

Interim Report January-March 2015

Alimak Group AB



Strong sales and EBIT growth led by Construction Equipment and After Sales

- Order intake increased with 23 % to SEK 535,8 (435,9) million.
- Revenues increased by 35 % to SEK 462,3 (343,3) million. Organic growth of 12 %.
- Operating profit (EBIT) increased by 42 % to SEK 72,0 (50,7) million, including items affecting comparability of SEK 4,0 (0,6) million.
- Operating margin (EBIT %) amounted to 15,6 (14,8) %.
- Net result after tax amounted to SEK 4,7 (7,8) million negatively impacted by unrealized currency translation losses caused by internal loans held for hedging purposes.
- Earnings per share amounted to SEK 4,73 (7,81).
- Cash flow from operating activities amounted to SEK 12,9 (67,5) million

GROUP FINANCIALS

Key summary	2015	2014	Change percent	R-12	FY 2014
	Q1	Q1			
Order intake, SEK million	535,8	435,9	22,9	1 889,7	1 789,7
Revenues, SEK million	462,3	343,3	34,7	1 861,5	1 742,5
Operating profit (EBIT), SEK million	72,0	50,7	42,0	309,0	287,7
Operating margin (EBIT), %	15,6%	14,8%		16,6%	16,5%
After tax result, SEK million	4,7	7,8	-39,4	43,4	46,5
Earnings per share, SEK	4,73	7,81		43,42	46,50
Cash flow from operating activities, SEK million	12,9	67,5	-80,9	254,9	309,5

Comments from the CEO

Market conditions during the quarter remained overall stable. We saw good momentum in Construction Equipment, After Sales and Rental. The new mid-market product range continue to gain momentum in emerging markets.

Industrial Equipment continued to face challenging markets driven by the uncertainty in the Oil and Gas (O&G) sector. However, we are particularly pleased with having received a large order for a low-temperature O&G upstream application in the period, showing that our initiatives within Industrial Equipment are starting to deliver. We are also ramping up our efforts outside the O&G industry.

The cash flow in the quarter was lower than 2014 due to an increase in inventory as we start to deliver on orders taken in 2014. We were also negatively affected by an increase in trade receivables due to a relative late invoicing in the period.

Summarized, first quarter 2015 confirm that the Alimak Group is on the right path and that our strategic initiatives deliver returns in line with expectations.

Tormod Gunleiksrud
CEO

First quarter 2015 (January-March):

Market development

Market conditions during the quarter remained overall stable.

The demand in the construction market continued to improve in selected mature markets including North America. The Chinese construction market has been slow in the first quarter, partly caused by a late Chinese new year holiday period and partly due to a softness in the construction market. In spite of this, there are pockets of high-growth opportunities. The markets in South East Asia, India and South America continue to grow at good pace.

Industrial markets are impacted by the lower oil price resulting in some project delays. A trend towards increased competitive pressure, especially in North America has been noted. On the back of the lower oil price, geographic and industrial verticals benefitting from lower oil prices are showing a somewhat increased quotation activity.

There is a mixed picture within our four rental markets. While the French market continued to struggle, Benelux, Germany, and Australia have gained momentum.

