The Board of Directors

Apolus Holding AB

Org nr 556714-1725

hereby submits the

Annual accounts
and consolidated accounts

for the financial year 1 January - 31 December 2011

Administration report

Apolus Holding AB's business is to own and manage shares. The company has no employees.

Through the subsidiaries within Alimak Hek Group the company develops, produces, sells and leases lifts, working platforms and other related equipment. Moreover the Group is providing service for its products. The business is operated in four business segments; Construction, Industrial, Rental and After Sales.

Within Construction the customers mainly are within the construction-related industry and the products are used temporarily in relation to construction, reconstruction and renovation. Within Industrial the customers are located in different industrial segments, and the products are permanently installed. Within Rental the Group is operating its own rental business of products manufactured by the Group, to customers primarily within the construction area. The business within After Sales consists of sale of services and spare parts.

The Group is represented by its own sales companies in approximately 15 countries and also by independent distributors in an additional 30 countries.

Apolus Holding AB is owned by Apolus Holdco S.a.r.l., Luxemburg (B0123798) and the principal owner is Triton Fund II LP (reg.nr LP701), Jersey.

Apolus Holding AB owns 84,6 % (85,0 %) of the shares in Apolus Sweden AB, which owns Kamila Holding AB, which owns Alimak Hek Group AB.

Significant events during the financial year

In March 2011 the group entered into a new loan agreement which fully replaced the existing loan. The new agreement resulted in decreased liabilities to credit institutions that were replaced by intra-group financing. The new loan agreement implies increased interest expenses but at the same time improvements of loan terms, covenants.
In connection with the new loan agreement, Kamila Holding AB received 300 mSEK in shareholder contributions from Apolus Sweden AB. Apolus Sweden AB signed up for a new loan amounting to 300 mSEK from Apolus Holding AB. During the year, the shares in Kamila Holding AB have been revalued by 200 mSEK. A fixed asset may be revalued at a higher value if it represents a reliable and lasting value that substantially exceeds the recorded value. The increase in value is justified by the profits earned since the acquisition date of Kamila Holding AB and its direct and indirect wholly owned subsidiaries.

A relocation of production of platforms from Holland to China was initiated during the year and as a result a write-down of the group's goodwill was made. Close-down of the production in the United States was completed on schedule and will result in enhanced competitiveness.

Financial position - The Group

Liquid funds amounted to 161 067 kSEK as per 31 December 2011 (156 107).
Cash flow from operating activities 2011 amounted to 139 116 kSEK (240 760).
Cash flow from investing activities amounted to -40 729 kSEK (-17 089).
Cash flow from financing activities amounted to -94 119 kSEK (-214 587).
The result for the year amounted to -423 716 kSEK (31 971).

Investments, acquisitions and disposal of shares

The Group's investments in fixed assets during 2011 amounted to 72 724 kSEK (40 719).
Depreciation for the period amounted to 73 683 kSEK (81 433).

Changes in equity

The Group had equity of -430 964 kSEK (-19 252) as per 31 December 2011. The change in equity is due to the result for the year in addition to hedging and exchange rate differences when translating goodwill and equity of foreign subsidiaries into SEK.

Risk management

The Group is affected by competition and price pressure.

A declining business climate or a negative effect on customer demand in markets where the Group operates may result in a significant decline in net sales and reduced growth for the Group. Seasonal fluctuations may affect the net result. The Group has historically, and will also going forward, strengthen its market position through organic growth, through acquisitions and efficiency improvements. Nevertheless, acquisition as a form of growth is not without risk. In addition to acquisition costs and restructuring costs difficulties may occur when integrating the acquired personnel and there are no guarantees that the integration will be successful in short or long term.

Strategic risks

The Group's objective is to grow profitably within current market segments. The growth may be organic or through acquisitions. The main risk is the general business climate in the market segments and geographical regions where the Group operates. The Group monitors this risk carefully to balance fluctuations in the business climate to the largest extent possible.

Operating risks

Operating risks are defined as negative effects from internal and external events. Internal events could relate to processes and internal control deficiencies as well as defective equipment. To reduce the likelihood of effects from negative events the Group has policies that monitor critical internal processes.

Financial risks

The Group is exposed to different types of financial risk. The overall policy for the financial risk management is to, at all times, mitigate the negative effects on the Group's results from market fluctuations. The financial policy is adopted annually by the Board of Directors and it stipulates how the financial risks should be controlled and what financial instruments that may be used.

The main financial risks comprise interest rate, liquidity and foreign exchange risks. In addition there are risks related to new credit facilities as well as the renewal of existing ones. This risk relates to both the financial position of the Group and the credit market terms at the applicable times.

Interest risk

Interest risk is the risk that changes in market rate of interests affect the cash flow or the fair value of financial assets and liabilities. Interest swap contracts are used to reduce the interest exposure.

Liquidity risk

Liquidity risk is the risk that the Group can not meet its short-term payment obligations. The Group's finance policy states that the liquidity reserve should be on a level that the reserve can manage the fluctuations that are expected in the daily liquidity within a six months period. To mitigate liquidity risk the Group has overdraft facilities and confirmed credit facilities.

Foreign currency risk

The foreign currency risk is the risk that changes in exchange rates affects the Group's profitability. Exposure to foreign currency risk arise on intra-Group financing and on translation of receivables and liabilities in foreign currency and of foreign subsidiaries' income statements and balance sheets to the Group's presentation currency (SEK).

The Group's exposure to foreign currency can be divided into transaction exposure (exposure to foreign exchange rate related to contracted cash flow and balance sheet items, these changes in foreign exchange rates affect the profit or loss and the cash flows) and translation exposure (equity in foreign subsidiaries). The translation exposure is primarily related to translation from EUR, USD, AUD and GBP.

Credit risk

Credit risk is the risk that the counterparty in a transaction will default on its contractual obligations and any collateral do not cover the company's receivable. For such commercial counterparties as the Group has a major exposure to individually credit assessments are performed. Maximum credit risk exposure is equivalent to the book value on the financial assets.

Research and development

The expenses for research and development refer to development of products in established areas of activities.

Environmental information

The wholly-owned subsidiary Alimak Hek AB operates under the Swedish environmental law (Sw: Miljöbalken) and has a prudence injunction. Since January 2009 the entity is certified in accordnace with the international environmental standard ISO 14001.

The Group's employees

During 2011 the Group had 769 (751) employees. At financial year end the number was 786 (747 as per 31 December 2010). The increase in the number of employees is due to the increased size of the business activities. Salaries and other remunerations for the year amounted to 337 608 kSEK (326 336).

Future developments
For 2012 the business climate is expected to continue to be weak and volatile for the Group's products and services, which will affect both net sales and profitability. Considering the uncertainty in the markets where the Group is operating, the level of decline is difficult to estimate.

Appropriation of profits
As of 31 December 2011 the Group's non-restricted equity amounted to -406 842 kSEK (-34 270) .

Proposal of the appropriation of the parent company's earnings;

The Board of Directors propose that the loss of the year 715 913 SEK together with the profit brought forward from previous years 17 446 638 SEK, in total 16 730 725 SEK is disposed as follow:

To be carried forward		16 730 725
	Sum	16 730 725

Consolidated income statement

Amounts in kSEK	Note	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Revenue	1	1 307 026	1 398 896
Cost of goods sold		-789 337	-843 773
Gross profit		517 689	555 123
Selling expenses		-184 722	-195 194
Administration expenses		-174 723	-149 027
Research and development expenses		-37 922	-32 576
Impairment loss goodwill		-214 112	–
Operating profit/loss	2, 3, 4,9	-93 790	178 326
Result from financial investments			
Finance income	5	7 303	16 182
Finance costs	6	-214 664	-194 672
Other financial items		-26 276	-4 517
Profit/loss after financial items		-327 427	-4 681
Income tax (expense)	7	-96 289	36 652
PROFIT/LOSS FOR THE YEAR		-423 716	31 971
Attributable to shareholders of the parent company		-372 865	26 976
Attributable to non-controlling interest		-50 851	4 995

Koncernens rapport över totalresultat

Amounts in kSEK	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Profit/loss for the year	**-423 716**	**31 971**
Other comprehensive income		
Exchange differences on translating foreign operations	11 495	-91 878
Change in hedging reserve	-446	5 086
Other items within other comprehensive income	955	2 941
Total other comprehensive income for the year, net after tax	12 004	-83 851
Total comprehensive income for the year	**-411 712**	**-51 880**
Total comprehensive income attributable to shareholders of the parent company	-363 227	-46 924
Total comprehensive income attributable to non-controlling interest	-48 485	-4 956

