The Board of Directors and CEO for

Kamila Holding AB

Corp. ID no. 556709-1581

hereby submit the

Annual Financial Statements and Consolidated Annual Financial Statements

for the financial year 1 January - 31 December 2012

Management Report

Kamila Holding AB, corp. ID no 556709-1581, is owned by Apolus Sweden AB, corp. ID no. 556714-1857, and the ultimate owner is Triton Fund II LP (corp. ID no. LP701), Jersey.

Kamila Holding AB owns Alimak Hek Group AB.

Kamila Holding AB is a holding company and only operates a business to a limited extent. The company has no employees.

The Kamila Holding Group operates a business through the Alimak Hek Group, which develops, manufactures, sells and leases lifts, work platforms and related equipment. In addition, the group operates an after-sales service for its products. The company operates in four business areas; Construction Equipment, Industrial Equipment, Rental and After Sales.

Sales within Construction are mainly to customers with construction-related activities and the products are used temporarily in association with new buildings, reconstruction and renovations. Within Industrial, the customers are to be found in different industrial groups. The products are normally permanently installed. Within Rental, the group operates its own rental business based on its own manufactured products to customers mainly within the construction industry. The business within After Sales comprises of sales of spare parts, refurbishments and maintenance.

The group is represented by its own sales companies in around fifteen countries and by independent distributors in a further 30 countries.

Kamila Holding AB has received a group contribution of SEK 45.0 million from Alimak Hek Group AB.

Events during the year and after the end of the financial year

From 2012, the company has prepared its financial statements in accordance with IFRS.
In June 2012, an addendum to the loan agreement for Kamila Holding AB was signed which included changes in the repayment plan and improved ability to expand. The revised loan agreement includes one-off bank fees with unchanged interest rates.
The relocation of the manufacture of work platforms from the Netherlands to China was completed on schedule during the year and will bring increased competitiveness on the platform market in the future.

During the financial year, there has also been a substantial review of the assets and reported values in the group. The main reason for this activity is the extensive restructuring of the group which has occurred since 2009. Based on the review, the company's management has revised its view of the value of a number of asset items. The result is the discarding of previously reported surplus values of assets and adjustments of the value of some rental assets which no longer are regarded as being usable to the extent previously assessed.

Financial position of the group

Liquid funds on December 31, 2012 amounted to SEK 191,447 thousand (158,250).
The cash flow from operating activities during 2012 amounted to SEK 244,186 thousand (197,301).
The cash flow from investment activities was SEK 8,421 thousand (-41,729).
The cash flow from financing activities was SEK -213,987 thousand (-151,047).
The profit for the period was SEK 35,706 thousand (-229 463).

Investments, acquisitions and disposal of shares

The group's investments in fixed assets during 2012 amounted to SEK 51,345 thousand (72,724).
Depreciation during the period amounted to SEK 76,287 thousand (73,683).

Changes in equity

As of December 31, 2012, the group possessed equity of SEK 1,073,030 thousand (1,177,016).
The change in equity, in addition to the profit from the year's activities, is due to the change in the hedging reserve and exchange rate differences when translating goodwill and equity of foreign subsidiaries into SEK.

Risk management

The group is exposed to competition and price pressure.
A prolonged recession or a protracted decline in the customers' confidence on the markets in which the group operates may mean a substantial decline in sales for the entire group and slower growth.

Seasonal fluctuations may impact the net result.
The group has previously, and may do so in the future as well, strengthen its market positions through organic growth, acquisitions and improvements in efficiency. Growth through acquisitions is risky by nature due to the difficulties in integrating activities and employees. In this connection, the group may incur acquisition costs and other associated costs.
In this respect, costs are included related to the integration of acquired or restructured activities. There are no guarantees that in future the group will be able to integrate the activities which have been acquired or that, when they are integrated, they will perform as expected.

The risks in the group's business can generally be divided into strategic risks, operating risks and financial risks.

The objective of risk management in the company is to support the goals stipulated at the same time as avoiding undesired financial events.

Strategic risks
The group's aim is to grow profitably within established market segments. The growth is to be achieved organically and through acquisitions. The primary risk is the economy in those segments and parts of the world in which the group operates. The group counteracts this risk by continually monitoring market developments in order to be able to ward off economic fluctuations as far as possible.

Operating risks
Operating risks are defined as negative effects of both external and internal events. Internal events can be related to failings in routines, an inadequate control system, or equipment.
In order to reduce the likelihood of negative events occurring, the group has policies in place which govern and monitor critical internal processes.

Financial risks
The group is exposed to different types of financial risk. The group's overall policy for financial risk management is at any given time to minimize the negative impact on the group's results of market fluctuations. The group's finance policy is laid down annually by the Board of Directors and governs how the financial risks shall be managed and the financial instruments which may be used.

The group's main risk exposure concerns interest rates, liquidity and foreign currency. There is also a financing risk associated with extending existing loans and with new borrowing. The risk concerns both the group's financial position and the conditions on the credit market at the aforementioned times.

Interest rate risk
The interest rate risk is the risk that changes in the market interest rates will impact on cash flow, results or the actual value of financial assets and liabilities. Interest swaps are used to minimize the exposure to interest rates.

Liquidity risk
The liquidity risk is the risk that the group cannot meet specific short-term payment obligations.
The group's finance policy prescribes that the liquidity reserve shall be at such a level that the reserve can handle the fluctuations which are expected to occur in the daily liquidity within a six-month period.
To satisfy this requirement, the group has bank overdraft facilities and confirmed credit facilities.

Foreign currency risk
The foreign currency risk is the risk that exchange rate changes will have a negative impact on the group's results. The group's currency exposure occurs with inter-company financing and with the translation of external receivables and liabilities and with the translation of the income statements and balance sheets of foreign subsidiaries to the group's reporting currency (SEK).
The group's currency exposure is divided into transaction exposure (exposure in foreign currencies related to contracted cash flows and balance sheet items where exchange rate changes impact on the results and cash flow) and translation exposure (equity in foreign subsidiaries).
The translation exposure primarily concerns translation from EUR, USD, AUD, CNY and GBP.

Credit risk
The credit risk is the risk that the counterparty in a transaction does not fulfill its contractual obligations and that any guarantees will not cover the company's receivables. For those commercial counterparties with which the group has a large exposure, an individual credit assessment is carried out. The maximum credit risk exposure is equivalent to the posted value of financial assets,

Research and development
The group's development work concerns products within its existing areas of business.

Environmental information
Alimak Hek AB in Skellefteå carries out reportable activities under the Swedish Environmental Code and is required to take precautionary measures.
Since January 2009 the group has been certified in accordance with the international standard ISO 14001.

The group's employees
During 2012 the group's average number of employees was 810 (769). At the turn of the year the number of employees totaled 830 (786 as of December 31, 2011).
The increase in the number of employees compared with the earlier period is due to the fact the business has increased in scope.
Salaries and other benefits during the year equaled SEK 359,444 thousand (337,608).

Future prospects

It is thought that the economy will continue to be volatile during 2013 for the group's products and services which will impact on both income and profitability. Taking into account the uncertainty on the markets in which the group operates, it is difficult to assess whether to expect a boom or a recession.

Appropriation of profits

The group's non-restricted equity as of December 31, 2012 equaled SEK 845,042 thousand (887,121).

Proposal to deal with the parent company's profit;
the Board of Directors proposes that the loss for the year of SEK 33,745,696 together with the profit brought forward of SEK 1,330,394,879, totaling SEK 1,296,649,183, is dealt with in the following way:

Carried forward		1 296 649 183
	Total	1 296 649 183

Consolidated income statement

Amounts in SEK thousand	Note	2012-01-01 -2012-12-31	2011-01-01 -2011-12-31
Income	1	1 498 327	1 307 026
Cost of sold goods		-871 942	-789 337
Gross profit/loss		626 385	517 689
Selling expenses		-195 868	-184 722
Administrative expenses		-255 792	-173 199
Development expenses		-37 254	-37 922
Impairment loss goodwill		–	-214 112
Operating profit/loss	2, 3, 4,9	137 471	-92 266
Profit/loss from financial investments			
Financial income	5	6 103	7 238
Financial expenses	6	-70 957	-80 099
Other financial items		-6 764	-26 274
Profit/loss after financial items		65 853	-191 401
Tax	7	-30 147	-38 062
Profit/loss for the year		35 706	-229 463
The profit/loss for the period assignable to shareholders in the parent company		35 706	-229 463

The group's report of the comprehensive income

Amounts in SEK thousand	2012-01-01 -2012-12-31	2011-01-01 -2011-12-31
Profit/loss for the year	**35 706**	**-229 463**
Other comprehensive income		
Translation difference	-49 668	11 491
Hedging reserve	-12 639	-446
Other items within the other comprehensive income	–	-43
Total other comprehensive income for the year, net after tax	-62 307	11 002
Total comprehensive income for the year	**-26 601**	**-218 461**
The comprehensive income for the period assignable to shareholders in the parent company	-26 601	-218 461

Consolidated balance sheet

Amounts in SEK thousand	Note	2012-12-31	2011-12-31	2011-01-01
ASSETS				
Fixed assets				
Intangible assets				
Capitalized expenditure for development work and similar work	8	3 168	10 728	9 760
Goodwill	9	1 560 080	1 593 701	1 798 887
		1 563 248	1 604 429	1 808 647
Tangible assets				
Buildings and land	10	46 298	67 144	73 070
Plant and machinery	10	45 174	60 827	77 196
Equipment, tools, fixtures and fittings	10	18 117	18 587	3 628
Rental equipment	10	170 415	296 549	311 532
		280 004	443 107	465 426
Other assets				
Deferred income taxes recoverable	15	48 863	20 696	18 747
Other long-term receivables		20 163	17 366	28 135
		69 026	38 062	46 882
Total assets		1 912 278	2 085 598	2 320 955
Current assets				
Inventories etc.				
Raw materials and consumables		107 078	103 988	107 956
Work in progress		58 767	53 371	55 374
Finished products and goods for resale		81 515	64 431	69 899
		247 360	221 790	233 229
Current receivables				
Accounts receivable - trade	12	243 024	198 766	236 256
Tax receivables		2 010	3 082	9 548
Derivatives	14	26 029	8 245	9 528
Other receivables		41 010	62 374	49 812
Prepaid expenses and accrued income	13	21 278	10 468	14 486
		333 351	282 935	319 630
Liquid funds		191 447	158 250	152 493
Total current assets		772 158	662 975	705 352
TOTAL ASSETS		2 684 436	2 748 573	3 026 307