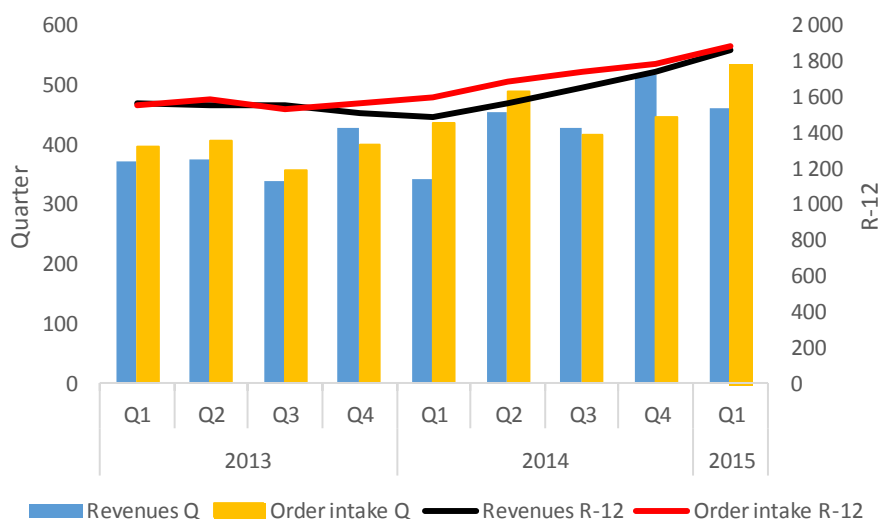
After Sales markets enjoy continued high activity globally and while the US market is showing somewhat lower activity within refurbishments. Overall market is still progressing well with good growth opportunities.

Order intake and sales

Order intake during the first quarter 2015 was SEK 535,8 (435,9) million representing an increase of 23 %. Adjusted for currency translation effects, the order intake grew 6 %, which is attributable to the addition of the Heis-Tek business. All business areas except Industrial Equipment showed growth during the quarter.

Revenues during the first quarter was SEK 462,3 (343,3) million which is an increase of 35 %. Adjusted for currency effects, sales growth was 19 % whereof the newly acquired Heis-Tek business contributed 7 %. All business areas except Industrial Equipment showed growth.

Revenues and Order Intake



Revenues and growth

	Q 1	
	2015	2014
Revenues, SEK M	462	343
Change, SEK M	119	-29
Change %	35%	-8%

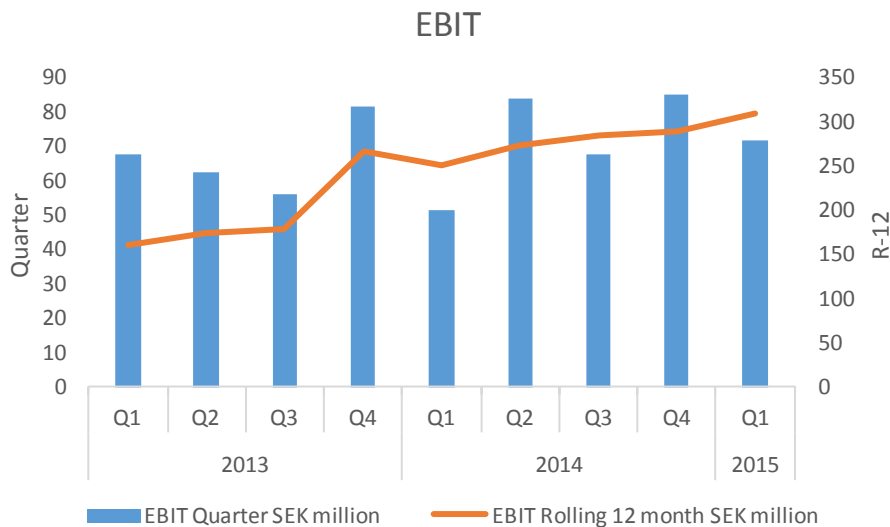
Of which:

Volumes and prices, %	12%	-8%
Currency, %	16%	0%
Acquisitions, divestments, %	7%	0%

Profit

Operating profit (EBIT) during the first quarter 2015 was SEK 72,0 (50,7) million, an increase of 42 %. As in 2014, a significant part of the operating profit is generated within business area After Sales with both Construction Equipment and Rental showing improvement. Industrial Equipment is weaker due to lower revenues. Adjusted for currency effects and items affecting comparability, EBIT amounted to SEK 70,7 (51,5) million, an increase of 38%. The operating margin (EBIT%) excluding currency effects and items affecting comparability amounted to 15,3 (15,0) %.

