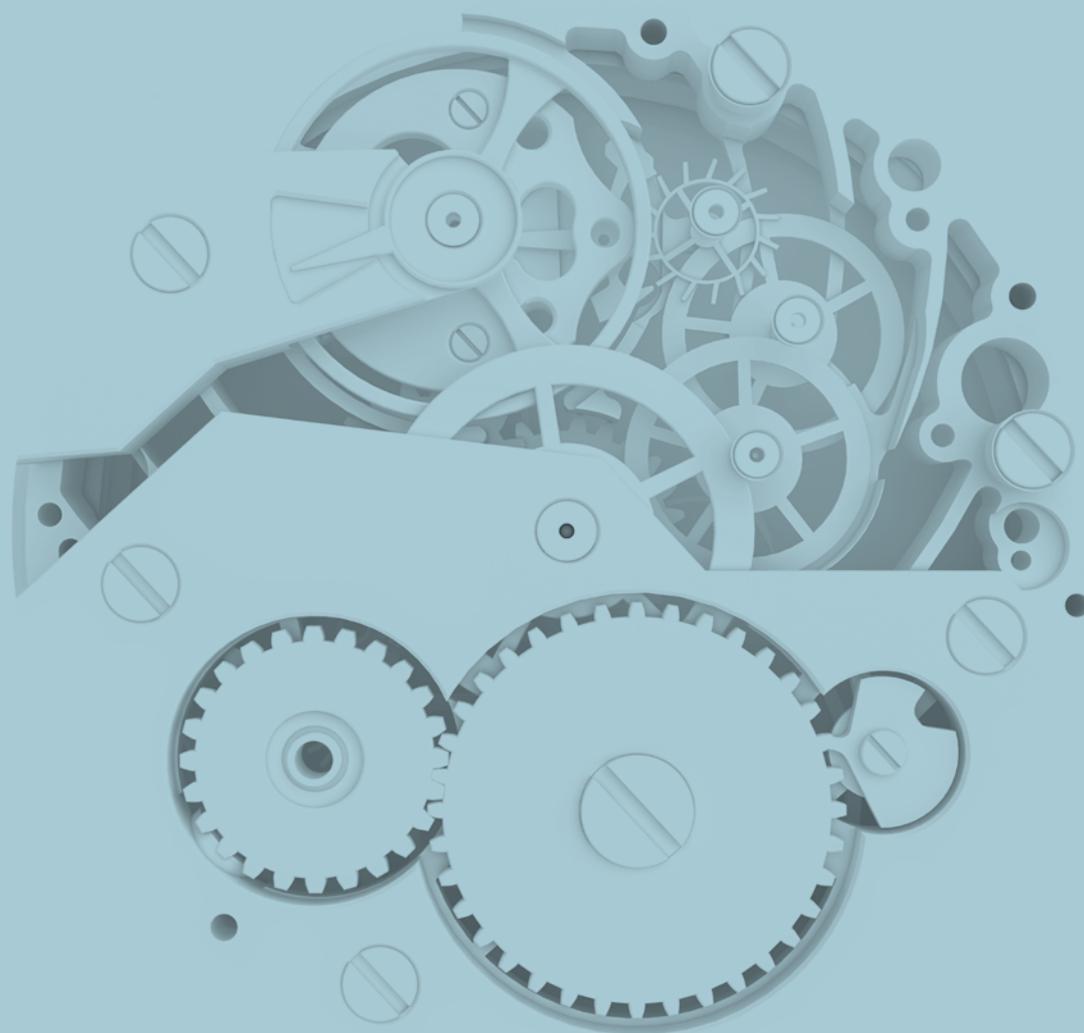


QUARTERLY REPORT JANUARY-JUNE 2014



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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.

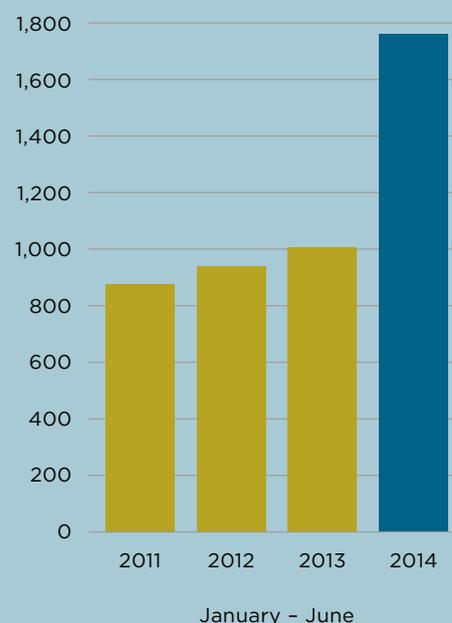
Questions concerning this report can be addressed to:

Magnus Nilsson
President and CEO
Phone: +46 31 750 07 50

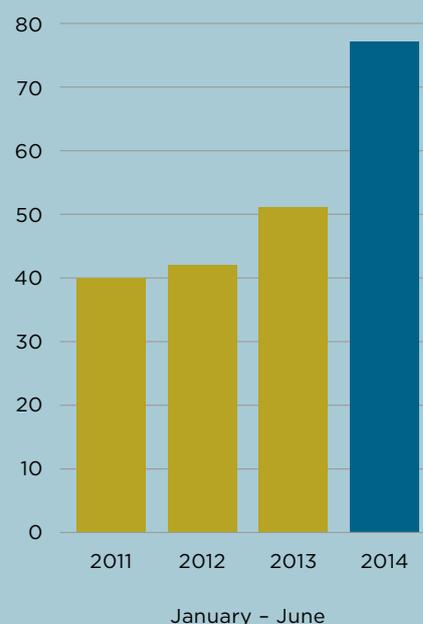
Andréas Wikner
Chief Financial Officer
Phone: +46 31 750 07 50

Elanders AB (publ)
(Company ID 556008-1621)
P.O. Box 137
SE-435 23 Mölnlycke, Sweden
Phone: +46 31 750 00 00

■ NET SALES, MSEK



■ OPERATING RESULT EXCLUDING ONE OFF ITEMS, MSEK



The first six months

- Net sales increased by 75% to MSEK 1,761 (1,005).
- The operating result increased to MSEK 77 (51), which is an improvement of 51% over the same period last year.
- The result before tax increased to MSEK 60 (36), which is an improvement of 64%.
- The net result amounted to MSEK 31 (22) or SEK 1.30 (0.95) per share.
- Operating cash flow was MSEK -192 (4), of which acquisitions were MSEK -254 (-22).
- The new issue was oversubscribed and generated MSEK 121 after issue costs.
- A considerable improvement in profit compared to 2013 continues to be forecasted for 2014.

The second quarter

- Net sales increased by 78% to MSEK 910 (512).
- The operating result increased to MSEK 40 (28), which is an improvement of 40% over the same period last year.
- The result before tax increased to MSEK 32 (21), which is an improvement of 53%.
- The net result amounted to MSEK 15 (12) or SEK 0.61 (0.50) per share.
- Operating cash flow was MSEK 81 (34), of which acquisitions were MSEK 0 (-2).

Comments by the CEO

The positive trend from the first quarter of the year did not abate and the newly acquired Mentor Media continued to live up to our expectations. Mentor Media's offer is now being integrated into Elanders' existing operations and we are beginning to see synergies on the customer side between Supply Chain and Print & Packaging. This will in the long run lead to both higher print volumes and more supply chain customers. Our broadened range of products and services are particularly attractive to large global companies and this is where we can clearly discern the success of our broadened offer. Our Supply Chain and e-Commerce organizations have begun working together to produce joint and improve already existing platforms for ordering over the Internet. The objective is to offer current and new supply chain customers the best alternative on the market for this.

Despite the continuing challenges in the product area Print & Packaging the trend is positive regarding global customers, both in volume and number. We can clearly see how more and more multinationals centralize their purchasing and Elanders with its global presence has a definite competitive advantage compared to our competitors. Elanders is winning market shares on several markets while other markets are more

challenging and Elanders continues to consolidate and streamline functions and operations on those.

We continue to coordinate our operations in myphotobook with dlolm / fotokasten in e-Commerce and we expect these measures to have full effect as of 2015. As planned, printing volumes from myphotobook have been moved to Elanders' production units during the second quarter.

In July, we made a change of responsibilities in the product area Print & Packaging. Peter Sommer, currently responsible for Germany, Hungary and Italy, will now be responsible for all of Europe. Thomas Sheehan is already responsible for the Americas and Per Brodin for Asia. This is part of Elanders' strategy to offer both our global and local customers competitive solutions and the most cost-effective production possible. As a consequence, Åsa Severed, currently responsible for Poland and Sweden, will leave Group Management and Elanders.



Magnus Nilsson
President and Chief Executive Officer

■ THREE YEAR OVERVIEW

MSEK	First six months		
	2014	2013	2012
Net sales	1,761	1,005	941
Operating expenses	-1,684	-954	-883
Operating result	77	51	58
Net financial items	-17	-15	-12
Result after financial items	60	36	46

MSEK	Second quarter		
	2014	2013	2012
Net sales	910	512	481
Operating expenses	-870	-484	-443
Operating result	40	28	38
Net financial items	-8	-8	-6
Result after financial items	32	21	32

Group

OUR BUSINESS

Elanders Group offers global solutions in the product areas Supply Chain, Print & Packaging and e-Commerce. Elanders Group is a strategic partner for its customers in their work to streamline and develop their critical business processes. The class B-shares in Elanders AB are listed on NASDAQ OMX Stockholm, Small Cap.

From 2014 Elanders Group has three product areas with a number of strong brands;

Supply Chain Solutions

Mentor Media, Elanders Group's brand in Global Supply Chain Management, is one of the leading companies in the world in this field. The company takes responsibility for and optimizes their custom-

ers' material and information flows, everything from sourcing and procurement combined with warehousing to after sales service.