Consolidated balance sheet

Amounts in SEK thousand	Note	2012-12-31	2011-12-31	2011-01-01
EQUITY AND LIABILITIES				
Equity				
Share capital		500	100	100
Other paid-in capital		315 233	315 233	15 233
Reserves		-87 745	-25 438	-36 483
Retained earnings		809 336	1 116 584	1 098 454
Profit/loss for the year		35 706	-229 463	60 182
Total equity		1 073 030	1 177 016	1 137 486
Long-term liabilities				
Long-term borrowings	14	814 547	832 188	1 238 267
Other long-term liabilities	14	2 684	4 472	5 876
Provisions for pensions	16	36 842	28 891	28 748
Other provisions	16	23 035	24 067	18 395
Deferred tax liability	15	34 470	42 155	42 142
		911 578	931 773	1 333 428
Current liabilities				
Short-term part of borrowings	14	108 366	187 471	181 090
Bank overdraft facilities	18	42 883	77 407	74 295
Advance payments from customers		25 080	14 423	19 094
Accounts payable - trade		136 044	137 740	115 550
Tax liabilities		39 765	11 067	35 403
Derivatives	14	7 523	–	–
Other liabilities		277 320	149 352	81 916
Accrued expenses and deferred income	19	62 847	62 324	48 045
		699 828	639 784	555 393
TOTAL EQUITY AND LIABILITIES		2 684 436	2 748 573	3 026 307

Consolidated statement of changes in equity

Amounts in SEK thousand	Share capital	Other capital contributed	Translation reserve	Hedging reserve	Result carried forward	**Total equity equity**
Initial equity						
January 1, 2011	100	15 233	-30 481	-6 002	1 158 636	1 137 486
Profit/loss for the year					-229 463	-229 463
Other comprehensive income for the year			11 491	-446	-43	11 002
Total comprehensive income for	–	–	11 491	-446	-229 506	-218 461
Shareholders' contribution		300 000				300 000
Group contribution					-57 000	-57 000
Tax effect on group contribution					14 991	14 991
Closing equity						
December 31, 2011	**100**	**315 233**	**-18 990**	**-6 448**	**887 121**	**1 177 016**

Amounts in SEK thousand	Share equity	Other capital capital	Translation reserve	Hedging reserve	Result carried forward	**Total equity equity**
Initial equity						
January 1, 2012	100	315 233	-18 990	-6 448	887 121	1 177 016
Profit/loss for the year					35 706	35 706
Other comprehensive income for the year			-49 668	-12 639		-62 307
Total comprehensive income for	–	–	-49 668	-12 639	35 706	-26 601
Stock dividend	400				-400	–
Group contribution					-105 000	-105 000
Tax effect on group contribution					27 615	27 615
Closing equity						
December 31, 2012	**500**	**315 233**	**-68 658**	**-19 087**	**845 042**	**1 073 030**

Consolidated cash flow statement

Amounts in SEK thousand	2012-01-01 -2012-12-31	2011-01-01 -2011-12-31
Operating activities		
Profit/loss after financial items	65 853	-191 401
Items not impacting on cash flow		
Depreciation and disposals	156 066	287 795
Unrealized foreign exchange differences	-1 796	-11 300
Profit for the year from sale of fixed assets	3 229	–
Capitalized interest on borrowings	–	2 842
Change in value of derivatives	-12 639	-446
Change in provisions for pensions	8 025	155
Change in other provisions	-390	5 608
Other profit/loss items not impacting on cash flow	4 378	–
	222 726	93 253
Tax paid	-12 531	-47 524
Cash flow from operating activities prior to changes in working capital	210 195	45 729
Cash flow from changes in working capital		
Change in inventories	-35 568	13 218
Change in operating receivables	-50 991	38 345
Change in operating liabilities	120 550	100 009
Cash flow from operating activities	244 186	197 301
Investment activity		
Acquisition of subsidiaries	-1 171	–
Acquisition of intangible fixed assets	-1 839	-1 585
Acquisition of tangible assets	-48 335	-71 139
Disposal of intangible fixed assets	–	9
Disposal of tangible assets	48 240	19 828
Disposal of/reduction in financial assets	11 526	11 158
Cash flow from investment activity	8 421	-41 729
Financing activity		
Shareholders' contribution	–	300 000
Loans raised	12 400	86 391
Repayment of loans	-121 387	-480 438
Group contribution paid	-105 000	-57 000
Cash flow from financing activity	-213 987	-151 047
Cash flow for the year	38 620	4 525
Liquid funds at start of the year	158 250	152 493
Price difference in liquid funds	-5 423	1 232
Liquid funds at end of the year	191 447	158 250

Supplementary disclosures regarding the consolidated cash flow statement

Amounts in SEK thousand	2012-01-01 -2012-12-31	2011-01-01 -2011-12-31
Interest paid		
Interest received	6 211	7 669
Interest paid	-60 175	-61 289

Notes to the consolidated financial statements

Amounts in SEK thousand unless otherwise indicated

Accounting principles

General information

Kamila Holding AB, corp. ID no. 556709-1581 carries on business in the legal form of a limited company and its registered office is in Stockholm, Sweden.
The registered office address is Brunkebergstorg 5, 3 tr, 111 51 Stockholm.

The consolidated annual financial statements for Kamila Holding AB for the 2012 financial year were approved by the Board of Directors for issue on March 31, 2013. The consolidated financial statements were finally adopted by the annual general meeting of the parent company on March 31, 2013.

The financial reports have been prepared on the basis of the historical acquisition values, with the exception of the financial derivatives and certain financial assets which have been assessed at their actual value.

The parent company's functional currency is Swedish kronor which is also the reporting currency for the parent company and group. This means that the financial reports are presented in Swedish kronor.

Basis for the preparation of the financial statements

The group financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) which have been adopted within the EU as well the interpretations of the IFRS Interpretations Committee. In addition, the group applies the recommendations of the Swedish Financial Reporting Board.

RFR 1 Supplementary accounting regulations for groups which concern the additions to the disclosure requirement in accordance with the IFRS which are required in accordance with the provisions of the Swedish Annual Financial Statements Act.
The parent company's annual financial statements are prepared in accordance with the Swedish Annual Financial Statements Act and the Swedish Financial Reporting Board's recommendation RFR 2 Reporting for legal entities, and statements from the Swedish Financial Reporting Board.
The parent company's reporting principles are the same as those of the group unless otherwise indicated in the parent company's reporting principles.

New standards and interpretations

The following new and amended standards and interpretations have come into force and apply for the 2012 financial year:

Standards

Changes in IFRS 7 Financial instruments: Disclosures (Disclosures with the transfer of financial assets).

Change to IAS 12 Income tax (Deferred tax: Recovery of underlying assets).

No other new and amended standards and interpretations have any substantial impact on the group's 2012 financial reports.

New and amended standards and interpretations which have not yet come into force.
The International Accounting Standards Board (IASB) has published the following new and amended standards which are yet to come into force

Standards

Changes to IAS 1 Presentation of financial statements (Presentation of the items in other comprehensive income) July 1, 2012 or later
Changes to IAS 19 Employee benefits January 1, 2013 or later
IFRS 13 Fair Value Measurement January 1, 2013 or later
Improvements to IFRS 2009-2011 cycle* January 1, 2013 or later
Changes in IFRS 7 Financial instruments: Disclosures (Disclosures (Offsetting financial assets and financial liabilities) January 1, 2013 or later
Changes in IAS 32 Financial instruments: Classification (Classification of financial assets and financial liabilities) January 1, 2014 or later
IFRS 9 Financial Instruments (New standard)* January 1, 2013 or later
IFRS 10 Consolidated Financial Statements January 1, 2014 or later
IFRS 11 Joint Arrangements January 1, 2014 or later
IFRS 12 Disclosure of Interests of Other Entities January 1, 2014 or later
Changes to IFRS 10, IFRS 11 and IFRS 12 (Transition provisions)** January 1, 2014 or later
Changes to IAS 27 Consolidated and separate financial statements January 1, 2014 or later
Changes to IAS 28 Investments in associates January 1, 2014 or later
IFRS 9 Financial Instruments and subsequent changes to IFRS 9 and IFRS 7* January 1, 2015 or later

* Not yet approved for use within the EU
** Not yet approved for use within the EU. IFRS 10, IFRS 11, IFRS 12, IAS 27 and IAS 28 come into force, according to IASB, from the financial year which starts January 1, 2013, but within the EU they will not come into force until the financial year starting January 1, 2014 or later.

The IFRS Interpretations Committee has published the following new and amended interpretations which have not yet come into force:

Interpretations
To be used for the financial year which starts:
IFRS 20 Stripping Costs in the Production Phase of a Surface Mine* January 1, 2013 or later

The new and amended standards and interpretations listed above have not yet been applied.

Amendments to IAS 1 Presentation of financial statements require additional disclosures in other comprehensive income so that the items in other comprehensive income are grouped into two categories:
a) items which will not be transferred to the results and
b) items which will be transferred to the results if certain criteria are fulfilled.
The company management's assessment is that the amendments to IAS 1 only impact on the presentation of and disclosures in the financial statements.

The amendments to IAS 19 alter the reporting of defined benefit pension plans and benefits upon notice of termination.
The most important changes concern the reporting of defined benefit obligations and administrative assets.
The changes require that actuarial profits and losses are reported immediately via other comprehensive income, which means that the corridor method is discarded.
In addition, interest expenses and the expected return on administrative assets are replaced with "net interest income/expense" which must be calculated with the discount rate on the defined benefit pension liabilities and assets, net. When the group starts to apply the changes to IAS 19, the hitherto applied UFR 4 Accounting for special employer's contribution and tax on returns, which is being withdrawn by the Swedish Financial Reporting Board will come to an end. The group will instead account for special employer's contributions in accordance with the regulations in IAS 19, which means that the actuarial assumptions which should be made when calculating defined benefit pension plans must also include tax which amounts on retirement benefits. The change also means that unreported actuarial losses of approx. SEK 19 million (excluding the tax effect) are reported against equity as of January 1, 2012.
The company's management is currently analyzing the effect of the other changes in IAS 19 and can therefore not yet quantify the effects.

The company management's assessment is that the aforementioned new and amended standards and interpretations when applied from 2013 will not have any substantial impact on the consolidated financial statements. The company's management is currently analyzing the impact of the other new and amended standards and interpretations.

The parent company's accounting principles
The changes to RFR 2 Accounting for legal entities, which has come into force and will apply for the 2012 financial year concerns the following areas:
IFRS 7 Financial instruments: disclosures
Requirement to specify that financial fixed assets have been introduced.
IAS 1 Presentation of financial statements
Requirement to specify larger amounts which are included in prepaid expenses and accrued income and accrued expenses and deferred income.
IAS 10 Events after the reporting period
Clarification regarding the voluntary exceptions related to group contribution paid. Owing to the connection between accounting and taxation, regulations are not required regarding when dividends which must be reported are applied in legal entities regarding group contributions.
IAS 11 Construction contracts
Clarification that only contracts at fixed prices are exempted from reporting in accordance with IAS 11 in legal entities.
IAS 18 Revenue
The exception regarding reporting of assignments on current accounts, i.e. expenses for work in progress on current accounts not needing to be adopted as an asset in legal entities, has been removed from the section regarding IAS 11 Construction contracts, IAS 18 Revenue and IFRS 15 Agreements for the Construction of Real Estate.
Clarification regarding assignments at fixed prices has been specified where it is indicated that a legal entity can report revenue in an alternative way in accordance with section 2 4 § of the Swedish Annual Financial Statements Act when the service has been completed.
IAS 19 Employee benefits
The ban on reporting actuarial profits and losses in other comprehensive income has been removed.