Profit before tax for the first quarter 2015 decreased to SEK 7,4 (15,7) million impacted by unrealized exchange losses in the financial net. These losses are unrealized currency effects related to the internal group loan structure held for hedging purposes (for which the company has not applied hedge accounting). During 2015 the loan structure will be addressed and the unrealized currency effect will be substantially reduced.



Tax

Tax expenses for the first quarter 2015 amounted to SEK -2,7 (-7,9) million. The pre-tax result amounted to SEK 7,4 (15,7) million. The tax expenses related to current income taxes SEK -19,7 (-17,1) million were offset by positive deferred income taxes of SEK 17,0 (9,2) million.

Cash flow and liquidity

Cash flow from operating activities for the first quarter 2015 amounted to SEK 12,9 million compared with SEK 67,5 million for the same period last year. This is mainly due to an increase in inventory as orders taken in 2014 are being manufactured. Cash flow was also negatively affected by an increase in trade receivables due to relative late invoicing in the period. Cash flow from investing activities amounted to SEK -9,8 (-7,5) million. Cash flow from financing activities was SEK -24,1 (-32,2) amounting to a total cash flow for the first quarter of SEK -21,0 (27,8) million. The Group's cash and cash equivalents ended the quarter on SEK 376,5 (214,4) million.

Investments

Investments during the first quarter 2015 amounted to SEK 9,8 (7,5) million whereof rental equipment SEK 2,9 (2,7) million.

Financial positions

Net debt amounted to SEK 576,9 (625,2) million as at 31 March 2015. Equity Ratio amounted to 27,1 (24,8) % and the net debt equity ratio was 0,6 (0,9).

Pledged assets and contingent liabilities

The pledged assets and contingent liabilities amounted to SEK 2 451,2 (2 298,1) and 212,7 (101,6) million.

Employees

The average full-time equivalent number of employees during the first quarter 2015 was 1 072 (906) and reflect both the groups ramp up of resources to execute on its strategic initiatives as well as the employees added from the Heis-Tek acquisition.

Segment Reporting – Business Areas

Construction Equipment

- Order intake in Q1 2015 increased by 98 % to SEK 161 (81) million from stronger performance in all regions. Good momentum in the developed markets and continued strong interest in the mid-market product offering. Organic growth of 64 %.
- Revenues in Q1 increased by 161 % to SEK 127 (49) million reflecting delivery of orders taken in 2014. Growth was driven by the mid-market product range as well as the early recovery of specific mature markets such as Australia and USA. Organic growth was 122 %.
- Operating profit (EBIT) in Q1 turned into positive of SEK 9 (-11) million. This improvement is a result of increased volume.

Industrial Equipment

- Order intake in Q1 2015 decreased by 42 % to SEK 87 (148) million mainly as a result of the continued downturn in Oil and Gas (O&G). Organic growth of -49 %.
- Revenues in Q1 decreased by -11 % to SEK 99 (112) million. The small decline in revenues compared to orders is due to reduction of the backlog. Organic growth of -27 %.
- Operating profit (EBIT) in Q1 decreased by 70 % to SEK 5 (17) million. The decrease is mainly due to the lower sales volumes and higher sales costs from additional sales people and technical staff to proactively work with opportunities outside the O&G industry.

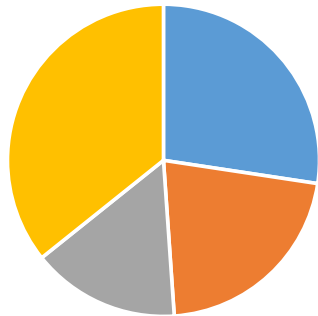
Rental

- Order intake in Q1 2015 increased by 6 % to SEK 80 (75) million with good market demand in Benelux, Germany and Australia. Organic growth of -6 %. There was a decline in used sales and Australia had a lower order intake compared to a strong quarter last year.
- Revenues in Q1 increased by 22 % to SEK 71 (58) million as a result of better market activity and good backlog. Organic growth of 10 %.
- Operating profit (EBIT) in Q1 increased to SEK 3 (1) million as volumes increased.

