

### Press release from Elanders AB (publ)

2011-05-05

#### The first quarter

- Net sales increased by 11 % totaling MSEK 443 (MSEK 401).
  - Operating result amounted to MSEK 19 (-12). The result was affected by one-off items amounting to MSEK 0 (10).
  - Result before tax was MSEK 12 (-19).
  - Net result amounted to MSEK 11 (-19) or SEK 0.58 (-1.92) per share.
  - Operating cash flow amounted to MSEK 19 (-34), of which acquisitions were MSEK 0 (-3).
  - The forecast for the full year 2011 remains unchanged with an expected positive result before tax.
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#### **COMMENTS BY THE CEO**

I am happy to note that this is the second quarter of positive operating results and the third quarter in a row that Elanders' net sales has increased compared to last year. Excluding one-off items the operating result is MSEK 41 better than for the same period last year. Another very positive factor is the substantial improvement in cash flow from operations during the first quarter compared to the same quarter the previous year.

Our efforts in the Swedish and German markets and the structural measures taken last year in Swedish operations are the primary factors behind this good development. As a result of these structural measures and higher levels of orders received the Swedish operations can report a positive operating result for the first quarter. We also note a higher level of capacity utilization in our Polish and Hungarian production units bolstered by much more work from Sweden in Poland and from Germany in Hungary.

Integration of operations taken over from Fälv & Hässler continues according to plan and is expected to contribute to Elanders' net sales already in the second quarter 2011 and to the operating result in the second half of the year. In addition to helping consolidate the industry, the agreement with Fälv & Hässler provides us with a broader customer base and an extended product offer, particularly in advanced illustrated books.

Our efforts in packaging continue to go well. We were recently awarded the title "Supplier of the Year 2010" for our packaging for Ritter Sport, a famous German chocolate manufacturer. Together with Ritter Sport we have developed solutions for personalized packaging for consumers. We have also had an influx of new customers in the food and pharmaceutical industry in packaging.

Magnus Nilsson  
President and Chief Executive Officer

### THREE YEAR OVERVIEW

January-March	2011	2010	2009
<b>MSEK</b>			
Net sales	443.5	400.5	476.6
Operating expenses	-424.5	-412.4	-464.5
<b>Operating result</b>	<b>19.0</b>	<b>-11.9</b>	<b>12.1</b>
Net financial items	-6.5	-7.5	-9.2
<b>Result after financial items</b>	<b>12.5</b>	<b>-19.4</b>	<b>2.9</b>

Full year	2010	2009	2008
<b>MSEK</b>			
Net sales	1,705.9	1,756.7	2,191.2
Operating expenses	-1,782.1	-1,816.8	-2,175.2
<b>Operating result</b>	<b>-76.2</b>	<b>-60.1</b>	<b>16.0</b>
Net financial items	-29.0	-36.0	-50.4
<b>Result after financial items</b>	<b>-105.2</b>	<b>-96.1</b>	<b>-34.4</b>

### GROUP

#### Operations

Elanders is a global printing group with production units in ten countries on four continents. Our product areas are books & educational material, photo products, packaging, information & marketing material, manuals & product information as well as magazines. In combination with these products Elanders also offers services in Web-to-print (W2P), EDI, advanced premedia and fulfillment and logistics.

The Group's production units are located in Brazil (São Paulo), Italy (Treviso), China (Beijing), Norway (Oslo), Poland (Płońsk), Great Britain (Harrogate and Newcastle), Sweden (Falköping, Ludvika, Lund, Malmö, Mölnlycke, Stockholm, Uppsala, Vällingby and Västerås), Germany (Stuttgart), Hungary (Zalaölő and Jászberény) as well as the USA (Atlanta).

#### Net sales and result

##### First quarter

Consolidated net sales increased by MSEK 43 to MSEK 444 (401) or 11 %. With unchanged exchange rates compared to the same period last year the increase would have been MSEK 76 or 19 %, of which MSEK 52 or 13 %, is organic growth. The positive development is mainly due to success in Poland, Sweden, Germany and Hungary.