Consolidated balance sheet

Amounts in kSEK	Note	2011-12-31	2010-12-31
Assets			
Fixed assets			
Intangible assets			
Capitalized expenditure for research and development	8	10 728	9 760
Goodwill	9	1 593 701	1 798 887
		1 604 429	1 808 647
Tangible assets			
Land and buildings	10	67 144	73 070
Plant and machinery	10	60 827	77 196
Equipment, tools, fixtures and fittings	10	18 587	3 628
Rental equipment	10	296 549	311 532
		443 107	465 426
Financial assets			
Deferred tax asset	15	21 558	92 827
Other long-term receivables		17 366	28 135
		38 924	120 962
Total fixed assets		2 086 460	2 395 035
Current assets			
Inventories, etc.			
Raw materials and consumables		103 988	107 956
Work in progress		53 371	55 374
Finished products and goods for resale		64 431	69 899
		221 790	233 229
Current receivables			
Account receivables	12	198 766	236 256
Income tax receivables		3 082	9 548
Derivative instruments	14	8 245	9 528
Other receivables		62 374	49 712
Prepaid expenses and accrued income	13	10 468	14 486
		282 935	319 530
Cash and bank balances		161 607	156 107
Total current assets		666 332	708 866
TOTAL ASSETS		2 752 792	3 103 901

Consolidated balance sheet

Amounts in kSEK	Note	2011-12-31	2010-12-31
EQUITY AND LIABILITIES			
Equity			
Share capital		100	100
Other paid-in capital		15 233	15 233
Reserves		-14 110	-23 455
Accumulated deficit		-33 977	-61 246
Profit/Loss for the year		-372 865	26 976
Equity attributable to shareholders in the parent company		-405 619	-42 392
Equity attributable to non-controlling interest		-25 345	23 140
Total equity		-430 964	-19 252
Long-term loans	14	832 188	1 238 267
Liabilities to parent company	14	1 735 765	1 301 599
Other long-term liabilities	14	4 472	5 876
Provisions for pensions and similar commitments	16	28 891	28 748
Other provisions	16	24 067	18 395
Deferred tax liabilities	15	42 155	42 142
		2 667 538	2 635 027
Current liabilities			
Liabilities to credit institutions	14	193 483	186 702
Bank overdraft facility utilized	18	77 407	74 295
Advance payments from customers		14 423	19 094
Accounts payable - trade		137 985	115 565
Current tax liabilities		11 067	35 403
Other liabilities		19 190	8 678
Accrued expenses and deferred income	19	62 663	48 389
		516 218	488 126
TOTAL EQUITY AND LIABILITIES		2 752 792	3 103 901

Consolidated statement of changes in equity

Amounts in kSEK	Share-capital	Other paid-in capital	Exchange differences reserve	Hedging reserve	Accumulated deficit	Total	Non-controlling interest	**Total equity**
Balance at								
1 January 2010	100	15 233	61 397	-11 088	-61 110	4 532	28 096	32 628
Profit for the year					26 976	26 976	4 995	31 971
Other comprehensive income			-78 087	4 323	-136	-73 900	-9 951	-83 851
Total comprehensive income	–	–	-78 087	4 323	26 840	-46 924	-4 956	-51 880
Total equity								
31 December 2010	**100**	**15 233**	**-16 690**	**-6 765**	**-34 270**	**-42 392**	**23 140**	**-19 252**

Amounts in kSEK	Share-capital	Other paid-in capital	Exchange differences reserve	Hedging reserve	Accumulated deficit	Total	Non-controlling interest	**Total equity**
Balance at								
1 January 2011	100	15 233	-16 690	-6 765	-34 270	-42 392	23 140	-19 252
Loss for the year					-372 865	-372 865	-50 851	-423 716
Other comprehensive income			9 722	-377	293	9 638	2 366	12 004
Total comprehensive income	–	–	9 722	-377	-372 572	-363 227	-48 485	-411 712
Total equity								
31 December 2011	**100**	**15 233**	**-6 968**	**-7 142**	**-406 842**	**-405 619**	**-25 345**	**-430 964**

Consolidated cash flow statement

Amounts in kSEK	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Cash flow from operating activities		
Profit/loss after financial items	-327 427	-4 681
Adjustments for items excluded from cash flow statement, etc.		
Depreciation and write-downs	287 795	81 433
Unrealized exchange differences	-11 300	32 660
Capital gain from sale of shares in subsidiaries	-756	-850
Capital gain from sale of fixed assets	–	21
Capitalized interest on loans	137 480	117 926
Change in valuation of derivatives	-446	7 590
Change in provisions for pensions	155	-4 548
Change in other provisions	5 608	7 026
	91 109	242 086
Income taxes paid	-47 524	-36 435
Cash flow from operating activities before changes in working capital	43 585	205 651
Cash flow from changes in working capital		
Decrease/increase in inventories	13 218	36 184
Decrease/increase in current receivables	39 003	40 843
Additional payment for pensions	–	-10 000
Decrease/increase in current liabilities	43 310	-31 910
Cash flow from operating activities	139 116	240 768
Investing activities		
Acquisition of subsidiaries	–	-2 559
Disposal of subsidiaries	1 000	5 492
Investment in intangible assets	-1 585	-1 086
Investment in tangible assets	-71 139	-39 633
Disposal of intangible assets	9	–
Disposal of tangible assets	19 828	28 844
Investment in other financial assets	11 158	-8 147
Cash flow from investing activities	-40 729	-17 089
Financing activities		
New loans	86 391	25 771
Amortization of loans	-180 510	-240 358
Cash flow from financing activities	-94 119	-214 587
Net change in cash and cash equivalents	4 268	9 093
Cash and cash equivalents beginning of the year	156 107	153 214
Exchange rate difference in cash and cash equivalents	1 232	-6 200
Cash and cash equivalents end of the year	161 607	156 107

Additional information to the consolidated cash flow statement

Amounts in kSEK	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Interest paid		
Interest received	7 669	8 131
Interest paid	-61 289	-56 342

Notes to the consolidated financial statements

Amount in KSEK unless otherwise noted

Accounting principles

General information
Apolus Holding AB, org nr 556714-1725 is as a limited company (AB) and has its domicile in Stockholm, Sweden.
The head office’s address is Brunkebergstorg 5, 3 tr, 111 51 Stockholm.

The consolidated financial statements and the annual report for Apolus Holding AB for the financial year 2011 were approved for issue on March 31, 2012 by the Board of Directors. The consolidated financial statements and the annual report will be finally approved on the parent company's annual general meeting on March 31, 2012.

The financial statements have been prepared on the historical cost basis except for derivative financial instruments and some financial assets, which are measured at fair value.

The parent company's functional currency is Swedish crowns (SEK), which is also the presentation currency for the company and the Group. The result is that the financial statements are presented in Swedish crowns.

Basis of preparation of statements of accounts
The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and interpretations issued by the IFRS Interpretations Committee. The Group also applies the Swedish Financial Reporting Board´s recommendation RFR 1 Supplementary accounting rules for Groups, which specifies the additions to the disclosure requirements in IFRS, required by the Swedish Annual Accounts Act.

The parent company's annual report has been prepared in accordance with the Annual Accounts Act, The Swedish Financial Reporting Board´s recommendation RFR 2, Accounting for legal entities, and applicable statements from the Swedish Financial Reporting Board.
The parent company's accounting principles complies with the Group's except as presented under the parent company's accounting principles.

New standards and interpretations
The following new and amended standards and interpretations are effective for the financial year 2011:

Standards
Revised IAS 24 Related Party Disclosures (Changed definition and partial exemption from the disclosure requirements for government-related entities)
Amendments to IAS 32 Financial instruments: Presentation (Classification of right issues etc. denominated in a foreign currency)
Improvements to IFRSs 2010

Interpretations
Amendments to IFRIC 14 IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their interaction
IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

In IAS 24 the definition of a related party has been simplified and clarified.
The amendment in IAS 32 Financial Instruments: Classification address the classification of certain rights issues denominated in a foreign currency as either equity instruments or as financial liabilities. Under the amendments, rights, options or warrants issued by an entity for the holders to acquire a fixed number of the entity's equity instruments for a fixed amount of any currency are classified as equity instruments in the financial statements of the entity provided that the offer is made pro rata to all of its existing owners of the same class of its non-derivative equity instruments. Before the amendment to IAS 32, rights, options or warrants to acquire a fixed number of an entity's equity instruments for a fixed amount in foreign currency were classified as derivatives. The application of the amendment has not had any effect on the recognized amounts for current or previous year, as the Group has not issued any such instruments.
Other new and amended standards and interpretations have not had any material impact on the group's financial statements 2011.