After Sales

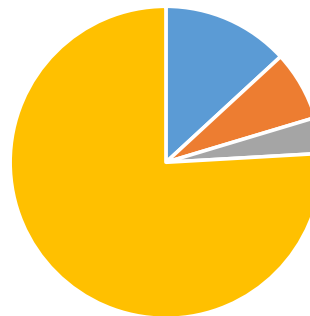
- Order intake in Q1 2015 increased by 59 % to SEK 209 (131) million. Organic growth of 19 %.
- Revenue in Q1 increased by 32 % to SEK 165 (125) million. Organic growth of 5 %.
During the quarter, we observed a continued good momentum in our core markets.
- Operating profit (EBIT) in Q1 increased by 25 % to SEK 55 (44) million.

Sales Revenue Q1 2015



■ Construction Equipment
 ■ Industrial Equipment
■ Rental
 ■ After Sales

EBIT Q1 2015



■ Construction Equipment
 ■ Industrial Equipment
■ Rental
 ■ After Sales

Order Intake
Q 1

	2015		2014	
	SEK M	%	SEK M	%
Construction Equipment	161	30,0%	81	18,6%
Industrial Equipment	87	16,2%	148	34,0%
Rental	80	14,9%	75	17,3%
After Sales	209	38,9%	131	30,1%
Total	536	100,0%	436	100,0%

Revenues
Q 1

	2015		2014	
	SEK M	%	SEK M	%
Construction Equipment	127	27,4%	49	14,1%
Industrial Equipment	99	21,5%	112	32,5%
Rental	71	15,4%	58	16,9%
After Sales	165	35,7%	125	36,4%
Total	462	100,0%	343	100,0%

Operating profit (EBIT)
Operating margin (EBIT%)
Q 1

	2015		2014	
	SEK M	EBIT%	SEK M	EBIT%
Construction Equipment	9	7,5%	-11	-22,8%
Industrial Equipment	5	5,2%	17	15,6%
Rental	3	3,8%	1	0,9%
After Sales	55	33,1%	44	35,0%
Total	72	15,6%	51	14,8%

Strategy and financial targets

The Board of Directors have adopted the following Strategic Financial Targets for the Group:

Revenues Growth:	Mid term annual growth of 10%
Profitability:	Mid term EBIT margin of 17%
Leverage:	Net Debt/EBITDA of around 2x, subject to flexibility for strategic activities
Dividend policy:	Pay out around 50% of the net profit, subject to the company's financial position and strategic considerations

Parent company

Profit before tax for the first quarter 2015 amounted to SEK –22.2 (-20.1) million.

Significant events after the end of the period

No significant events have taken place after the end of the period.

Risks and uncertainties

For a description of risks and uncertainties please refer to Alimak Group's 2014 annual report. No other material changes have taken place since publication of the 2014 Annual Report.

Forthcoming financial information

Interim report for January-June 2015

Interim report for January-September 2015

Year-end report for 2015

17 August 2015

28 October 2015

February 2016

Stockholm, 29 April 2015

Alimak Group AB reg. no. 556714-1857

Anders Thelin, Chairman of the Board

Anders Jonsson

Eva Lindqvist

Carl Johan Falkenberg

Göran Gezelius

Kenneth Johansson

Joakim Rosengren

Greger Larsson

This interim report has been reviewed by the company's auditors.

For further information, please contact:

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GROUP FINANCIALS

Condensed statement of comprehensive income

Amounts in SEK million

	Q1 2015	Q1 2014	Jan-Dec 2014
Revenues	462,3	343,3	1 742,5
Cost of goods sold	-274,6	-196,8	-1 000,7
Gross Profit	187,7	146,5	741,8
Selling expenses	-60,9	-51,3	-235,1
Administrative expenses	-45,6	-35,3	-184,3
R & D expenses	-9,2	-9,2	-34,7
Total operating expenses	-115,7	-95,8	-454,2
Operating profit (EBIT)	72,0	50,7	287,7
Financial income	8,4	7,1	28,7
Financial expenses	-73,0	-42,1	-224,6
Net financial items	-64,6	-35,0	-195,9
Result before tax (EBT)	7,4	15,7	91,7
Tax on profit for the period	-2,7	-7,9	-45,2
Profit for the period	4,7	7,8	46,5
<i>attributable to the parent company's shareholders</i>			
Other comprehensive income for the period:			
Items that will be returned to net income			
Translation differences	50,8	4,5	164,4
Cash flow hedging	-5,5	0,0	-23,1
Hedging of net investments	0,0	0,0	4,6
Deferred tax attr. to hedging of net investments	0,0	0,0	-1,0
SUM	45,3	4,5	144,9
Items not to be returned to net income			
Revaluation of pensions plan	0,0	0,0	-0,9
Deferred tax attr. to revaluation of pensions plan	0,0	0,0	0,2
SUM	0,0	0,0	-0,7
Other comprehensive income, net after tax	45,3	4,5	144,2
Total comprehensive income for the period	50,0	12,3	190,7
<i>attributable to the parent company's shareholders</i>	<i>50,0</i>	<i>12,3</i>	<i>190,7</i>
Earnings per share, SEK			
Undiluted and diluted	4,73	7,81	46,50

GROUP FINANCIALS

Condensed statement of financial position

Amounts in SEK million

ASSETS	31 March 2015	31 March 2014	31 Dec 2014
Intangible fixed assets			
Goodwill	1 715,8	1 552,7	1 702,4
Other intangible fixed assets	1,2	1,6	1,3
Total intangible fixed assets	1 717,0	1 554,4	1 703,7
Tangible fixed assets			
Land and buildings	43,2	45,1	44,0
Machinery	65,8	46,9	61,3
Equipment, tools and fixtures and fittings	31,0	20,4	30,0
Rental equipment	138,7	144,4	141,3
Total tangible fixed assets	278,8	256,8	276,6
Other non-current assets			
Deferred tax assets	115,9	100,0	96,0
Other non-current assets	9,4	2,7	8,1
Total other non-current assets	125,3	102,7	104,2
Total non-current assets	2 121,0	1 913,9	2 084,4
Current assets			
Inventories	380,3	286,3	313,0
Trade receivables	344,5	215,6	337,8
Income tax receivables	7,1	1,6	7,7
Other receivables	87,8	90,3	85,7
Prepayments and accrued income	55,7	45,3	40,6
Cash and cash equivalents	376,5	214,4	384,7
Total current assets	1 251,8	853,6	1 169,6
TOTAL ASSETS	3 372,9	2 767,5	3 254,0
EQUITY AND LIABILITIES			
Shareholders equity	914,2	685,8	864,2
Non-current liabilities			
Interest bearing debts	705,5	714,4	692,2
Liabilities to parent company	941,0	855,4	918,8
Pension liabilities	65,8	57,8	64,5
Provisions	44,7	22,7	47,0
Deferred tax liabilities	43,5	5,2	37,8
Other long term liabilities	0,6	11,2	0,5
Total non-current liabilities	1 801,0	1 666,7	1 760,8
Current liabilities			
Other liabilities, interest bearing	248,0	125,3	248,5
Trade payables	202,0	131,1	192,9
Income tax liabilities	12,7	23,0	6,1
Accruals and deferred income	88,1	82,1	90,3
Other current liabilities	106,8	53,5	91,2
Total current liabilities	657,7	415,0	628,9
TOTAL EQUITY AND LIABILITIES	3 372,9	2 767,5	3 254,0