The operating result improved by MSEK 31 to MSEK 19 (-12) compared to the same period last year. Cleared of one-off items the operating result amounted to MSEK 19 (-22). The improvement comes from an increase in net sales as well as the cost reductions made primarily in Swedish operations. As a result of these structural measures Swedish operations presented a positive result for the first quarter.

The integration of operations in Fälv & Hässler, that are taken over by Elanders, is proceeding according to plan. Affected personnel will be employed by Elanders as of 1 April 2011. The overtaken operations are expected to contribute positively to Elanders' net sales already in the second quarter 2011 and to results in the second half of the year. The purchase price of these operations is expected to total a maximum of MSEK 4.

#### Personnel

The average number of employees during the period was 1,515 (1,463), of which 385 (463) were in Sweden. At the end of the period the Group had 1,523 (1,457) employees of which 389 (452) in Sweden.

#### Investments and depreciation

Investments for the period totalled MSEK 11 (17), of which MSEK 0 (3) referred to acquisitions. Most of the investments this year have gone to production equipment and mainly in Eastern Europe. Group depreciation and write-downs for the period amounted to MSEK 21 (22).

#### Financial position, cash flow, equity ratio and financing

Group net debt amounted to MSEK 718 (868) and operating cash flow for the first quarter was MSEK 19 (-34) Equity was MSEK 811 (720), which resulted in an equity ratio of 41 % (36 %).

### PARENT COMPANY

The Parent company has provided joint Group services. The average number of employees was 8 (23) and at the end of the period 7 (22).

### OTHER INFORMATION

#### Risks and uncertainties

Elanders divides risks into circumstantial risks (the future of printing, business cycles, structure and the competition), financial risks (currency, interest, financing and credit) as well as operational risks (customer concentration, operations, operating costs, contracts, disputes, insurance and other risk management as well as other operational risks). These risks, together with a sensitivity analysis, are described in detail on pages 44-47 in the Annual Report 2010. No significant changes have occurred that have changed the risks as reported there.

#### Seasonal variations

The Group's net sales, and thereby income, are affected by the seasonal variations described in the Annual Report 2010. Elanders normally has a strong fourth quarter.

#### Events after the balance sheet date

At the end of December 2010 Elanders submitted a claim for refund of value added tax for 2004 to the Swedish Tax Agency. A decision in this matter was taken in April 2011 and Elanders received a refund of MSEK 70. Due to a number of uncertain factors the amount has not been recognized in the income statement, as it is difficult at this time to assess which effect this will have on Elanders' result. Elanders is considering applying for a reassessment of the fiscal years 2005-2007 during 2011.

No significant events beside these have taken place after the balance sheet date and the date this report was signed.

#### Forecast

The forecast for the full year 2011 remains unchanged with an expected positive result before tax.

### REVIEW AND ACCOUNTING PRINCIPLES

The company auditors have not reviewed this report. The interim 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

Interim report second quarter 2011	13 July 2011
Interim report third quarter 2011	28 October 2011
The Annual Accounts Report 2011	27 January 2012

Mölnlycke, 5 May 2011

Magnus Nilsson  
President and Chief Executive Officer

Further information can be found on Elanders' website [www.elanders.com](http://www.elanders.com) or via e-mail [info@elanders.com](mailto:info@elanders.com). Questions concerning this report can be made to:

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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	First quarter		Last	Full year
	2011	2010	12 months	2010
Net sales	443.5	400.5	1,748.9	1,705.9
Cost of products and services sold	-363.8	-343.7	-1,470.4	-1,450.3
<b>Gross profit</b>	<b>79.7</b>	<b>56.8</b>	<b>278.5</b>	<b>255.6</b>
Sales and administrative expenses	-63.6	-83.4	-314.8	-334.6
Other operating income	3.6	20.3	40.0	56.7
Other operating expenses	-0.7	-4.7	-43.6	-47.6
Income from jointly controlled entities	-	-0.9	-5.4	-6.3
<b>Operating result</b>	<b>19.0</b>	<b>-11.9</b>	<b>-45.3</b>	<b>-76.2</b>
Net financial items	-6.5	-7.5	-28.0	-29.0
<b>Result after financial items</b>	<b>12.5</b>	<b>-19.4</b>	<b>-73.3</b>	<b>-105.2</b>
Income tax	-1.2	0.7	19.5	21.4
<b>Result for the period</b>	<b>11.3</b>	<b>-18.7</b>	<b>-53.7</b>	<b>-83.7</b>
<b>Result for the period attributable to:</b>				
- parent company shareholders	11.3	-18.7	-53.7	-83.7
- non-controlling interests	-	-	-	-
<b>Earnings per share, SEK <sup>1) 2)</sup></b>	<b>0.58</b>	<b>-1.92</b>	<b>-3.67</b>	<b>-6.79</b>
<b>Average number of shares, in thousands <sup>3)</sup></b>	<b>19,530</b>	<b>9,765</b>	<b>14,647</b>	<b>12,342</b>
<b>Outstanding shares at the end of the period, in thousands <sup>3)</sup></b>	<b>19,530</b>	<b>9,765</b>	<b>19,530</b>	<b>19,530</b>

<sup>1)</sup> Earnings per share before and after dilution.

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

<sup>3)</sup> 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.

#### Group - Statements of comprehensive income

MSEK	First quarter		Last	Full year
	2011	2010	12 months	2010
<b>Result for the period</b>	<b>11.3</b>	<b>-18.7</b>	<b>-53.7</b>	<b>-83.7</b>
<b>Other comprehensive income</b>				
Translation differences, net after tax	-20.0	-28.5	-67.4	-75.9
Cash flow hedges, net after tax	0.2	0.0	-0.1	-0.3
Hedging of net investment abroad, net after tax	0.1	2.7	4.0	6.6
<b>Other comprehensive income, net after tax</b>	<b>-19.7</b>	<b>-25.8</b>	<b>-63.5</b>	<b>-69.6</b>
<b>Total comprehensive income for the period</b>	<b>-8.4</b>	<b>-44.5</b>	<b>-117.2</b>	<b>-153.3</b>
<b>Total comprehensive income attributable to:</b>				
- parent company shareholders	-8.4	-44.5	-117.2	-153.3
- non-controlling interests	-	-	-	-

### Group - Statements of cash flow

MSEK	First quarter 2011	2010	Last 12 months	Full year 2010
<b>Result after financial items</b>	<b>12.5</b>	<b>-19.4</b>	<b>-73.3</b>	<b>-105.2</b>
Adjustments for items not included in cash flow	11.5	6.1	124.5	119.1
Paid tax	0.5	-5.3	-1.8	-7.6
Changes in working capital	-2.0	-11.8	-54.3	-64.1
<b>Cash flow from operating activities</b>	<b>22.5</b>	<b>-30.4</b>	<b>-4.9</b>	<b>-57.8</b>
<b>Cash flow from investing activities</b>	<b>-10.0</b>	<b>-16.5</b>	<b>-62.7</b>	<b>-69.2</b>
Changes in long and short-term borrowing	1.8	14.2	-118.4	-106.0
New share issue	-	-	208.1	208.1
<b>Cash flow from financing activities</b>	<b>1.8</b>	<b>14.2</b>	<b>89.7</b>	<b>102.1</b>
<b>Cash flow for the year</b>	<b>14.3</b>	<b>-32.7</b>	<b>22.1</b>	<b>-24.9</b>
<b>Liquid funds at the beginning of the year</b>	<b>50.1</b>	<b>78.9</b>	<b>45.1</b>	<b>78.9</b>
Translation difference	-2.3	-1.1	-5.1	-3.8
<b>Liquid funds at the end of the year</b>	<b>62.1</b>	<b>45.1</b>	<b>62.1</b>	<b>50.1</b>
<b>Net debt at the beginning of the year</b>	<b>732.2</b>	<b>837.4</b>	<b>868.1</b>	<b>837.4</b>
Translation difference in net debt	-0.3	-8.3	-8.9	-16.9
Net debt in acquisitions	-	-	8.6	8.6
Change in net debt	-13.6	39.0	-149.5	-96.9
<b>Net debt at the end of the year</b>	<b>718.3</b>	<b>868.1</b>	<b>718.3</b>	<b>732.2</b>
<b>Operating cash flow</b>	<b>18.5</b>	<b>-34.2</b>	<b>-37.7</b>	<b>-90.4</b>