New and revised Standards and Interpretations not yet effective
International Accounting Standards Board (IASB) has issued the following new and amended Standards which are not yet effective.

Standards
Amendments to IFRS 7 Financial Instruments: Disclosures (Transfers of Financial Assets) 1 July 2011 or later
IFRS 9 Financial Instruments and subsequent changes to IFRS 9 and IFRS 7* 1 January 2015 or later
IFRS 10 Consolidated Financial Statements* 1 January 2013 or later
IFRS 11 Joint Arrangements* 1 January 2013 or later
IFRS 12 Disclosures of Interests of Other Entities* 1 January 2013 or later

Interpretations
Shall be applied for annual periods beginning:
IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine* 1 January 2013 or later

* Not yet endorsed by the EU

The above new and amended standards and interpretations have not yet been applied by the Group.

According to Management's assessment, the above new and amended standards and interpretations with application from 2012 will not have any significant impact on the consolidated financial statements. Group management is currently analysing the effect of other new and amended standards and interpretations.

Accounting principles for the parent company
Management's assessment is that the new and amended standards and interpretations have not had any effect on the financial statements for 2011.

Shares in subsidiaries
Shares in subsidiaries are recorded in accordance with the cost method. Costs related to the acquisition in subsidiaries, that are expensed in the consolidated income statements, are included in the cost of acquisition for the shares in subsidiaries. The carrying amount of shares in subsidiaries is tested for impairment annually or more frequently if impairment is indicated.

Estimates
When preparing the consolidated financial statements according to IFRS some estimates are made.
The board of directors also performs its evaluation of application of the Group's accounting policies. The areas in which estimates and judgments are material to the Group is presented under "Critical accounting estimates and judgments".

Basis of consolidation
The consolidated financial statements incorporate Apolus Holding AB with all subsidiaries. Subsidiaries are companies in which the parent company directly or indirectly owns more than 50% of the voting rights or otherwise has a controlling influence over operating and financial policies. Subsidiaries are accounted for using the purchase method. The cost of a business combination is the fair value at the date of exchange of assets given and liabilities incurred or assumed, costs directly attributable to the acquisition are not included in the cost.

An acquisition analysis is prepared at the time when control is obtained. Acquired identifiable assets, liabilities and contingent liabilities are measured at fair value. The difference between the aggregate of the consideration transferred, the value of minority interest and the fair value of any previous equity interest, and the fair value of acquired identified assets, liabilities and contingent liabilities are recognized as goodwill. If the cost of the Any negative difference is recognized immediately in the income statement.

The minority share is accounted for as either a proportional share of the acquired net assets or at fair value, which is determined for each acquisition. Contingent consideration is initially recognized at estimated fair value and subsequent changes are recorded in the income statement. Acquisition analysis for step acquisitions are prepared at the time when control is obtained. Effects from revaluation of formerly owned share is recognized in the income statement. When acquiring or disposing minority shares and the subsidiary is continuously controlled changes are recognized directly in equity.

The Group's consolidated profit or loss comprises the income statements for the parent company and its directly or indirectly owned subsidiaries after elimination of intra-Group transactions, unrealized Group gains and depreciations of acquired surplus values. From the date of acquisition, up to the date control expires, the consolidated financial statements comprise the acquired company's revenues and expenses, identifiable assets and liabilities as well as any goodwill.

Translation of foreign currency
The consolidated financial statements are prepared in Swedish crowns, which is the parent company's functional currency and the Group's presentation currency. The balance sheets of the foreign subsidiaries have been translated into Swedish crowns at the closing rate of exchange. The income statement has been translated to the year's average exchange rate. Exchange differences arising on translation of foreign subsidiaries are recognized in equity in a translation reserve. Transactions in foreign currency are translated in the functional currency at the rate of exchange as per the transaction day. Monetary assets and liabilities expressed in foreign currency are translated in the functional currency at the closing rate of exchange. These exchange gains or losses are recorded in the income statement. Non-monetary assets and liabilities recognized at historical cost are translated at the rate of exchange as per the transaction day.

Revenue recognition
Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Group and these benefits can be measured reliably. Revenue only includes gross inflows of economic benefits, which the company receives or will receive for the company's own use. The income from sale of goods is recognized as revenue when the company has transferred the significant risks and rewards of ownership of the goods to the buyer and when the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control

Intangible assets

Capitalized development expenditure and similar work

Only expenditures directly attributable to development of new products are capitalized.
Expenditures related to the development phase are recognized as an intangible asset when it is probable the expenditures will generate future benefits, which is when management assesses that it is technical feasible to complete the intangible asset, the company has intention and resources to complete it and use or sell it, there are adequate resources to complete the development and sale, and the expenditures can be measured reliably.

Capitalized development expenditure is amortized over the useful life, estimated to 5 years, on a straight line basis.
In the case of any research costs, these are expensed immediately.
Trademarks and licenses are recognized as intangible assets at cost less accumulated amortizations and any impairment losses. Costs for renewing trademarks are expensed as incurred.
Amortizations are recognized on a straight line basis over the asset's useful life and are recognized as expenses in the income statement.
Computer programs are recognized at cost and include directly attributable expenditure to complete the asset for its intended use. The cost is amortized over the estimated useful life. Expenditure for maintenance of the computer programs is expensed as incurred.

The following amortization periods are applied:

Capitalized development expenditure and similar work	5 years

Goodwill

Goodwill on consolidation is the difference between the consideration, the value of the minority share, the fair value of previous equity interest and the fair value of the acquired company's identifiable assets, liabilities and contingent liabilities. Any negative difference is recognized immediately in the income statement.
Goodwill is recognized at cost less any impairment losses. Goodwill is reviewed continuously and is tested annually, or more frequently, for impairment. Goodwill is allocated to the cash-generating units expected to benefit from the acquisition.

Tangible assets

Tangible assets consist mainly of machinery, rental equipment and equipment.
Tangible assets are recognized at cost less depreciations and any impairment losses.
The cost comprises the purchase price and directly attributable costs. Additional costs are recognized as a separate asset.
Depreciations are performed on a straight-line bases over the asset's useful life and are recognized as expenses in the income statement.

The following depreciation periods are applied:

Buildings	25-50 years
Rental equipment	8-10 years
Plant and machinery	5-10 years
Equipment, tools, fixtures and fittings	3-10 years

The majority of the rental equipment is depreciated over 10 years and has residual value of 15% of the original investment.

Financial instruments

Financial instruments are measured and recognized by the Group in compliance with the rules in IAS 39. Financial instruments are initially recognized at cost equivalent to the instrument's fair value plus transaction costs except for financial instruments classified as financial assets at fair value through profit or loss. The recognition thereafter is dependent of the classification of the financial instruments as below.

For derivate financial instruments as well as purchases and sales of money- and capital market instruments on the spot market, trade date accounting is applied. Other financial assets and financial liabilities is recognized in the balance sheet when the company becomes part of the instrument's contractual terms. Accounts receivable are recognized in the balance sheet when in invoice has been issued. A liability is recognized when the counterpart has performed and liability to pay exists, even if the invoice not yet has been received. Accounts payable are recognized when the invoice has been received. A financial asset is derecognized from the balance sheet when the rights in the contract is realized, fall due or the company has no control of the asset. The same applies for a part of a financial asset. A financial liability is derecognized from the balance sheet when the obligation in the contract is fulfilled or becomes extinguished. The same applies for a part of a financial liability.

Financial instruments are recognized at amortized cost or fair value depending on the initial classification according to IAS 39.

Estimation of fair value of financial instruments

The fair value of investments in securities, derivate financial instruments and loans is determined using the official quotations at the balance sheet date. In the cases where there are non, the measurement is done using generally accepted methods such as discounting future cash flows at the quoted market rate for the respective maturity. Translation to Swedish crowns is performed using the quoted rate on the balance sheet date.

Amortized cost

Amortized cost is measured using the effective interest method, which implies that any premiums and discounts and directly attributable costs or revenues are allocated over the contract's maturity thorough measuring the effective interest rate. The effective interest rate is the rate that yields the instrument's cost when calculating the present value of future cash flows.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and presented as a net amount in the balance sheet when there is a legal right to offset and when there is an intention to settle the items net or to realize the asset and settle the liability at the same time.

