest-bearing long-term liabilities | 23.1 | 26.6 | 25.0 |
| Total long-term liabilities | 109.8 | 109.4 | 111.1 |
| Non-interest-bearing current liabilities | 692.5 | 655.4 | 784.0 |
| Interest-bearing current liabilities | 1,300.5 | 1,326.6 | 1,327.1 |
| Total current liabilities | 1,993.0 | 1,982.0 | 2,111.1 |
| Total equity and liabilities | 3,547.5 | 3,336.0 | 3,569.8 |

STATEMENTS OF CHANGES IN EQUITY

| MSEK | Equity attribut- able to parent company share- holders | Total equity |
|---|--|-----------------|
| Opening balance on 1 Jan. 2014 | 1,038.6 | 1,038.6 |
| Dividend to parent company shareholders | -18.2 | -18.2 |
| New share issue | 121.0 | 121.0 |
| Total comprehensive income for the year | 206.2 | 206.2 |
| Closing balance on 31 Dec. 2014 | 1,347.7 | 1,347.7 |
| Opening balance on 1 Jan. 2014 | 1,038.6 | 1,038.6 |
| Dividend to parent company shareholders | -18.2 | -18.2 |
| New share issue | 121.0 | 121.0 |
| Total comprehensive income for the period | 103.2 | 103.2 |
| Closing balance on 30 Sep. 2014 | 1,244.6 | 1,244.6 |
| Opening balance on 1 Jan. 2015 | 1,347.7 | 1,347.7 |
| Dividend to parent company shareholders | -29.2 | -29.2 |
| Total comprehensive income for the period | 126.3 | 126.3 |
| Closing balance on 30 Sep. 2015 | 1,444.7 | 1,444.7 |

CONSOLIDATED FINANCIAL STATEMENTS

SEGMENT REPORTING

The three business areas are reported as reportable segments, since this is how the Group is governed and the President has been identified as the highest executive decision-maker. The operations within the business area Print & Packaging in each region are identified as operating segments. These have then been merged to create one reportable segment. In the other business areas the

operating segments coincides with the reportable segments. The operations within each reportable segment have similar economic characteristics and resemble each other regarding the nature of their products and services, production processes and customer types. Sales between segments are made on markets terms.

NET SALES

| MSEK | January – September | | Third quarter | | Last 12 months | Full year 2014 |
|-----------------------------|---------------------|----------------|----------------|--------------|----------------|----------------|
| | 2015 | 2014 | 2015 | 2014 | | |
| Supply Chain Solutions | 1,518.9 | 1,067.5 | 525.6 | 377.8 | 1,976.6 | 1,525.2 |
| Print & Packaging Solutions | 1,526.4 | 1,465.8 | 494.2 | 461.3 | 2,090.1 | 2,029.5 |
| e-Commerce Solutions | 124.9 | 141.7 | 39.5 | 49.8 | 246.5 | 263.3 |
| Group functions | 18.5 | 16.3 | 6.6 | 5.7 | 26.5 | 24.3 |
| Eliminations | -76.1 | -60.0 | -24.9 | -24.1 | -128.3 | -112.2 |
| Group net sales | 3,112.6 | 2,631.3 | 1,041.0 | 870.5 | 4,211.4 | 3,730.1 |

OPERATING RESULT

| MSEK | January – September | | Third quarter | | Last 12 months | Full year 2014 |
|-------------------------------|---------------------|--------------|---------------|-------------|----------------|----------------|
| | 2015 | 2014 | 2015 | 2014 | | |
| Supply Chain Solutions | 122.0 | 62.7 | 48.8 | 27.6 | 165.7 | 106.4 |
| Print & Packaging Solutions | 86.9 | 61.3 | 26.3 | 3.8 | 96.8 | 71.2 |
| e-Commerce Solutions | -4.7 | -1.6 | -3.6 | -0.5 | 20.8 | 23.9 |
| Group functions | -23.4 | -18.3 | -7.4 | -4.0 | -31.9 | -26.9 |
| Group operating result | 180.8 | 104.1 | 64.1 | 26.9 | 251.4 | 174.6 |