### Group - Statements of financial position

MSEK	Mar. 31 2011	Mar. 31 2010	Dec. 31 2010
<b>Assets</b>			
Intangible assets	867.6	922.6	875.2
Tangible assets	352.9	417.6	371.7
Other fixed assets	163.4	133.0	164.6
<b>Total fixed assets</b>	<b>1,383.9</b>	<b>1,473.2</b>	<b>1,411.5</b>
Inventories	109.3	100.9	118.7
Accounts receivable	332.6	323.2	365.0
Other current assets	67.6	77.7	67.0
Cash and cash equivalents	62.1	45.0	50.1
<b>Total current assets</b>	<b>571.6</b>	<b>546.8</b>	<b>600.8</b>
<b>Total assets</b>	<b>1,955.5</b>	<b>2,020.0</b>	<b>2,012.3</b>
<b>Equity and liabilities</b>			
<b>Equity</b>	<b>810.9</b>	<b>720.0</b>	<b>819.3</b>
<b>Liabilities</b>			
Non-interest-bearing long-term liabilities	36.4	40.5	36.1
Interest-bearing long-term liabilities	425.2	72.9	434.8
<b>Total long-term liabilities</b>	<b>461.6</b>	<b>113.4</b>	<b>470.9</b>
Non-interest-bearing current liabilities	327.7	346.4	374.6
Interest-bearing current liabilities	355.3	840.2	347.5
<b>Total current liabilities</b>	<b>683.0</b>	<b>1,186.6</b>	<b>722.1</b>
<b>Total equity and liabilities</b>	<b>1,955.5</b>	<b>2,020.0</b>	<b>2,012.3</b>

### Group - Statements of changes in equity

MSEK	Equity attributable to parent company shareholders	Equity attributable to non-controlling interests	Total equity
<b>Equity at year-end 2009</b>	<b>763.3</b>	<b>1.8</b>	<b>765.1</b>
Transactions with shareholders with non-controlling interest	1.2	-1.8	-0.6
New share issue	208.1	-	208.1
Total comprehensive income for the year	-153.3	-	-153.3
<b>Equity at year-end 2010</b>	<b>819.3</b>	<b>-</b>	<b>819.3</b>
<b>Equity at year-end 2009</b>	<b>763.3</b>	<b>1.8</b>	<b>765.1</b>
Transactions with shareholders with non-controlling interest	1.2	-1.8	-0.6
Total comprehensive income for the period	-44.5	-	-44.5
<b>Equity at the end of the first quarter 2010</b>	<b>720.0</b>	<b>-</b>	<b>720.0</b>
<b>Equity at year-end 2010</b>	<b>819.3</b>	<b>-</b>	<b>819.3</b>
Total comprehensive income for the period	-8.4	-	-8.4
<b>Equity at year-end 2011</b>	<b>810.9</b>	<b>-</b>	<b>810.9</b>

### Segment reporting

Effective the fourth quarter 2009 Group operations are reported as one reportable segment, since this is how the Group is now governed. This analysis identified the President as the highest decision-maker and the units in different countries were identified as operating segments. The operating segments were then merged to create a single operating 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. Regarding the financial information for the operating segment please see the consolidated income statements and the statements of financial position along with related notes.

### PARENT COMPANY

#### Parent company – Income statements

MSEK	First quarter 2011	2010	Last 12 months	Full year 2010
Net sales	-	-	-	-
Cost of products and services sold	-	-	-	-
<b>Gross profit</b>	-	-	-	-
Operating expenses	-5.0	-1.2	-33.2	-29.4
<b>Operating result</b>	<b>-5.0</b>	<b>-1.2</b>	<b>-33.2</b>	<b>-29.4</b>
Net financial items	-2.5	15.9	-4.6	13.8
<b>Result after net financial items</b>	<b>-7.5</b>	<b>14.7</b>	<b>-37.8</b>	<b>-15.6</b>
Income tax	3.2	-1.4	11.5	6.9
<b>Result for the period</b>	<b>-4.3</b>	<b>13.3</b>	<b>-26.3</b>	<b>-8.7</b>

A reverse of MSEK 14.7 of a previous reserve for a guarantee commitment is included in operating costs for the first quarter of 2010.