GROUP FINANCIALS

Condensed statement of changes in equity

Amounts in SEK million

	Attributable to the parent company's shareholders					
	Share capital	Other contributed capital	Foreign currency adjustments	Cash flow Hedging	Retained earnings	Total equity
Opening balance, 1 January 2014	0,1	1 215,2	-122,2	0,0	-419,6	673,5
Profit for the period					7,8	7,8
Foreign currency adjustments			4,5			4,5
Total comprehensive income	0,0	0,0	4,5	0,0	7,8	12,3
Closing balance, 31 March 2014	0,1	1 215,2	-117,7	0,0	-411,8	685,8
Opening balance, 1 January 2015	0,1	1 215,2	45,8	-23,1	-373,8	864,2
Profit for the period					4,7	4,7
Changes of fair value				-10,2		-10,2
Transferred to income statement				3,2		3,2
Tax attr. To cash flow hedging				1,5		1,5
Foreign currency adjustments			50,8			50,8
Total comprehensive income	0,0	0,0	50,8	-5,5	4,7	50,0
Closing balance, 31 March 2015	0,1	1 215,2	96,6	-28,6	-369,1	914,2

GROUP FINANCIALS

Cash flow statement

Amounts in SEK million	Q1 2015	Q1 2014	Jan-Dec 2014
Operating activities:			
Profit before tax	7,4	15,7	91,7
Reversal of depreciation/amortization	13,0	11,8	48,6
Tax paid	-10,9	-9,7	-32,3
Adjustments for other items not affecting cash flow	60,4	34,0	189,0
Cash flow in operating activities before change in working capital	70,0	51,8	297,0
Change in working capital:			
Inventory (increase -/decrease +)	-48,0	-29,7	-25,1
Operating receivables (increase -/ decrease +)	-26,9	27,6	-39,8
Operating liabilities (increase +/decrease -)	17,7	17,9	77,4
Total change in working capital	-57,1	15,7	12,6
Cash flow from operating activities	12,9	67,5	309,5
Investing activities:			
Acquisition of group companies	0,0	0,0	-58,6
Investment in intangible fixed assets	-0,1	0,0	-0,8
Investment in tangible fixed assets	-9,9	-7,7	-66,0
Changes in financial fixed assets	0,1	0,0	-3,3
Sales/disposal of tangible fixed assets	0,0	0,2	7,5
Cash flow from investing activities	-9,8	-7,5	-121,2
Financing activities:			
Proceeds from borrowings	0,0	0,0	94,1
Repayment of borrowings	-24,1	-32,2	-112,3
Cash flow from financing activities	-24,1	-32,2	-18,2
Cash flow for the period	-21,0	27,8	170,2
Cash & cash equivalents at beginning of period	384,7	189,9	189,9
Exchange gains/losses	12,9	-3,3	24,6
Cash & cash equivalents at end of period	376,5	214,4	384,7

First quarter 2015

GROUP FINANCIALS

Key figures

	QUARTER PERIODS				
	2015 Q1	2014 Q4	2014 Q3	2014 Q2	2014 Q1
Order intake, SEK million	535,8	446,8	417,6	489,4	435,9
Revenues, SEK million	462,3	518,0	427,1	454,1	343,3
Operating profit (EBIT), SEK million	72,0	85,4	67,5	84,0	50,7
Operating margin (EBIT), %	15,6%	16,5%	15,8%	18,5%	14,8%
Profit for the period, SEK million	4,7	14,5	4,7	19,5	7,8
Total comprehensive income, SEK million	50,0	124,7	22,4	31,3	12,3
Undiluted/diluted average number of shares, thousand's	1 000	1 000	1 000	1 000	1 000
Undiluted/diluted number of shares, thousand's	1 000	1 000	1 000	1 000	1 000
Undiluted/diluted earnings per share, SEK	4,73	14,47	4,68	19,54	7,81
Cash flow from operating activities, SEK million	12,9	132,7	138,7	-29,4	67,5
Total cash flow, SEK million	-21,0	77,5	133,6	-68,7	27,8
Total cash flow per share, SEK	-21,00	77,46	133,62	-68,67	27,76
Cash and cash equivalents end of period, million SEK	376,5	384,7	227,2	153,1	214,4
Total assets, SEK million	3 372,9	3 254,0	3 036,7	2 929,6	2 767,5
Equity, SEK million	914,2	864,2	739,4	717,1	685,8
Undiluted/diluted equity per share, SEK	914,21	864,20	739,37	717,08	685,77
Equity ratio, %	27,1%	26,6%	24,3%	24,5%	24,8%
Net debt, SEK million	576,9	556,0	661,8	777,4	625,2
Net debt/EBITDA ratio	1,6	1,7	2,0	2,4	2,1
Net debt/equity ratio	0,6	0,6	0,9	1,1	0,9
Return on equity, %	5,4%	6,0%	7,9%	8,3%	9,5%
Capital employed	2 432,1	2 339,0	2 298,3	2 370,5	2 166,4
Return on capital employed, %	13,4%	12,6%	12,5%	11,8%	11,5%
Return on capital employed goodwill excluded, %	46,5%	44,5%	41,5%	38,5%	40,3%
Interest coverage ratio	1,1	1,4	1,2	1,7	1,4

