elanders

YOUR WORLDWIDE PRINTING PARTNER

Quarterly report January - September 2013

Press release from Elanders AB (publ) **2013-10-23**

January-September

- Net sales increased by 7 % totaling MSEK 1,498 (MSEK 1,397).
- The operating result, not including one-off items, increased to MSEK 72 (56), which is an improvement of 29 % over the same period last year.
- The operating result, including one-off items, increased to MSEK 77 (71).
- The result before tax, not including one-off items, increased to MSEK 50 (36), which was an improvement of 39 %.
- The result before tax, including one-off items, increased to MSEK 55 (52).
- The net result amounted to MSEK 35 (36) or SEK 1.55 (1.70) per share.
- Operating cash flow was MSEK -53 (87), of which acquisitions were MSEK -103 (1).
- In August Elanders signed a contract for the acquisition of the German myphotobook GmbH, one of Europe's leading e-commerce companies in personalized photo products to consumers.

The third quarter

- Net sales increased by 8 % to MSEK 493 (456).
- The operating result, not including one-off items, increased to MSEK 21 (13), which is an improvement of 67 % over the same period last year.
- The operating result, including one-off items, increased to MSEK 26 (13).
- The result before tax, not including one-off items, increased to MSEK 14 (7), which was an improvement of 100 %.
- The result before tax, including one-off items, increased to MSEK 19 (7).
- The net result increased to MSEK 13 (4) or SEK 0.57 (0.19) per share.
- Operating cash flow was MSEK -58 (18), of which acquisitions were MSEK -80 (-2).

COMMENTS BY THE CEO

The strategic shift launched by Elanders is bearing fruit. The fact that Elanders achieved the best operating result in the third quarter since 2007 is a good example of this and despite a reduction in orders from the manufacturing industry we have managed to improve the operating margin. In addition, the measures we have taken and the acquisitions we have made in the past year are expected to generate an improved operating margin for the entire year, if one-off items are excluded.

We expect to see synergies between our two photo product companies, fotokasten and myphotobook, in 2014. The latter was acquired by Elanders in the third quarter and was consolidated as of 30 September. We will become one of the leading players in Europe in this segment through this acquisition and gain access to a further fourteen markets.

Consolidation of our production units in Sweden and Germany continues and now all offset production in Germany is concentrated to Stuttgart and in Sweden to Gothenburg. In connection with this we have upgraded the Swedish machines and they are now some of the most modern in Sweden.

Magnus Nilsson
President and Chief Executive Officer

Three year overview

MSEK	January - September 2013	2012	2011
Net sales	1,498	1,397	1,300
Operating expenses	-1,421	-1,326	-1,248
Operating result	**77**	**71**	**52**
Net financial items	-22	-19	-21
Result after financial items	**55**	**52**	**31**

MSEK	Third quarter 2013	2012	2011
Net sales	493	456	423
Operating expenses	-467	-443	-410
Operating result	**26**	**13**	**13**
Net financial items	-7	-6	-8
Result after financial items	**19**	**7**	**4**

GROUP

Operations

Elanders is a graphic company 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 under the brands fotokasten and myphotobook. Elanders has approximately 1,800 employees and net sales in 2012 were 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 (Gothenburg, Malmö and Stockholm), Germany (Stuttgart), Hungary (Zalalövő 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 result

January-September

Consolidated net sales increased by MSEK 101 to MSEK 1,498 (1,397), i.e. 7 % during the period compared to the same period last year. The newly acquired Midland is primarily responsible for the increase in net sales. The period has been characterized by a relatively weak demand from customers in the manufacturing industry, primarily in Western Europe and North America. Excluding acquisitions/disposals and using constant exchange rates net sales contracted by 2 % compared to the same period last year.

The operating result, excluding one-off items, increased to MSEK 72 (56), corresponding to an operating margin of 5 (4) %. Including one-off items the operating result for the period was MSEK 77 (71). The one-off items are primarily book VAT recognized as revenue of MSEK 20 (16) as well as restructuring costs of MSEK -17 (0).