### Parent company - Statements of comprehensive income

MSEK	First quarter 2011	2010	Last 12 months	Full year 2010
<b>Result for the period</b>	<b>-4.3</b>	<b>13.3</b>	<b>-26.3</b>	<b>-8.7</b>
<b>Other comprehensive income</b>				
Paid Group contribution, net after tax	-	-	-51.6	-51.6
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-51.6</b>	<b>-51.6</b>
<b>Total comprehensive income for the period</b>	<b>-4.3</b>	<b>13.3</b>	<b>-77.9</b>	<b>-60.3</b>

### Parent company - Balance sheets

MSEK	Mar. 31 2011	Mar. 31 2010	Dec. 31 2010
<b>Assets</b>			
Fixed assets	1,274.6	1,248.6	1,272.4
Current assets	89.5	92.2	76.6
<b>Total assets</b>	<b>1,364.1</b>	<b>1,340.8</b>	<b>1,349.0</b>
<b>Equity, provisions and liabilities</b>			
Equity	696.4	566.2	700.7
Provisions	3.8	4.9	3.8
Long-term liabilities	235.2	0.1	238.2
Current liabilities	428.7	769.6	406.3
<b>Total equity and liabilities</b>	<b>1,364.1</b>	<b>1,340.8</b>	<b>1,349.0</b>

### Parent company - Statements of changes in equity

MSEK	Share capital	Statutory reserve	Retained earnings and result for the period	Total equity
<b>Equity at year-end 2009</b>	<b>97.7</b>	<b>332.4</b>	<b>122.8</b>	<b>552.9</b>
New share issue	97.7	-	110.4	208.1
Total comprehensive income for the year	-	-	-60.3	-60.3
<b>Equity at year-end 2010</b>	<b>195.3</b>	<b>332.4</b>	<b>173.0</b>	<b>700.7</b>
<b>Equity at year-end 2009</b>	<b>97.7</b>	<b>332.4</b>	<b>122.8</b>	<b>552.9</b>
Total comprehensive income for the period	-	-	13.3	13.3
<b>Equity at year-end 2010</b>	<b>97.7</b>	<b>332.4</b>	<b>136.1</b>	<b>566.2</b>
<b>Equity at year-end 2010</b>	<b>195.3</b>	<b>332.4</b>	<b>173.0</b>	<b>700.7</b>
Total comprehensive income for the period	-	-	-4.3	-4.3
<b>Equity at year-end 2011</b>	<b>195.3</b>	<b>332.4</b>	<b>168.7</b>	<b>696.4</b>