The company management's assessment is that the new and amended standards and interpretations do not have any substantial impact on the parent company's 2012 financial statements.

Changes to RFR 2 which have not yet come into force.

The Swedish Financial Reporting Board has published a change to RFR 2 reporting of group contributions which comes into force for the financial years which start on January 1, 2013 or later. The change means that companies can choose to report group contributions in accordance with the recommendation's principle regulation or in accordance with an alternative regulation.
The principle regulation states that the parent company reports group contributions which are received from a subsidiary as financial revenue and group contributions which are paid to subsidiaries as an increase in shares in group companies.
The alternative regulation states that group contributions which the parent company receives from or pays to subsidiaries is reported as transfers to/from untaxed reserves.

This change has not been applied ahead of time.

Shares in subsidiaries
Shares in subsidiaries are reported in accordance with the acquisition cost method. Acquisition-related expenses for subsidiaries, which are carried as an expense in the consolidated financial statements, are not included as part of the acquisition cost for shares in subsidiaries. The reported value for shares in subsidiaries is assessed annually with respect to any write-down requirement or whenever there are indications that there is a requirement for a write-down.

Estimates
In order to prepare the consolidated financial statements in accordance with IFRS, certain accounting estimates must be made. The Board of Directors also makes its assessment by applying the group's accounting principles. Those areas where estimates and assessments are significant for the group are listed under "Important estimates and assessments for accounting purposes".

Consolidated annual financial statements

The consolidated annual financial statements include Kamila Holding AB and all its subsidiaries.
Subsidiaries are companies in which the parent company directly or indirectly owns more than 50% of the votes or has a controlling influence over the operating and financial activities in another way. Subsidiaries are reported in accordance with the acquisition method.
The acquisition value for an acquisition is the actual value at the time of acquisition of assets which are provided as payment and accrued or liabilities taken over, acquisition costs are not included in the acquisition value.
An acquisition analysis is prepared when control is obtained. Acquired identifiable assets and liabilities and contingent liabilities are assessed at their actual value.
The difference between the total purchase price, the value of minorities and the actual value of previous holdings and the actual value of acquired identifiable assets, liabilities and contingent liabilities is reported as goodwill. If there is a negative difference, the difference is reported directly in the income statement.
The minority share is reported either as a proportional share of the acquired net assets or at the actual value which is assessed with the respective acquisition. The additional purchase price is reported initially at the assessed actual value with subsequent changes reported in the income statement.
In the case of gradual acquisition, the acquisition analysis is prepared at the time control is obtained. The effect of the reassessment of previously owned shares is reported in the income statement. With the acquisition or disposal of minority shares, i.e. when the subsidiary is still controlled, this is reported as changes within equity.
The group's consolidated profit and losses comprise the income statements for the parent company and its directly or indirectly owned subsidiaries after elimination of inter-company transactions, unrealized group profits and depreciation of acquired surplus values.
From the time of acquisition, until the time when the controlling influence ceases, included in the consolidated financial statements are the acquired company's revenue and expenses, identifiable assets and liabilities as well as any accrued goodwill.

Translation of foreign currencies

The consolidated financial statements are prepared in Swedish kronor, which is the parent company's functional currency and the group's reporting currency. The balance sheets for foreign subsidiaries have been translated to Swedish kronor using the exchange rate on the balance sheet date. The income statement has been translated at the average exchange rate for the year.
Exchange rate differences which occur during the translation of foreign subsidiaries are reported as a translation reserve in equity.
Transactions in foreign currencies are translated to the functional currency using the exchange rate on the transaction day. Monetary assets and liabilities which are expressed in foreign currencies are translated to the functional currency using the rate on the balance sheet date. Such exchange rate differences are reported in the income statement.
Non-monetary assets and liabilities which are reported at their historical acquisition value are translated using the exchange rate which applied at the time of the transaction.

Reporting of revenue

Income is recognized when it is probable that the future economic benefits will accrue to the company and these benefits can be calculated in a reliable way. The income includes only the gross inflows from economic benefits which the company receives or can receive for its own use. Income from the sale of goods is reported as income when the group has transferred to the buyer the essential risks and benefits which are associated with ownership of the goods and when the company does not retain any current managerial involvement which is generally associated with ownership and the group exercises no control or no real control over the goods which have been sold.
Revenue for services is reported in the period in which the work is carried out.
The income is reported at the actual value of what has been received or will be received with deductions for discounts granted.

Intangible assets

Capitalized expenditure for development work and similar work

Only those expenses which are directly attributable to the development of new products are Capitalized. Expenses connected with the development phase are reported as an intangible asset from the time the expenses are likely to lead to future economic benefits, which is the time when the company's management assesses that it is technically possible to complete the intangible asset, the company has the intention and the requirements to complete it and use or sell it, there are adequate resources to complete development and sale and remaining expenses can be calculated in a reliable way.

Capitalized development expenses are depreciated over the useful life which is assessed as being 5 years, in accordance with the straight-line method
If there are research expenses then these are carried as expenses directly.
Trademarks and licenses are reported as intangible assets at their acquisition value after deduction of accumulated depreciation and write-downs.
The costs of renewing licenses are carried as an expense on an ongoing basis.
Depreciation is applied in a straight line over the asset's useful life and reported as costs in the income statement.
Computer programs are reported at their acquisition value and include directly assignable expenses for completing the asset for its intended use. The acquisition value is depreciated over the calculated useful life. Expenses for maintaining the computer programs are carried as an expense on an ongoing basis as they occur.

The following depreciation periods have been applied:

Capitalized expenditure for development work and similar work	5 years

Goodwill

Group goodwill is the difference between the total purchase price, the value of minorities and the actual value of previous holdings and the actual value of acquired identifiable assets, liabilities and contingent liabilities reported as goodwill. If there is a negative difference, the difference is reported directly in the income statement.
Goodwill is reported at the acquisition value with deductions for any write-downs.
Goodwill is monitored on an ongoing basis and assessed annually, or more often if necessary, with regard to the requirement for a write-down. Goodwill is divided into cash-generating units which are expected to use the acquisition.

Tangible assets

Tangible assets refer primarily to machinery, rental equipment and other equipment.
Tangible assets are reported at their acquisition value after deductions of depreciation and any write-downs. The acquisition value includes the acquisition price and directly assignable costs. Future expenses are reported as a separate asset.
Depreciation is applied in a straight line over the asset's useful life and reported as costs in the income statement.

The following depreciation periods have been 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 greater part of the rental equipment is depreciated over 10 years with a residual value of 15% of the original investment amount
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Financial instruments

Financial instruments are assessed and reported in the group in accordance with the regulations in IAS 39. Financial instruments are initially reported at their acquisition value corresponding to the actual value with additions for transaction costs except for those financial instruments which belong to the category financial assets which are reported at their actual value via the income statement. Reporting takes place thereafter depending on how the financial instrument has been classified in accordance with below.

For derivative instruments and the purchase and sale of money market and capital market instruments on the spot market, trade date reporting is applied. Other financial assets and financial liabilities are reported in the balance sheet when the company becomes party to the instrument's contractual conditions. Accounts receivable are entered in the balance sheet when invoices have been issued. Liabilities are entered when the counterparty has performed the service and there are contractual liabilities to pay, even if invoices haven't yet been received. Accounts payable (trade) are entered when the invoices are received. A financial asset is removed from the balance sheet when the entitlements in the agreement have been realized, fall due or the company loses control over them. The same applies for parts of a financial asset. A financial liability is removed from the balance sheet when the obligation in the agreement is performed or has expired in another way. The same applies for parts of a financial liability.

Financial instruments are reported at the accrued acquisition value or actual value depending on the initial categorization under IAS 39.

Calculation of the actual value of financial instruments

When determining the actual value of short-term investments, derivative instruments and borrowings, the official quotations at the end of the accounting period are used. In the event that such quotations are not available, the assessment is made using generally accepted methods such as discounting of future cash flows at the listed market rate for the respective term. Translation to Swedish kronor is carried out using the listed exchange rate at the end of the accounting period.

Accrued acquisition value

The accrued acquisition value is calculated using the effective rate method, which means that any premiums or discounts and directly assignable costs or revenue are allocated over the term of the agreement using the calculated effective rate. The effective rate is the rate which provides the instrument's acquisition value as a profit or loss with the current value calculation of future cash flows.

Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and reported with a net amount in the balance sheet when there is a legal entitlement to offset and when the intention is to settle the items with a net amount or to realize the assets at the same time and settle the liability.

Liquid funds

Liquid funds comprise cash in financial institutions and short-term liquid investments with a term from the point of acquisition less than three months, which is exposed to only an insignificant risk of value fluctuations. Liquid funds are reported at their nominal amounts.

Financial investments

Financial investments are comprised of either financial fixed assets or short-term investments depending on the intention of ownership. If the term or the expected period of holding them is longer than one year, they are financial fixed assets and if it is less than one year they are classified as short-term investments.

Accounts receivable - trade

Accounts receivable (trade) are categorized as "loan receivables and accounts receivables" and are reported at the accrued acquisition value. The term of accounts receivable (trade) is short, which is why the value is reported at its nominal amount without discounting. Doubtful accounts receivable are assessed individually and any write-downs are reported in the operating expenses. Indications of a need to write down accounts receivable may exist when the customer has outstanding or delayed payments.

Long-tern receivables and other receivables

Long-term receivables and other receivables are receivables which occur when the company supplies funds without the intention of trading with the receivable. If the expected period of holding them is longer than a year, they comprise long-term receivables and other receivables if shorter. These receivables are categorized in accordance with IAS 39 as "loan receivables and accounts receivable". Assets within this category are assessed at the accrued acquisition value.
The asset's value is checked for any write-down requirement if there are indications that the reported value of the asset is less than the accrued acquisition value. A write-down is reported in operating expenses.

Derivative instruments

Derivative instruments comprise currency forward agreements and interest agreements which are used to cover the risks of exchange rate and interest rate fluctuations. Currency exposure regarding future forecast flows is hedged primarily by exchange forwards.
The effective part of the change of the actual value which is identified and qualifies as cash flow hedging is reported in other comprehensive income. The profit or loss which is assignable to the ineffective part is reported immediately in the income statement. Accumulated amounts in equity are transferred to the income statement during the same periods in which the hedged items impact on the results.
When a future transaction is no longer expected to occur, the accumulated profit or loss which exists in equity is reported directly in the income statement.
Hedging of actual values is reported in the income statement together with any changes in the actual value of the hedged asset or liability which is assignable to the hedged risk.
If hedging no longer fulfills the criteria for hedge reporting, the reported amount is adjusted for the hedged item, for which the effective interest rate method is used, and allocated to the result over the remaining period.
Changes in the value of derivatives which do not fulfill the criteria for hedge reporting are reported immediately in the income statement.