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 and are used for hedging purposes. Valuation at fair value of forward exchange contracts is based on published forward rates on an active market. All

derivates 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 | 30 Sep. | | 31 Dec. 2014 |
|---|---------|------|--------------|
| | 2015 | 2014 | |
| Other current assets – Derivative instruments in hedge accounting relationships | 0.1 | 0.6 | - |
| Non-interest-bearing current liabilities – Derivative instruments in hedge accounting relationships | - | - | 0.1 |

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

PARENT COMPANY'S FINANCIAL STATEMENTS

INCOME STATEMENTS

| MSEK | January – September | | Third quarter | | Last 12 months | Full year 2014 |
|-------------------------------------|---------------------|--------------|---------------|--------------|----------------|----------------|
| | 2015 | 2014 | 2015 | 2014 | | |
| Net sales | 18.8 | 16.3 | 6.4 | 5.7 | 26.8 | 24.3 |
| Operating expenses | -40.0 | -33.5 | -13.2 | -8.8 | -61.0 | -54.5 |
| Operating result | -21.2 | -17.2 | -6.8 | -3.1 | -34.2 | -30.2 |
| Net financial items | 91.1 | -9.3 | 74.5 | -11.2 | 81.3 | -19.1 |
| Result after financial items | 69.9 | -26.5 | 67.7 | -14.3 | 47.1 | -49.3 |
| Appropriations | - | - | - | - | -69.5 | -69.5 |
| Income tax | 13.1 | 14.5 | 1.9 | 9.6 | 38.9 | 40.3 |
| Result for the period | 83.0 | -12.0 | 69.6 | -4.7 | 16.5 | -78.5 |

STATEMENTS OF COMPREHENSIVE INCOME

| MSEK | January – September | | Third quarter | | Last 12 months | Full year 2014 |
|--|---------------------|--------------|---------------|-------------|----------------|----------------|
| | 2015 | 2014 | 2015 | 2014 | | |
| Result for the period | 83.0 | -12.0 | 69.6 | -4.7 | 16.5 | -78.5 |
| Other comprehensive income | - | 1.4 | - | 0.6 | - | 1.4 |
| Total comprehensive income for the period | 83.0 | -10.6 | 69.6 | -4.1 | 16.5 | -77.1 |

PARENT COMPANY'S FINANCIAL STATEMENTS

BALANCE SHEETS

| MSEK | 30 Sep. | | 31 Dec. 2014 |
|---|----------------|----------------|-----------------|
| | 2015 | 2014 | |
| ASSETS | | | |
| Fixed assets | 2,078.3 | 1,954.5 | 2,078.9 |
| Current assets | 246.9 | 256.3 | 263.5 |
| Total assets | 2,325.2 | 2,210.8 | 2,342.4 |
| EQUITY, PROVISIONS AND LIABILITIES | | | |
| Equity | 915.6 | 928.3 | 861.7 |
| Provisions | 2.9 | 2.9 | 2.9 |
| Long-term liabilities | 70.6 | 70.7 | 70.6 |
| Current liabilities | 1,336.1 | 1,208.9 | 1,407.2 |
| Total equity, provisions and liabilities | 2,325.2 | 2,210.8 | 2,342.4 |

STATEMENTS OF CHANGES IN EQUITY

| MSEK | Share capital | Statutory reserve | Retained earnings and result for the period | Total equity |
|---|------------------|----------------------|---|-----------------|
| Opening balance on 1 Jan. 2014 | 227.3 | 332.4 | 276.4 | 836.1 |
| Dividend | - | - | -18.2 | -18.2 |
| New share issue | 37.9 | - | 83.1 | 121.0 |
| Total comprehensive income for the year | - | - | -77.1 | -77.1 |
| Closing balance on 31 Dec. 2014 | 265.2 | 332.4 | 264.2 | 861.8 |
| Opening balance on 1 Jan. 2014 | 227.3 | 332.4 | 276.4 | 836.1 |
| Dividend | - | - | -18.2 | -18.2 |
| New share issue | 37.9 | - | 83.1 | 121.0 |
| Total comprehensive income for the period | - | - | -10.6 | -10.6 |
| Closing balance on 30 Sep. 2014 | 265.2 | 332.4 | 330.7 | 928.3 |
| Opening balance on 1 Jan. 2015 | 265.2 | 332.4 | 264.2 | 861.8 |
| Dividend | - | - | -29.2 | -29.2 |
| Total comprehensive income for the period | - | - | 83.0 | 83.0 |
| Closing balance on 30 Sep. 2015 | 265.2 | 332.4 | 318.0 | 915.6 |