Cash and cash equivalents

Cash and cash equivalents comprise cash at financial institutions and short-term liquid investments with a maturity shorter than three months from the acquisition date, which are subject to an insignificant risk for changes in value. Cash and cash equivalents are measured at its nominal amounts.

Investments

Investments comprise of either financial non-current assets or short-term investments depending on the intention with the holding. If the expected term is longer than one year they are classified as financial non-current assets and if they are shorter than one year they are classified as short-term investments.

Accounts receivable

Accounts receivable are categorized as loans and receivables and measured at amortized cost.
Since the accounts receivable's expected term is short, the value is carried at its nominal amount, with no discounting.
Doubtful debts are assessed individually and any impairment losses are charged as operating expenses.
Indication of a write-down requirement regarding accounts receivable can occur due to delay or default of payments.

Long-term receivables and other receivables

Long-term receivables and other receivables arise when the company provides money with no intention to trade with the receivable. If the expected term is longer than one year they classified as long-term receivables and if it is shorter they are classified as other receivables. These receivables are categorized in compliance with IAS 39 as loans and receivables. Assets within this category is measured at amortized cost. The value of the assets are tested for write-down requirement when it is indicated that the carrying amount is below the amortised cost. Write-downs are recognized for among the operating expenses.

Derivative financial instruments

Derivative financial instruments comprise currency forward agreements and interest agreements used to reduce risks for currency and interest rate changes. Exposure to currency related to future forecasted cash flows is hedged through currency forward agreements. The effective portion of changes in fair value of derivatives identified and qualify as cash flow hedges, are recognized within other comprehensive income. The profit or loss related to the portion not effective, are recognized immediately in the income statement. Amounts deferred in equity is transferred to the income statement in the same periods as the hedged item affects profit or loss. When a future transaction no longer is expected to arise, the cumulative gain or loss deferred in equity is recognized immediately in the income statement.
Hedges of fair value is recognized in the income statements together with any changes in the fair value of the hedged asset or liability related to the hedged risk. If a hedge no longer qualifies the conditions for hedge accounting, the carrying amount is adjusted, in which the effective interest method has been used in the profit or loss for the period to maturity. Derivatives, which no longer qualify for hedge accounting is recognized immediately in the income statement.

Accounts payable

Accounts payable are categorized as other liabilities and recognized at amortized cost. Since the terms of accounts payable are expected to be short, the liability is carried to nominal amount with no discounting.

Other financial liabilities

Liabilities to credit institutions, overdraft facility and other liabilities are categorized as other liabilities and measured at amortized cost. Financial liabilities categorized at fair value are recognized at fair value related to the hedged risk component and changes in value are accounted as other interest income and other interest expenses.

Convertible loan

A convertible loan is a combined financial instrument which consists of a debt instrument combined with an option to convert the debt instrument into equity instruments of the issuer. At the date of issue the fair value of the debt instrument is established by discounting the estimated future cash flows related to the debt instrument.
The discount rate used is the market rate at the date of issue for a similar debt instrument without conversion option.
This part is classified as a financial liability and subsequently measured at amortized cost using the effective interest method. The difference between the amount of consideration received and the fair value of the debt instrument is classified as an equity instrument. The equity instrument is recognized within equity and not subsequently re-measured.

Capital loan

Apolus Holding has raised a capital loan. The amount to be repaid for the capital loan is based on the development of the Group's value during the maturity of the loan. When accounting for the capital loan, Apolus Holding separates the part of the repayment that is a fixed amount from the part that is dependent on the Group's value.
The variable part of the repayment amount is an embedded derivative which is separated from its host contract and is separately measured at fair value. Future changes in fair value of the embedded derivative is recognized in the income statement. The host contract is measured at amortized cost using the effective interest method.

Leasing

Sale and leaseback

The equipment that is used in the Group's Rental business are manufactured by Group companies, and after that sold to a finance company outside the Group. Then the equipment is rented by the Group company Alimak Hek Finance AB through a finance lease agreement, with a maximum duration of 5 years. Any profit from sales to the finance company outside the Group is distributed over the useful life.

The Group as a lessee

Assets held under finance leases are recognized as a fixed asset in the balance sheet to the lower of fair value or the present value of the minimum lease payments. The assets under finance leases are depreciated over the useful life.
The obligation to the lesser to pay lease payments is recognized as a liability in the balance sheet.
The lease payments are apportioned between finance charges and reduction of the lease obligation.
The interest is allocated over the lease period so as to achieve a constant rate of interest on the liability recognized each period.
Operating lease payments are expensed on a straight-line basis over the lease term.

The Group as a lesser

The equipment used in the Group's rental operation and is hold through finance lease agreements by Alimak Hek Finance AB, which in turn rents it out to companies within the Group through operating lease agreements, which rents the equipment to the end customer through operating lease agreements.
Rental income is allocated and recognized as revenue on a straight-line basis over the lease term.

Inventories

Inventories are stated at the lower of cost and fair value on a first-in-first-out basis. Risk for obsolescence has also been considered. The cost for semi-finished products and finished products produced by the company, contains direct manufacturing costs and reasonable part of indirect costs.

Taxes

Income taxes represent the sum of current tax and deferred tax. Income taxes are recognized in the income statement

Pensions
The Group has different pension plans in accordance with the local terms and practice in the countries where the Group is operating.
The Group has both defined benefit retirement plans and defined contribution retirement plans. In a defined benefit retirement plan the company has the risk to provide the agreed considerations. In a defined contribution retirement plan the company pays fixed contributions to the plan and has no further obligations.
Contributions to defined contribution retirement plans are recognized as an expense when the benefits are entitled. The defined benefit obligation is estimated as the present value of expected future payments with discount rates corresponding to the maturity of the related obligations. The liability recognized in the balance sheet consists of the defined benefit obligation adjusted for unrecognized actuarial gains and losses.
Prepaid contributions are recognized as an asset to the extent a repayment or decreased contributions in the future are possible.
The estimation of the obligation is determined using the Projected Unit Credit Method, based on a number of actuarial assumptions.
Actuarial gains and losses arise either as an effect of differences between the actuarial assumption and what has actually occurred or the effects of changes in actuarial assumptions. Accumulated actuarial gains or losses that exceed a limit 10 per cent of the present value of the defined benefit obligation are expensed over the employees expected remaining working lives (the corridor approach). When there is a difference how the pension expense is determined in the legal entity and the Group, a provision or a receivable is recognized related to special employer's contribution based on this difference. The provision or the receivable for special employer's contribution is not calculated at present value.

Provisions
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of past events that is known or can be measured reliable, but the due date is uncertain. Provision for warranties is recognized based on known but not settled warranties.

Critical accounting estimates and judgments

When preparing consolidated financial statements in compliance with generally accepted accounting principles estimates and judgments are made, which effect the carrying amounts on assets and liabilities, disclosures about contingent liabilities and obligations at the date the consolidated financial statements are prepared and the recognized amounts of revenues and expenses during the accounting period. Estimates and judgments are reviewed continuously.

The Group's critical estimates and judgments are;

Impairment test of non-current assets
All non-current assets including goodwill are tested for impairment annually, or if required more frequently, or when there is an indication that the carrying amount of the asset can not be recovered. When an asset has decreased in value its written down to its recoverable amount, which can be either the fair value or the value in use. Different basis for judgment have been applied depending on available information. An estimate of the recoverable amount has been made by applying a calculation of the present value of cash flows, based on expected future outcome. Differences in the estimates of expected future outcome and the discounts rates that have been applied could result in variances when measuring the assets.

Leases
The Group company Alimak Hek Finance AB has with a finance company independent from the group carried out sale and leaseback transactions for the majority of the products used in the Group's rental operations. These transactions have been accounted for as loan transactions. The disposed assets are carried at cost and are depreciated over estimated economic life, taken into account an estimated residual value. The received payments are accounted for as liabilities.

Income taxes and deferred taxes
When preparing the financial statements the Group prepares a calculation of the income tax for each tax subject where the Group has operations, and the deferred taxes are related to temporary differences or tax loss carry forwards. In respect of capitalization of loss carry-forwards an assessment is made of the amount and the period these can be used against future taxable profits.

Pensions
The calculation of defined benefit pension plans requires assumptions regarding future trends in salaries and interest. The long maturity for these pension plans implies that the uncertainty in these assumptions is high and there could be adjustments that affect future liabilities and expenses.