Accounts payable - trade

Accounts payable (trade) are categorized as other liabilities and reported at their accrued acquisition value.
The expected term of accounts payable (trade) is short, which is why the liability is reported at its nominal amount without discounting.

Financial liabilities which are included in the actual value via the income statement

Liabilities to banks, bank overdraft facilities and other liabilities are categorized as other liabilities and assessed at their accrued acquisition value. Financial liabilities which are included at actual value are reported at the actual value regarding the hedged risk components and value changes are reported as other interest income or other interest expenses.

Leasing

Sale and leaseback

The equipment which is used in the group's rental business is manufactured by companies within the group to then be sold to a finance company independent of the group. The equipment is then rented by the group company Alimak Hek Finance AB by means of financial lease agreements with a maximum term of five years. Any profits from sales to external finance companies are allocated over the useful life.

The group as lessee

Assets assignable to financial lease agreements are reported as fixed assets in the balance sheet at either the actual value or current value of the minimum lease fees, whichever is the lowest. The assets under financial lease agreements are depreciated over the useful period.
The obligation for the lessor to pay the lease fees is reported as a liability in the balance sheet.
Lease payments are divided between interest and repayment of the debt. The interest is distributed over the lease period so in each reporting period an amount is paid which corresponds to a fixed interest rate on the reported liability during the respective period.
Lease fees for operational lease agreements are carried as an expense in a straight line over the lease period.

The group as lessor

The equipment which is used in the group's rental business, and which is owned via financial leasing agreements, is leased by Alimak Hek Finance AB in its turn via operational lease agreements to companies within the group which, via operational lease agreements, rent the equipment to the end customer.
Lease payments received are allocated and reported as revenue in a straight line over the term of the lease agreement.

Inventories

Inventories are included at the acquisition value or actual value, whichever is lowest, in accordance with the first-in, first-out principle. The risk of obsolescence has been taken into account. In semi-finished and finished goods produced by the company, the acquisition value comprises direct costs of production and a reasonable proportion of indirect costs.

Taxes

Income tax comprises current and deferred tax. Income tax is reported in the income statement except where the underlying transaction is reported via other comprehensive income directly against equity whereby associated tax effects are reported via other comprehensive income in equity.
Current tax is tax which must be paid or received in the current year. This also includes adjustments of current tax attributable to previous periods.
Deferred tax must be reported in accordance with the balance sheet method which is based on temporary differences between reported and tax values of assets and liabilities. Deferred tax is not reported for temporary differences which arose with the first reporting of goodwill, the first reporting of assets and liabilities which are not operating acquisitions and at the time prior to the transaction do not impact on either the reported or tax result, and temporary differences assignable to shares in subsidiaries which are not expected to be recovered in the foreseeable future.
The assessment of deferred tax is based on how the reported value of assets and liabilities is expected to be realized or adjusted. Deferred tax is calculated by applying the tax regulations and tax rates which have been adopted or adopted in practice on the balance sheet date.
Deferred tax receivables are reported for deductible temporary differences and unutilized loss carry-forwards, to the extent it is probable that there will be future taxable profits. The reported value of the deferred tax receivables is checked on each balance sheet date and reduced to the extent that it is no longer probable that they can be utilized.

Pensions

The group has different pension plans in accordance with the local conditions and prevailing practice in those countries in which the company operates.
The group has both defined benefit and defined contribution plans.
In a defined benefit plan, it is the company which bears the risk for providing the agreed compensation. In a defined contribution plan, the company has no obligation other than paying the agreed fees to the plan.
The fees for defined contribution plans are reported as an expense in the income statement as the entitlement accrues.
The defined benefit obligation is calculated as the current value of the expected future payments with discount rates which equal the terms for the related obligation. The liability which is reported in the balance sheet is comprised of the defined benefit obligation with adjustments for any administrative assets and unreported actuarial profits and losses.
Prepaid fees are reported as an asset to the extent that a repayment or reduced fees are possible in the future.
The obligation is calculated in accordance with the "projected unit credit" method based on a number of actuarial assumptions.
Actuarial profits and losses occur either as an effect of a difference between an assumption and the actual outcome or due to the fact the assumption has changed. Accumulated actuarial profits or losses exceeding a limit equaling 10% of the current value of the obligation are reported as income distributed over the employee's anticipated employment period (so-called corridor regulations).
If there is a difference between how the pension costs are determined in a legal entity and the group, a provision or receivable is reported regarding special wage tax based on this difference.
The present value of the provision or receivable for special wage tax is not calculated.

Provisions

In the group, provisions are made for obligations (legal or informal) based on events which have occurred which are known or can be estimated reliably but the maturity date is uncertain.
Provisions for guarantee commitments are made based on known but unsettled guarantee commitments.

Important estimates and assessments for accounting purposes

In order to prepare the consolidated financial statements in accordance with generally accepted accounting principles, estimates and assessments must be made which affect the reported values of assets and liabilities, information regarding contingent liabilities and obligations on the date the group consolidated accounts are prepared and the reported values for income and costs for the reporting period. Estimates and assessments are reviewed continuously.

The group's most important estimates and assessments are;

Checking the write-down requirement for fixed assets

All fixed assets including goodwill are checked every year, or more often as required, with regard to the requirement for any write-downs or if events and changes occur which indicate that the reported value of an asset cannot be recovered. An asset whose value is reduced is written down to the recovery value which can be either the market value or the value in use.
Various bases for assessment have been used depending on the available information. An estimation of the recovery value has been made by applying the current computation of the cash flow based on expected future outcomes. Differences in the estimation of expected future outcomes and the discount rates which are used can result in deviations in the assessment of the assets.

Leasing

The group company Alimak Hek Finance AB has, with finance companies independent of the group, concluded sale and leaseback transactions regarding the principal part of those products which are used in the group's rental activities. In terms of the financial statements these have been assessed as being loan transactions and reported as such.
The assets sold are reported at their original acquisition value and depreciated over an assessed period of use having taken into account an estimated residual value. Payments received are reported as liabilities.

Income tax and deferred taxes

When preparing the financial statements, the groups calculates the income tax for each legal tax entity where the group is active, and the deferred taxes which are assignable to temporary differences or loss carry-forwards.
Regarding the capitalization of loss carry-forwards, an assessment is made regarding how much within which timeframe can be offset against future taxable profits.

Pensions

The calculation of benefit-based pensions requires an assumption of how the salary and interest rates will develop in the future. The long term for pensions for these pension plans means the degree of uncertainty in these assumptions is high and that there may be adjustments in the future which impact on future liabilities and costs.

Inventories

Inventories are reported at the acquisition value or net sale value, whichever is the lowest.
Required provisions are provided for obsolescence in accordance with the company's policy.

Receivables

Receivables are reported as the amount which has been calculated will be received. At the end of the accounting period, an individual check of the requirement for a write-down is carried out. The requirement for a write-down is primarily assessed based on the customer's assessed ability to fulfill its obligations.

Financial risk management

The group is exposed to risk related to the order book, liquid funds, accounts receivable, accounts payable (trade) and loans taken out. There is exposure to both interest rate and foreign exchange risks. The interest rate risk mainly applies to external loans. In addition to this, the group has a financing risk in connection with the refinancing of existing loans. The group has adopted a financing policy which governs how the effects of the aforementioned exposure can be minimized.

The company's and the group's loan agreements with banks contain specific conditions, so-called covenants. These covenants comprise the following key ratios for the Kamila Holding Group:
- the group's operating profit/loss before depreciation related to net debt and to interest payments and amortization.
- the group's cash flows related to interest payments and amortization.
- the permitted level of investments.

Interest rate risk

The interest rate risk is the risk that changes in the market interest rates will impact on cash flow or the actual value of financial assets and liabilities. Interest swaps are used to minimize the exposure to interest rates.

Liquidity risk

The liquidity risk is the risk that the group cannot meet its short-term payment obligations.
The group's finance policy prescribes that the liquidity reserve shall equal such a level that the reserve can handle the fluctuations which are expected to occur in daily liquidity within a six-month. time period.
To satisfy this requirement, the group has bank overdraft facilities and confirmed credit facilities.
See note 14 for term analysis for financial assets and liabilities.

Foreign exchange risk

The foreign exchange risk is the risk that exchange rate changes will have a negative impact on the group's results.
The group's currency exposure occurs with inter-company financing and with the translation of external receivables and liabilities and with the translation of the income statements and balance sheets to the group's reporting currency (SEK).
The group's currency exposure is divided into transaction exposure (exposure in foreign currencies related to contracted cash flows and balance sheet items where exchange rate changes impact on the results and cash flow) and translation exposure (equity in foreign subsidiaries).
The foreign exchange risk is measured as the impact on the operating profit/loss and equity based on exchange rate movements. The result of these estimates is reported annually to the Board of Directors for Alimak Hek Group AB.
The group's foreign exchange risk is managed by means of forward covering of the exposed net flow.
The translation exposure primarily concerns translation from EUR, USD, AUD and GBP.

Sensitivity analysis regarding market risk

		Change	Impact on the year's profit/loss	Impact on equity
Market interest rates	1)	1%	6 408	6 408
Exchange rates		10%	3 652	106 382

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

The impact indicated above concerns the situation where all foreign currencies and exchange rates change in the same direction.

Credit risk

The credit risk is the risk that the counterparty in a transaction does not fulfill its contractual obligations and that any guarantees will not cover the company's receivables. Maximum credit exposure is equal to the posted value of financial assets,
Taking into account the group's spread of customers and therefore risks and that customers are active within different market segments and geographical areas, the general underlying credit risk is assessed as low. Individual credit assessments are made for larger exposures.

Maximum credit exposure is in accordance with the following;

	2012-12-31	2011-12-31
Other long-term receivables	20 163	17 366
Accounts receivable - trade	243 024	198 766
Derivatives	26 029	8 245
Other receivables	41 010	62 374
Cash and bank balances	191 447	158 250
Total	521 673	445 001

Exchange rates

Income statements for subsidiaries whose currency is not SEK are translated at the time of consolidation to SEK at the average rate for the year. The balance sheet is translated using the rate on the balance sheet date.

