

# ALIMAK GROUP AB

Interim report  
January – June 2015

World leader in vertical access  
solutions with a market presence  
in more than 50 countries

**ALIMAK GROUP**

# STRONG SALES GROWTH



## SECOND QUARTER, APRIL–JUNE 2015

- Successful IPO during the quarter. Alimak also won its largest single order to date at SEK 155 million.
- Order intake grew by 35 percent to SEK 663 (489) million. In local currencies the increase was 24 percent, of which acquisitions accounted for 2 percentage points.
- Revenue grew by 22 percent to SEK 552 (454) million.
- Operating profit (EBIT) before items affecting comparability grew by 23 percent to SEK 104 (84) million. Reported EBIT fell by 36 percent to SEK 54 (84) million.
- Items affecting comparability amounted to SEK 50 (0) million mainly related to the Group's listing on the stock-exchange, and impairment of capitalized financing costs related to the previous loan agreement.
- The operating margin (EBIT percentage) before items affecting comparability amounted to 18.8 (18.6) percent.
- Net income amounted to SEK 22 (20) million.
- Earnings per share amounted to SEK 0.51 (0.45).<sup>1</sup>
- Cash flow from operating activities amounted to SEK 42 (-29) million.

## THE PERIOD JANUARY–JUNE 2015

- Order intake grew by 30 percent to SEK 1,199 (925) million. In local currencies the increase was 16 percent, of which acquisitions accounted for 4 percentage points.
- Revenue grew by 27 percent to SEK 1,014 (797) million.
- Operating profit (EBIT) before items affecting comparability grew by 33 percent to SEK 180 (136) million. Reported EBIT fell by 7 percent to SEK 126 (135) million.
- Items affecting comparability amounted to SEK 54 (1) million related to the Group's listing on the stock-exchange, and impairment of capitalized financing costs related to the previous loan agreement.
- The operating margin (EBIT percentage) before items affecting comparability amounted to 17.7 (17.0) percent.
- Reported net income amounted to SEK 27 (27) million.
- Earnings per share amounted to SEK 0.62 (0.63)<sup>1</sup>.
- Cash flow from operating activities amounted to SEK 55 (38) million.

KEY FIGURES, GROUP	Apr–Jun 2015	Apr–Jun 2014	Change percent	Jan–Jun 2015	Jan–Jun 2014	R12M	Jan–Dec 2014
Order Intake, MSEK	663.0	489.4	35%	1,198.8	925.3	2,063.2	1,789.7
Revenues, MSEK	552.1	454.1	22%	1,014.4	797.4	1,959.5	1,742.5
Operating profit (EBIT), before items affecting comparability, MSEK	103.8	84.4	23%	179.8	135.7	361.0	316.9
Operating margin (EBIT), before items affecting comparability, %	18.8%	18.6%		17.7%	17.0%	18.4%	18.2%
Operating profit (EBIT), MSEK	53.7	84.0	-36%	125.7	134.7	278.7	287.7
Operating margin (EBIT), %	9.7%	18.5%		12.4%	16.9%	14.2%	16.5%
Profit for the period, MSEK	22.0	19.5	13%	26.8	27.3	45.9	46.5
Earnings per share, undiluted/diluted, SEK <sup>1</sup>	0.51	0.45		0.62	0.63	1.06	1.07
Earnings per share, undiluted/diluted, SEK	0.51	19.54		0.62	27.34	24.39	46.50
Cash flow from operations, MSEK	41.9	-29.4		54.8	38.1	326.3	309.5

<sup>1</sup>Calculated to existing number of shares, 43 326 289

# COMMENTS FROM THE CEO

“Industrial  
Equipment  
provided the  
highlight of the  
quarter”



## CONTINUED GROWTH FOR ALIMAK

The general trend in Alimak's markets during the second quarter of 2015 remained stable and in line with our expectations. Revenues during the quarter amounted to SEK 552 million, an increase of 22 percent. We delivered an underlying operating profit of SEK 104 million, up 23 percent compared with the same period in 2014. It is gratifying to see the results of the strategic work within cost reduction, expansion of geographic sales coverage and modernization of the product portfolio.

Industrial Equipment provided the highlight of the quarter by winning the frame agreement for elevators to Statoil's development of the Johan Sverdrup field. The order booked at SEK 155 million is Alimak's single largest order to date and demonstrate that there is still optimism within some parts the oil and gas industry. At the same time, I conclude that the weak performance within the oil and gas market continued to have a negative impact on the business area. We are increasing our focus on the downstream market segment, that is, the refineries and plants for oil and gas production. At the same time, we are actively addressing other industry segments where we have identified yet untapped potential for our products and services.

The positive trend for Construction Equipment continued during the quarter in the more mature markets. I am also extremely pleased about the agreement we signed with the US-based company Manitowoc for supply of tower crane elevators. This new partnership broaden our product portfolio and increase our market coverage. As a result we will be even better equipped to meet the ever-increasing demands for safety within vertical access solutions and it might also provide new inroads to other application areas. The Chinese construction market continued to be weak during the quarter, and this was only partially offset by a more favourable development in parts of Southeast Asia and the Middle East.

The business areas Rental and After Sales developed according to plan, showing good momentum. The Australian market for Rental performed well and the other main market, Europe, is showing signs of recovery. The ongoing restructuring of the Dutch operation has delivered improved results. In After Sales, our existing customers are becoming increasingly interested in global service agreements and access to a skilled worldwide service organization. We are currently investigating the possibility to offer our services to other types of industries with similar needs. We also see a growing interest in various refurbishment projects, especially in the oil and gas industry.