QUARTERLY DATA

| MSEK | 2015 Q3 | 2015 Q2 | 2015 Q1 | 2014 Q4 | 2014 Q3 | 2014 Q2 | 2014 Q1 | 2013 Q4 | 2013 Q3 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Net sales | 1,041 | 1,066 | 1,006 | 1,099 | 870 | 910 | 850 | 598 | 493 |
| EBITDA | 95 | 93 | 85 | 101 | 56 | 69 | 66 | 78 | 50 |
| Operating result | 64 | 63 | 54 | 71 | 27 | 40 | 37 | 54 | 26 |
| Operating margin, % | 6.2 | 5.9 | 5.4 | 6.4 | 3.1 | 4.4 | 4.4 | 9.0 | 5.3 |
| Result after financial items | 55 | 55 | 44 | 62 | 18 | 32 | 28 | 46 | 19 |
| Result after tax | 36 | 38 | 27 | 45 | 11 | 15 | 16 | 35 | 13 |
| Earnings per share, SEK ^{1) 2)} | 1.35 | 1.43 | 1.04 | 1.70 | 0.43 | 0.61 | 0.69 | 1.49 | 0.55 |
| Operating cash flow | -24 | 116 | 16 | 175 | -21 | 81 | -273 | 104 | -58 |
| Cash flow per share, SEK ^{2) 3)} | -1.99 | 3.96 | -0.71 | 6.00 | -1.04 | 2.74 | -1.55 | 4.24 | 0.66 |
| Depreciation | 31 | 30 | 31 | 30 | 29 | 29 | 29 | 24 | 24 |
| Net investments | 7 | 19 | 2 | 7 | 8 | 10 | 270 | 13 | 92 |
| Goodwill | 1,217 | 1,209 | 1,224 | 1,205 | 1,168 | 1,150 | 1,127 | 1,090 | 1,073 |
| Total assets | 3,547 | 3,504 | 3,629 | 3,570 | 3,336 | 3,277 | 3,116 | 2,464 | 2,359 |
| Equity | 1,445 | 1,409 | 1,433 | 1,348 | 1,245 | 1,203 | 1,053 | 1,039 | 975 |
| Equity per share, SEK ²⁾ | 54.48 | 53.13 | 54.03 | 50.82 | 46.93 | 45.36 | 45.01 | 44.39 | 41.69 |
| Net debt | 951 | 882 | 945 | 895 | 1,016 | 949 | 1,107 | 739 | 824 |
| Capital employed | 2,396 | 2,291 | 2,378 | 2,243 | 2,260 | 2,151 | 2,161 | 1,777 | 1,800 |
| Return on total assets, % ⁴⁾ | 7.3 | 7.1 | 6.0 | 8.2 | 3.3 | 5.1 | 5.4 | 9.1 | 4.5 |
| Return on equity, % ⁴⁾ | 10.0 | 10.7 | 7.9 | 14.0 | 3.7 | 5.3 | 6.2 | 13.8 | 5.3 |
| Return on capital employed, % ⁴⁾ | 10.9 | 10.8 | 9.3 | 12.5 | 4.9 | 7.4 | 7.6 | 12.1 | 5.9 |
| Debt/equity ratio | 0.7 | 0.6 | 0.7 | 0.7 | 0.8 | 0.8 | 1.1 | 0.7 | 0.8 |
| Equity ratio, % | 40.7 | 40.2 | 39.5 | 37.8 | 37.3 | 36.7 | 33.8 | 42.2 | 41.3 |
| Interest coverage ratio ⁵⁾ | 10.0 | 7.2 | 5.9 | 5.0 | 4.6 | 5.1 | 5.2 | 5.3 | 5.3 |
| Number of employees at the end of the period | 3,182 | 3,166 | 3,146 | 3,320 | 3,327 | 3,389 | 3,372 | 1,898 | 1,905 |

¹⁾ There is no dilution.

²⁾ Historic key ratios have been adjusted for the bonus issue element in the new share issue in 2014.

³⁾ Cash flow per share refers to cash flow from operating activities.

⁴⁾ Return ratios have been annualized.