Currency		**Average rate 2012**	**Rate on balance sheet date 31.12.2012**
AED		1,84	1,77
AUD		7,02	6,77
BRL		3,48	3,19
CAD		6,78	6,55
CNY		1,07	1,05
EUR		8,71	8,62
GBP		10,73	10,49
INR		0,13	0,12
KRW	(1000)	6,02	6,09
SGD		5,42	5,33
USD		6,78	6,52

1. Income

	2012-01-01 -2012-12-31	2011-01-01 -2011-12-31
Income per business area		
Construction	279 256	202 455
Industrial	447 688	416 178
Rental	267 606	277 121
After Sales	503 777	411 272
	1 498 327	1 307 026
Income per geographical market		
Sweden	46 463	50 361
Rest of Europe	440 351	432 348
Asia	402 339	328 685
USA	332 177	289 241
Other markets	276 997	206 391
	1 498 327	1 307 026

2. Number of employees and benefits to employees

Average number of employees	2012-01-01 -2012-12-31	*of which men*	2011-01-01 -2011-12-31	*of which men*
Sweden	294	80%	269	80%
Holland	44	93%	51	91%
Belgium	3	100%	4	100%
France	46	88%	47	87%
England	50	93%	43	93%
German	29	86%	28	84%
Italy	11	90%	11	90%
Korea	11	82%	12	87%
Singapore	12	69%	13	71%
Malaysia	9	83%	8	88%
Australia	65	95%	58	95%
USA	95	85%	113	85%
China	126	78%	103	80%
India	6	83%	6	43%
Brazil	9	88%	3	82%
Group in total	810	81%	769	79%

The group's gender distribution in managerial positions	2012-12-31 Proportion of women	2011-12-31 Proportion of women
Board of Directors	2%	2%
Other management post holders	7%	9%

Salaries, other benefits and social security costs

	2012-01-01 - 2012-12-31			2011-01-01 - 2011-12-31		
	Salaries and benefits		Social security costs	Salaries and benefits		Social security costs
	359 444		100 998	337 608		103 717
			(21 309)			*(23 873)*
Group in total	359 444		100 998	337 608		103 717
(of which pension costs)		*1)*	*(21 309)*		*1)*	*(23 873)*

1) Of the group's pension costs, 1,855 (2,626) concern the group's Board of Directors and CEO in all companies.
The group's outstanding pension commitments to the latter amount to 0 (0).

Salaries and other benefits divided between members of the Board of Directors and other employees

	2012-01-01 - 2012-12-31		2011-01-01 - 2011-12-31	
	Board of Directors and CEO	Other employees	Board of Directors and CEO	Other employees
Subsidiaries				
in Sweden	5 534	112 328	13 229	102 233
(of which bonus etc.)	(858)	(1 569)	(516)	(961)
Subsidiaries				
abroad	16 291	225 291	16 385	205 761
(of which bonus etc.)	(1 975)	(4 543)	(1 396)	(5 331)
Subsidiaries in total	21 825	337 619	29 614	307 994
(of which bonus etc.)	(2 833)	(6 112)	(1 912)	(6 292)
Group in total	21 825	337 619	29 614	307 994
(of which bonus etc.)	(2 833)	(6 112)	(1 912)	(6 292)

Payments to holders of management posts

2011-01-01 2011-12-31	Basic salary	Variable payments	Other benefits	Pension costs	Total
CEO	3 263	184	38	1 126	4 611
Former CEO	–	7 576	–	–	7 576
Other management post holders (7)	7 618	309	559	2 422	10 908
Members of the Board of Directors	750	–	–	–	750
	11 631	8 069	597	3 548	23 845

2012-01-01 2012-12-31	Basic salary	Variable payments	Other benefits	Pension costs	Total
CEO	810	450	–	284	1 544
Former CEO	1 152	60	7	186	1 405
Other management post holders (7)	8 477	179	398	2 396	11 450
Members of the Board of Directors	500	–	–	–	500
	10 939	689	405	2 866	14 899

Salaries, other benefits and social security costs allocated by function

	2012-01-01 -2012-12-31	2011-01-01 -2011-12-31
Selling expenses	116 966	109 454
Administrative expenses	75 014	80 306
Development costs	24 325	22 846
Cost of sold goods	244 137	228 719
	460 442	441 325

3. Fees and costs for auditors

	2012-01-01 -2012-12-31	2011-01-01 -2011-12-31
Deloitte		
Audit assignment	3 471	2 952
Audit activities in addition to the audit assignment	663	42
Tax advice	103	60
Other services	83	115
	4 320	3 169

The audit assignment concerns the auditor's payment for a statutory audit. The work includes examining the annual financial statements and accounting records, the administration by the Board of Directors and CEO and fees for audit advice provided in connection with the audit assignment.
The audit activities in addition to the audit assignment concern quality assurance work. In accordance with the definition in the Swedish Auditor's Act, audit activities are partly an examination of the administration, articles of association, regulations and agreements and shall result in a report, certificate or some other document which is intended for someone other than the client, and partly advice or other assistance required on account of observations associated with an examination assignment (2 § 8 of the Swedish Auditor's Act).
Other services concern any guidance given which is not associated with any of the previously listed types of service.

4. Depreciation

	2012-01-01 -2012-12-31	2011-01-01 -2011-12-31
Scheduled depreciation allocated per asset		
Capitalized expenditure for development work and similar work	929	669
Buildings and land	4 605	4 574
Plant and machinery	14 873	14 716
Equipment, tools, fixtures and fittings	4 558	5 336
Rental equipment	51 322	48 388
	76 287	73 683
Scheduled depreciation allocated per function		
Cost of sold goods	62 061	58 505
Selling expenses	2 639	2 751
Administrative expenses	9 562	10 476
Development costs	2 025	1 951
	76 287	73 683

5. Financial income

	2012-01-01 -2012-12-31	2011-01-01 -2011-12-31
Financial income	1 843	2 086
Exchange gains	4 260	5 152
	6 103	7 238

6. Financial expenses

	2012-01-01 -2012-12-31	2011-01-01 -2011-12-31
Financial expenses	-60 458	-72 901
Exchange losses	-10 499	-7 198
	-70 957	-80 099

7. Tax

	2012-01-01 -2012-12-31	2011-01-01 -2011-12-31
Current tax	-60 069	-35 829
Deferred tax	29 922	-2 233
	-30 147	-38 062

Reconciliation of effective tax		
Profit/loss before tax	65 853	-191 401
Tax in accordance with the valid tax rate for the parent company (26.3%)	-17 319	50 338
Difference in tax rates in other countries	-9 720	-6 205
Differences for changed tax rate from 26.3% to 22% in Sweden	1 020	–
Non-deductible write-down of group goodwill	–	-56 312
Change in reported deferred tax on loss carry-forwards	-340	-23 347
Non-deductible expenses	-6 452	-2 221
Non-taxable income	3 088	1 367
Adjustment of previous years' tax costs	-233	-1 753
Other	-191	71
Reported effective tax	-30 147	-38 062

In November 2012 the Swedish Parliament resolved to reduce the tax rate from 26.3% to 22%. The lower tax rate applies for financial years which start January 1, 2013 or later. When calculating in the Swedish companies the deferred tax on temporary differences on December 31, 2012, the reduced tax rate of 22% has been used.

8. Capitalized expenditure for development work and similar work

	2012-12-31	2011-12-31
Accumulated acquisition values		
At start of the period	13 892	12 177
New acquisitions	1 839	1 585
Acquisitions, disposals etc.	-2 788	-9
Exchange rate differences for the period	-236	139
	12 707	13 892
Accumulated scheduled depreciation		
At start of the period	-3 164	-2 417
Acquisitions, disposals etc.	-5 558	–
Scheduled depreciation for the year	-929	-669
The year's exchange rate differences	112	-78
	-9 539	-3 164
Reported value at end of the period	3 168	10 728

9. Goodwill

	2012-12-31	2011-12-31
Accumulated acquisition values		
At start of the year	1 807 813	1 798 887
The year's exchange rate differences	-33 621	8 926
	1 774 192	1 807 813
Accumulated scheduled write-downs		
At start of the period	-214 112	–
Write-downs for the year	–	-214 112
	-214 112	-214 112
Reported value at end of the period	1 560 080	1 593 701

Goodwill has an undefinable period of use with a book value of SEK 1,560,080 thousand as of December 31, 2012.

Goodwill is checked annually for the requirement for to be written down, or more often if required, so that the value does not deviate negatively from the current book value.
The reported value of goodwill is adjusted annually with the calculated recovery value to establish whether there is a requirement for a write-down. The recovery value is calculated as the future useful value based on the coming 15 years' cash flow per cash-generating unit.
The forecasts for the coming 15 years are extrapolated based on each unit's budget for the coming year. In the test on December 31, 2012, an annual growth rate of 4% (4) was used.

Goodwill divided over the group's cash-generating units identified by country;

	2012/12/31	2011-12-31
Sweden	943 887	943 887
USA	436 572	463 840
Belgium	45 670	47 409
Australia	71 720	74 476
Great Britain	25 178	25 625
France	27 574	28 624
German	9 479	9 840
	1 560 080	1 593 701

The assumption which the write-down test is most sensitive to is the company's degree of earnings, which is the deciding factor for whether a write-down is required or not.

There was no requirement for a write-down in 2012 and reasonable changes in the assumptions made regarding volume and results means no further requirement for write-downs.

The discount rate used was 6.52% before tax (6.6).

10. Tangible assets

2011-01-01 -- 2011-12-31	Buildings and land	Plant and machinery	Equipment, tools, fixtures and fittings	Rental equipment	**Total**
Accumulated acquisition values					
At start of the year	94 134	122 327	38 664	494 761	749 886
New acquisitions	470	13 269	4 300	53 099	71 139
Sales and disposals	-9	-1 173	-70	-18 604	-19 856
The year's exchange rate difference	266	653	592	-190	1 321
	94 862	135 076	43 486	529 066	802 490
Accumulated scheduled depreciation					
At start of the year	-21 064	-45 131	-35 036	-183 229	-284 460
Sales and disposals	-2 075	-14 026	16 129	–	28
Scheduled depreciation for the year	-4 574	-14 716	-5 336	-48 388	-73 014
The year's exchange rate difference	-5	-376	-656	-901	-1 937
	-27 718	-74 249	-24 899	-232 518	-359 383
Reported value at end of the period	67 144	60 827	18 587	296 549	443 107

2012-01-01 -- 2012-12-31	Buildings and land	Plant and machinery	Equipment, tools, fixtures and fittings	Rental equipment	**Total**
Accumulated acquisition values					
At start of the year	94 862	135 076	43 486	529 066	802 490
New acquisitions	1 330	10 026	4 644	32 335	48 335
Sales and disposals	-20 995	-33 277	-3 548	-130 295	-188 115
Reclassifications	–	-654	654	–	–
The year's exchange rate difference	-1 563	-973	-1 384	-11 766	-15 686
	73 634	110 198	43 852	419 340	647 024
Accumulated scheduled depreciation					
At start of the year	-27 718	-74 249	-24 899	-232 518	-359 383
Sales and disposals	4 596	23 509	2 608	34 516	65 229
Scheduled depreciation for the year	-4 605	-14 873	-4 558	-51 322	-75 358
The year's exchange rate difference	391	589	1 114	398	2 492
	-27 336	-65 024	-25 735	-248 926	-367 020
Reported value at end of the period	46 298	45 174	18 117	170 415	280 004

Those assets which the group owns in accordance with financial lease agreements are rental equipment.