We continue to believe in the opportunities we see in the different markets and continue to pursue our strategic initiatives. We are broadening our value proposition of products and services at the same time that we are actively seeking new markets and channels, while building a more efficient global organization with a focus on profitability. Such a process takes time, but we are on the right path. Our financial targets remain therefore unchanged.

**Tormod Gunleiksrud**  
President and CEO

# ALIMAK INTERIM REPORT JANUARY–JUNE 2015

Alimak, which was founded in 1948, is a leading global industrial group that designs, develops, manufactures, distributes and services vertical access solutions in rack-and-pinion technology. The company, which is listed on the NASDAQ Stockholm Stock Exchange, had sales in 2014 of SEK 1.7 billion with an operating profit of over SEK 290 million. Alimak has about 1,100 employees worldwide.

Alimak provides elevators and platforms for customers in the industrial and construction sectors. The company has a global sales, service and distribution platform in over 50 countries, and strong market positions. A well-established and stable after-market operation and a global installed base of approximately 21,000 units provide Alimak with great understanding of the needs of its customers.

Alimak is organized into four business areas:

**Construction Equipment:** Elevators and platforms for the construction and refurbishment market

**Industrial Equipment:** Elevators for industrial use in sectors such as ports, oil and gas

**Rental:** Rental services based on the company's products

**After Sales:** Aftermarket services such as service, training, spare parts and refurbishment

**Chairman of the Board:** Anders Thelin

**President and CEO:** Tormod Gunleiksrud

## FINANCIAL TARGETS

### Revenue growth

The Group's target in the medium term (3 to 4 years) is an annual growth rate of 10 percent.

### EBIT margin

The Group's target in the medium term (3 to 4 years) is to have an EBIT margin of 17 percent.

### Leverage (net debt/EBITDA)

The company will maintain an efficient capital structure with a net debt of around two times EBITDA. The capital structure should be flexible and allow for strategic initiatives.

### Dividend policy

The company aims to pay a dividend of approximately 50 percent of its net profit for the current period to shareholders. Decisions about dividend will take into account the company's financial position, cash flow, acquisition opportunities, strategic considerations and future prospects.

## MARKET

The somewhat weaker economic trend in China continued also during the second quarter. The effects have so far mainly been visible in China, even if some neighbouring economies of course also have been affected. In China, the most noticeable effects have been postponement of several construction projects and slower progress on already started projects. On a global perspective, the situation in the construction industry in China was partly offset

by a more favorable trend in some emerging markets such as parts of Southeast Asia and the Middle East. South America remain an interesting region but many of the countries face political as well as financial challenges. The potentially large Indian construction market started to show some growth as well. In mature markets such as North America and Australia, as well as in some parts of the eurozone, demand increased slightly during the quarter. The uncertain demand and price situation for oil and gas continued as expected to slow growth in the industrial markets leading to generally longer sales processes and project delays. The international oil and gas industry was affected to a large extent by the prevailing oil price, resulting in low utilization of rigs and platforms, which in turn is reflected in postponed investments. The mature industrial markets in North America showed a positive trend, albeit with a slight increase in pressure on prices, mainly from smaller players. The European market was stable, but at a relatively lower level compared with 2014. The rental market for lifting equipment is strongly linked to the general trend in the construction sector and Alimak's rental business focuses on Australia and Europe. The market in Australia showed growing demand, although some regions showed signs of levelling off. In Europe, the market continued to recover. Despite the current uncertainty in some industrial market segments, demand is growing for maintenance and aftermarket services. Customer active within the construction business are also looking at increasing efficiency by using after sales services. As the focus on core business increases, global as well as regional companies are increasingly seeking suppliers who can accompany and support them in the long term, regardless of geographic location. Increased cost control combined with greater caution in deciding on new investments also means that the upgrade and renovation market is becoming an increasingly interesting market segment.

## CONSOLIDATED EARNINGS PERFORMANCE APRIL – JUNE 2015 AND JANUARY – JUNE 2015

### ORDER INTAKE

Order intake during the second quarter of 2015 was SEK 663.0 (489.4) million, an increase of 35 percent compared with the same period last year. This was mainly attributable to Alimak's largest single order to date, with Statoil, amounting to SEK 155 million. Calculated in local currencies and disregarding acquisitions, the organic growth for the quarter was 22 percent.

For the period January to June 2015, order intake increased by 30 percent and amounted to SEK 1,198.8 (925.3) million. Also the halfyear numbers were affected by the Statoil order. In local currencies and excluding acquisition effects, the organic growth was 12 percent. Notably, the first half of 2014 included a strong order intake from the launch of the mid-market elevators, as well as a generally higher level of orders in the oil and gas industry.

ORDER INTAKE	Second quarter		First half year	
	2015	2014	2015	2014
Revenues, MSEK	663	489	1,199	925
Change, MSEK	174	83	274	122
Change, %	35%	20%	30%	15%
<b>Whereof:</b>				
Volume and price, %	22%	19%	12%	14%
Currency, %	11%	1%	14%	1%
Acquisition, %	2%	0%	4%	0%

## REVENUE

Revenue for the second quarter amounted to SEK 552.1 (454.1) million, an improvement of 22 percent, which can primarily be attributed to the business areas Construction Equipment and After Sales. In local currency, revenue increased by 8 percent, mainly due to the acquisition of Heis-Tek, which accounted for 7 of the 8 percentage points.