In August Elanders signed a contract for the acquisition of the German myphotobook GmbH, one of Europe’s leading e-commerce companies in personalized photo products to consumers. myphotobook has its headquarters in Berlin and is represented in 16 countries in Europe. In 2012 the company had net sales of around MEUR 15. The purchase price was MEUR 10.5 and the company was consolidated as of 30 September.

The acquisition is expected to have several synergies with Elander's existing operations in fotokasten and d|o|m.

The label printer McNaughtan's was acquired by Elanders in February. The company has annual net sales of around MGBP 2 and several well known whiskey brands are customers. Their products are mainly labels with extremely high quality and a high level of enrichment.

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 appealed some of the decisions and sought reconsideration by the Supreme Administrative Court. Reconsideration has now been granted however it is uncertain when the case will be heard but at the earliest in 2014. Until the Supreme Administrative Court has rendered its decision 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 the income 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 has contested this decision. Our total exposure is around MSEK 16, since we can only set off some of the refund against the loss carry-forwards Elanders has. During the first quarter 2013 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.

Third quarter
Consolidated net sales increased during the third quarter by MSEK 37 to MSEK 493 (456), i.e. 8 %. Excluding acquisitions/disposals and using constant exchange rates net sales contracted by 0.5 %.The operating result, excluding one-off items, improved and amounted to MSEK 21 (13), corresponding to an operating margin of 4 (3) %. Including one-off items, the operating result for the period was MSEK 26 (13). One-off items are primarily MSEK 20 attributable to book VAT recognized as revenue as well as restructuring costs of MSEK -17 (0).

Personnel
January-September
The average number of employees during the period was 1,850 (1,584), of which 401 (403) were in Sweden. At the end of the period the Group had 1,905 (1,600) employees.

Third quarter
The average number of employees during the period was 1,859 (1,594), of which 389 (402) were in Sweden.

Investments and depreciation
January-September
Investments for the period totaled MSEK 151 (36), of which MSEK 103 (-3) were acquisitions. Most of the other investments for the period were investments in our production units in Eastern Europe and Asia. Depreciation for the period was MSEK 74 (67).

Third quarter
Investments for the period totaled MSEK 92 (16) of which acquisitions were MSEK -80 (0). Depreciation for the period was MSEK 24 (23).

Financial position, cash flow, equity ratio and financing
Group net debt on 30 September 2013 amounted to MSEK 824 (627). At the end of 2012 net debt was MSEK 688. The factors behind the increase since year-end are the acquisition of myphotobook and McNaughtan's a greater degree of tied up working capital and the effect of the payment of MSEK 16 in tax due to the Swedish Tax Agency's raise in Elanders' taxes. The operating cash flow in the first nine

months of 2013 was MSEK -53 (87), of which acquisitions were MSEK -103 (1). The deterioration in operating cash flow compared to the same period last year is almost entirely due to acquisitions, a greater degree of tied up working capital and higher investment levels. Operating cash flow in the third quarter was MSEK -58 (18), of which acquisitions were MSEK -80 (0). In September Elanders signed a new two-year credit agreement with the company's main banks. The agreement ends on 30 September 2015 and will not generate any significantly increased financing costs.

PARENT COMPANY

The Parent company has provided joint Group services during the period. The average number of employees in the third quarter was 9 (8) and at the end of the period 9 (8).

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

No 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 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.

Nomination committee

The nomination committe for the Annual General Meeting on 24 April 2014 is as follows:

Carl Bennet (Chair)	Carl Bennet AB
Hans Hedström	Carnegie Fonder

and one representative for the smaller shareholders.