Future leasing fees in the group are divided up as follows;

2011-01-01 -- 2011-12-31	Financial leases	Current value of future leasing fees
Within one year	43 215	41 799
Between one and five years	69 554	63 386
Total	112 769	105 185

2012-01-01 -- 2012-12-31	Financial leases	Current value of future leasing fees
Within one year	39 209	38 371
Between one and five years	55 210	52 145
Total	94 419	90 516

The period's costs for financial leasing amounted to SEK 41,389 thousand, divided between depreciation of SEK 36,667 thousand and interest of SEK 4,722 thousand.

Operating leases
The group's operating lease agreements do not include any variable fees of any significance. There are no restrictions in the agreements.

Financial leases
The group has unconditional opportunities to redeem the financial lease agreements ahead of time. The only variable components in the lease agreement are the interest rates.

Disposals
Disposals of surplus values and assets which are no longer regarded as being useful have been implemented during the year.

11. Financial assets and liabilities

Financial assets	2012-01-01 -2012-12-31	2011-01-01 -2011-12-31
Long-term receivables	20 163	17 366
Accounts receivable - trade	243 024	198 766
Derivatives	26 026	8 245
Other financial receivables	62 288	72 842
Liquid funds	191 447	158 250
Total	542 948	455 469

Financial liabilities	2012-01-01 -2012-12-31	2011-01-01 -2011-12-31
Long-term liabilities to banks	817 231	836 660
Short-term liabilities to banks	108 366	187 471
Bank overdraft facilities	42 883	77 407
Accounts payable - trade	136 044	137 740
Derivatives	7 523	–
Other financial liabilities	340 167	211 676
Total	1 452 214	1 450 954

During the financial year, no financial assets or financial liabilities were reclassified between the assessment categories below.

Financial assets and financial liabilities valued at their current value

2011-01-01 -- 2011-12-31

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

2012-01-01 -- 2012-12-31

Financial assets	Level 1	Level 2	Level 3	Total
Exchange rate derivatives	–	26 029	–	26 029
Total	–	26 029	–	26 029

2012-01-01 -- 2012-12-31

Financial liabilities	Level 1	Level 2	Level 3	Total
Interest rate derivatives	–	7 523	–	7 523
Total	–	7 523	–	7 523

The group categorizes financial assets and liabilities which are estimated at their actual value in an actual value hierarchy based on the information which is used to value each asset and liability.

Level 1 - Listed prices for identical assets and liabilities on an active market.

Level 2 - Listed prices on markets which are not active, listed prices for similar assets and liabilities, information other than listed prices which are observable directly or indirectly primarily for the instrument's entire term and input data for valuation models obtained from observable market data.

Level 3 - Information which is important for the asset's or liability's current value is not observable, unless the group's own assessments are applied.

12. Accounts receivable - trade

	2012/12/31	2011-12-31
Accounts receivable - trade, gross	259 311	212 708
Accumulated reserve for doubtful accounts, brought forward	-13 942	-19 884
Reserves for the period	-1 379	-1 542
Reserves for the period restored	-1 297	5 384
Established customer losses	161	2 130
Exchange rate differences	170	-30
Accumulated reserve for doubtful accounts, carried forward	-16 287	-13 942
Reported value at end of the period	243 024	198 766

An age analysis of matured accounts receivable (trade) which are not regarded as doubtful is in accordance with the following

	2012/12/31	2011-12-31
1-30 days	53 095	35 546
31-90 days	20 838	8 330
91-120 days	5 190	3 467
> 120 days	17 813	20 490
Reported value at end of the period	96 936	67 833

13. Prepaid expenses and accrued income

	2012/12/31	2011-12-31
Accrued lease income	2 308	1 483
Accrued sales income	1 765	–
Prepaid insurance	3 072	2 770
Prepaid salaries	853	–
Service agreement	417	–
Bank fees and legal expenses	5 442	100
Transport subsidies and fees	1 008	572
IT services	2 139	1 913
Other prepaid expenses and accrued income	4 274	3 630
Reported value at end of the period	21 278	10 468

14. Long-term and short-term liabilities

2011-12-31	Entered value	< 1 year	>1 year <5 years	> 5 years
Loans from banks	660 933	–	403 840	257 093
Long-term financial lease liabilities	171 255	–	171 255	–
Other long-term liabilities	4 472	–	4 472	–
Reported value at end of the period	836 660	–	579 567	257 093
Short-term liabilities to banks	221 663	221 663	–	–
Short-term financial lease liabilities	43 215	43 215	–	–
Reported value at end of the period	264 878	264 878	–	–

2012/12/31	Entered value	<1 years	> 1 years <5 years	> 5 years
Loans from banks	676 489	–	435 228	241 261
Long-term financial lease liabilities	138 058	–	138 058	–
Other long-term liabilities	2 684	–	2 684	–
Reported value at end of the period	817 231	–	575 970	241 261
Short-term liabilities to banks	112 040	112 040	–	–
Short-term financial lease liabilities	39 209	39 209	–	–
Reported value at end of the period	151 249	151 249	–	–

Borrowing

The average interest rate commitment time for long-term borrowing was 6 months (6 months) at the turn of the year.
The average interest rate for the group's interest-bearing loans at the turn of the year was 4.4% (5.2%).

Term	Type of loan	Interest rate %	Currency	Nominal value	Entered value
Variable interest rate	Bank loan	4,64%	SEK	119 500	119 500
"	Bank loan	4,89%	SEK	331 490	331 490
"	Bank loan	4,23%	USD	241 261	241 261
"	Lease liabilities	2,39%	EUR	176 248	176 248
Fixed interest rate	Bank loan	8,40%	CNY	54 414	54 414
Total borrowing				922 913	922 913

The company's and the group's loan agreements with banks contain specific conditions, so-called covenants. These covenants comprise the following key financial figures for the Kamila Holding Group:

- the group's operating profit/loss before depreciation related to net debt and to interest payments and amortization.
- the group's cash flows related to interest payments and amortization.
- the permitted level of investments.

Financial derivative instruments

The table below shows actual values of the group's financial derivative instruments for handling financial risks and trading for its own account.

	December 31, 2012		December 31, 2011	
Actual value	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Interest swaps				
Cash flow hedging	–	7 523	7 726	–
Exchange forwards				
Cash flow hedging	26 029	–	519	–
Reported value at end of the period	26 029	7 523	8 245	–

In total the group has hedged interest rate payments by means of swaps amounting to a total external interest rate flow of SEK 12.8 million (13.9). The swap agreement means that the group has switched variable interest rates for fixed interest rates. The fixed interest rate for this interest swap agreement is 2.59% and on December 31, 2012 was higher than the variable interest rate for the underlying loan agreement. This means that there is a market value of SEK -7.5 million (7.7).

Cash flow hedging is reported in its entirety against equity and the inefficiency is thus 0.

Capital management

Capital refers to both equity and borrowed capital. The objective of the group's capital management is to ensure the group's continued existence and freedom to trade and to ensure that owners receive a return on funds invested. The distribution between equity and borrowed capital shall be such that a good balance is maintained between risk and return.
The capital structure is adjusted when necessary to meet changed economic requirements and other associated factors. In order to retain and adjust the capital structure, the group can distribute funds, increase equity by issuing new shares or capital contributions or sell assets to reduce liabilities or alternatively increase liabilities in order to acquire assets.

Maturity analysis regarding contractual payments received/payments made

Financial assets

	< 1 month	1-12 months	1-5 years	> 5 years
Other long-term receivables	–	6 226	13 937	–
Accounts receivable - trade	112 029	130 995	–	–
Derivatives	–	26 029	–	–
Other receivables	6 067	31 928	3 001	14
Accrued income	2 349	18 797	132	–
Liquid funds	87 297	102 977	1 173	–
Total	207 742	316 952	18 243	14

Financial liabilities

	< 1 month	1-12 months	1-5 years	> 5 years
Liabilities to banks	64 327	86 922	575 970	241 261
Advance payments from customers	2 000	21 986	1 094	–
Accounts payable - trade	76 951	58 938	155	–
Derivatives	–	7 523	–	–
Other liabilities	8 539	33 650	235 131	–
Total	151 817	209 019	812 350	241 261

15. Deferred taxes

	2012/12/31	2011-12-31
Deferred tax assets		
Provisions	21 268	10 829
Tax loss carry-forwards	27 595	9 867
Reported value at end of the period	48 863	20 696
Deferred tax liabilities		
Fixed assets	28 421	36 369
Untaxed reserves	6 049	5 786
Reported value at end of the period	34 470	42 155

Deferred tax assets and liabilities have been offset where it is legally possible to reduce the current tax liability with prepaid tax and when deferred taxes are included in the same tax unit.
Deferred tax liabilities assignable to tax loss carry-forwards have been reported to the extent that accumulated tax losses are assessed as being possible to use against future taxable profits.

16. Pensions and other provisions

Defined contribution pension plans

The group's defined contribution pension plans cover employees in all the group's companies except for employees of Alimak Hek AB and Alimak Hek Ltd. The defined contribution pension plans primarily cover retirement pensions, sickness pensions and family pensions. The premiums are paid on an ongoing basis throughout the year by the respective group company to various insurance companies. The amount of the premiums is based on the salary.
The pension costs for defined contribution pension plans equaled SEK 11,557 thousand (22,368) for the period.

Defined benefit pension plans

The group's defined benefit pension plans cover employees in the group companies Alimak Hek AB in Sweden and Alimak Hek Ltd in Great Britain.
In accordance with these plans, the employees have a right to pension benefits based on their pensionable income and the number of years of service. The pension plans primarily cover retirement pensions, sickness pensions and family pensions.
The pension obligations are safeguarded in Sweden through provisions in the FPG/PRI system.
The latest actuarial calculation for the Swedish plan's current value for the defined benefit obligation has been carried out by PRI as of December 31, 2012.

Unreported actuarial profit (+)/loss (-) at the end of the period was SEK -19,228 thousand.

Pension obligations

Amount reported in the income statement	2012/12/31	2011-12-31
Interest	1 390	1 383
Adjustment of previous year's pensions	7 838	–
Reported actuarial profits and losses	598	134
Exchange rate difference	-74	-12
Reported value for the period	9 752	1 505

Amount reported in the balance sheet	2012/12/31	2011-12-31
Reported value at start of the period	28 891	28 748
Reported actuarial income (-) and costs (+)	1 988	1 517
Adjustment of previous year's pensions	7 838	–
Pension payments	-1 752	-1 298
Transfer of ITPK	-49	-64
Exchange rate difference	-74	-12
Reported value at end of the period	36 842	28 891

The table below shows the most important assumptions which have used on the balance sheet date.