For the period January to June 2015, total revenue amounted to SEK 1,014.4 (797.4) million, up 27 percent. In local currency the increase was 13 percent, of which Heis-Tek contributed 7 percentage points.

REVENUES	Second quarter		First half year	
	2015	2014	2015	2014
Revenues, MSEK	552	454	1,014	797
Change, MSEK	98	78	217	48
Change, %	22%	21%	27%	6%
<b>Whereof:</b>				
Volume and price, %	1%	19%	6%	6%
Currency, %	14%	2%	14%	0%
Acquisition, %	7%	0%	7%	0%

## OPERATING PROFIT

Operating profit (EBIT) during the second quarter of 2015, before items affecting comparability, was SEK 103.8 (84.4) million, an increase of 23 percent. Calculated in local currencies, the increase was 14 percent.

Reported operating profit was SEK 53.7 (84.0) million, including items affecting comparability of SEK 50.1 (0.4) million, mainly related to expenses for the Group's initial public offering (IPO), as well as impairment of capitalized financing costs related to the previous loan agreement. The operating margin (EBIT percentage) before items affecting comparability amounted to 18.8 (18.6) percent.

For the January to June period, total operating profit, before items affecting comparability, amounted to SEK 179.8 (135.7) million, an increase of 33 percent. Calculated in local currencies, the increase was 23 percent.

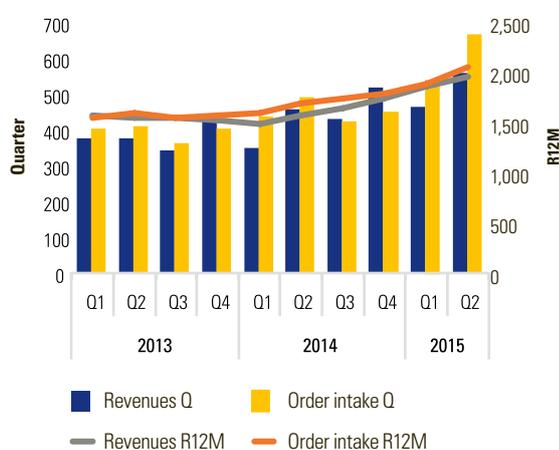
The reported operating profit for the period January to June 2015 was SEK 125.7 (134.7) million including items affecting comparability of SEK 54.1 (1.0) million, mainly related to the Group's IPO costs, as well as impairment of capitalized financing costs related to the previous loan agreement. The operating margin (EBIT percentage) before items affecting comparability amounted to 17.7 (17.0) percent.

Profit before tax for the second quarter increased to SEK 41.2 (37.2) million. For the period January to June 2015 the profit before tax was somewhat lower, SEK 48.7 (52.8) million.

## TAXES

Tax expense for the second quarter of 2015 amounted to SEK -19.2 (-17.6) million and for the year as a whole to -21.9 (-25.5) million. Reported tax expense varies depending on the geographical distribution of the company's profits.

## REVENUES AND ORDER INTAKE



## EBIT, BEFORE ITEMS AFFECTING COMPARABILITY



## INVESTMENTS

Investments during the second quarter of 2015 amounted to SEK 3.0 (16.6) million, of which SEK 0.6 (6.8) related to equipment for rental. Total investments during the first half of 2015 amounted to SEK 12.7 (24.1) million, including SEK 3.4 (9.5) related to equipment for rental.

## FINANCIAL POSITION

Net debt amounted to SEK 532.3 (761.5) million as of June 30, 2015. The equity ratio was 55.9 (24.6) percent. The changes are mainly attributable to the conversion of a shareholder loan from debt to equity, as well as refinancing carried out by the company in late June.

Cash flow from operating activities increased in the second quarter to SEK 41.9 (-29.4) and was 54.8 (38.1) in the period January to June 2015. The increase during the quarter was due to an improved underlying profit, items affecting comparability and changes in working capital.

## PLEGDED ASSETS AND CONTINGENT LIABILITIES

Pledged assets and contingent liabilities amounted to SEK 6.7 (2,298.1) and 153.5 (101.6) million. The change in pledged assets relates to the release of assets in connection with the company's refinancing in June.

## BUSINESS AREAS

### Construction Equipment

- The markets in Australia, the Middle East, North America and parts of Southeast Asia continued to show strength in the second quarter, while the Chinese, Indian and South American markets were weaker. Our new value proposition in the mid segment, has proven to provide excellent opportunities for inroads in emerging markets.
- Order intake during the second quarter of 2015 fell by 21 percent to SEK 119 (151) million. This is partly a consequence of a strong quarter in 2014, including the introduction of mid-market elevators, but also reflects the increased uncertainty in the market in China and lower than expected orders from South America and India. Continued good momentum in mature markets and continued strong interest in the mid-market product offering were noted.
- Order intake for the first half of 2015 grew 21 percent to SEK 280 (232) million, with organic growth of 3 percent.
- Revenue grew during the second quarter by 57 percent to SEK 179 (114) million. Growth was driven by the mid-market product range as well as the continued recovery of specific mature markets such as Australia and the US. Organic growth was 33 percent.
- Revenue for the first half of 2015 grew by 88 percent to SEK 306 (163) million, with organic growth of 60 percent.
- Operating profit (EBIT, before items affecting comparability) rose to SEK 24 (9) million in the quarter. This improvement was primarily due to increased volumes, sales mix and effects of the ongoing product cost reduction program.
- Operating profit (EBIT, before items affecting comparability) for the first half of 2015 rose to SEK 35 (-2) million.