Future reports from Elanders

Q4 2013	27 January 2014
Q1 2014	24 April 2014

Report of Review of Interim Financial Information

Introduction
We have reviewed this report for the period 1 January 2013 to 30 September 2013 for Elanders AB (publ), company ID 556008-1621. The board of directors and the CEO are responsible for the preparation and presentation of this interim report 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 Swedish Standard on Review Engagements SÖG 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 auditing 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 23 October 2013

PricewaterhouseCoopers AB

Johan Rippe
Authorised Public Accountant

Contact information
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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

GROUP

Group - Income statements

MSEK	January - September 2013	2012
Net sales	1,498.4	1,396.9
Cost of products and services sold	-1,168.2	-1,131.5
Gross profit	**330.2**	**265.4**
Sales and administrative expenses	-290.6	-220.5
Other operating income	43.8	33.9
Other operating expenses	-6.5	-8.0
Operating result	**77.0**	**70.9**
Net financial items	-22.0	-18.7
Result after financial items	**55.0**	**52.2**
Income tax	-19.9	-16.0
Result for the period	**35.1**	**36.3**
Result for the period attributable to:		
- parent company shareholders	35.1	36.4
- non-controlling interests	-	-0.1
Earnings per share, SEK [1) 2)]	*1.55*	*1.70*
Average number of shares, in thousands	*22,730*	*21,285*
Outstanding shares at the end of the year, in thousands	*22,730*	*22,730*

MSEK	Third quarter 2013	2012	Last 12 months	Full year 2012
Net sales	493.5	455.9	2,025.7	1,924.2
Cost of products and services sold	-388.4	-366.7	-1,593.8	-1,557.2
Gross profit	**105.1**	**89.2**	**431.9**	**367.0**
Sales and administrative expenses	-106.0	-77.4	-384.0	-313.9
Other operating income	28.7	4.0	88.3	78.5
Other operating expenses	-1.8	-3.2	-11.5	-13.1
Operating result	**26.0**	**12.6**	**124.7**	**118.5**
Net financial items	-7.3	-6.1	-28.4	-25.1
Result after financial items	**18.7**	**6.5**	**96.3**	**93.4**
Income tax	-5.7	-2.3	-52.8	-48.9
Result for the period	**13.0**	**4.2**	**43.3**	**44.5**
Result for the period attributable to:				
- parent company shareholders	13.0	4.2	43.5	44.6
- non-controlling interests	-	-	-0.2	-0.1
Earnings per share, SEK [1) 2)]	*0.57*	*0.19*	*1.91*	*2.05*
Average number of shares, in thousands	*22,730*	*22,730*	*22,730*	*21,646*
Outstanding shares at the end of the period, in thousand	*22,730*	*22,730*	*22,730*	*22,730*

[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.

Group - Statements of comprehensive income

MSEK	January - September 2013	2012
Result for the period	**35.1**	**36.3**
Translation differences, net after tax	-3.0	-41.2
Cash flow hedges, net after tax	2.0	-0.4
Hedging of net investment abroad, net after tax	1.1	3.0
Total items that may be reclassified to profit or loss	**0.1**	**-38.6**
Other comprehensive income, net after tax	**0.1**	**-38.6**
Total comprehensive income for the period	**35.2**	**-2.3**
Total comprehensive income attributable to:		
- parent company shareholders	35.2	-2.2
- non-controlling interests	-	-0.1

MSEK	Third quarter 2013	2012	Last 12 months	Full year 2012
Result for the period	**13.0**	**4.2**	**43.3**	**44.5**
Translation differences, net after tax	-18.8	-32.3	7.8	-30.4
Cash flow hedges, net after tax	0.8	-2.0	1.6	-0.8
Hedging of net investment abroad, net after tax	5.4	2.0	0.0	1.9
Total items that may be reclassified to profit or loss	**-12.6**	**-32.3**	**9.4**	**-29.3**
Other comprehensive income, net after tax	**-12.6**	**-32.3**	**9.4**	**-29.3**
Total comprehensive income for the period	**0.4**	**-28.1**	**52.7**	**15.2**
Total comprehensive income attributable to:				
- parent company shareholders	0.4	28.1	52.7	15.3
- non-controlling interests	-	-	-	-0.1

Since the Elanders’ defined benefit plans that are accounted for in accordance with IAS 19 are not significant, the changes in IAS 19 that have come into effect do not have any material effect on Group results or financial position. The total pension obligations amounted to MSEK 13 at the end of the period. Therefore figures for the comparable year have not been adjusted and no actuarial calculation has been made per 30 September 2013.