Parent Company

Income statement

Amounts in SEK million

	Q1 2015	Q1 2014	Jan-Dec 2014
Net sales	-	-	-
Administration expenses	0,0	-	0,0
Operating profit/loss	0,0	0,0	0,0
Financial income	-	-	-
Financial expenses	-22,2	-20,1	-83,5
Profit/loss after financial items	-22,2	-20,1	-83,5
Group contributions	-	-	160,0
Result before tax (EBT)	-22,2	-20,1	76,5
Tax on profit/loss for the period	4,9	4,4	-16,8
Profit/loss for the period	-17,3	-15,7	59,6
Other comprehensive income for the period:			
Items that will be returned to net income			
Items not to be returned to net income			
Total comprehensive income for the period	-17,3	-15,7	59,6

Parent Company

Balance sheet

Amounts in SEK million

ASSETS	31 March 2015	31 March 2014	31 Dec 2014
Financial assets			
Shares in group companies	1 738,4	1 608,4	1 738,4
Deferred tax	54,1	70,5	49,2
Total non-current assets	1 792,5	1 678,9	1 787,7
Current assets			
Receivable from group company	290,1	260,1	290,1
Cash and cash balances	1,1	1,2	1,1
Total current assets	291,3	261,3	291,3
TOTAL ASSETS	2 083,8	1 940,2	2 078,9
EQUITY AND LIABILITIES			
Shareholders equity			
<i>Restricted equity</i>			
Share Capital	0,1	0,1	0,1
Restricted equity	200,0	200,0	200,0
	200,1	200,1	200,1
<i>Unrestricted equity</i>			
Retained earnings	960,0	900,4	900,4
Profit/loss for the period	-17,3	-15,7	59,6
	942,7	884,7	960,0
Total shareholders equity	1 142,8	1 084,8	1 160,1
Non-current interest bearing debts			
Liabilities to parent company	941,0	855,4	918,8
Total current liabilities	941,0	855,4	918,8
Current liabilities			
Other current liabilities	0,0	0,0	0,0
Total current liabilities	0,0	0,0	0,0
TOTAL EQUITY AND LIABILITIES	2 083,8	1 940,2	2 078,9

Notes

Not 1 Accounting policies

This interim report was prepared in accordance with IFRS, applying IAS 34, Interim Financial Reporting. The same accounting and valuation policies were applied as in the most recent annual report with the exception of new and revised standards and interpretations effective from 1 January 2015.

The interim report for the parent company has been prepared in accordance with the Annual Accounts and with standard RFR 2 Reporting by a legal entity, issued by the Swedish Financial Reporting Board.

Note 2 Related-party transactions

Significant related-party transactions are described in Note 25 to the consolidated accounts in the Company's 2014 Annual Report. No material changes have taken place in relations or

transactions with related parties compared with the description in the 2014 Annual Report.