### KEY RATIOS - GROUP

#### Quarterly data

MSEK	2011 Q1	2010 Q4	2010 Q3	2010 Q2	2010 Q1	2009 Q4	2009 Q3	2009 Q2	2009 Q1
Net sales	443	491	406	409	401	455	381	445	477
Operating result	19	6	-62	-8	-12	-28	-21	-22	12
Operating margin, %	4.3	1.1	-15.2	-2.0	-3.0	-6.2	-5.6	-4.9	2.5
Result after financial items	12	-1	-71	-14	-19	-40	-28	-32	3
Result after tax <sup>1)</sup>	11	-1	-52	-12	-19	-37	-17	-24	3
Earnings per share, SEK	0.58	-0.07	-5.04	-1.21	-1.92	-3.79	-1.67	-2.46	0.34
Operating cash flow	18	-5	-14	-37	-34	8	-33	45	22
Net cash flow per share, SEK	0.73	-2.15	4.63	0.19	-3.35	-0.22	-1.76	-3.32	-0.56
Depreciation	21	25	33	22	22	24	26	24	27
Net investments	10	22	21	9	17	24	12	12	4
Goodwill	831	836	843	863	868	895	889	920	923
Total assets	1,956	2,012	2,041	2,032	2,020	2,114	2,083	2,203	2,342
Equity	811	819	825	715	720	765	787	860	894
Net debt	718	732	722	906	868	837	836	806	838
Capital employed	1,529	1,552	1,548	1,621	1,588	1,602	1,622	1,667	1,732
Return on total assets, % <sup>2)</sup>	5.5	1.7	-11.1	-1.5	-1.9	-5.3	-4.1	-4.0	3.0
Return on equity, % <sup>2)</sup>	5.5	-0.6	-27.0	-6.6	-10.0	-19.3	-8.1	-10.9	1.5
Return on capital employed, % <sup>2)</sup>	4.9	1.4	-15.6	-2.0	-3.0	-7.0	-4.6	-5.2	2.8
Debt/equity ratio	0.9	0.9	0.9	1.3	1.2	1.1	1.1	0.9	0.9
Equity ratio, %	41.5	40.7	40.4	35.2	35.6	36.2	37.8	39.0	38.2
Interest coverage ratio <sup>3)</sup>	3.1	neg.	neg.	neg.	neg.	neg.	neg.	neg.	1.3
Number of employees at the end of the period	1,523	1,564	1,556	1,523	1,457	1,538	1,541	1,557	1,652

<sup>1)</sup> There is no dilution.

<sup>2)</sup> Return ratios have been annualized.

<sup>3)</sup> Interest coverage ratio calculation is based on a moving 12 month period.

#### Five year overview – full year

	2010	2009	2008	2007	2006
Net sales, MSEK	1,705.9	1,756.7	2,191.2	2,035.6	1,988.2
Result after financial items, MSEK	-105.2	-96.1	-34.3	184.1	-31.8
Result after tax, MSEK	-83.7	-74.4	-25.7	172.2	-49.0
Earnings per share, SEK <sup>1)</sup>	-6.79	-7.57	-2.62	18.06	-5.54
Dividends per share, SEK	0.00 <sup>2)</sup>	0.00	0.00	4.50	2.36
Operating margin, %	-4.5	-3.4	0.7	11.1	-0.4
Return on equity, %	-10.6	-9.1	-3.0	24.2	-8.2
Return on total assets, %	-3.2	-2.2	1.7	12.0	-0.3
Return on capital employed, %	-4.8	-3.6	0.9	16.0	-0.7
Debt/equity ratio	0.9	1.1	1.0	0.9	1.1
Equity ratio, %	40.7	36.2	36.8	38.9	33.9
Average number of shares, in thousands <sup>3)</sup>	12,342	9,765	9,765	9,537	8,855

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

<sup>1)</sup> There is no dilution.

<sup>2)</sup> As proposed by the Board of Directors.

<sup>3)</sup> 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.



### Five year overview – first quarter

	2011 Q1	2010 Q1	2009 Q1	2008 Q1	2007 Q1 <sup>1)</sup>
Net sales, MSEK	443	401	477	522	484
Result after tax, MSEK	11	-19	3	13	25
Earnings per share, SEK <sup>2)</sup>	0.58	-1.92	0.34	1.30	2.85
Return on equity, % <sup>2)</sup>	5.5	-10.0	1.5	6.0	15.6
Return on capital employed, % <sup>3)</sup>	4.9	-3.0	2.8	7.5	12.3
Operating margin, %	4.3	-3.0	2.5	6.0	8.6
Average number of shares, in thousands <sup>4)</sup>	19,530	9,765	9,765	9,765	8,855

<sup>1)</sup> The figures include discontinued operations in Kungsbacka, i.e. directories production, that were discontinued in the first quarter 2007.

<sup>2)</sup> There is no dilution.

<sup>3)</sup> Return ratios have been annualized.