Group - Statements of cash flow

MSEK	January - September 2013	2012
Result after financial items	**55.0**	**52.2**
Adjustments for items not included in cash flow	66.1	62.3
Paid tax	-47.2	-16.2
Changes in working capital	-44.8	-10.4
Cash flow from operating activities	**29.1**	**87.9**
Net investments in intangible and tangible assets	-52.0	-36.5
Acquisition of operations	-102.6	0.5
Changes in long-term receivables	3.2	0.4
Cash flow from investing activities	**-151.4**	**-35.6**
Changes in long- and short-term borrowing	84.8	26.9
Dividend to parent company shareholders	-13.6	-9.8
Cash flow from financing activities	**71.2**	**17.1**
Cash flow for the period	**-51.1**	**69.4**
Liquid funds at the beginning of the period	168.0	81.2
Translation difference	-0.2	-4.2
Liquid funds at the end of the period	**116.6**	**146.4**
Net debt at the beginning of the period	**688.3**	**675.5**
Translation difference in net debt	-0.8	-6.8
Net debt in acquired operations	-17.7	-8.2
Change in net debt	154.5	-34.0
Net debt at the end of the period	**824.4**	**626.5**
Operating cash flow	**-53.1**	**87.1**

MSEK	Third quarter 2013	2012	Last 12 months	Full year 2012
Result after financial items	**18.7**	**6.5**	**96.3**	**93.4**
Adjustments for items not included in cash flow	26.1	17.4	101.4	97.6
Paid tax	-11.6	-4.7	-54.3	-23.3
Changes in working capital	-17.9	3.8	12.6	47.0
Cash flow from operating activities	**15.4**	**23.0**	**155.9**	**214.7**
Net investments in intangible and tangible assets	-13.4	-13.1	-87.4	-71.9
Acquisition and disposal of operations	-80.3	-2.1	-229.4	-126.3
Changes in long-term receivables	1.8	-0.8	4.5	1.7
Cash flow from investing activities	**-91.8**	**-16.0**	**-312.3**	**-196.5**
Changes in long- and short-term borrowing	95.5	63.0	140.3	82.4
Dividend to parent company shareholders	-	-	-13.6	-9.8
Cash flow from financing activities	**95.5**	**63.0**	**126.7**	**72.6**
Cash flow for the period	**19.0**	**70.0**	**-29.7**	**90.8**
Liquid funds at the beginning of the period	99.6	80.3	146.4	81.2
Translation difference	-2.0	-3.9	-0.1	-4.0
Liquid funds at the end of the period	**116.6**	**146.4**	**116.6**	**168.0**
Net debt at the beginning of the period	**753.7**	**641.8**	**626.5**	**675.5**
Translation difference in net debt	-6.1	-8.4	2.4	-3.6
Net debt in acquired and disposed operations	-10.9	-	-17.3	-7.8
Change in net debt	87.6	-6.9	212.7	24.2
Net debt at the end of the period	**824.4**	**626.5**	**824.4**	**688.3**
Operating cash flow	**-57.6**	**17.7**	**-73.6**	**66.6**

Group – Statements of financial position

MSEK	30 Sep. 2013	30 Sep. 2012	31 Dec. 2012
Assets			
Intangible assets	1,140.9	914.8	1,031.3
Tangible assets	347.9	289.0	347.1
Other fixed assets	160.8	157.1	140.1
Total fixed assets	**1,649.6**	**1,360.9**	**1,518.6**
Inventories	110.8	128.2	115.7
Accounts receivable	391.4	368.1	392.5
Other current assets	90.6	82.9	66.4
Cash and cash equivalents	116.6	146.4	168.0
Total current assets	**709.4**	**725.6**	**742.6**
Total assets	**2,359.0**	**2,086.4**	**2,261.2**
Equity and liabilities			
Equity	**975.4**	**936.2**	**953.8**
Liabilities			
Non-interest-bearing long-term liabilities	64.5	31.8	56.5
Interest-bearing long-term liabilities	484.7	44.7	46.9
Total long-term liabilities	**549.2**	**76.5**	**103.4**
Non-interest-bearing current liabilities	378.0	332.6	394.6
Interest-bearing current liabilities	456.4	741.1	809.4
Total current liabilities	**834.4**	**1,073.7**	**1,204.0**
Total equity and liabilities	**2,359.0**	**2,086.4**	**2,261.2**

A new two-year credit agreement was signed with the company's main banks, which means that as of 30 September 2013 the encompassed loans are reported as interest-bearing long-term liabilities.