### Industrial Equipment

- The oil and gas market as a whole remained weak, as expected. Uncertainty about how demand and therefore prices will develop in the future remains high, affecting many industrial markets. Nevertheless, the trend in the North American market, as well as the Asia, including China, remains good.
- Order intake during the second quarter of 2015 grew by 164 percent to SEK 277 (105) million due to the Statoil order of SEK 155 million that was reported during the second quarter. The order is the company's largest single order to date. Organic growth excluding acquisition and currency effects was 150 percent.
- Order intake for the first half of 2015 grew 44 percent to SEK 363 (253) million. The Statoil order booked in second quarter also contributed positively on the first half numbers. Organically, without acquisition effects, the volume grew 33 percent.
- Revenue for the second quarter fell 13 percent to SEK 116 (134) million due to lower order backlog from 2014. Organically, without acquisition effects, revenue fell 29 percent.

- Revenue for the first half year of 2015 fell 12 percent to SEK 215 (245) million. Organically, without acquisition effects, revenue fell 28 percent.
- Operating profit (EBIT, before items affecting comparability) recovered slightly during the second quarter, though it continued to decline to SEK 13 (25) million. This was partly due to lower volumes, a slight change in sales mix but more important our continued focus on addressing industries outside the oil and gas area, as well as emerging markets.
- Operating profit (EBIT, before items affecting comparability) for the first half of 2015 fell to SEK 19 (42) million.

#### Rental

- For the Rental business area, which largely follows the trend in the construction sector, demand in the second quarter remained favourable in the Australian market. This applied primarily on the residential side, driven by strong immigration from Southeast Asia. Europe, especially in the central regions, is also showing clear signs of a recovery and rising utilization rates at the rental companies.
- During the first half of 2015, order intake grew by 7 percent to SEK 92 (86) million, as the Benelux and Australian markets performed well. Organically, orders declined with 2 percent. Sale of used equipment was somewhat down and for the smaller rental unit in USA, orders increased.
- During the first half of 2015, order intake grew by 6 percent to SEK 172 (162) million. Organically the volume declined with 4 percent.
- Revenue for the second quarter grew by 14 percent to SEK 78 (68) million thanks to a good order backlog and capacity. Organic growth was 7 percent.
- Revenue for the first half year grew by 18 percent to SEK 149 (126). Organic growth ended at 8 percent.
- Operating profit (EBIT, before items affecting comparability) during the second quarter of 2015 increased to SEK 6 (0)

million as volumes grew and actions to strengthen productivity was implemented.

- Operating profit (EBIT, before items affecting comparability) for the first half of 2015 rose to SEK 9 (0) million.

#### After Sales

- The market performed in line with expectations. Increased activity in the mature construction markets present new opportunities for our service business and even if the activity level of service for the upstream part of the oil and gas market remains good, offshore customers continue to target reduction of their total operating cost and utilize already made investments. Alimak's unique expertise and coverage can be applied in this area, a fact that makes continued efforts to develop the renovation market all the more interesting.
- Order intake for the second quarter of 2015 grew by 19 percent to SEK 175 (147) million. Organically, without acquisition effects, order intake decreased 1 percent, but the quarter demonstrated a continued good level of activity in most local markets.
- For the first half of 2015, order intake grew by 38 percent to SEK 384 (278) million, of which 8 percentage points relate to organic growth without acquisition effects.
- Revenue for the second quarter grew by 30 percent to SEK 179 (138) million. Organic growth without acquisition effects, were 3 percent.
- Revenue for the first half of 2015 grew by 31 percent to SEK 344 (263) million. The organic growth, excluding acquisition effects, was 3 percent.
- Operating profit (EBIT, before items affecting comparability) rose during the second quarter to SEK 61 (50) million.
- Operating profit (EBIT, before items affecting comparability) for the first half of 2015 rose to SEK 116 (94) million.



## KEY FIGURES PER BUSINESS AREA

	ORDER INTAKE			
	SECOND QUARTER			
	2015		2014	
	MSEK	%	MSEK	%
Construction Equipment	119	18.0%	151	30.9%
Industrial Equipment	277	41.7%	105	21.4%
Rental	92	13.9%	86	17.7%
After Sales	175	26.4%	147	30.0%
<b>Total</b>	<b>663</b>	<b>100.0%</b>	<b>489</b>	<b>100.0%</b>

	REVENUES			
	SECOND QUARTER			
	2015		2014	
	MSEK	%	MSEK	%
Construction Equipment	179	32.5%	114	25.1%
Industrial Equipment	116	21.0%	134	29.4%
Rental	78	14.1%	68	15.1%
After Sales	179	32.4%	138	30.4%
<b>Total</b>	<b>552</b>	<b>100.0%</b>	<b>454</b>	<b>100.0%</b>

	OPERATING PROFIT (EBIT) <sup>1</sup>			
	SECOND QUARTER			
	2015		2014	
	MSEK	%	MSEK	%
Construction Equipment	24	22.8%	9	10.7%
Industrial Equipment	13	12.6%	25	29.6%
Rental	6	5.8%	0	0.6%
After Sales	61	58.8%	50	59.1%
<b>Total</b>	<b>104</b>	<b>100.0%</b>	<b>84</b>	<b>100.0%</b>