Inventories
Inventories are stated to the lower of cost and net realizable value. Required provisions are provided for obsolesce in compliance with the company's policy.

Receivables
Receivables are stated to the amount expected to be received. As of the balance sheet date an individual assessment regarding possible impairment has been made. The need of impairment is principally estimated based on the customers estimated ability to fulfill its obligations.

Financial risk management

The Group is exposed to risks related to order book, cash and cash equivalent, accounts receivable, accounts payable and loans. The exposure consists of both interest and foreign exchange risks. The interest risk is mainly related to external loans. The Group has in addition to that a financing risk in connection with refinancing of existing loans. The Group has adopted a finance policy, which regulates how the effects of the above exposure should be reduced to a minimum.

In the company's and group's loan agreements there are specific covenants. These covenants consists of the following financial ratios for the Kamila Holding Group:
- EBITDA in relation to net debt and financial net payable.
- Cash flow to debt service.
- Limitations on capital expenditure.

Interest risk
Interest risk is the risk that changes in market rate of interests affect the cash flow or the fair value on financial assets and liabilities. Interest swap contracts are used to reduce the interest exposure to a minimum.

Liquidity risk
Liquidity risk is the risk that the Group can not meet its short-term payment obligations. The Group's finance policy states that the liquidity reserve should be on a level that the reserve can manage the fluctuations that are expected in the daily liquidity within a six month period. To be able to satisfy this the Group has overdraft facilities and confirmed credit facilities.

Foreign currency risk
The foreign currency risk is the risk that changes in foreign exchange rates affects the Group's profit or loss negative. Exposure to foreign currency risk arises on intra-Group financing, on translation of foreign external receivables and liabilities and on translation of foreign subsidiaries' income statements and balance sheets to the Group's presentation currency (SEK). The Group's exposure to foreign currency can be divided into transaction exposure (exposure to foreign exchange rate related to contracted cash flow and balance sheet items, where changes in foreign exchange rates affect the profit or loss and the cash flows) and translation exposure (equity in foreign subsidiaries).

The foreign currency risk is measured as the effect on operating profit and equity based on estimated exchange rate fluctuations. The result of these estimates is being reported annually to the board of directors of Alimak Hek Group AB. The group's foreign currency risk is managed through forward covering of exposed net flows. The translation exposure is primarily related to translation from EUR, USD, AUD and GBP.

Sensitivity analysis regarding market risks

		Change	Effect on this year's profit or loss	Effect on equity
Market rates	1)	1%	7 235	7 235
Foreign exchange rates		10%	-2 793	107 084

1) refers to changes in interest rate with one percentage unit.

The above effect refers to the situation there all foreign exchange rates and interest changes in the same direction.

Credit risk
Credit risk is the risk that the counterparty in a transaction will default on its contractual obligations and any collateral do not cover the company's receivable. Maximum credit risk exposure is equivalent to the book value on the financial assets. Considering the group's spread of customers and risks, together with the customers being operative in different markets and geographical segments, the underlying credit risk is assessed to be low. In case of material exposures individual credit ratings are performed.

Maximum credit exposure in accordance with below;

	2011-12-31	2010-12-31
Other long-term receivables	17 366	28 135
Accounts receivable	198 766	236 256
Other receivables	62 374	49 712
Cash and bank	161 607	156 107
Total	440 113	470 210

Foreign exchange rates
Income statements for subsidiaries, which currency is not SEK are translated on consolidation to SEK using this year's average exchange rate. Balance sheets are translated using the closing rate of exchange.

1. Net sales per business segment and geographical market

	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Net sales per business segment		
Construction	202 455	243 147
Industrial	416 178	443 805
Rental	277 121	315 487
After Sales	411 272	396 457
	1 307 026	1 398 896
Net sales per geographical market		
Sweden	50 361	26 080
Rest of Europe	432 348	385 113
Asia	328 685	362 885
USA	289 241	391 096
Other markets	206 391	233 722
	1 307 026	1 398 896

2. Average number of employees, salaries, other remunerations and social security charges

Average number of employees	2011-01-01 -2011-12-31	*men*	2010-01-01 -2010-12-31	*men*
Sweden	269	80%	238	78%
Holland	51	91%	49	93%
Belgium	4	100%	21	96%
France	47	87%	47	87%
England	43	93%	37	93%
Germany	28	84%	26	84%
Italy	11	90%	9	89%
Korea	12	87%	12	92%
Singapore	13	71%	16	76%
Malaysia	8	88%	10	89%
Australia	58	95%	61	94%
USA	113	85%	134	86%
China	103	80%	85	84%
India	6	43%	5	78%
Brazil	3	82%	1	50%
Total in group	769	79%	751	85%

Distribution according to gender in the management	2011-12-31 Share of women	2010-12-31 Share of women
Board of directors	1%	1%
Officers of the company	9%	7%

Salaries, other remunerations and social security charges

	2011-01-01 - 2011-12-31			2010-01-01 - 2010-12-31		
	Salaries and other remunerations		*Security charges*	*Salaries and other remunerations*		*Security charges*
	337 608		103 717 *(23 873)*	326 336		104 136 *(24 861)*
Total the Group *(of which pen.costs)*	337 608	*1)*	103 717 *(23 873)*	326 336	*1)*	104 136 *(24 861)*

1) 2 626 (3 185) of the parent company's pension costs refers to the board and managing director. The Group's outstanding pension obligation to this group amounts to 0 SEK (0).

Salaries and other remunerations allocated by country and between board members, others and employees

	2011-01-01 - 2011-12-31		2010-01-01 - 2010-12-31	
	The board and managing director	*Other employees*	*The board and managing director*	*Other employees*
Subsidiaries				
in Sweden	13 229	102 233	8 908	84 729
(of which bonus)	(516)	(961)	(271)	(274)
Foreign subsidiaries	16 385	205 761	14 623	218 076
(of which bonus)	(1 396)	(5 331)	(1 037)	(4 494)
Total in subsidiaries	29 614	307 994	23 531	302 805
(of which bonus)	(1 912)	(6 292)	(1 308)	(4 768)
Total in group	29 614	307 994	23 531	302 805
(of which bonus)	(1 912)	(6 292)	(1 308)	(4 768)

Salaries and other remunerations allocated by function

	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Selling expenses	109 454	110 208
Administrative expenses	80 306	76 087
Research and development costs	22 846	20 717
Cost of goods sold	228 719	223 460
	441 325	430 472

3. Fees to auditors

	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Deloitte		
Audit engagement	3 642	4 208
Audit services in excess of the audit engagement	42	69
Tax advisory	60	244
Other services	115	51
	3 859	4 572
Others		
Audit services in excess of the audit engagement	90	225
Tax advisory	733	854
Other services	131	302
	954	1 381
	4 813	5 953

Audit engagement is referring to the auditor's fee for performing the statutory audit. The work is including the audit of the annual accounts and the accounting records, audit of the management's administration and advice in relation with the audit engagement. Audit services in excess of the audit engagement is referring to assurance services. According to the definition in the Swedish Auditors Act audit service is referring to audit of management's administration, articles of association, regulations or agreements and should result in a report, certificate, or other document designated also for other parties than the principal. Audit service also involves advisory or other assistance required by the audit engagement. Other services means advisory that cannot be referred to any of the above mentioned services.

4. Depreciation and write-downs

	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Depreciation according to plan allocated to assets		
Capitalized expenditure for research and development	669	743
Land and buildings	4 574	4 828
Plant and machinery	14 716	13 555
Equipment, tools, fixtures and fittings	5 336	10 948
Rental equipment	48 388	51 359
	73 683	81 433
Depreciation according to plan allocated to functions		
Cost of goods sold	58 505	65 067
Selling expenses	2 751	2 921
Administration expenses	10 476	11 537
Research and development expenses	1 951	1 908
	73 683	81 433

5. Finance income

	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Interest income	2 151	2 121
Exchange gains	5 152	14 061
	7 303	16 182

6. Finance costs

	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Interest expenses	-207 466	-176 337
Exchange losses	-7 198	-18 335
	-214 664	-194 672

7. Income tax expense

	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Current tax	-20 838	-33 894
Deferred tax	-75 451	70 546
	-96 289	36 652

Reconciliation of effective tax rate		
Profit/loss before tax	-327 427	-4 681
Tax according to tax rate for parent company (26,3%)	86 113	1 231
Differences in tax rates in other countries	-6 205	-19 380
Non-deductible impairment loss	-56 312	–
Change in recognized deferred tax asset for losses carried forward	-117 142	43 376
Non-deductible expenses	-2 221	-1 336
Non-taxable income	1 367	1 980
Adjustment of tax expense in previous years	-1 958	11 613
Other	69	-832
Effective tax	-96 289	36 652

8. Capitalized expenditure for research and development

	2011-12-31	2010-12-31
Accumulated acquisition values		
Acquisition value brought forward	12 177	11 519
Acquisitions	1 585	1 086
Disposals	-9	-252
Translation difference	139	-176
	13 892	12 177
Accumulated depreciation		
Depreciation brought forward	-2 417	-2 053
Disposals	–	252
Depreciation for the year	-669	-743
Translation difference	-78	127
	-3 164	-2 417
Carrying amount according to plan carried forward	10 728	9 760

9. Goodwill

	2011-12-31	2010-12-31
Accumulated acquisition values		
Acquisition value brought forward	1 798 887	1 868 547
Translation difference	8 926	-69 660
	1 807 813	1 798 887
Accumulated impairment		
Impairment loss	-214 112	–
	-214 112	–
Carrying amount	1 593 701	1 798 887

Goodwill has an indefinite useful life with a recognized value of 1 593 701 KSEK as per 31 December 2011.