Group - 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**
Dividend to parent company shareholders	-9.8	-	-9.8
New share issue	68.8	-	68.8
Total comprehensive income for the period	-2.2	-0.1	-2.3
Closing balance on 30 Sep. 2012	**936.2**	**-**	**936.2**
Opening balance on 1 Jan. 2013	**953.8**	**-**	**953.8**
Dividend to parent company shareholders	-13.6	-	-13.6
Total comprehensive income for the period	35.2	-	35.2
Closing balance on 30 Sep. 2013	**975.4**	**-**	**975.4**

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 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. 2013	30 Sep. 2012	31 Dec. 2012
Non-interest-bearing current liabilities – Derivative instruments in hedge accounting relationships	2.7	4.2	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.

Note to the consolidated financial statements – Acquisition of operations in 2013

Specification of acquisitions

Company	Acquisition date	Country	Number of employees
McNaughtan's Printers Ltd	February 2013	Scotland	14
myphotobook GmbH	September 2013	Germany	70

Elanders acquired all the shares in the labeling company McNaughtan's Printers Limited (McNaughtan's) in Glasgow, Scotland in February. The company is specialized in the whiskey trade and several well known whiskey distilleries are customers. In the fiscal year 2011/2012 McNaughtan's had net sales of around MGBP 2. The purchase price was MGBP 2.8 and was financed with cash.

In September Elanders acquired myphotobook GmbH, one of Europe's leading e-commerce companies in personalized photo products to consumers. myphotobook was founded in 2004 and the company's net sales were about MEUR 15 in 2012. Its headquarters are in Berlin and the company has about 70 employees. The purchase price was MEUR 10.5 on a cash and debt free basis and was financed through loans.

Assets and liabilities in acquisitions

MSEK	Recorded values in acquired operations	Adjustments to fair value	Recorded value in the Group
Intangible assets	19.3	27.9	47,2
Tangible assets	3.2	-	3,2
Inventory	0.5	-	0,5
Accounts receivable	3.6	-	3,6
Other current assets	0.8	-	0,8
Cash and cash equivalents	17.7	-	17,7
Accounts payable	-5.4	-	-5,4
Other short-term liabilities	-11.9	-	-11,9
Non-interest bearing liabilities	-3.1	-7.9	-11,0
Identifiable net assets	**24.7**	**19.9**	**44,6**
Goodwill			75,6
Total purchase sums			**120,2**
Less:			
Cash and cash equivalents in acquisitions			17,7
Total deductible items			**17,7**
Negative effect on cash and cash equivalents for the Group			**102.6**

PARENT COMPANY

Parent company – Income statements

MSEK	January - September 2013	2012
Net sales	-	-
Cost of products and services sold	-	-
Gross profit	**-**	**-**
Operating expenses	-22.4	-19.6
Operating result	**-22.4**	**-19.6**
Net financial items	46.4	10.6
Result after net financial items	**24.0**	**-9.0**
Income tax	4.2	5.3
Result for the period	**28.2**	**-3.7**

MSEK	Third quarter 2013	2012	Last 12 months	Full year 2012
Net sales	-	-	-	-
Cost of products and services sold	-	-	-	-
Gross profit	**-**	**-**	**-**	**-**
Operating expenses	-9.4	-5.3	-32.2	-29.4
Operating result	**-9.4**	**-5.3**	**-32.2**	**-29.4**
Net financial items	6.5	-0.4	104.7	68.9
Result after net financial items	**-2.9**	**-5.7**	**72.5**	**39.5**
Income tax	0.5	1.4	-23.3	-22.2
Result for the period	**-2.4**	**-4.3**	**49.2**	**17.3**