Print & Packaging Solutions

Elanders, the Group's brand in Print & Packaging, through its innovative force and global presence offers cost-effective solutions that can handle customer's local and global needs for printed material and packaging.

e-Commerce Solutions

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

NET SALES AND RESULT

First six months

During the first six months of 2014 net sales increased by MSEK 756 to MSEK 1,761 (1,005), i.e. 75%. The newly acquired Media Mentor and myphotobook are almost solely responsible for the increase in revenue. Excluding these acquisitions and using constant exchange rates net sales decreased by 2% compared to the same period last year. The operating result increased to MSEK 77 (51), corresponding to an operating margin of 4 (5)%.

From 2010 to 2012 Elanders submitted claims for VAT refunds to the Swedish Tax Agency pertaining to 2004–2007. In the years 2011–2012 the Swedish Tax Agency made consequential amendments regarding many of Elanders' customers who have then demanded compensation from Elanders. It is Elanders' position that the Swedish Tax Agency cannot make consequential amendments. Several judgments from the Court of Appeals in Stockholm, Gothenburg and Jönköping have supported Elanders' position. The Swedish Tax Agency has now appealed some of the decisions and sought reconsideration by the Supreme Administrative Court. The verdict was announced in February 2014 and was in favor of the Tax Agency. This verdict is not expected to have any significant effect on either Elanders' result or financial position. There is also a case where a customer demanded compensation for the VAT money from their printer and Svea Court of Appeals has rendered its decision. The customer lost their case against the printer but Elanders is waiting for further cases to be settled before a final determination can be made.

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 in the year the claim is made to the Swedish Tax Agency and not, as Elanders has applied, the year the refund has been paid or at least when payment can be reliably expected. As a result the Swedish Tax Agency has raised Elanders' taxable income for the fiscal year of 2010 by MSEK 70. Elanders is in the opinion that Elanders is right in this matter and has contested this decision. The total exposure is around MSEK 16, since we can only set off some of the refund against the loss carry-forwards Elanders has. The Court of Appeals rendered

its decision in the second quarter of 2014 and supported Elanders position. However, the Swedish Tax Agency has not yet repaid any of the funds.

Second quarter

During the second quarter net sales increased by MSEK 399 to MSEK 910 (512), i.e. 78%. The increase is primarily due to the newly acquired Media Mentor and myphotobook. The operating result improved and amounted to MSEK 40 (28), corresponding to an operating margin of 4 (6)%.

PERSONNEL

First six months

The average number of employees during the period was 3,377 (1,846), of which 338 (407) were in Sweden. At the end of the period the Group had 3,389 (1,882) employees.

Second quarter

The average number of employees during the period was 3,405 (1,880), of which 330 (406) were in Sweden.

INVESTMENTS AND DEPRECIATION

First six months

Net investments for the period totaled MSEK 281 (60), of which MSEK 254 (22) were acquisitions. Most of the period's other investments were replacement investments in production facilities.

Second quarter

Net investments for the period totaled MSEK 10 (26).

FINANCIAL POSITION, CASH FLOW, EQUITY RATIO AND FINANCING

Group net debt on 30 June 2014 amounted to MSEK 949 (754). Net debt at the end of the year was MSEK 739. The increase since year-end is primarily a result of the purchase price for the acquisition of Mentor Media which was partly financed by external credits.

The new issue which was undertaken in the second quarter was oversubscribed and generated MSEK 121 after issue costs of MSEK 4.

Operating cash flow for the first six months was MSEK -192 (4), of which acquisitions were MSEK -254 (-22). Operating cash flow for the second quarter was MSEK 81 (34), of which acquisitions were MSEK 0 (-2).

Parent company

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

Other information

ELANDERS' VISION

Elanders' vision is to be one of the leading companies in the world in global solutions for supply chain, print & packaging and e-commerce. By leading we do not necessarily mean largest. We mean the company that best meets the customers' requirements 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.
- Broaden our customer base and product offer to lower sensitivity to fluctuations in the business cycle.

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 2013. 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 2013.

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

Elanders has in July made changes in the way we run our business and in Group Management as part of Elanders' strategy to offer both global and local customers competitive solutions and the most cost-effective production possible. Previously two people have represented Europe in Group Management for the product area Print & Packaging. Going forward only one person, Peter Sommer, will be responsible for Europe. As a consequence Åsa Severed has chosen to leave Group Management and her position as Managing Director of Elanders' Swedish and Polish operations. Åsa Severed has carried out extensive changes during her time with Elanders and been driving in the work with coordinating the operations in Europe. This change is a natural step in Elanders' strategy to offer global solutions within three product areas Supply Chain, Print & Packaging and e-Commerce. Streamlining management of the business will make it possible to offer more competitive solutions to

OTHER INFORMATION

customers while a common geographic leadership provides for optimal utilization of existing production equipment, which reduces the need for future investments.

Elanders' Group Management now consists of the following persons:

- Magnus Nilsson, President and CEO
- Andréas Wikner, CFO
- Peter Sommer, Print & Packaging Europe
- Thomas Sheehan, Print & Packaging the Americas
- Per Brodin, Print & Packaging Asia
- Kok Khoon Lim, Supply Chain
- Martin Lux, e-Commerce

Gustaf Albèrt has been appointed new Managing Director of Elanders Sverige AB.

Besides the above no significant events have taken place after the balance sheet date up to the date of this report was signed.