Goodwill is tested for impairment annually or more frequently if needed. The impairment test is done by a discounted cashflow model based on the next 15 years. The model has been extrapolated for the next 15 years based on each units budget for the next year. In the test as per 31 December 2011 a yearly growth rate of 4 % (5 %) has been used.

Goodwill allocated on cash generating units identified by country:

	2011-12-31	2010-12-31
Sweden	943 887	943 887
USA	463 840	455 801
Holland	–	214 113
Belgium	47 409	47 711
Australia	74 476	73 352
United Kingdom	25 625	25 315
France	28 624	28 806
Germany	9 840	9 902
	1 593 701	1 798 887

The most sensitive assumption for the impairment test is the company's future earnings and discount rate, which significantly affect whether any impairment is required. The impairment loss as per 2011 of 214,1 mSEK is primarily related to the termination of the manufacturing in Holland. Moderate fluctuations in assessments of sales volumes and earnings do not result in impairment. The discount rate used for the impairment test is 6,6 percent before tax (8,28).

10. Tangible assets

2010-01-01 -- 2010-12-31	Land and buildings	Plant and machinery	Equipment, tools, fixtures and fittings	Rental equipment	**Total**
Accumulated acquisition values					
Acquisition value brought forward	94 337	122 558	37 503	545 320	799 718
Acquisitions	2 323	3 631	4 719	28 960	39 633
Sales and disposals	–	-2 978	-2 690	-45 081	-50 749
Exchange rate difference	-2 526	-884	-868	-34 438	-38 716
	94 134	122 327	38 664	494 761	749 886
Accumulated depreciation					
Depreciation brought forward	-16 058	-34 821	-26 777	-153 441	-231 097
Sales and disposals	-991	2 740	2 259	17 897	21 905
Depreciation for the year	-4 828	-13 555	-10 948	-51 359	-80 690
Exchange rate difference	813	505	430	3 674	5 422
	-21 064	-45 131	-35 036	-183 229	-284 460
Carrying amount according to plan	73 070	77 196	3 628	311 532	465 426

2011-01-01 -- 2011-12-31	Land and buildings	Plant and machinery	Equipment, tools, fixtures and fittings	Rental equipment	**Total**
Accumulated acquisition values					
Acquisition value brought forward	94 134	122 327	38 664	494 761	749 886
Acquisitions	470	13 269	4 300	53 099	71 139
Sales and disposals	-9	-1 173	-70	-18 604	-19 856
Exchange rate difference	266	653	592	-190	1 321
	94 862	135 076	43 486	529 066	802 490
Accumulated depreciation					
Depreciation brought forward	-21 064	-45 131	-35 036	-183 229	-284 460
Sales and disposals	-2 075	-14 026	16 129	–	28
Depreciation for the year	-4 574	-14 716	-5 336	-48 388	-73 014
Exchange rate difference	-5	-376	-656	-901	-1 937
	-27 718	-74 249	-24 899	-232 518	-359 383
Carrying amount according to plan	67 144	60 827	18 587	296 549	443 107

In 2011 there has been a redistribution between Land and buildnings, Plant and machinery and Equipment, tools, fixtures and fittings as well as rental equipment related to posting of depreciation to incorrect asset for the years 2007-2010.

The assets the Group possesses according to finance lease are rental equipment.

Future lease charges in the Group allocate to the following;

	Financial leases	Present value of future lease charges
Within a year	43 215	41 799
One to five years	69 554	63 386
Total	112 769	105 185

The current period's cost for financial leasing amounts to 43 154 kSEK, allocated to depreciation 36 361 kSEK and interest 6 793 kSEK.

Operating leases
The Groups operating lease contracts include no significant variable charges and there are no restrictions in these contracts.

11. Financial assets and liabilities

Financial assets	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Long-term recievable	17 366	28 135
Accounts receivable	198 766	236 256
Other financial assets	71 062	59 757
Cash and cash balances	161 607	156 107
Total	448 801	480 255

Financial liabilites	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Long-term liabilities to credit institutions	2 572 425	2 545 742
Short-term liabilities to credit institutions	193 483	186 702
Bank overdraft facility	77 407	74 295
Accounts recievable	137 985	115 565
Other financial liabilities	78 063	56 266
Total	3 059 363	2 978 570

During the financial year no financial assets or liabilities have been reclassified between the categories above.

Financial assets and financial liabilities measured at fair value

Financial assets	Level 1	Level 2	Level 3	Total
Currency derivatives	–	519	–	519
Interest rate derivatives	–	7 726	–	7 726
Total	–	8 245	–	8 245

The group's financial assets and financial liabilities measured at fair value are grouped into a fair value hierarchy (levels 1 to 3) based on the degree to which the fair value is observable.

Level 1 - Quoted prices in an active market for identical assets or liabilities.

Level 2 - Quoted prices in an inactive market, quoted prices for similar assets or liabilities, other information than quoted prices that are observable directly or indirectly for the main maturity of the instrument and valuation model inputs from observable markets.

Level 3 - Information which is material for fair value of the asset or liability that are not observable, instead the group's own judgments are applied.

12. Account receivables-trade

	2011-12-31	2010-12-31
Account receivables, gross	212 708	256 140
Provision for doubtful receivables brought forward	-19 884	-20 830
Reserves	-1 542	-11 349
Reversed reserves	5 384	6 373
Realized bad debt losses	2 130	4 318
Exchange rate difference	-30	1 604
Accumulated provision for doubtful receivables carried forward	-13 942	-19 884
Account receivables, net	198 766	236 256

Ageing of overdue debts, which are not considered as doubtful receivables:

	2011-12-31	2010-12-31
1-30 days	35 546	73 168
31-90 days	8 330	33 233
91-120 days	3 467	4 954
> 120 days	20 490	20 190
Total	67 833	131 545

14. Long term and short term loans

2010-12-31

	Recorded value	< 1 year	>1 year <5 year	> 5 year
Liabilities to credit institutions (long term)	1 057 303	–	408 016	649 287
Long term financial leasing liabilities	186 840	–	186 840	–
Other long term liabilities to parent company	1 301 599	–	–	1 301 599
Total	2 545 742	–	594 856	1 950 886
Liabilities to credit institutions (short term)	144 405	144 405	–	–
Short term financial leasing liabilities	42 297	42 297	–	–
Total	186 702	186 702	–	–

2011-12-31

	Recorded value	< 1 year	>1 year <5 year	> 5 year
Liabilities to credit institutions (long term)	665 405	–	408 312	257 093
Long term financial leasing liabilities	171 255	–	171 255	–
Other long term liabilities to parent company	1 735 765	–	–	1 735 765
Total	2 572 425	–	579 567	1 992 858
Liabilities to credit institutions (short term)	150 268	150 268	–	–
Short term financial leasing liabilities	43 215	43 215	–	–
Total	193 483	193 483	–	–

Borrowings

The average fixed interest term for the long term borrowing was six months at the end of the financial year (six months).
The average interest rate for the Group's interest bearing loans was 8,1 % at the end of the year (7,3 %).