Parent company - Statements of comprehensive income

MSEK	January - September 2013	2012
Result for the period	**28.2**	**-3.7**
Other comprehensive income	1.3	-2.3
Total comprehensive income for the period	**29.5**	**-6.0**

MSEK	Third quarter 2013	2012	Last 12 months	Full year 2012
Result for the period	**-2.4**	**-4.3**	**49.2**	**17.3**
Other comprehensive income	0.3	-1.2	1.0	-2.6
Total comprehensive income for the period	**-2.1**	**-5.5**	**50.2**	**14.7**

Parent company - Balance sheets

MSEK	30 Sep. 2013	30 Sep. 2012	31 Dec. 2012
Assets			
Fixed assets	1,454.1	1,309.9	1,442.1
Current assets	248.8	187.1	132.3
Total assets	**1,702.9**	**1,497.0**	**1,574.4**
Equity, provisions and liabilities			
Equity	798.0	761.4	782.1
Provisions	2.9	7.4	6.4
Long-term liabilities	407.9	70.6	70.7
Current liabilities	494.1	657.6	715.2
Total equity and liabilities	**1,702.9**	**1,497.0**	**1,574.4**

A new two-year credit agreement was signed with the company's main banks, which means that as of 30 September 2013 the encompassed loans are reported as interest-bearing long-term liabilities.

Parent company - 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 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**
Dividend to shareholders	-	-	-9.8	-9.8
New share issue	32.0	-	36.8	68.8
Total comprehensive income for the period	-	-	-6.0	-6.0
Closing balance on 30 Sep. 2012	**227.3**	**332.4**	**201.7**	**761.4**
Opening balance on 1 Jan. 2013	**227.3**	**332.4**	**222.4**	**782.1**
Dividend to shareholders	-	-	-13.6	-13.6
Total comprehensive income for the period	-	-	29.5	29.5
Closing balance on 30 Sep. 2013	**227.3**	**332.4**	**238.3**	**798.0**

QUARTERLY DATA

MSEK	2013 Q3	2013 Q2	2013 Q1	2012 Q4	2012 Q3	2012 Q2	2012 Q1	2011 Q4	2011 Q3
Net sales	493	512	493	527	456	481	460	538	423
Operating result	26	28	23	48	13	39	20	57	13
Operating margin, %	5.3	5.6	4.6	9.0	2.8	8.0	4.2	10.6	3.0
Result after financial items	19	21	16	41	7	32	14	49	4
Result after tax	13	12	11	8	4	22	10	37	3
Earnings per share, SEK [1)]	0.57	0.51	0.46	0.36	0.19	1.03	0.50	1.92	0.15
Operating cash flow	-58	34	-30	-21	18	42	27	76	-12
Cash flow per share, SEK [2)]	0.68	1.80	-1.20	5.58	1.01	1.59	1.57	3.57	-0.90
Depreciation	24	25	25	23	23	23	22	22	22
Net investments	92	26	34	161	16	5	14	2	8
Goodwill	1,073	1,011	984	977	872	890	828	834	847
Total assets	2,359	2,266	2,227	2,261	2,086	2,049	1,979	2,005	2,037
Equity	975	975	944	954	936	964	882	880	854
Equity per share, SEK	42.91	42.90	41.53	41.96	41.19	42.42	45.15	45.03	43.75
Net debt	824	754	745	688	627	642	660	676	750
Capital employed	1,800	1,729	1,689	1,642	1,563	1,606	1,542	1,555	1,605
Return on total assets, % [3)]	4.5	5.1	4.1	9.0	2.5	10.2	4.8	14.0	4.0
Return on equity, % [3)]	5.3	4.9	4.4	3.5	1.8	9.7	4.4	17.3	1.4
Return on capital employed, % [3)]	5.9	6.7	5.4	11.9	3.2	9.8	5.0	14.5	3.2
Debt/equity ratio	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.8	0.9
Equity ratio, %	41.3	43.0	42.4	42.2	44.9	47.1	44.6	43.9	42.0
Interest coverage ratio [4)]	5.3	5.0	5.7	5.6	5.8	5.4	4.5	4.4	2.4
Number of employees at the end of the period	1,905	1,882	1,843	1,780	1,600	1,599	1,551	1,582	1,562