⁵⁾ Interest coverage ratio calculation is based on a moving 12 month period.

FIVE YEAR OVERVIEW

FIVE YEAR OVERVIEW - THE FULL YEAR

| | 2014 | 2013 | 2012 | 2011 | 2010 |
|--|--------|--------|--------|--------|--------|
| Net sales, MSEK | 3,730 | 2,096 | 1,924 | 1,839 | 1,706 |
| Result after financial items, MSEK | 140 | 102 | 93 | 80 | -105 |
| Result after tax, MSEK | 88 | 70 | 45 | 60 | -84 |
| Earnings per share, SEK ^{1) 2)} | 3.48 | 2.99 | 1.99 | 3.00 | -6.60 |
| Cash flow from operating activities per share, SEK ²⁾ | 6.42 | 5.48 | 9.64 | 4.20 | -4.55 |
| Equity per share, SEK ²⁾ | 50.82 | 44.39 | 40.77 | 43.75 | 40.75 |
| Dividends per share, SEK ²⁾ | 1.10 | 0.78 | 0.58 | 0.49 | - |
| Operating margin, % | 4.7 | 6.2 | 6.2 | 6.0 | -4.5 |
| Return on total assets, % | 5.9 | 5.6 | 5.6 | 5.5 | -3.2 |
| Return on equity, % | 7.4 | 7.0 | 4.8 | 7.1 | -10.6 |
| Return on capital employed, % | 8.7 | 7.7 | 7.4 | 7.1 | -4.8 |
| Debt/equity ratio | 0.7 | 0.7 | 0.7 | 0.8 | 0.9 |
| Equity ratio, % | 37.8 | 42.2 | 42.2 | 43.9 | 40.7 |
| Average number of shares, in thousands ^{2) 3)} | 25,204 | 23,395 | 22,279 | 20,102 | 12,703 |

¹⁾ There is no dilution.

²⁾ Historic number of shares and historic key ratios have been adjusted for the bonus issue element in the new share issue in 2014.

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

FIVE YEAR OVERVIEW - JANUARY - SEPTEMBER

| | 2015 | 2014 | 2013 | 2012 | 2011 |
|--|--------|--------|--------|--------|--------|
| Net sales, MSEK | 3,113 | 2,631 | 1,498 | 1,397 | 1,300 |
| Result after tax, MSEK | 101 | 43 | 35 | 36 | 23 |
| Earnings per share, SEK ^{1) 2)} | 3.81 | 1.72 | 1.51 | 1.65 | 1.14 |
| Cash flow from operating activities per share, SEK ²⁾ | 1.26 | 0.11 | 1.24 | 4.01 | 0.73 |
| Equity per share, SEK ²⁾ | 54.48 | 46.93 | 41.69 | 40.02 | 42.51 |
| Return on equity, % ³⁾ | 9.7 | 5.0 | 4.9 | 5.3 | 3.6 |
| Return on capital employed, % ³⁾ | 10.4 | 6.9 | 5.9 | 6.1 | 4.4 |
| Operating margin, % | 5.8 | 4.0 | 5.1 | 5.1 | 4.0 |
| Average number of shares, in thousands ^{2) 4)} | 26,518 | 24,766 | 23,395 | 21,908 | 20,102 |

¹⁾ There is no dilution.

²⁾ Historic number of shares and historic key ratios have been adjusted for the bonus issue element in the new share issue in 2014.

³⁾ Return ratios have been annualized.

⁴⁾ No adjustment of the historic number of shares has been made for the new share issue in 2012 since it did not entail any bonus issue element.

FIVE YEAR OVERVIEW – THE THIRD QUARTER

| | 2015 | 2014 | 2013 | 2012 | 2011 |
|--|--------|--------|--------|--------|--------|
| Net sales, MSEK | 1,041 | 870 | 493 | 456 | 423 |
| Result after tax, MSEK | 36 | 11 | 26 | 4 | 3 |
| Earnings per share, SEK ^{1) 2)} | 1.35 | 0.43 | 0.55 | 0.18 | 0.15 |
| Cash flow from operating activities per share, SEK ²⁾ | -1.99 | -1.04 | 0.66 | 0.98 | -0.87 |
| Equity per share, SEK ²⁾ | 54.48 | 46.93 | 41.69 | 40.02 | 42.51 |
| Return on equity, % ³⁾ | 10.0 | 3.3 | 5.3 | 1.8 | 1.4 |
| Return on capital employed, % ³⁾ | 10.9 | 3.7 | 5.9 | 3.2 | 3.2 |
| Operating margin, % | 6.2 | 3.1 | 5.3 | 2.8 | 3.0 |
| Average number of shares, in thousands ^{2) 4)} | 26,518 | 26,518 | 23,395 | 23,395 | 20,102 |

¹⁾ There is no dilution.