DECLARATION BY THE BOARD

The Board of Directors of Elanders AB (publ) hereby declares that this half-year report gives a fair and true view of the parent company's and Group's operations, financial position and result and describes significant risks and uncertainties that the parent company and companies within the Group face.

Mölnlycke, 17 July 2014

Carl Bennet
Chairman

Johan Stern
Vice chairman

Erik Gabrielson

Göran Johnsson

Linus Karlsson

Cecilia Lager

Anne Lenerius

Kerstin Paulsson

Lilian Larnefeldt

Lena Hassini

Magnus Nilsson
President and CEO

FORECAST

A significant improvement in profit compared to 2013 is forecasted for 2014.

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 company auditors have not reviewed this report.

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

FUTURE REPORTS FROM ELANDERS

Q3 2014	22 October 2014
Q4 2014	27 January 2015
Q1 2015	28 April 2015

CONSOLIDATED FINANCIAL STATEMENTS

■ INCOME STATEMENTS

MSEK	First six months	
	2014	2013
Net sales	1,760.8	1,004.9
Cost of products and services sold	-1,370.7	-779.8
Gross profit	390.1	225.1
Sales and administrative expenses	-327.2	-184.6
Other operating income	16.9	15.1
Other operating expenses	-2.7	-4.6
Operating result	77.2	51.0
Net financial items	-17.4	-14.6
Result after financial items	59.8	36.4
Income tax	-28.6	-14.2
Result for the period	31.2	22.2
Result for the period attributable to:		
- parent company shareholders	31.2	22.2
<i>Earnings per share, SEK ^{1) 2) 3)}</i>	<i>1.30</i>	<i>0.95</i>
<i>Average number of shares, in thousands ³⁾</i>	<i>23,889</i>	<i>23,395</i>
<i>Outstanding shares at the end of the year, in thousands ³⁾</i>	<i>26,518</i>	<i>23,395</i>

MSEK	Second quarter		Last 12 months	Full year 2013
	2014	2013		
Net sales	910.4	511.5	2,852.2	2,096.3
Cost of products and services sold	-705.2	-396.4	-2,182.3	-1,591.4
Gross profit	205.2	115.1	670.0	505.0
Sales and administrative expenses	-169.4	-93.4	-558.2	-415.6
Other operating income	6.7	9.4	52.2	50.3
Other operating expenses	-2.7	-2.7	-6.8	-8.7
Operating result	39.8	28.4	157.2	131.0
Net financial items	-8.1	-7.7	-32.2	-29.5
Result after financial items	31.7	20.7	125.0	101.5
Income tax	-16.8	-9.0	-46.0	-31.5
Result for the period	14.9	11.7	78.9	70.0
Result for the period attributable to:				
- parent company shareholders	14.9	11.7	78.9	70.0
<i>Earnings per share, SEK ^{1) 2) 3)}</i>	<i>0.61</i>	<i>0.50</i>	<i>3.34</i>	<i>2.99</i>
<i>Average number of shares, in thousands ³⁾</i>	<i>24,383</i>	<i>23,395</i>	<i>23,642</i>	<i>23,395</i>
<i>Outstanding shares at the end of the period, in thousand ³⁾</i>	<i>26,518</i>	<i>23,395</i>	<i>26,518</i>	<i>23,395</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.

CONSOLIDATED FINANCIAL STATEMENTS

■ STATEMENTS OF COMPREHENSIVE INCOME

MSEK	First six months	
	2014	2013
Result for the period	31.2	22.2
Translation differences, net after tax	32.4	15.8
Cash flow hedges, net after tax	2.5	1.3
Hedging of net investment abroad, net after tax	-4.7	-4.3
Total items that may be reclassified to profit or loss	30.2	12.8
Other comprehensive income, net after tax	30.2	12.8
Total comprehensive income for the period	61.4	35.0
Total comprehensive income attributable to:		
- parent company shareholders	61.4	35.0

MSEK	Second quarter		Last 12 months	Full year 2013
	2014	2013		
Result for the period	14.9	11.7	78.9	70.0
Translation differences, net after tax	39.3	37.7	45.0	28.4
Cash flow hedges, net after tax	0.8	1.4	3.2	2.0
Hedging of net investment abroad, net after tax	-8.3	-6.0	-2.3	-1.9
Total items that may be reclassified to profit or loss	31.9	33.1	45.9	28.5
Other comprehensive income, net after tax	31.9	33.1	45.9	28.5
Total comprehensive income for the period	46.8	44.8	124.8	98.5
Total comprehensive income attributable to:				
- parent company shareholders	46.8	44.8	124.8	98.5