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	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 [2)]	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) 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 – JANUARY - SEPTEMBER

	2013 Jan.-Sep.	2012 Jan.-Sep.	2011 Jan.-Sep.	2010 Jan.-Sep.	2009 Jan.-Sep.
Net sales, MSEK	1,498	1,397	1,300	1,215	1,302
Result after tax, MSEK	35	36	23	-83	-37
Earnings per share, SEK [1)]	1.55	1.70	1.17	-8.29	-3.78
Cash flow from operating activities per share, SEK	1.28	4.13	0.75	-6.99	2.40
Equity per share, SEK	42.91	41.19	43.75	42.24	80.59
Return on equity, % [2)]	4.9	5.3	3.6	-13.8	-6.0
Return on capital employed, % [2)]	5.9	6.1	4.4	-6.9	-2.5
Operating margin, %	5.1	5.1	4.0	-6.7	-2.4
Average number of shares, in thousands [3)]	22,730	21,285	19,530	9,946	9,765

FIVE YEAR OVERVIEW – THIRD QUARTER

	2013 Q3	2012 Q3	2011 Q3	2010 Q3	2009 Q3
Net sales, MSEK	493	456	423	406	381
Result after tax, MSEK	26	4	3	-52	-17
Earnings per share, SEK [1)]	0.57	0.19	0.15	-5.04	-1.67
Cash flow from operating activities per share, SEK	0.68	1.01	-0.90	-0.24	-3.14
Equity per share, SEK	42.91	41.19	43.75	42.24	80.59
Return on equity, % [2)]	5.3	1.8	1.4	-11.0	-8.1
Return on capital employed, % [2)]	5.9	3.2	3.2	-5.1	-4.6
Operating margin, %	5.3	2.8	3.0	-15.2	-5.6
Average number of shares, in thousands [3)]	22,730	22,730	19,530	10,308	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 issue in 2010 did not entail any bonus issue element.

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.
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.

ELANDERS' OFFER & PRODUCT AREAS

Elanders' offer is divided into three product areas: Commercial Print, Packaging and W2B. The product areas have different circumstances and markets but one common denominator; they can all be combined with personalized information or print.

Commercial Print is Elanders' origin and represents the lion's share of our range and net sales. Elanders has an advantage over several smaller competitors since the company can offer print in low-cost countries. Our ability to offer the customers the same print quality at a lower price has been successful.

Commercial Print includes magazines, books, catalogues and other information and marketing material. Manuals and product information are also included in this category and they have been Elanders' successful mainstay for many years.

Manuals, however, have gone through a transformation in recent years. They are simpler, thinner and part of the information that was previously printed is now delivered digitally. To compensate for this Elanders also offers printing of the packaging and fulfilment in combination with production of the manual.

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 car manufacturers are our customers.

Packaging, is becoming an increasingly important component in how companies nurture their brands or when they want to clinch a purchase as a customer walks through a store. Elanders offers an entire range from simple boxes to exclusive handmade packaging and everything from small to enormous editions. Another competitive advantage Elanders has is that we offer personalized print on packaging.

The strongest trend in packaging is that it is becoming more exclusive, expensive and requires more advanced technology to produce. In addition to the home and electronics industries, Elanders has in recent years won orders from pharmaceuticals and the food and cosmetics industries.

***e*-Commerce** is a relatively young product area for Elanders but it's growing quickly and its future is exciting. It's a prioritized development area where the personalization element is more tangible than in any other product area. This product area is characterized by the use of specially designed websites where customers can put in their orders and in some cases follow the entire process from order to delivered printed matter.

Our strategy is to serve Elanders' existing customers in the best way possible via order portals and to be the best global supplier for customers that are focused on W2P. Included in this strategy is continuing to develop our own technical solutions and use the experience that we have. Volumes have increased as more and more customers want to design their own personalized photo books, calendars and other printed material.