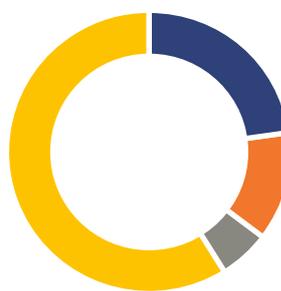
<sup>1</sup> Before items affecting comparability

	OPERATING PROFIT (EBIT) <sup>1</sup>			
	OPERATING MARGIN (EBIT IN %)			
	2015		2014	
	MSEK	%	MSEK	%
Construction Equipment	24	13.2%	9	7.9%
Industrial Equipment	13	11.3%	25	18.7%
Rental	6	7.7%	0	0.7%
After Sales	61	34.1%	50	36.2%
<b>Total</b>	<b>104</b>	<b>18.8%</b>	<b>84</b>	<b>18.6%</b>

<sup>1</sup> Before items affecting comparability

REVENUES SECOND QUARTER  
2015

- Construction Equipment **32%**
- Industrial Equipment **21%**
- Rental **14%**
- After Sales **32%**

EBIT SECOND QUARTER,  
BEFORE ITEMS AFFECTING COMPARABILITY  
2015

- Construction Equipment **23%**
- Industrial Equipment **13%**
- Rental **6%**
- After Sales **59%**

**PARENT COMPANY**

The loss before tax for the second quarter of 2015 amounted to SEK -28.6 (-20.6) million. The loss before tax for the period January to June was SEK -50.8 (-40.8) million.

**EVENTS AFTER THE END OF THE PERIOD**

No significant events have occurred since June 30, 2015.

**RISKS**

For a description of risks and uncertainties please refer to Alimak Group's 2014 annual report. No significant adjustments to published risks and uncertainties have been made since the Annual Report 2014.

**CALENDAR**

- Interim Report January–September 2015 will be published on October 23, 2015
- Year-end report for 2015 will be published in February 2016
- Alimak Group's financial calendar is available at [www.alimakgroup.com](http://www.alimakgroup.com)

**CERTIFICATION**

The Board of Directors and the CEO certify that the six-month report gives a fair overview of the Parent Company's and the Group's operations, financial position and results, and describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

**BOARD OF DIRECTORS**

Stockholm August 18, 2015  
Alimak Group AB, reg. no. 556714-1857

Anders Thelin  
Chairman of the Board

Carl Johan Falkenberg  
Director

Göran Gezelius  
Director

Kenneth Johansson  
Director

Anders Jonsson  
Director

Greger Larsson  
Director

Eva Lindqvist  
Director

Joakim Rosengren  
Director

The Company's Auditor has not carried out any review of the report for the first six months of 2015.

**For further information, please contact:**

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John Womack, Director Investor Relations, telephone: +46 (0)70-678 24 99

# FINANCIALS

## CONDENSED STATEMENT OF COMPREHENSIVE INCOME, GROUP

	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Amounts in SEK million					
Revenues	552.1	454.1	1 014.4	797.4	1 742.5
Cost of goods sold	-326.5	-263.6	-601.1	-460.4	-1 000.7
<b>Gross Profit</b>	<b>225.6</b>	<b>190.5</b>	<b>413.3</b>	<b>337.0</b>	<b>741.8</b>
Total operating expenses	-171.9	-106.5	-287.6	-202.3	-454.2
<b>Operating profit (EBIT)</b>	<b>53.7</b>	<b>84.0</b>	<b>125.7</b>	<b>134.7</b>	<b>287.7</b>
Net financial items	-12.5	-46.8	-77.1	-81.9	-195.9
<b>Result before tax (EBT)</b>	<b>41.2</b>	<b>37.2</b>	<b>48.7</b>	<b>52.8</b>	<b>91.7</b>
Tax on profit for the period	-19.2	-17.6	-21.9	-25.5	-45.2
<b>Profit for the period</b>	<b>22.0</b>	<b>19.5</b>	<b>26.8</b>	<b>27.4</b>	<b>46.5</b>
attributable to the parent company's shareholders	22.0	19.5	26.8	27.4	46.5
Earnings per share, SEK <sup>1</sup>	0.51	0.45	0.62	0.63	1.07
<b>Other comprehensive income for the period:</b>					
<b>Items that will be returned to net income</b>					
Translation differences	-26.2	20.8	24.6	25.4	164.4
Cash flow hedging	21.8	-9.1	16.3	-9.1	-23.1
Hedging of net investments	0.0	0.0	0.0	0.0	4.6
Deferred tax attr. to hedging of net investments	0.0	0.0	0.0	0.0	-1.0
Total	-4.4	11.7	40.9	16.3	144.9
<b>Items not to be returned to net income</b>					
Revaluation of pensions plan	0.0	0.0	0.0	0.0	-0.9
Deferred tax attr. to revaluation of pensions plan	0.0	0.0	0.0	0.0	0.2
Total	0.0	0.0	0.0	0.0	-0.7
<b>Other comprehensive income, net after tax</b>	<b>-4.4</b>	<b>11.7</b>	<b>40.9</b>	<b>16.3</b>	<b>144.2</b>
<b>Total comprehensive income for the period</b>	<b>17.7</b>	<b>31.3</b>	<b>67.7</b>	<b>43.6</b>	<b>190.7</b>
attributable to the parent company's shareholders	17.7	31.3	67.7	43.6	190.7