The most important actuarial assumptions which were used were as follows;

	2012/12/31	2011-12-31
Sweden:		
Discount rate %	3,6	3,7
Expected return on administrative assets %	1,8	1,8
Future pension increases %	1,8	1,8
Great Britain:		
Discount rate %	4,1	4,7
Expected return on administrative assets %	3,3	3,3
Future salary increases %	3,9	4,2
Future pension increases %	2,5	3,2

Change in the liability reported in the balance sheet	2012/12/31	2011-12-31
At start of the year	28 891	28 748
Amount reported in the profit and loss statement, (-) and costs (+)	9 752	1 505
Pension payments	-1 752	-1 298
Transfer of ITPK	-49	-64
Reported value at end of the period	36 842	28 891

Obligations in the balance sheet	2012/12/31	2011-12-31
Pension benefits	36 842	28 891
Reported value at end of the period	36 842	28 891

Other provisions

	2012/12/31	2011-12-31
Guarantee commitments	6 439	7 579
Costs for restructuring measures	–	4 128
Final inspection costs	1 182	1 489
Personnel expenses	8 587	6 064
Legal expenses	672	608
Project expenses	3 697	1 977
Tax expenses	2 063	1 900
Other provisions	395	322
Reported value at end of the period	23 035	24 067

17. Pledged assets and contingent liabilities

	2012/12/31	2011-12-31
Pledged assets		
Floating charges	98 555	98 555
Shares	1 703 652	1 713 964
Fixed assets	16 635	27 845
Receivables	58 301	40 022
Inventories	42 862	49 707
Other	389	–
Total pledged securities	1 920 394	1 930 093
Contingent liabilities		
Guarantee commitments, FPG/PRI	690	695
Guarantees for the benefit of group companies	100 404	122 447
Other contingent liabilities	68 628	117 529
Total contingent liabilities	169 722	240 671

18. Bank overdraft facilities

	2012/12/31	2011-12-31
Approved credit limits	144 771	131 545
Unutilized part	-101 888	-54 138
Utilized credit	42 883	77 407

19. Accrued expenses and deferred income

	2012/12/31	2011-12-31
Personnel expenses	44 414	48 685
Prepaid income	5 869	3 790
Interest expenses and other financial items	5 903	5 865
Audit costs	1 418	1 303
Provisions for fees	1 672	–
Other items	3 571	2 681
	62 847	62 324

20. Transfer to IFRS

The company has previously applied the Swedish Annual Financial Statements Act and guidance from the Swedish Accounting Standards Board (Swedish GAAP). The consolidated financial statements for the years ended December 31, 2012 and 2011 are the company's first annual financial statements in accordance with IFRS, which has been adopted by the EU. The company has applied IFRS 1 *First-time Adoption of International Financial Reporting Standards* in the preparation of these consolidated financial statements.
The group's transfer date to IFRS was January 1, 2011 and the company has compiled its opening IFRS balance sheet as of this date.
The company adopted IFRS at a later date than its parent company. When these consolidated financial statements were prepared in accordance with IFRS 1, the company chose to measure its assets and liabilities using the revised value contained in the parent company's consolidated financial statements, based on the parent company's date of transfer to IFRS, regarding any adjustments made for consolidation reasons and by the effect of the operating acquisition in which the parent company acquired the subsidiary.

The following reconciliations quantify the impact of the transfer to IFRS.

Reconciliation of the group's profit and loss statement and report regarding the overall comprehensive income
2011-01-01-2011-12-31
Amounts in SEK thousand

Consolidated income statement	**Note**	**Swedish GAAP**	**Impact on transfer to IFRS**	**IFRS**
Income	b	1 327 047	-20 021	1 307 026
Cost of sold goods	b, c	-813 743	24 406	-789 337
Gross profit		**513 304**	**4 385**	**517 689**
Selling expenses		-184 722		-184 722
Administrative expenses	c	-167 542	-5 657	-173 199
Research and development expenses		-37 922		-37 922
Written-down goodwill	a	-130 934	-83 178	-214 112
Operating profit/loss		**-7 816**	**-84 450**	**-92 266**
Profit/loss from financial investments				
Financial income		7 238		7 238
Financial expenses	b	-73 306	-6 793	-80 099
Other financial items		-26 274		-26 274
Profit/loss after financial items		**-100 158**	**-91 243**	**-191 401**
Tax	g	-40 183	2 121	-38 062
Profit/loss for the year		**-140 341**	**-89 122**	**-229 463**
Assignable to shareholders in the parent company		**-140 341**	**-89 122**	**-229 463**

The group's report of other comprehensive income

	Note	**Swedish GAAP**	**Impact on transfer to IFRS**	**IFRS**
Profit/loss for the year		-140 341	-89 122	-229 463
Other comprehensive income				
Foreign exchange difference when translating for the foreign businesses		-	11 491	11 491
Hedging reserve		-	-446	-446
Other items within the comprehensive income		-	-43	-43
Other comprehensive income for the year, net after tax		**-**	**11 002**	**11 002**
Comprehensive income for the year		**-140 341**	**-78 120**	**-218 461**
Comprehensive income assignable to the parent company		**-140 341**	**-78 120**	**-218 461**

Reconciliation of the consolidated balance sheet
Amounts in SEK thousand

		January 1, 2011			December 31, 2011		
		Swedish GAAP	Impact on transfer to IFRS	IFRS	Swedish GAAP	Impact on transfer to IFRS	IFRS
	Note						
Fixed assets							
Intangible assets	a	1 143 439	665 208	1 808 647	1 013 473	590 956	1 604 429
Tangible assets	b, c	161 719	303 707	465 426	164 418	278 689	443 107
Other assets	e, g	54 597	-7 715	46 882	52 449	-14 387	38 062
Total fixed assets		**1 359 755**	**961 200**	**2 320 955**	**1 230 340**	**855 258**	**2 085 598**
Current assets							
Inventories etc.		233 229	–	233 229	221 790	–	221 790
Current receivables							
Accounts receivable - trade		236 256	–	236 256	198 766	–	198 766
Tax receivables		9 548	–	9 548	3 082	–	3 082
Derivative instruments	d	0	9 528	9 528	0	8 245	8 245
Other receivables	d	55 993	-6 181	49 812	61 055	1 319	62 374
Prepaid expenses and accrued income	e	18 359	-3 873	14 486	15 761	-5 293	10 468
		320 156	**-526**	**319 630**	**278 664**	**4 271**	**282 935**
Liquid funds		152 493	–	152 493	158 250	–	158 250
Total current assets		**705 878**	**-526**	**705 352**	**658 704**	**4 271**	**662 975**
TOTAL ASSETS		**2 065 633**	**960 674**	**3 026 307**	**1 889 044**	**859 529**	**2 748 573**
EQUITY AND LIABILITIES							
Equity							
Share capital		100	–	100	100	–	100
Other capital contributed		15 233	–	15 233	15 233	–	15 233
Reserves	d	-30 481	-6 002	-36 483	-18 990	-6 448	-25 438
Profit brought forward	h	379 319	719 135	1 098 454	677 444	739 140	1 416 584
Profit/loss for the year		55 655	4 527	60 182	-140 341	-89 122	-229 463
Equity assignable to shareholders in the parent		**419 826**	**717 660**	**1 137 486**	**533 446**	**643 570**	**1 177 016**
Total equity		**419 826**	**717 660**	**1 137 486**	**533 446**	**643 570**	**1 177 016**
Long-term liabilities							
Long-term borrowings	b, e	1 051 428	186 839	1 238 267	653 821	178 367	832 188
Other long-term liabilities		5 876	–	5 876	4 472	–	4 472
Provisions for pensions	f	32 649	-3 901	28 748	34 509	-5 618	28 891
Other provisions		18 395	–	18 395	24 067	–	24 067
Deferred tax liabilities	g	10 424	31 718	42 142	10 437	31 718	42 155
Total long-term liabilities		**1 118 772**	**214 656**	**1 333 428**	**727 306**	**204 467**	**931 773**
Current liabilities							
Liabilities to banks	b, e	134 919	46 171	181 090	158 166	29 305	187 471
Bank overdraft facilities		74 295	–	74 295	77 407	–	77 407
Advance payments from customers		19 094	–	19 094	14 423	–	14 423
Accounts payable - trade		115 550	–	115 550	137 740	–	137 740
Tax liabilities		35 403	–	35 403	11 067	–	11 067
Other liabilities	e	99 729	-17 813	81 916	167 165	-17 813	149 352
Accrued expenses and deferred income		48 045	–	48 045	62 324	–	62 324
Total short-term liabilities		**527 035**	**28 358**	**555 393**	**628 292**	**11 492**	**639 784**
TOTAL EQUITY AND LIABILITIES		**2 065 633**	**960 674**	**3 026 307**	**1 889 044**	**859 529**	**2 748 573**

Note

a) Under Swedish GAAP, goodwill is depreciated in a straight line over 10 years in the result. Under IFRS, goodwill is not depreciated but reported at its acquisition value minus write-downs. The impact of the change is an increase in intangible assets of SEK 590,956 thousand as of December 31, 2011 (SEK 665,208 thousand as of January 1, 2011) and in increase in the year's profit for 2011 of SEK 83,178 thousand. The changes do not impact on tax as the deferred tax is not reported for temporary differences which occur from goodwill for which depreciation is not deductible for tax reasons.

b) Under Swedish GAAP, all lease agreements are reported as operating leases and lease expenses reported as expenses in a straight line over the lease period. The lease agreements mainly concern equipment used in the rental business.
In accordance with IAS 17 *Leasing* these lease agreements have been identified as financial leases and equipment is reported as tangible assets, machinery and inventories and obligations to the lessor are reported as financial lease liabilities (long term and short term).
The lease fees are distributed between financial costs and reduction of lease commitments.
The equipment which is used in the group's rental business is manufactured by group companies and then sold to a finance company outside the group. Under Swedish GAAP, any profit from the sales to finance companies outside the group is reported immediately.
Under IFRS, any profit from sales to finance companies outside the group is reported over the useful life period.
The impact of the transfer as of December 31, 2011 was an increase in tangible assets of SEK 251,650 thousand (SEK 271,292 thousand as of January 1, 2011), an increase in long-term liabilities of SEK 222,037 thousand (SEK 254,978 thousand as of January 1, 2011), an increase in short-term liabilities to banks of SEK 33,001 thousand (SEK 47,226 thousand as of January 1, 2011) and a decrease in the result prior to tax of SEK 2,121 thousand for 2011.

c) Under Swedish GAAP, acquired tangible assets are reported as operating acquisitions at their posted value.
Under IFRS, the acquired tangible assets must be reported at their actual value. The impact of the transfer as of 2011 was an increase in tangible assets by SEK 27,039 thousand (SEK 32,415 thousand as of January 1, 2011).

d) Under Swedish GAAP, derivatives were not reported as secured future cash flows. Under IFRS, derivative instruments are reported initially at their actual value and in the subsequent financial statements at their actual value also. Changes in actual value for derivative instruments are classified as hedging instruments and which fulfill the criteria for hedging reporting of cash flow hedges are reported in the other comprehensive income, and transferred to the result during the period when the hedged forecast transactions impact on the result. The impact of the transfer as of December 31, 2011 was an increase in derivative instruments of SEK 8,245 thousand (SEK 9,528 thousand as of January 1, 2011), an increase in other receivables of SEK 1,319 thousand (SEK -6,181 thousand as of 1 January 2011), an increase in the hedging reserve of SEK 6,448 thousand (SEK 6,002 thousand as of January 1, 2011) and a decrease in other liabilities of SEK 17,813 thousand.