■ STATEMENTS OF CASH FLOW

MSEK	First six months	
	2014	2013
Result after financial items	59.8	36.4
Adjustments for items not included in cash flow	51.8	40.0
Paid tax	-40.5	-35.9
Changes in working capital	-40.6	-26.9
Cash flow from operating activities	30.5	13.8
Net investments in intangible and tangible assets	-27.4	-38.6
Acquisition of operations	-254.2	-22.3
Payments received regarding long-term holdings	1.0	1.4
Cash flow from investing activities	-280.6	-59.6
Amortization of loans	-151.6	-17.7
Changes in long- and short-term borrowing	443.1	7.0
New share issue	121.0	-
Dividend to parent company shareholders	-18.2	-13.6
Cash flow from financing activities	394.3	-24.3
Cash flow for the period	144.2	-70.1
Liquid funds at the beginning of the year	215.3	168.0
Translation difference	11.8	1.8
Liquid funds at the end of the period	371.4	99.6
Net debt at the beginning of the period	738.9	688.3
Translation difference in net debt	14.0	5.3
Net debt in acquired operations	-93.5	-6.8
Change in net debt	289.2	66.9
Net debt at the end of the period	948.6	753.7
Operating cash flow	-192.2	4.5

CONSOLIDATED FINANCIAL STATEMENTS

■ STATEMENTS OF CASH FLOW (CONT.)

MSEK	Second quarter		Last 12 months	Full year 2013
	2014	2013		
Result after financial items	31.7	20.7	125.0	101.5
Adjustments for items not included in cash flow	21.5	17.6	92.4	80.6
Paid tax	-16.8	-11.7	-61.8	-56.9
Changes in working capital	30.4	14.4	-10.6	3.1
Cash flow from operating activities	68.8	41.0	145.1	128.3
Net investments in intangible and tangible assets	-11.0	-24.1	-55.1	-66.3
Acquisition of operations	-	-2.4	-334.6	-102.7
Payments received regarding long-term holdings	0.5	0.4	4.4	4.8
Cash flow from investing activities	-10.5	-26.1	-385.2	-164.2
Amortization of loans	-139.6	-6.6	-177.0	-43.1
Changes in long- and short-term borrowing	65.7	-9.5	570.0	133.9
New share issue	121.0	-	121.0	-
Dividend to parent company shareholders	-18.2	-13.6	-18.2	-13.6
Cash flow from financing activities	28.9	-29.7	495.8	77.2
Cash flow for the period	85.3	-14.8	255.6	41.3
Liquid funds at the beginning of the period	273.4	111.3	99.6	168.0
Translation difference	12.7	3.1	16.1	6.1
Liquid funds at the end of the period	371.4	99.6	371.4	215.3
Net debt at the beginning of the period	1,107.3	745.3	753.7	688.3
Translation difference in net debt	12.1	9.4	8.4	-0.3
Net debt in acquired operations	-	-	-104.4	-17.7
Change in net debt	-170.9	-1.0	290.8	68.5
Net debt at the end of the period	948.6	753.7	948.6	738.9
Operating cash flow	81.3	34.4	-146.1	50.5

■ STATEMENTS OF FINANCIAL POSITION

ASSETS

MSEK	30Jun. 2014	30Jun. 2013	31 Dec. 2013
Intangible assets	1,246.1	1,062.2	1,156.4
Tangible assets	396.3	355.0	350.4
Other fixed assets	173.0	159.3	165.0
Total fixed assets	1,815.5	1,576.6	1,671.7
Inventories	219.7	120.0	107.2
Accounts receivable	720.0	389.8	387.4
Other current assets	150.3	80.4	82.3
Cash and cash equivalents	371.4	99.6	215.3
Total current assets	1,461.3	689.8	792.2
Total assets	3,276.7	2,266.4	2,463.9

EQUITY AND LIABILITIES

MSEK	30Jun. 2014	30Jun. 2013	31 Dec. 2013
Equity	1,202.8	975.2	1,038.6
Liabilities			
Non-interest-bearing long-term liabilities	82.5	63.2	69.1
Interest-bearing long-term liabilities	847.5	36.7	432.4
Total long-term liabilities	930.0	99.9	501.5
Non-interest-bearing current liabilities	671.5	374.7	402.1
Interest-bearing current liabilities	472.4	816.6	521.8
Total current liabilities	1,143.9	1,191.3	923.9
Total equity and liabilities	3,276.7	2,266.4	2,463.9

CONSOLIDATED FINANCIAL STATEMENTS

■ STATEMENTS OF CHANGES IN EQUITY

	Equity attributable to parent company shareholders	Total equity
MSEK		
Opening balance on 1 Jan. 2013	953.8	953.8
Dividend to parent company shareholders	-13.6	-13.6
Total comprehensive income for the year	98.5	98.5
Closing balance on 31 Dec. 2013	1,038.6	1,038.6
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	35.0	35.0
Closing balance on 30 Jun. 2013	975.2	975.2
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	61.4	61.4
Closing balance on 30 Jun. 2014	1,202.8	1,202.8

■ SEGMENT REPORTING

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

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

■ FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

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

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

MSEK	30 Jun. 2014	30 Jun. 2013	31 Dec. 2013
Other current assets – Derivative instruments in hedge accounting relationships	1.6	-	0.1
Non-interest-bearing current liabilities – Derivative instruments in hedge accounting relationships	1.1	3.7	2.8

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 OPERATION IN 2014

SPECIFICATION OF ACQUISITIONS

Company	Acquisition date	Country	Number of employees
Mentor Media Ltd	January 2014	Singapore	1,550

In January Elanders acquired all the shares in the Singapore based supply chain company Mentor Media Ltd. Mentor Media is specialized in the provision of value added services to companies in the electronics and computer industry with special focus on product and component flows with extremely short lead times and comprehensive statistics reporting to customers. Its operations are built up around sophisticated IT solutions

and its range of services includes sourcing, procuring components, warehousing and logistics management, customized manufacturing, order management and fulfilment, distribution, reverse logistics and repair services and e-Commerce solutions. The purchase price is approximately MSEK 312 on a cash- and debt-free basis and will be financed through a combination of external debt and a new rights issue.