<sup>1</sup>Calculated to existing number of shares, 43 326 289

## CONDENSED STATEMENT OF FINANCIAL POSITION, GROUP

ASSETS	30 June 2015	30 June 2014	31 Dec 2014
Amounts in SEK million			
Total intangible fixed assets	1,709.6	1,644.7	1,703.7
Total tangible fixed assets	272.7	259.7	276.6
Total other non-current financial assets	127.7	115.9	104.2
<b>Total non-current assets</b>	<b>2,110.0</b>	<b>2,020.4</b>	<b>2,084.4</b>
<b>Current assets</b>			
Inventories	357.8	276.2	313.0
Trade receivables	361.9	314.9	337.8
Other receivables	160.1	149.2	134.0
Cash and cash equivalents	394.6	153.1	384.7
<b>Total current assets</b>	<b>1,274.4</b>	<b>893.4</b>	<b>1,169.6</b>
<b>TOTAL ASSETS</b>	<b>3,384.4</b>	<b>2,913.8</b>	<b>3,254.0</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders equity</b>	<b>1,892.3</b>	<b>717.1</b>	<b>864.2</b>
<b>Non-current liabilities</b>			
Interest bearing debts	846.6	784.9	692.2
Liabilities to parent company	0.0	876.1	918.8
Other long term liabilities	162.5	109.8	149.8
<b>Total non-current liabilities</b>	<b>1,009.1</b>	<b>1,770.8</b>	<b>1,760.8</b>
<b>Current liabilities</b>			
Interest bearing debts	80.2	129.7	248.5
Accounts payable	204.2	145.8	192.9
Other current liabilities	198.7	150.4	187.6
<b>Total current liabilities</b>	<b>483.0</b>	<b>425.9</b>	<b>629.0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,384.4</b>	<b>2,913.8</b>	<b>3,254.0</b>

## CONDENSED STATEMENT OF CHANGES IN EQUITY

	Attributable to the parent company's shareholders					
	Share capital	Other contributed capital	Foreign currency adjustments	Cash flow hedging	Retained earnings	Total equity
Amounts in SEK million						
<b>Opening balance 1 January 2014</b>	<b>0.1</b>	<b>1,215.2</b>	<b>-122.2</b>	<b>0.0</b>	<b>-419.6</b>	<b>673.5</b>
Profit for the period					27.4	27.4
Changes of fair value				-11.7		-11.7
Tax attributable to cash flow hedging				2.6		2.6
Foreign currency adjustments			25.4			25.4
<b>Total comprehensive income</b>	<b>0.0</b>	<b>0.0</b>	<b>25.4</b>	<b>-9.1</b>	<b>27.4</b>	<b>43.6</b>
<b>Closing balance, 30 June 2014</b>	<b>0.1</b>	<b>1,215.2</b>	<b>-96.8</b>	<b>-9.1</b>	<b>-392.2</b>	<b>717.1</b>
<b>Opening balance, 1 January 2015</b>	<b>0.1</b>	<b>1,215.2</b>	<b>45.8</b>	<b>-23.1</b>	<b>-373.8</b>	<b>864.2</b>
Profit for the period					26.8	26.8
Changes of fair value				24.3		24.3
Transferred to income statement				-3.3		-3.3
Tax attr. to cash flow hedging				-4.6		-4.6
Foreign currency adjustments			24.6			24.6
<b>Total comprehensive income</b>	<b>0.0</b>	<b>0.0</b>	<b>24.6</b>	<b>16.3</b>	<b>26.8</b>	<b>67.7</b>
New Issue / Offset Issue	1.6	959.3			-0.5	958.8
<b>Closing balance, 30 June 2015</b>	<b>1.7</b>	<b>2,174.5</b>	<b>70.4</b>	<b>-6.8</b>	<b>-347.5</b>	<b>1,892.3</b>

CASH FLOW STATEMENT, GROUP	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Amounts in SEK million					
Operating activities:					
Profit before tax	41.2	37.1	48.7	52.8	91.7
Reversal of depreciation	13.5	12.2	26.5	24.0	48.6
Tax paid	-12.7	-22.8	-23.6	-32.5	-32.3
Adjustments for other items not affecting cash flow	58.7	21.0	119.2	55.0	189.0
<b>Cash flow in operating activities before change in working capital</b>	<b>100.8</b>	<b>47.5</b>	<b>170.8</b>	<b>99.3</b>	<b>297.0</b>
<b>Change in working capital:</b>					
Change in inventory	-3.8	-5.0	-51.8	-34.8	-25.1
Change in operating receivables	-20.3	-84.1	-47.1	-56.5	-39.8
Change in operating liabilities	-34.7	12.1	-17.0	30.0	77.4
<b>Cash flow from working capital</b>	<b>-58.8</b>	<b>-76.9</b>	<b>-115.9</b>	<b>-61.2</b>	<b>12.6</b>
<b>Cash flow from operating activities</b>	<b>41.9</b>	<b>-29.4</b>	<b>54.8</b>	<b>38.1</b>	<b>309.5</b>
<b>Investing activities:</b>					
Acquisition of group companies	0.5	-83.7	0.5	-83.7	-58.6
Investment in intangible fixed assets	-0.2	-0.8	-0.3	-0.9	-0.8
Investment in tangible fixed assets	-7.3	-15.6	-17.2	-23.3	-66.0
Sales/disposal of tangible fixed assets	4.6	2.4	4.6	2.6	7.5
Changes in financial fixed assets	0.0	0.0	0.1	0.0	-3.3
<b>Cash flow from investing activities</b>	<b>-2.4</b>	<b>-97.7</b>	<b>-12.2</b>	<b>-105.3</b>	<b>-121.2</b>
<b>Financing activities:</b>					
Dividend	0	0	0	0	0
New loans and amortization	-11.8	58.5	-35.9	26.3	-18.2
<b>Cash flow from financing activities</b>	<b>-11.8</b>	<b>58.5</b>	<b>-35.9</b>	<b>26.3</b>	<b>-18.2</b>
<b>Cash flow for the period</b>	<b>27.7</b>	<b>-68.7</b>	<b>6.7</b>	<b>-40.9</b>	<b>170.2</b>
Cash & cash equivalents at beginning of period	376.5	214.4	384.7	189.9	189.9
Exchange gains/losses	-9.7	7.4	3.2	4.1	24.6
Cash & cash equivalents at end of period	394.6	153.1	394.6	153.1	384.7