Duration	Type of loan	Interest rate %	Currency	Nominal value	Recorded value
Variable interest rate	Bank loan	6,20%	SEK	173 000	173 000
"	Bank loan	6,45%	SEK	331 490	331 490
"	Bank loan	6,00%	EUR	6 449	6 449
"	Bank loan	4,15%	USD	256 331	256 331
"	Leasing debts	3,14%	SEK	214 470	214 470
Fixed interest rate	Bank loan	8,54%	CNY	44 717	44 717
"	Convertible loan	10,00%	SEK	1 031 541	1 031 541
"	Other loans	10,00%	SEK	44 512	44 512
"	Accrued capitalized interest	10,00%	SEK	482 624	482 624
"	Other non-interest bearing loans	0,00%	SEK	180 774	180 774
Total borrowings				2 765 908	2 765 908

In the company's and group's loan agreements there are specific covenants. These covenants consists of the following financial ratios for the Kamila Holding Group:
- EBITDA in relation to net debt and financial net payable.
- Cash flow to debt service.
- Limitations on capital expenditure.

In March 2011 the group entered into a new loan agreement which fully replaced the existing loan. The new agreement resulted in increased interest expenses but at the same time improvements of loan terms, covenants.

Financial derivate instruments

The table below presents fair value of the Group's financial derivative instruments covering financial risks and trading.

	31 December 2011		31 December 2010	
Fair value	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Interest swaps				
Cashflow hedging	7 726	–	1 509	–
Currency forwards				
Cashflow hedging	519	–	8 019	–
Carrying amount	8 245	–	9 528	–

In total the Group has hedged interest payments through swaps amounting to 13,9 mSEK (10,4). The swap agreements represent swaps from variable interest rate to fixed interest rate. The fixed interest rate for these interest swaps is between 2,1% and 2,6% and was by end of the financial year lower than the variable interest rate in the underlying agreements. This resulted in a market value of 7,7 mSEK (1,5)

Cash flow hedges are in total accounted for in equity and the inefficiency is thus 0.

Convertible loan

1 February 2007 Apolus Holding AB issued a convertible loan of SEK 731 541 466. The maturity of the convertible loan is 30 years. Apolus Holding AB shall repay SEK 12 764 961 322 at the maturity date, which implies an interest rate of 10%. The loan (principal amount and accrued interest) may be converted into ordinary shares of Apolus Holding AB during the conversion period at an adjusted conversion rate. The original conversion rate was SEK 79 333 per share. The conversion period is from and including 90 days before the maturity date until and including the day before the maturity date. The lenders may at any time require repayment of the loan on condition that Apolus Holding AB's liquidity situation allows it. Apolus Holding AB may at any time repay the loan, in whole or in parts, on condition that the lenders give their approvals.

The Group has signed a new loan agreement in 2011. On March 29, 2011 Apolus Holding issued a convertible loan of 285 mSEK with a maturity of 30 years. On the due date Apolus Holding will repay SEK 4 973 079 647 which represents an annual interesr rate of 10%.

Capital loan

11 January 2007 Apolus Holding AB issued a capital loan of SEK 183 100 000. The maturity of the capital loan is 30 years. The loan carries no interest. The lender may at any time require repayment of the loan on condition that Apolus Holding's other creditors give their approvals and that Apolus Holding's liquidity situation allows it. The repayment amount is based on the development of Apolus Holding's value and is calculated as follows:

0,9 x (Total assets – Total liabilities – Restricted equity) = Repayment amount

Total assets and total liabilities are measured at fair value at the date of repayment. The capital loan is excluded from total liabilities. Restriced equity is defined as share capital and capital contributions.

In accordance with what is described in the accounting policies the capital loan consists of a loan agreement and an embedded derivative. The loan agreement is measured at amortised cost and the book value at the balance sheet date was 164,7 MSEK (164,7 MSEK). The embedded derivative is measured at fair value which was 18,4 MSEK (18,4 MSEK) at the balance sheet date.

Total book value of the capital loan at the balance sheet date was 183,1 MSEK (183,1 MSEK).

Capital management

Capital comprises equity and borrowings. The Group's goal with capital management is to secure going concern and flexibility and to ensure return on shareholder investments. The proportion of equity and borrowings should ensure a reasonable balance between risk and return. The capital structure is adjusted as appropriately to meet changing business conditions and external factors. Methods to maintain and adjust the capital structure include issuing of new shares and capital injections, disposals of assets to reduce the liabilities or increase liabilities to acquire assets.

Maturity analysis regarding contracted payments for financial liabilities

Financial assets

	< 1 month	1-12 months	1-5 years	> 5 years
Other long-term receivables	–	3 661	4 788	8 917
Account receivables	112 093	86 393	280	–
Derivative instruments	–	8 245	–	–
Other receivables	7 523	37 286	17 565	–
Accrued income	1 157	9 285	26	–
Cash and bank balances	114 582	46 682	343	–
Total	235 355	191 552	23 002	8 917

Financial liabilities

	< 1 month	1-12 months	1-5 years	> 5 years
Liabilities to parent company				1 735 765
Liabilities to credit institutions	80 157	190 733	579 567	257 093
Advance payments from customers	1 000	12 287	1 136	–
Accounts payable	90 547	47 107	331	–
Other liabilities	6 300	12 890	–	–
Total	178 004	263 017	581 034	1 992 858

15. Deferred tax

	2011-12-31	2010-12-31
Deferred tax assets		
Provisions	10 829	9 073
Tax loss carry-forwards	10 729	83 754
Carrying amount	21 558	92 827
Deferred tax liabilities		
Fixed assets	36 369	38 242
Untaxed reserves	5 786	3 900
Carrying amount	42 155	42 142

Deferred tax assets and deferred tax liabilities have been offset when legally allowed for tax purposes. Deferred tax assets assignable to tax loss carry-forwards have been recorded as considered to be able utilize against future taxable profits.

In some countries the Group has carry-forwards available. Deferred taxes primarily related to; Sweden 94,3 mSEK, China 1,9 mSEK, Holland 19,8 mSEK and Italy 2,0 mSEK have not been recognized in the balance sheet.

16. Pensions and other provisions

Defined contribution plans

The Group's defined contribution plans include employees in all subsidiaries except for employees in Alimak AB, Sweden and Alimak Hek Ltd, Great Britain. Defined contribution plans primarily comprise retirement, sickness and survivors' pension. Pension premiums are paid regularly by the Group's subsidiaries to various pension institutes. The size of pension premiums is depending on the salary. The pension costs for the period amounted to 23 873 kSEK (24 861).

Defined benefit plans

The Group's defined benefit plans include employees in the subsidiaries Alimak AB, Sweden and Alimak Hek Ltd, Great Britain. According to these plans employees are entitled to pension benefits based on their pensionable income and years of employment. Defined benefit plans primarily comprise retirement, sickness and survivors' pension. In Sweden the pension obligation is covered through provisions in the "FGP/PRI-system". The latest actuarial calculation for the present value of the pension obligation and the plan assets in Sweden was performed by PRI as per 31 December 2011.

Pension obligations

Amounts recognized in the income statement	2011-12-31	2010-12-31
Current service income	1 383	1 525
Interest expense on obligation	134	-1 844
Exchange rate difference	12	379
Carrying amount	1 529	60

Amounts recognized in the balance sheet	2011-12-31	2010-12-31
Present value of obligation	28 748	41 098
Residual value	28 748	41 098
Recognized actuarial gains (-) and losses (+)	1 517	-319
Pension payment	-1 298	-1 435
Transfer of ITPK	-64	-122
Redemption of pension liability	–	-10 095
Exchange rate difference	-12	-379
Carrying amount	28 891	28 748

In the table below the principal assumptions on the balance sheet day are disclosed.