ASSETS AND LIABILITIES IN ACQUISITIONS

MSEK	Recorded values in acquired operations	Adjustments to fair value	Recorded value in the Group
Fixed assets	57.0	34.9	91.9
Inventory	88.9	-	88.9
Accounts receivable	264.9	-	264.9
Other current assets	28.3	-	28.3
Cash and cash equivalents	141.5	-	141.5
Accounts payable	-129.5	-	-129.5
Other non-interest bearing liabilities	-69.1	-10.7	-79.8
Interest bearing liabilities	-48.0	-	-48.0
Identifiable net assets	334.0	24.2	358.2
Goodwill			37.5
Total			395.7
Less:			
Cash and cash equivalents in acquisitions			141.5
Total deductible items			141.5
Negative effect on cash and cash equivalents for the Group			254.2

The total sum above includes compensation for net cash in acquired operation.

PARENT COMPANY'S FINANCIAL STATEMENTS

■ INCOME STATEMENTS

MSEK	First six months	
	2014	2013
Net sales	-	-
Cost of products and services sold	-	-
Gross profit	-	-
Operating expenses	-14.1	-13.0
Operating result	-14.1	-13.0
Net financial items	1.9	39.9
Result after net financial items	-12.2	26.9
Income tax	4.9	3.7
Result for the period	-7.3	30.6

MSEK	Second quarter		Last 12 months	Full year 2013
	2014	2013		
Net sales	-	-	-	-
Cost of products and services sold	-	-	-	-
Gross profit	-	-	-	-
Operating expenses	-6.8	-6.3	-32.3	-31.2
Operating result	-6.8	-6.3	-32.3	-31.2
Net financial items	-8.8	25.4	65.8	103.8
Result after net financial items	-15.6	19.1	33.5	72.6
Income tax	4.0	2.0	-5.0	-6.2
Result for the period	-11.6	21.1	28.5	66.4

■ STATEMENTS OF COMPREHENSIVE INCOME

MSEK	First six months	
	2014	2013
Result for the period	-7.3	30.6
Other comprehensive income	0.8	1.0
Total comprehensive income for the period	-6.5	31.6

MSEK	Second quarter		Last 12 months	Full year 2013
	2014	2013		
Result for the period	-11.6	21.1	28.5	66.4
Other comprehensive income	0.4	0.3	1.0	1.2
Total comprehensive income for the period	-11.2	21.4	29.5	67.6

■ BALANCE SHEETS

MSEK	30 Jun. 2014	30 Jun. 2013	31 Dec. 2013
ASSETS			
Fixed assets	1,945.3	1,444.2	1,444.6
Current assets	211.0	163.6	271.4
Total assets	2,156.3	1,607.8	1,716.0
EQUITY, PROVISIONS AND LIABILITIES			
Equity	932.4	800.1	836.1
Provisions	2.9	6.4	2.9
Long-term liabilities	773.3	70.7	357.1
Current liabilities	447.6	730.6	519.8
Total equity and liabilities	2,156.3	1,607.8	1,716.0

■ STATEMENTS OF CHANGES IN EQUITY

MSEK	Share capital	Statutory reserve	Retained earnings and result for the period	Total equity
Opening balance on 1 Jan. 2013	227.3	332.4	222.4	782.1
Dividend	-	-	-13.6	-13.6
Total comprehensive income for the year	-	-	67.6	67.6
Closing balance on 31 Dec. 2013	227.3	332.4	276.4	836.1
Opening balance on 1 Jan. 2013	227.3	332.4	222.4	782.1
Dividend	-	-	-13.6	-13.6
Total comprehensive income for the period	-	-	31.6	31.6
Closing balance on 30 Jun. 2013	227.3	332.4	240.4	800.1
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	-	-	-6.5	-6.5
Closing balance on 30 Jun. 2014	265.2	332.4	334.8	932.4