<sup>4)</sup> 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

<b>Capital employed</b>	Total assets less cash and cash equivalents and non-interest-bearing liabilities.
<b>Debt/equity ratio</b>	Interest-bearing liabilities less cash and cash equivalents in relation to reported equity, including minority interests.
<b>Equity ratio</b>	Equity (including minority interests) in relation to total assets.
<b>Interest coverage ratio</b>	Operating result plus interest income divided by interest costs.
<b>Operating cash flow</b>	Cash flow from operating activities and investing activities adjusted for paid taxes and net financial items.
<b>Operating margin</b>	Operating profit/loss in relation to net turnover.
<b>Return on capital employed</b>	Operating result in relation to average capital employed.
<b>Return on equity</b>	Result for the year in relation to average equity.
<b>Return on total assets</b>	Operating result plus financial income in relation to total assets.

### ELANDERS – YOUR WORLDWIDE PRINTING PARTNER

Elanders is a global printing group with production units in ten countries on four continents. Our product areas are books & educational material, photo products, packaging, information & marketing material, manuals & product information as well as magazines. In combination with these products Elanders also offers services in Web-to-print (W2P), EDI, advanced premedia and fulfillment and logistics.

The Group's production units are located in Brazil (São Paulo), Italy (Treviso), China (Beijing), Norway (Oslo), Poland (Płońsk), Great Britain (Harrogate and Newcastle), Sweden (Falköping, Ludvika, Lund, Malmö, Mölnlycke, Stockholm, Uppsala, Vällingby and Västerås), Germany (Stuttgart), Hungary (Zalaötvő and Jászberény) as well as the USA (Atlanta).

#### PRODUCT AREAS

##### **Books & educational material**

In these digitalized times sales show that there is still a high demand for books and new sales channels in addition to traditional book stores. When it comes to printing books Elanders can deliver the most exclusive books with advanced quality demands. Our customers include famous auction houses and editors specialized in high quality cookbooks.

Publishers of educational material are still an important customer group for Elanders. We primarily deliver printed educational material but we intend to offer more related services.

We also produce books and educational material in low-cost countries, especially the second or third editions after the first edition of a book has been printed.

##### **Photo products**

Digital technology has made it easier for every-one to express their personality or surprise with gifts that they have designed themselves. Today everybody is their own photographer, which has led to an increase in the orders for personalized photo books, canvases, almanacs and wallpaper. At Elanders both companies and indirectly consumers are our customers on a rapidly growing market.

##### **Packaging**

A trend that has been growing the past couple of years is that more and more of our customers are putting higher demands on packaging design. When a customer in a store is about to decide which product to choose, an attractive packaging can be the deciding factor. Elanders offers an entire range of boxes from simple to exclusive handmade packages and from very small to really large editions. And thanks to our experience we can offer personalized packaging as well.

Elanders can handle the entire chain from design and manufacturing to distribution. Advanced finishing techniques guarantee high quality results, which is highly valued by many strong brands.

##### **Information & marketing material**

Information and marketing material are a big part of the work Elanders does. One rapidly growing sector is recipient-oriented information containing customized solutions for different target groups all the way down to individuals.

The product area information & marketing material comprises magazines, catalogues, annual reports, fund reports and in-store material.

The demand for specifically targeted information has led to more and more specialized products. This trend is the answer to why the number of magazine and book titles is on the rise. When it comes to in-store material Elanders offers comprehensive solutions including design, production and delivery of finished sets to individual stores.

##### **Manuals & product information**

One of Elanders' specialties is manuals and other product information. Manuals are going through a metamorphosis. They are getting slimmer and more simplified but they are still an important service to customers buying a product. The way a manual is packaged together with a product is vital to creating the right feeling for the product and it contributes to strengthening the customer's own brand.

There is also an increase in demand from the automotive industry for customized and chassis specific manuals designed so that they harmonize with the extra features chosen by the end customer.

##### **Our services**

Several of the services that Elanders offers are included in the term Premedia and comprise the stages that come before printing and publishing. Some examples of arts and graphics services are layout, typography, image retouching and production of originals.

Our Premedia personnel all have years of experience and are all dedicated to achieving excellent results. Elanders also offers advanced just-in-time deliveries with different picking and packing solutions along with the storage and distribution of printed material.

Elanders' considerable investment in Web-to-print (W2P) goes hand-in-hand with the increased demand for print-on-demand solutions. This service is mainly intended for businesses but we are increasingly supplying consumers as well.