Note 3 Financial instruments

Amounts in SEK million

Financial assets	Total carrying amount			Fair Value		
	31 March 2015	31 March 2014	31 Dec 2014	31 March 2015	31 March 2014	31 Dec 2014
Derivative financial instruments	-	0,0	-	-	0,0	-
Long term receivables	9,4	2,7	8,1	9,4	2,7	8,1
Trade receivables	344,5	215,6	337,8	344,5	215,6	337,8
Other financial receivables	143,5	135,6	126,4	143,5	135,6	126,4
Cash and cash equivalents	376,5	214,4	384,7	376,5	214,4	384,7
SUM	873,9	568,4	857,0	873,9	568,4	857,0
Financial liabilities						
Derivative financial instruments	49,9	-	29,6	49,9	-	29,6
Non-current interest bearing debts	706,1	725,6	692,7	714,5	738,3	702,2
Current interest bearing debts	248,0	112,5	227,8	252,2	116,7	232,0
Overdraft facility	-	12,8	20,8	-	12,8	20,8
Trade payables	202,0	131,1	192,9	202,0	131,1	192,9
Other financial liabilities *	145,1	135,6	151,9	145,1	135,6	151,9
SUM	1 351,1	1 117,6	1 315,5	1 363,7	1 134,5	1 329,3

* including personnel expenses 31/03/15 and 31/03/14

Financial assets and liabilities at fair value

2014-01-01 – 2014-03-31

Financial assets	Level 2
Currency derivatives	0,0
Total	0,0

2014-01-01 – 2014-12-31

Financial liabilities	
Currency derivatives	29,6
Total	29,6

2015-01-01 – 2015-03-31

Financial liabilities	
Currency derivatives	49,9
Total	49,9

Level 1 - quoted prices in active markets for identical financial instruments

Level 2 - inputs other than quoted prices included in level 1 that are observable for the financial instrument, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - inputs for the financial instrument that are not based on observable market data (unobservable inputs)

Currency derivatives are valued at fair value by discounting the difference between the contracted forward rate and the rate that can be subscribed for on the balance sheet date for the remaining contract term.

Definitions	
Operating profit (EBIT) comprises the results before financial items and tax.	Net debt The net of interest bearing liabilities (shareholders loan excluded) and assets as well as cash and cash equivalents.
Operating margin (EBIT %) has been calculated as EBIT above as a percentage of Revenue during the period.	Net debt/EBITDA ratio Net debt as a relation to Operating profit before depreciation and amortisation (EBITDA).
Undiluted average number of shares Weighted average number of shares outstanding during the period.	Net debt/equity ratio Net debt as a relation to shareholders equity.
Diluted average number of shares Weighted average number of shares outstanding during the period as well as potential additional shares.	Return on equity Profit after tax for the period, rolling twelve month value, as a percentage of the average shareholders' equity excluding shares without controlling interests.
Undiluted/diluted earnings per share After tax result in relation to the undiluted and diluted average number of shares.	Return on capital employed Operating profit (EBIT), rolling twelve month value, as a percentage of the average capital

	employed. Capital employed refers to Net debt plus shareholders equity plus shareholders loan.
Undiluted/diluted equity per share Shareholders equity in relation to the outstanding undiluted number of shares at the end of period.	Interest coverage ratio Profit after financial items plus financial expenses in relation to financial expenses.
Equity ratio Shareholders equity as a percentage of total assets.	

Alimak Group in brief

Alimak Group is a leading global industrial group designing, developing, manufacturing, distributing and servicing vertical access solutions. The group has been a pioneer and an industry leader in supplying elevators, hoists and work platforms based on rack-and-pinion technology for more than 65 years. The Group operates in the premium and mid-market segments in mature and emerging markets, with its business model focused on providing specific and comprehensive solutions to meet the various vertical access needs of its customers across different industries and geographies. At the core of the group’s products are the Alimak and Hek rack-and-pinion elevator, hoist and work platform brands as well as the recently added Heis-Tek traction elevator brand. The Group enjoy strong market recognition and its products are known for their strong safety record, high quality and durability.