## KEY FIGURES

	Quarter						First half year	
	2015		2014				2015	2014
	Apr-Jun	Jan-Mar	Oct-Dec	July-Sep	Apr-Jun	Jan-Mar	Jan-Jun	Jan-Jun
Order intake, MSEK	663.0	535.8	446.8	417.6	489.4	435.9	1,198.8	925.3
Revenues, MSEK	552.1	462.3	518.0	427.1	454.1	343.3	1,014.4	797.4
Operating profit (EBIT) before items affecting comparability, MSEK	103.8	76.0	109.0	72.1	84.4	51.3	179.8	135.7
Operating margin (EBIT) before items affecting comparability, %	18.8%	16.4%	21.0%	16.9%	18.6%	14.9%	17.7%	17.0%
Operating profit (EBIT), MSEK	53.7	72.0	85.4	67.5	84.0	50.7	125.7	134.7
Operating margin (EBIT), %	9.7%	15.6%	16.5%	15.8%	18.5%	14.8%	12.4%	16.9%
Profit for the period, MSEK	22.0	4.7	14.5	4.7	19.5	7.8	26.8	27.3
Total comprehensive income, MSEK	17.7	50.0	124.7	22.4	31.3	12.3	67.7	43.6
Cash flow from operating activities, MSEK	41.9	12.9	132.7	138.7	-29.4	67.5	54.8	38.1
Total cash flow, MSEK	27.7	-21.0	77.5	133.6	-68.7	27.8	6.7	-40.9
Undiluted/diluted number of shares, thousand's	43,326	1,000	1,000	1,000	1,000	1,000	43,326	1,000
Average amount of undiluted/diluted number of shares, thousand's	20,553	1,000	1,000	1,000	1,000	1,000	10,815	1,000
Undiluted/diluted earnings per share, SEK	0.51	4.73	14.47	4.68	19.54	7.81	0.62	27.34
Undiluted/diluted earnings per share, SEK <sup>1</sup>	0.51	0.11	0.33	0.11	0.45	0.18	0.62	0.63
Total cash flow per share, SEK <sup>1</sup>	0.64	-0.48	1.79	3.08	-1.58	0.64	0.15	-0.94
Undiluted/diluted equity per share, SEK <sup>1</sup>	43.67	21.10	19.95	17.07	16.55	15.83	43.67	16.55
Total assets, MSEK	3,384.4	3,372.9	3,254.0	3,036.7	2,913.8	2,767.5	3,384.4	2,913.8
Cash and cash equivalents end of period, MSEK	394.6	376.5	384.7	227.2	153.1	214.4	394.6	153.1
Equity, MSEK	1,892.3	914.2	864.2	739.4	717.1	685.8	1,892.3	717.1
Capital employed, MSEK	2,424.5	2,432.1	2,339.0	2,298.3	2,354.6	2,166.4	2,424.5	2,354.6
Net debt, MSEK	532.3	576.9	556.0	661.8	761.5	625.2	532.3	761.5
Equity ratio, %	55.9%	27.1%	26.6%	24.3%	24.6%	24.8%	55.9%	24.6%
Return on equity, %	3.5%	5.4%	6.0%	7.9%	8.3%	9.5%	3.5%	8.3%
Return on capital employed goodwill excluded, %	39.1%	46.5%	44.5%	41.5%	39.0%	40.3%	39.1%	39.0%
Return on capital employed, %	11.7%	13.4%	12.6%	12.5%	11.8%	11.5%	11.7%	11.8%
Interest coverage ratio, times	3.4	1.1	1.4	1.2	1.7	1.4	1.5	1.6
Net debt/EBITDA ratio	1.6	1.6	1.7	2.0	2.4	2.1	1.6	2.4
Number of employees, end of period	1,088	1,083	1,061	1,107	1,007	934	1,088	1,007