QUARTERLY DATA

■ QUARTERLY DATA

MSEK	2014 Q2	2014 Q1	2013 Q4	2013 Q3	2013 Q2	2013 Q1	2012 Q4	2012 Q3	2012 Q2
Net sales	910	850	598	493	512	493	527	456	481
Operating result	40	37	54	26	28	23	48	13	39
Operating margin, %	4.4	4.4	9.0	5.3	5.6	4.6	9.0	2.8	8.0
Result after financial items	32	28	46	19	21	16	41	7	32
Result after tax	15	16	35	13	12	11	8	4	22
Earnings per share, SEK ^{1) 2)}	0.61	0.69	1.49	0.55	0.50	0.45	0.35	0.18	1.00
Operating cash flow	81	-273	104	-58	34	-30	-21	18	42
Cash flow per share, SEK ^{2) 3)}	2.74	-1.55	4.24	0.66	1.75	-1.17	5.42	0.98	1.54
Depreciation	29	29	24	24	25	25	23	23	23
Net investments	10	270	13	92	26	34	161	16	5
Goodwill	1,150	1,127	1,090	1,073	1,011	984	977	872	890
Total assets	3,277	3,116	2,464	2,359	2,266	2,227	2,261	2,086	2,049
Equity	1,203	1,053	1,039	975	975	944	954	936	964
Equity per share, SEK ²⁾	45.36	45.01	44.39	41.69	41.68	40.35	40.77	40.02	41.21
Net debt	949	1,107	739	824	754	745	688	627	642
Capital employed	2,151	2,161	1,777	1,800	1,729	1,689	1,642	1,563	1,606
Return on total assets, % ⁴⁾	5.1	5.4	9.1	4.5	5.1	4.1	9.0	2.5	10.2
Return on equity, % ⁴⁾	5.3	6.2	13.8	5.3	4.9	4.4	3.5	1.8	9.7
Return on capital employed, % ⁴⁾	7.4	7.6	12.1	5.9	6.7	5.4	11.9	3.2	9.8
Debt/equity ratio	0.8	1.1	0.7	0.8	0.8	0.8	0.7	0.7	0.7
Equity ratio, %	36.7	33.8	42.2	41.3	43.0	42.4	42.2	44.9	47.1
Interest coverage ratio ⁵⁾	5.1	5.2	5.3	5.3	5.0	5.7	5.6	5.8	5.4
Number of employees at the end of the period	3,389	3,372	1,898	1,905	1,882	1,843	1,780	1,600	1,599

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 - FULL YEAR

	2013	2012	2011	2010	2009
Net sales, MSEK	2,096	1,924	1,839	1,706	1,757
Result after financial items, MSEK	102	93	80	-105	-96
Result after tax, MSEK	70	45	60	-84	-74
Earnings per share, SEK ^{1) 2)}	2.99	1.99	3.00	-6.60	-7.35
Cash flow from operating activities per share, SEK ²⁾	5.48	9.64	4.20	-4.55	5.44
Equity per share, SEK ²⁾	44.39	40.77	43.75	40.75	76.11
Dividends per share, SEK ²⁾	0.78	0.58	0.49	0.00	0.00
Operating margin, %	6.2	6.2	6.0	-4.5	-3.4
Return on total assets, %	5.6	7.4	7.3	-3.2	-2.2
Return on equity, %	7.0	4.8	7.1	-10.6	-9.1
Return on capital employed, %	7.7	7.4	7.1	-4.8	-3.6
Debt/equity ratio	0.7	0.7	0.8	0.9	1.1
Equity ratio, %	42.2	42.2	43.9	40.7	36.2
Average number of shares, in thousands ^{2) 3)}	23,395	22,279	20,102	12,703	10,051

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 - FIRST SIX MONTHS

	2014 Q2	2013 Q2	2012 Q2	2011 Q2	2010 Q2
Net sales, MSEK	1,761	1,005	941	878	809
Result after tax, MSEK	31	22	32	20	-30
Earnings per share, SEK ^{1) 2)}	1.30	0.95	1.52	0.99	-3.04
Cash flow from operating activities per share, SEK ²⁾	1.28	0.58	3.06	1.59	-6.66
Equity per share, SEK ²⁾	45.36	41.68	41.21	41.34	71.14
Return on equity, % ³⁾	5.6	4.6	7.0	4.8	-8.3
Return on capital employed, % ³⁾	7.9	6.1	7.4	5.1	-2.5
Operating margin, %	4.4	5.1	6.2	4.5	-2.5
Average number of shares, in thousands ^{2) 4)}	23,889	23,395	21,164	20,102	10,051

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 issues in 2010 and 2012 since they did not entail any bonus issue element.

FIVE YEAR OVERVIEW

■ FIVE YEAR OVERVIEW - SECOND QUARTER

	2014 Q2	2013 Q2	2012 Q2	2011 Q2	2010 Q2
Net sales, MSEK	910	512	481	434	409
Result after tax, MSEK	15	28	22	9	-12
Earnings per share, SEK ^{1) 2)}	0.61	0.50	1.00	0.43	-1.18
Cash flow from operating activities per share, SEK ²⁾	2.74	1.75	1.54	0.48	-3.64
Equity per share, SEK ²⁾	45.36	41.68	41.21	41.34	71.14
Return on equity, % ³⁾	5.3	4.9	9.7	4.2	-6.6
Return on capital employed, % ³⁾	7.4	6.7	9.8	5.4	-2.0
Operating margin, %	4.4	5.6	8.0	4.8	-2.0
Average number of shares, in thousands ^{2) 4)}	24,383	23,395	22,227	20,102	10,051

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 issues in 2010 and 2012 since they did not entail any bonus issue element.

Economic definitions

Cash flow from operating activities per share

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

Capital employed

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

Debt/equity ratio

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

Earnings per share

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

Equity per share

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

Equity ratio

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

Interest coverage ratio

Operating result plus interest income divided by interest costs.

Operating cash flow

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

Operating margin

Operating result in relation to net turnover.