²⁾ Historic number of shares and historic key ratios have been adjusted for the bonus issue element in the new share issue in 2014.

³⁾ Return ratios have been annualized.

⁴⁾ No adjustment of the historic number of shares has been made for the new share issue in 2012 since it did not entail any bonus issue element.

FINANCIAL 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

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

EBITDA

Earnings before interest, taxes depreciation and amortization; operating result plus depreciation, amortization and write-downs of intangible and tangible assets.

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 financial items.

Operating margin

Operating result in relation to net turnover.

Return on capital employed (ROCE)

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 average total assets.

After-sales

Provision of services, support and spare parts after making an initial sale. This occurs for example in the provision of products which requires regular upgrades.

Digital print

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.

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.

FMCG

Fast Moving Consumer Goods are products that are sold quickly and at relatively low cost. Examples include non-durable goods such as soft drinks, toiletries, processed foods and other consumables. FMCG have a short shelf life, either as a result of high consumer demand or because the product deteriorates rapidly.

Fulfilment

This term used to describe a number of steps in the process between production and distribution. They can include assembly, configuration, bar-coding, packaging for end customers.

Just-in-time

Delivery precision – delivery exactly when the need arises. The concept also entails that customers do not need to store their publications. Often includes digital printing, see Print-on-Demand.

Offset print

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.

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.

Outsourcing

Companies or organizations choose to let an external party handle an activity or a process. This activity or process is then said to be outsourced.

Packaging

A product manufactured to protect, handle, deliver and present an item.

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

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

Reverse logistics

Normally, logistics deal with events that bring the product towards the customer. In the case of reverse logistics, the product goes back in the supply chain. For instance, goods move from the customer back to the distributor or to the manufacturer. The reverse logistics process includes the management of surplus equipment, returns as well as defective products including testing, dismantling, repairing, recycling or disposing the product.

Supply chain

The movement and storage of goods and/or information from point of origin to end-users. Supply chain management can be defined as the design, planning, execution, control and monitoring of activities with the objective of creating net value, building a competitive infrastructure, leveraging worldwide logistics, synchronizing supply with demand and measuring performance globally.

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-labeling

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.



This is Elanders

OUR BUSINESS

Elanders offers global solutions through its business areas Supply Chain Solutions, Print & Packaging Solutions and e-Commerce Solutions. The Group has operations in more than 15 countries on four continents. The most important markets are China, Germany, Singapore, Sweden, United Kingdom and the USA. The largest customers are automotive, consumer electronics and white goods manufacturers.

OUR OFFER

Our offer contains everything from producing photo products, marketing material, user information and packaging to taking an overall responsibility for complex and global deliveries encompassing procurement, configuration, picking, printing, packaging, distribution, payment solutions and after sales services.

The services are provided by business-oriented employees. They use their expertise and intelligent IT solutions to develop our customers' offers, which are often completely dependent on efficient product, component and service flows as well as traceability and information.

In addition to our offer to B2B markets Elanders also sells photo products directly to consumers through its own brands fotokasten and myphotobook.

OUR GOAL AND STRATEGY

Elanders shall be a world leading company in global solutions in supply chain, print & packaging and e-commerce. Our strategy is to work in niches in each

business area where the company can attain a leading position on the market. We will achieve this goal by being best at meeting customers' demands for efficiency and delivery. In order to be successful we need to continuously develop our offer as technology and customer needs evolve. Acquisitions play an important role in our company's development and provide competence, broader product and service offers and enlarge our customer base.

OUR EMPLOYEES

The average number of employees in 2014 was 3,360 (1,864), of which 91 (79) percent were active outside of Sweden.