The principal actuarial assumptions applied are the following;

	2011-12-31	2010-12-31
Sweden:		
Discount rate %	3,7	3,8
Expected return on plan assets %	1,8	2,0
Expected rate of pension increase %	1,8	2,0
United Kingdom:		
Discount rate %	4,7	5,4
Expected return on plan assets %	3,3	3,3
Expected rate of salary increase %	4,2	4,5
Expected rate of pension increase %	3,2	3,5

Change in the liability recognized in the balance sheet	2011-12-31	2010-12-31
Beginning of the year	28 748	41 098
Total expense (income) recognized in the income statement	1 505	-698
Pension payment	-1 298	-1 435
Transfer of ITPK	-64	-122
Redemption of pension liability	–	-10 095
Carrying amount	28 891	28 748

Obligation in the balance sheet	2011-12-31	2010-12-31
Retirement benefits	28 891	28 748
Carrying amount	28 891	28 748

Other provisions

17. Pledged assets and contingent liabilities

	2011-12-31	2010-12-31
Pledged assets		
Floating charge	98 555	98 555
Shares in subsidiaries	1 713 964	1 781 494
Fixed assets	27 845	23 858
Receivables	40 022	73 724
Inventories	49 707	68 159
Total pledged assets	1 930 093	2 045 790
Contingent liabilities		
Guarantee commitment, FPG/PRI	695	656
Guarantee provided for Group-companies	122 447	100 445
Other contingent liabilities	117 529	117 364
Total contingent liabilities	240 671	218 465

18. Bank overdraft facility

	2011-12-31	2010-12-31
Bank overdraft facility granted	131 545	131 580
Bank overdraft facility not utilized	-54 138	-57 285
Bank overdraft facility utilized	77 407	74 295

19. Accrued expenses and deferred income

	2011-12-31	2010-12-31
Personnel costs	48 685	37 304
Deferred income	3 790	–
Interest expences and other financial items	5 865	5 413
Audit fees	1 303	1 072
Other items	3 020	4 600
Total	62 663	48 389

Income statement - Parent company

Amounts in kSEK	Note	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Administration expenses		-1 461	-710
Operating loss		-1 461	-710
Result from financial investments			
Result from participations in Group companies		-2	-8
Interest income	1	134 684	102 204
Interest expenses	2	-134 565	-102 082
Loss after financial items		-1 344	-596
Tax on profit/(loss) for the year	3	628	-118
NET LOSS		-716	-714

Parent company statement of comprehensive income

Amounts in kSEK	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Loss for the year	**-716**	**-714**
Other comprehensive income	–	–
Total other comprehensive income for the year, net after tax	–	–
Total comprehensive income for the year	**-716**	**-714**

Balance sheet - Parent company

Amounts in kSEK	Note	2011-12-31	2010-12-31
ASSETS			
Fixed assets			
Financial assets			
Participations in Group companies	4	197 408	198 408
Receivables from Group companies		1 558 716	1 124 079
Deferred tax asset		785	157
Total fixed assets		1 756 909	1 322 644
Current assets			
Cash and bank balances		2 245	2 390
Total current assets		2 245	2 390
TOTAL ASSETS		1 759 154	1 325 034

Amounts in kSEK	Not	2011-12-31	2010-12-31
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital (100 000 shares at quota value 1 SEK)		100	100
		100	100
Non-restricted equity			
Profit brought forward		17 446	18 160
Loss for the year		-716	-714
		16 730	17 446
		16 830	17 546
Long-term liabilities			

Statement of changes in equity - Parent company

Amounts in kSEK	Share capital	Profit brought forward	**Total equity**
Total equity 1 January 2010	100	18 160	18 260
Items recognized directly in equity			
Net loss		-714	-714
Total equity 31 December 2010	**100**	**17 446**	**17 546**

Amounts in kSEK	Share capital	Profit brought forward	**Total equity**
Total equity 1 January 2011	100	17 446	17 546
Items recognized directly in equity			
Net loss		-716	-716
Total equity 31 December 2011	**100**	**16 730**	**16 830**

Cash flow statement - Parent company

Amounts in kSEK	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Operating activities		
Loss after financial items	-1 344	-596
Adjustments for non-cash items		
Capital gain from sale of shares in subsidiaries	2	8
Interest income from Group companies	-134 638	-102 189
Interest expenses to Group companies, loans	134 565	102 081
	-1 415	-696
Cash flow from operating activities before changes in working capital	-1 415	-696
Cash flow from changes in working capital		
Decrease/increase in liabilities	270	-187
Cash flow from operating activities	-1 145	-883
Investing activities		
Acquisition of financial assets	–	-2 559
Disposal of financial assets	1 000	5 492
Cash flow from financing activities	1 000	2 933
Net change in cash and cash equivalents	-145	2 050
Cash and cash equivalents beginning of the year	2 390	340
Cash and cash equivalents end of the year	2 245	2 390

Notes to the parent company's accounts

Amounts in kSEK unless otherwise noted

1 Accounting principles

General information

Apolus Holding AB, org nr 556714-1725 is a limited company (AB) and has its domicile in Stockholm, Sweden.

The head office's address is Brunkebergstorg 5, 3 tr, 111 51 Stockholm.

The parent company applies the same accounting principles as the Group unless otherwise noted.

Credit risk

Maximal credit exposure as following below:

	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Cash and cash equivalents	2 245	2 390
Total	2 245	2 390

1. Interest income

	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Interest income, Group companies	134 638	102 204
Other financial income	46	–
Total	134 684	102 204

2. Interest expenses

	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Interest expenses, Group companies	-134 565	-101 883
Interest expenses, external	–	-199
Total	-134 565	-102 082

3. Tax

	2011-01-01 -2011-12-31	2010-01-01 -2010-12-31
Deferred tax	628	-118
	628	-118
Reconciliation of effective tax		
Loss before tax	-1 344	-596
Tax according to tax rate for the parent company (26,3%)	353	157
Deferred tax expense resulting from use of previously capitalized tax loss carryforwards	-157	–
Change in recorded deferred tax asset for losses carried forward	432	-275
Recorded tax on loss for the year	628	-118

4. Participations in Group companies

	2011-12-31	2010-12-31
Accumulated acquisition values		
Acquisition value brought forward	198 408	201 349
Acquisition of financial assets	–	2 561
Disposals	-1 000	-5 502
	197 408	198 408
Carrying amount	197 408	198 408

Specification of participations in subsidiaries

	Number	Shares	2011-12-31 Booked value
Apolus Sweden AB/556714-1857/Stockholm	845 669	84,6	197 408
Ascensor AB/556289-9160/Stockholm	10 000	100,0	–
Kamila Holding AB/556709-1581/Stockholm	100 000	100,0	–
Alimak Hek Group AB/556064-1739/Stockholm	6 378 000	100,0	–
Alimak AB/556033-7528/Skellefteå	360 000	100,0	–
-Alimak Fastigheter HB/916594-5370/Skellefteå		50,0	
Alimak Hek BV/18012724/Middelbeers, Netherlands	160	100,0	–
Alimak Hek NV/0479695484/Antwerpen, Belgium	100	100,0	–
Alimak Hek France SAS/348.000.480/Senlis,France	50 000	100,0	–
Alimak Hek GmbH/ HRB 4482, Heilbronn, Germany	-	100,0	–
Alimak GmbH/HRB 2199/Andernach, Germany	-	100,0	–
Alimak Hek Ltd/930125/London, United Kingdom	249 999	100,0	–
Alimak Hek Slr/00678770520/Siena, Italy	485 715	100,0	–
-Alimak Hek S.L./B-31-539513/Pamplona, Spain	3 999	100,0	–
Alimak Hek Inc / 06-1242771/ Houston, USA	5 000	100,0	–
-Access Equipment LLC/043689828/Atlanta, USA		100,0	
HEK Platform & Hoists, Inc / 58-2006812/Delaware, USA	100	100,0	–
Intervect Brasil Ltda/01.452.037/0001-13/Sao Paulo Brazil	1 556 234	100,0	–
Alimak Hek Pty Ltd/ACN 005 538 947/ Victoria, Australia	10 000	100,0	–
Alimak Hek Pte Ltd /199905041Z/Singapore	300 000	100,0	–
-Alimak Hek Sdn Bhd/500452/Kuala Lumpur, Malaysia	500 000	100,0	
Alimak Hek Ltd/135-81-00265/Chorea	12 500	100,0	–
Alimak Hek Vertical Access Equipment (Changshu)Co, /78558003-2/ Changshu, China	-	100,0	–
Alimak Hek Finance AB/556139-0583/Skellefteå	30 000	100,0	–
-Alimak Fastigheter HB/916594-5370/Skellefteå		50,0	
Alimak Hek India Private Limited /U52341DL2008PTC173118/Secunderbad, India	99 990	100,0	–
Alimak Hek FZE/130418/Jabel Ali-Techno Park, The United Arab Emirate	1	100,0	–
Carrying amount			197 408

5. Liabilities to parent company

	2011-12-31	2010-12-31
Due date		
2013 and later	1 735 764	1 301 599
	1 735 764	1 301 599

6. Accrued expenses and deferred income

	2011-12-31	2010-12-31
Other items	300	277
Carrying amount	300	277

Stockholm March 31, 2012

Michiel Kramer
Chairman of the board

Fredrik Brynildsen

Carl Johan Falkenberg

Magnus Lindquist

Our auditors' report was submitted on March 31, 2012
Deloitte AB

Henrik Nilsson
Authorized Public Accountant