Return on capital employed

Operating result in relation to average capital employed.

Return on equity

Result for the year in relation to average equity.

Return on total assets

Operating result plus financial income in relation to average total assets.

Specific terms

Commercial Print

Production of printed matter such as magazines, books, catalogues, manuals, marketing material etc. Production is made by both offset technique and digital print.

Digital print and digital print technique

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

e-Commerce

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

Fulfilment

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

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 technique

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

One stop shopping

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

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.

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-labelling

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

Elanders' offer & product areas

SUPPLY CHAIN SOLUTIONS

The acquisition of Mentor Media means Elanders can offer completely new services to our global customers. Creating the product area Supply Chain Solutions opens the door to synergies with Print & Packaging and e-Commerce and will allow us to become an attractive partner to many e-commerce companies.

// SUPPLY CHAIN BROADENS OUR OFFER. //

The company is focused on product and component flows with extremely short lead times and extensive statistic reporting to customers. Its offer, which is built up around sophisticated IT solutions, comprises the following services:

- Component procurement
- Order management
- Warehouse management
- Fulfilment
- Distribution
- E-commerce solutions
- After sales services (reverse logistic and repair services)
- Clean room for handling semiconductor components

Among its customers are some of the most prestigious companies in the PC and electronics industries. The demand for supply chain services has grown as companies outsource sections of their operations that aren't part of their core business. This is also a way to avoid tie up capital in facilities, personnel and various services obligations.

MENTOR MEDIA IS specialized in added value services, primarily in the electronics and computer trades. The company is

PRINT & PACKAGING SOLUTIONS

Continued tough challenges for commercial print while demand for packaging and labels steadily grows. In order to meet both trends effectively Elanders has chosen to put all this work under one roof in the product area Print & Packaging Solutions.

// PACKAGING LEADS THE WAY FORWARD. //

WITH ITS GRAPHIC expertise, advanced technological order platforms and global presence Elanders can offer customers comprehensive solutions that small and middle-sized printers have a hard time matching.

On the gigantic packaging market Elanders has invested its resources in a number of niche areas. This often consists of complex packaging solutions that can include personalized print.

Elanders is focused on three areas in packaging. The first is consumer electronics where in addition to the actual packaging we normally print a user manual that is packed together with the article and then sent to waiting customers.

The second specialized area is exclusive and, in some cases, handmade packaging in limited editions. These customers are often cosmetic companies or firms with luxury accessories connected to the fashion world. Automotives that want to create a premium feeling through select packaging for their manuals and service books are another group of customers.

The third area, which is showing strong growth, is personalized packaging. Among customers in this area are some of Europe's best known chocolate-makers.



E-COMMERCE SOLUTIONS

E-commerce is expanding on nearly every market worldwide. Elanders is one of the companies that has embraced this development and via a number of acquisitions is on its way to becoming an influential actor in the e-commerce segment personalized printed matter. Our companies and work in this field come under the product area e-Commerce which is expected to further expand in the next few years.

AT THE SAME time the graphic industry has been going through an extensive restructuring and dealing with a hesitant economy

Elanders has in just a few years become one of the leading actors in Europe in the production and sales of personalized printed matter.

In 2012 two German companies were acquired, fotokasten and d|o|m, both primarily focused on their own domestic market. This provided Elanders with the competence and customer base necessary to further develop the product area. Since Elanders was already one of the leading companies in digital print this combination creates a recipe for success that includes smart, specially developed database solutions

// ELANDERS MAKES ITS MARK ON THE EUROPEAN E-COMMERCE MARKET. //

connected to personified print. To consumers we first and foremost offer photo books, calendars, gift items and interior design products.

In 2013 we acquired another German company. This time it was myphotobook which was founded in 2004 and in less than ten years had become a leading European e-commerce company in personalized print sales to consumers. The acquisition of myphotobook opened the door to another 13 European countries. As

one of the three largest companies in Germany and the fourth in all of Europe in this segment, Elanders is a tony actor to reckon with.

The combination of myphotobook's geographic range and fotokasten's broad product portfolio provides Elanders with further opportunities to expand, particularly in photobooks which is a market that is increasing annually. Since 2010 the market has grown by 30 percent and is expected to continue to grow in the future. This is partially a result of the user-friendly solutions that Elanders and other companies launch on a regular basis that function on smart phones and tablets as well.



Elanders Group offers global solutions in the product areas Supply Chain, Print & Packaging and e-Commerce. Elanders Group is a strategic partner for its customers in their work to streamline and develop their critical business processes. The class B-shares in Elanders AB are listed on NASDAQ OMX Stockholm, Small Cap.

From 2014 Elanders Group has three product areas with a number of strong brands;

Supply Chain

Mentor Media, Elanders Group's brand in Global Supply Chain Management, is one of the leading companies in the world in this field. The company takes responsibility for and optimizes their customers' material and information flows, everything from sourcing and procurement combined with warehousing to after sales service.

Print & Packaging

Elanders, the Group's brand in Print & Packaging, through its innovative force and global presence offers cost-effective solutions that can handle customer's local and global needs for printed material and packaging.

e-Commerce

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