OWNER AND SHARE

Elanders' B share was listed on NASDAQ OMX January 1989. Since 1997 Carl Bennet AB has been the major shareholder and controls 62 percent of the shares and 74 percent of the votes.

HISTORY

From the time of its listing in 1989 Elanders has made a long journey from being purely a printer, mainly operating in Sweden, to becoming a global service company with business on four continents. We have worked hard to keep up with the tide of digitalization and globalization and the structural changes in the graphic industry. Along the road we have made acquisitions that have given us the opportunity to expand into new markets, customer segments and services.

■ THREE BUSINESS AREAS

SUPPLY CHAIN SOLUTIONS

What?

The business area is specialized in effectively managing global product, component and service flows with very short lead times. A central part of the offer is the extensive statistic reports to our customers.

Where?

Brazil, China, the Czech Republic, India, Japan, Mexico, Singapore, Taiwan and the USA.

Who?

Our customers can mainly be found in the software and electronics industries.

Value

We create customer value through efficient and intelligent flows of products, components and information.

Market and business conditions

- Market with long-term growth.
- Personnel intensive.
- Economy of scale advantages in IT platforms.
- Requires global presence.
- Long customer relationships.

Business model and profitability

- B2B – contract-based business model with demand driven call-off contracts per product or service.
- Large volumes and low margins.
- Stable profitability.
- High sensitivity to changes in the business cycle.



Share of net sales 2014



Share of operating result 2014

PRINT & PACKAGING SOLUTIONS

What?

The business area offers cost-efficient and innovative solutions that meet the customers' needs for printed matter and packaging, both locally and globally. The business area has developed advanced, user friendly and Internet-based ordering platforms that makes the process from order to delivery more efficient and enables customized just-in-time deliveries.

Where?

Brazil, China, Germany, Hungary, India, Italy, Poland, Sweden, United Kingdom and the USA.

Who?

The customers can mainly be found in manufacturing industries such as automotive, white goods, tools, etc.

Value

Customer value is added through graphic expertise, efficient and globally available production, often in combination with advanced ordering platforms and just-in-time or sequence deliveries.

Market and business conditions

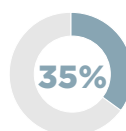
- Weak growth.
- Capital intensive.
- Overcapacity and consolidation.
- Economy of scale in capacity.

Business model and profitability

- B2B – product or call-based business model.
- Large volumes and low margins.
- Niches can have high margins depending on the product, complexity and market.
- Low profitability.
- High sensitivity to changes in the business cycle.
- Global presence is a competitive edge.



Share of net sales 2014



Share of operating result 2014

E-COMMERCE SOLUTIONS

What?

The business area offers photo products, either through our own brands, fotokasten and myphotobook (B2C), or through different kinds of white label solutions (B2B2C). Our offer is based on advanced e-commerce platforms where customers can customize their own photo products.

Where?

Two offices located in Germany. Sales take place on 16 markets in Europe.

Who?

The primary customers are consumers, but there is also sales to companies that offer the services using their own brand.

Value

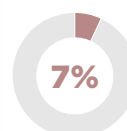
Customer value through user friendly and intuitive platforms where the end customer can easily design and create their own personal photo memories.

Market and business conditions

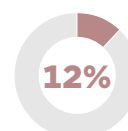
- Strong growth.
- Consolidation.
- Difficult to start up due to IT systems and marketing costs.
- Knowledge and development intensive business.
- Short lifecycle for products.
- Technology intensive.

Business model and profitability

- B2C – e-commerce with direct payment.
- B2B2C – white-label solutions.
- High profitability for market leaders.
- Short series, sometimes only a single copy.
- Low sensitivity to changes in the business cycle.



Share of net sales 2014



Share of operating result 2014



Elanders has been around for over 100 years and has grown from a local and family owned company to a listed global group with operations in more than 15 countries on four continents. The journey to becoming what Elanders is today has gone through establishing our own facilities and acquisitions, which in recent years have been aimed at finding new markets. Our goal has been to fundamentally rebuild and equip our business to take advantage of the business opportunities emerging from the wake of globalization and digitalization. We currently offer everything from global supply chain solutions and advanced print solutions to personalized photo products. Our largest customers are automotive, consumer electronics and white goods manufacturers but we also sell directly to consumers. Sales are generated in our three business areas which, although they have different core competences, complement and balance each other.