<sup>1</sup>Calculated to existing number of shares, 43 326 289

## HISTORICAL QUARTERLY DATA 2013–2014

	2014				2013			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Order Intake</b>								
Construction Equipment	116	108	151	81	79	61	71	42
Industrial Equipment	122	90	105	148	139	124	110	139
Rental	61	77	86	75	56	60	83	78
After Sales	148	143	147	131	126	112	142	137
<b>Total</b>	<b>447</b>	<b>418</b>	<b>489</b>	<b>436</b>	<b>401</b>	<b>357</b>	<b>406</b>	<b>397</b>
<b>Revenues</b>								
Construction Equipment	97	74	114	49	62	50	61	69
Industrial Equipment	177	123	134	112	166	93	117	120
Rental	75	77	68	58	65	72	72	75
After Sales	169	154	138	125	135	125	125	109
<b>Total</b>	<b>518</b>	<b>427</b>	<b>454</b>	<b>343</b>	<b>428</b>	<b>340</b>	<b>376</b>	<b>373</b>
<b>Operating Profit (EBIT), reported</b>								
Construction Equipment	-3	-5	9	-11	-9	-8	-5	0
Industrial Equipment	37	17	25	17	43	11	20	26
Rental	-4	5	0	1	1	7	5	7
After Sales	55	51	50	44	47	45	43	35
<b>Total</b>	<b>85</b>	<b>68</b>	<b>84</b>	<b>51</b>	<b>82</b>	<b>55</b>	<b>63</b>	<b>68</b>
<b>Operating profit (EBIT), before items affecting comparability</b>								
Construction Equipment	2	-5	9	-11	-6	-8	-5	0
Industrial Equipment	42	19	25	17	43	11	20	26
Rental	5	5	0	1	3	7	5	7
After Sales	60	53	50	44	50	45	43	35
<b>Total</b>	<b>109</b>	<b>72</b>	<b>84</b>	<b>51</b>	<b>89</b>	<b>55</b>	<b>63</b>	<b>68</b>

INCOME STATEMENT, PARENT COMPANY	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Amounts in SEK million					
Net sales	–	–	–	–	–
Operating expenses	-9.2	0.0	-9.2	0.0	0.0
<b>Operating profit/loss</b>	<b>-9.2</b>	<b>0.0</b>	<b>-9.2</b>	<b>0.0</b>	<b>0.0</b>
Net financial items	-19.4	-20.6	-41.5	-40.8	-83.5
<b>Profit/loss after financial items</b>	<b>-28.6</b>	<b>-20.6</b>	<b>-50.8</b>	<b>-40.8</b>	<b>-83.5</b>
Group contribution	–	–	–	–	160.0
<b>Result before tax (EBT)</b>	<b>-28.6</b>	<b>-20.6</b>	<b>-50.8</b>	<b>-40.8</b>	<b>76.5</b>
Tax on profit/loss for the period	6.3	4.5	11.2	9.0	-16.8
<b>Profit/loss for the period</b>	<b>-22.3</b>	<b>-16.1</b>	<b>-39.6</b>	<b>-31.8</b>	<b>59.6</b>

BALANCE SHEET, PARENT COMPANY	30 Jun 2015	30 Jun 2014	31 Dec 2014
Amounts in SEK million			
<b>Non-current assets</b>			
Shares in group companies	1,738.4	1,738.4	1,738.4
Other financial non-current assets	60.4	75.0	49.2
<b>Total non-current assets</b>	<b>1,798.8</b>	<b>1,813.4</b>	<b>1,787.7</b>
<b>Current assets</b>			
Receivable from group company	458.8	130.1	290.1
Cash and cash equivalents	1.1	1.1	1.1
<b>Total current assets</b>	<b>459.9</b>	<b>131.3</b>	<b>291.3</b>
<b>TOTAL ASSETS</b>	<b>2,258.7</b>	<b>1,944.7</b>	<b>2,078.9</b>
<b>EQUITY AND LIABILITIES</b>			
Shareholders equity	1,920.8	1,068.7	1,160.1
Non-current liabilities	325.9	876.1	918.8
Current liabilities	12.0	0.0	0.0
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,258.7</b>	<b>1,944.7</b>	<b>2,078.9</b>

# NOTES

## NOTE 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

FINANCIAL ASSETS	Total carrying amount			Fair value		
	30-Jun-15	30-Jun-14	31 Dec 2014	30-Jun-15	30-Jun-14	31 Dec 2014
Amounts in SEK million						
Derivative financial instruments	0.0	0.0	0.0	0.0	0.0	0.0
Other financial receivables	517.8	461.8	472.3	517.8	461.8	472.3
Cash and cash equivalents	394.6	153.1	384.7	394.6	153.1	384.7
<b>Total</b>	<b>912.4</b>	<b>614.8</b>	<b>857.0</b>	<b>912.4</b>	<b>614.8</b>	<b>857.0</b>
<b>FINANCIAL LIABILITIES</b>						
Derivative financial instruments	15.4	11.6	29.6	15.4	11.6	29.6
Interest bearing debts	927.2	900.0	920.5	927.2	915.8	934.2
Other financial liabilities <sup>1</sup>	353.5	275.0	365.5	353.5	275.0	365.5
<b>Total</b>	<b>1,296.1</b>	<b>1,186.6</b>	<b>1,315.5</b>	<b>1,296.1</b>	<b>1,202.4</b>	<b>1,329.3</b>

<sup>1</sup> including personnel expenses 30/06/15 and 30/06/14

### FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE

#### 2014-06-30

Financial assets	Nivå 2
Derivative financial instruments	11.6
<b>Total</b>	<b>11.6</b>

#### 2014-12-31

Financial liabilities	
Derivative financial instruments	29.6
<b>Total</b>	<b>29.6</b>

#### 2015-06-30

Financial liabilities	
Derivative financial instruments	15.4
<b>Total</b>	<b>15.4</b>

**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 in relation to operating profit before depreciation and amortization (EBITDA).

**Basic average number of shares**

Weighted average number of shares outstanding during the period.

**Net debt/equity ratio**

Net debt in 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.

**Basic/diluted earnings per share**

After tax result in relation to the basic 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.

**Basic/diluted equity per share**

Shareholders equity in relation to the number of basic shares outstanding 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

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## 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.