e) Under Swedish GAAP, transaction cots regarding borrowings are reported as other long-term receivables and prepaid expenses.
Under IFRS, transaction costs regarding borrowings must be included when the accrued acquisition value of the borrowers is calculated.
The impact of the change as of December 31, 2011 was a reduction in other long-tern receivables by SEK 17,201 thousand (SEK 15,638 thousand as of January 1, 2011), a decrease in prepaid expenses of SEK 5,293 thousand (SEK 3,873 thousand as of January 1, 2011), an increase in long-term loans of SEK 17,201 thousand (SEK 15,638 thousand as of January 1, 2011) and a decrease in short-term liabilities to banks of SEK 5,293 thousand (SEK 3,873 thousand as of January 1, 2011).

f) Under Swedish GAAP, defined benefit pension plans are reported based on the Swedish "Pension Obligations Vesting Act". Under IFRS, defined benefit pension plans are reported by using a special actuarial calculation method (the projected unit credit method). The impact of the transfer to IFRS was a decrease in provisions for pensions of SEK 5,618 thousand as of December 31, 2011 (SEK 3,901 thousand as of January 1, 2011).

g) The changes concern the impact on deferred tax as a result of the transfer to IFRS. Overall impact as of December 31, 2011 was an increase in deferred tax receivables of SEK 4,292 thousand (SEK 3,805 thousand as of January 1, 2011), an increase in deferred tax liabilities of SEK 31,718 (SEK 31,718 as of January 1, 2011) and an increase in the profit for the year of SEK 2,121 thousand.

h) All the effects of the transfer to IFRS have been reported against profit brought forward as of January 1, 2011.

Parent company's income statement

Amounts in SEK thousand	Note	2012-01-01 -2012-12-31	2011-01-01 -2011-12-31
Administrative expenses		-8 675	-2 169
Operating profit/loss	1,2	-8 675	-2 169
Profit/loss from financial investments			
Interest income and similar profit/loss items	3	9	71
Interest expenses and similar profit/loss items	4	-36 644	-69 583
Profit/loss after financial items		-45 310	-71 681
Profit/loss before tax		-45 310	-71 681
Tax on the profit/loss for the year	5	11 565	18 852
Profit/loss for the year		-33 745	-52 829

Parent company's balance sheet

Amounts in SEK thousand	Note	2012-12-31	2011-12-31
ASSETS			
Fixed assets			
Financial assets			
Shares in group companies	6	2 272 801	2 272 801
Deferred income taxes recoverable		1 751	2 021
Other long-term receivables		11 908	17 201
		2 286 460	2 292 023
Total assets		2 286 460	2 292 023
Current assets			
Current receivables			
Other receivables		5 294	5 626
		5 294	5 626
Cash and bank balances		462	634
Total current assets		5 756	6 260
TOTAL ASSETS		2 292 216	2 298 283

Amounts in SEK thousand	Note	2012-12-31	2011-12-31
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital (500,000 shares at SEK 5 a share)		500	100
		500	100
Non-restricted equity			
Funds carried forward		27 061	47 125
Shareholders' contribution		1 303 333	1 303 333
Profit/loss for the year		-33 745	-52 829
		1 296 649	1 297 629
		1 297 149	1 297 729
Long-term liabilities			
Liabilities to banks	7	397 490	397 490
		397 490	397 490
Current liabilities			
Liabilities to banks		53 500	107 000
Liabilities to group companies		543 766	496 014
Accrued expenses and deferred income		311	50
		597 577	603 064
TOTAL EQUITY AND LIABILITIES		2 292 216	2 298 283

Parent company's pledged assets and contingent liabilities

Amounts in SEK thousand	2012-12-31	2011-12-31
Pledged assets		
Shares in subsidiaries	2 272 801	2 272 801
Total pledged securities	2 272 801	2 272 801
Contingent liabilities	Inga	Inga

Changes in the parent company's equity

Amounts in SEK thousand	Share equity	Result profit/loss	**Total equity equity**
Total equity January 1, 2011	100	1 002 553	1 002 653
Shareholders' contribution		300 000	300 000
Group contribution		65 000	65 000
Tax effect on group contribution		-17 095	-17 095
Profit/loss for the year		-52 829	-52 829
Total equity December 31, 2011	**100**	**1 297 629**	**1 297 729**

Amounts in SEK thousand	Share equity	Result profit/loss	**Total equity equity**
Total equity January 1, 2012	100	1 297 629	1 297 729
Bonus issue	400	-400	
Group contribution		45 000	45 000
Tax effect on group contribution		-11 835	-11 835
Profit/loss for the year		-33 745	-33 745
Total equity December 31, 2012	**500**	**1 296 649**	**1 297 149**

Parent company's cash flow statement

Amounts in SEK thousand	*2012-01-01 -2012-12-31*	*2011-01-01 -2011-12-31*
Current operations		
Profit/loss after financial items	-45 310	-71 681
Adjustments for items not included in the cash flow etc.	5 292	8 134
	-40 018	-63 547
Cash flow from current operations prior to changes in working capital	-40 018	-63 547
Cash flow from changes in working capital		
Increase(-)/decrease(+) in operating receivables	-4 960	-4 735
Increase(-)/decrease(+) in operating liabilities	48 013	167 107
Cash flow from current operations	3 035	98 825
Investment activity		
Investments in financial assets	–	-1 563
Disposal of/reduction in financial assets	5 293	–
Cash flow from investment activity	5 293	-1 563
Financing activity		
Shareholders' contribution	–	300 000
Repayment of loans	-53 500	-461 628
Group contribution received	45 000	65 000
Cash flow from financing activity	-8 500	-96 628
Cash flow for the year	-172	634
Liquid assets at start of the year	634	–
Liquid assets at end of the year	462	634

Parent company's additional disclosures to the cash flow statement

Amounts in SEK thousand	*2012-01-01 -2012-12-31*	*2011-01-01 -2011-12-31*
Interest paid		
Interest received	9	71
Adjustments for items not included in the cash flow etc.		
Change in distribution of loan costs	5 292	5 292
Capitalized interest expenses	–	2 842
	5 292	8 134

Notes to the parent company's financial statements

Amounts in SEK thousand unless otherwise indicated

1 Accounting principles

General information

Kamila Holding AB, corp. ID no. 556709-1581 carries on business in the legal form of a limited company and its registered office is in Stockholm, Sweden.
The registered office address is Brunkebergstorg 5, 3 tr, 111 51 Stockholm.

The parent company applies RFR 2 Financial reporting for legal entities and RedR5 Reporting of shares and participations.
The parent company applies the same principles as the group. If there are deviations these are commented on individually.

Credit risk

Maximum credit exposure is in accordance with the following;

	2012-01-01 -2012-12-31	2011-01-01 -2011-12-31
Other long-term receivables	11 908	17 201
Other receivables	5 294	5 626
Cash and bank balances	462	634
Total	17 664	23 461

Note 1 Employees and personnel expenses

Salaries, other benefits and social security costs

The company has no employees so there are no costs reported for salaries and payments.

Note 2 Fees and costs for auditors

	2012-01-01 -2012-12-31	*2011-01-01 -2011-12-31*
Deloitte		
Audit assignment	500	70
	500	70

Note 3 Other interest income and similar profit/loss items

	2012-01-01 -2012-12-31	*2011-01-01 -2011-12-31*
Interest income and similar profit/loss items	9	71
	9	71

Note 4 Interest expenses and similar profit/loss items

	2012-01-01 -2012-12-31	*2011-01-01 -2011-12-31*
Interest expenses and similar profit/loss items	-36 644	-69 583
	-36 644	-69 583

Note 5 Tax on the profit/loss for the year

	2012-01-01 -2012-12-31	*2011-01-01 -2011-12-31*
Tax on group contributions	11 835	17 095
Deferred tax	-270	1 757
	11 565	18 852

Reconciliation of effective tax		
Profit/loss before tax	-45 310	-71 681
Tax in accordance with the valid tax rate for the parent company (26.3%)	11 917	18 852
Differences for changed tax rate from 26.3% to 22%	-2 035	–
Change in reported deferred tax on loss carry-forwards	1 690	–
Non-deductible costs	-7	–
Reported effective tax	11 565	18 852

Note 6 Shares in group companies

	2012-12-31	*2011-12-31*
Accumulated acquisition values		
At start of the year	2 272 801	2 272 801
	2 272 801	2 272 801
Book value at end of the period	2 272 801	2 272 801

List of the parent company's participations in group companies

Subsidiary / Corp. ID no. / Registered office	Number shares	Proportion in %	2012-12-31 Entered value	2011-12-31 Entered value
Alimak Hek Group AB/556064-1739/Stockholm	6 378 000	100,0	2 272 801	2 272 801
Ascensor AB/556289-9160/Stockholm	10 000	100,0	-	-
Alimak Hek AB/556033-7528/Skellefteå	360 000	100,0	-	-
-Alimak Fastigheter HB/916594-5370/Skellefteå		50,0	-	-
Alimak Hek Finance AB/556139-0583/Skellefteå	30 000	100,0	-	-
-Alimak Fastigheter HB/916594-5370/Skellefteå		50,0	-	-
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, Great Britain	249 999	100,0	-	-
Alimak Hek Ltd/135-81-00265/Korea	12 500	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 Pty Ltd/ACN 005 538 947/ Victoria, Australia	10 000	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 Vertical Access Equipment (Changshu)Co, /78558003-2/ Changshu, China		100,0	-	-
-Changshu AlimakHek IMP.& Exp Co Ltd/320581000280767 /Changshu, China		100,0	-	-
Alimak Hek Inc /06-1242771/ Houston, USA	5 000	100,0	-	-
-Access Equipment LLC/043689828/Atlanta, USA		100,0	-	-
Alimak Hek BV/18012724/Middelbeers, the Netherlands	160	100,0	-	-
-Alimak Hek NV/0479695484/Antwerp, Belgium	100	100,0	-	-
Intervect Brasil Ltda/01.452.037/0001-13/Sao Paulo Brazil	1 556 234	100,0	-	-
Alimak Hek India Private Limited /U52341DL2008PTC173118/Secunderbad, India	99 990	100,0	-	-
Alimak Hek FZE/130418/Jabel Ali-Techno Park, Dubai	1	100,0	-	-
Reported value at end of the period			2 272 801	2 272 801

Note 7 Liabilities to banks, long term

	2012-12-31	2011-12-31
Due date, 1-5 years from the balance sheet date	397 490	397 490
	397 490	397 490

Stockholm, March 31, 2013

Anders Jonsson
Chairman

Fredrik Brynildsen

Carl Johan Falkenberg

Patrik Nolåker

Göran Gezelius

Joakim Rosengren

Wei Chen

Tormod Gunleiksrud
CEO

Kenneth Johansson
Employee Representative

Our audit report was submitted on March 31, 2013.
Deloitte AB

Henrik Nilsson
Authorized Public Accountant