



Västerås 02/21/2013

AQ Group AB (publ)

Year-end report 2012

Fourth quarter 2012 in brief

- Net sales SEK 568 million (472)
- Operating profit SEK 23 million (5)
- Profit after financial items SEK 27 million (8)
- Equity ratio 54 % (63)
- Earnings per share after tax SEK 1.44 (0.43)

Fiscal year 2012 in brief

- Net sales SEK 2,162 million (2,150)
- Operating profit SEK 117 million (122)
- Profit after financial items SEK 119 million (120)
- Equity ratio 54 % (63)
- Earnings per share after tax SEK 5.47 (5.31)
- The Board proposes a dividend of SEK 1.30 (1.30)

Significant events during and after the financial year

Net sales rose to SEK 2,162 million, an increase of SEK 12 million compared with the previous year. Net sales excluding acquisitions dropped by 7 %, as a result of a reduction in demand.

AQ was founded in 1994 and has for the 18th consecutive year increased its net sales. Every quarter since has generated a profit.

On 1 September 2012, 100 % of the shares of Durapart Industries AS were acquired at a price of NOK 67 million in addition to 35 000 newly issued shares, representing 0.2 % of the total number of shares in the AQ Group. The cash purchase price was financed via the bank. This acquisition has led to a reduction in solvency, which is, however, still well over our goal of 40 %. Both the new and the existing cabling businesses are being run as part of the business area AQ Wiring Systems. This business area is well structured with well run production plants in Poland, Lithuania, Mexico, China and India. These plants show world-class delivery performance and quality assurance. During Q4, the acquired cabling business has been affected by a downturn in parts of the automotive industry and has not contributed any profit to the AQ Group.

In October, 100 % of the shares of the Staretor Group was acquired for 40 000 newly issued shares, representing 0.2 % of the total number of shares in the AQ Group. Staretor Group manufactures injection-moulded thermoplastic components for the automotive industry and specializes in engineering work for demanding industrial customers. The company has been hit by a decline in volumes and has not contributed with a positive result in 2012.

In 2013, an activity programme, "Core Values", was developed and implemented throughout the group. The programme focuses on values and has resulted in every employee having a review of the group's values in their own language.

During the year, investments of approximately SEK 18 million were made in plate working machines in Sweden and investments of SEK 23 million were made in manufacturing machines mainly in Estonia, Bulgaria, India and China.

Earnings per share after taxes have risen by 0.38 SEK as a result of a change in the Swedish tax rate. In other respects the income statement is not affected in appreciable extent of non-recurring costs and incomes as these amounts have equaled each other.

Information of parent company

The parent company, AQ Group AB, focuses primarily on leadership and development of the Group. Company sales are, as in previous years, almost exclusively of sale of management services to subsidiaries. Purchases from the subsidiaries do not exist to any appreciable extent.

The drawing up of the interim report

The interim report has been prepared in accordance with the Swedish Annual Accounts Act as well as IFRS, applying IAS 34, Interim Financial Reporting, which contains general requirements for the design, structure and minimum information requirements in the interim report. The accounting and valuation principles applied are the same as used in the latest annual report for 2011.

The report has not been audited.

Significant estimates and evaluations for accounting purposes

The Board has in preparing the interim report found no record that would be especially exposed from a risk point of view and thus induce significant adjustments to future periods.

Future prospects

The board of directors is currently of the opinion that quarter 1, 2013 will have a slow start but that net sales and earnings for the full year 2013 will be somewhat better than 2012.

The group is striving to continue profitable growth within its business areas. Growth shall occur both organically and via acquisitions.

AQ in brief

AQ is a leading supplier to demanding industrial customers and is listed on AktieTorget.

The Group operates in two business segments *Component* which produce transformers, cabling, mechanical parts, stamped sheet metal and plastic injection molding and *Systems* which produces systems, automation and power solutions and assemble complete machines in close cooperation with customers.

The Group's Income Statement (KSEK)

	Q4 2012	Q4 2011	Acc 2012	Acc 2011
Net sales	567 823	472 259	2 162 033	2 149 541
Other operating income	21 413	3 077	41 886	11 149
Operating expenses	-566 704	-470 783	-2 086 685	-2 038 426
Operating profit	22 531	4 553	117 234	122 264
Result from financial items	4 129	3 166	1 339	-2 276
Profit after financial items	26 660	7 719	118 573	119 988
Tax on profit for the year	-683	-1 022	-19 939	-25 876
Net profit for the year	25 977	6 697	98 633	94 112
Earnings per share after full tax ¹⁾	1,44	0,43	5,47	5,31
Net margin %	4,7%	1,6%	5,5%	5,6%

1) Earnings per share after taxes attributable to the parent company's shareholders.

The Parent Company's Income Statement (KSEK)

	Q4 2012	Q4 2011	Acc 2012	Acc 2011
Net sales	17 221	15 775	49 437	48 650
Other operating income	9 370	0	9 370	0
Operating expenses	-2 579	-574	-15 403	-16 741
Operating profit	24 012	15 201	43 404	31 909
Result from financial items ¹⁾	2 065	30 630	3 725	36 312
Profit after financial items	26 077	45 831	47 130	68 221
Appropriations ¹⁾	8 200	-36 200	8 200	-36 200
Tax on profit for the year	-14 590	6 115	-14 590	-2
Net profit for the year	19 687	15 745	40 740	32 018

1) Group contributions are recognized as an appropriation and the comparative year have been adjusted accordingly.

Balance Sheet (KSEK)

Assets	Group		Parent company 1)	
	Q4 2012	Q4 2011	Q4 2012	Q4 2011
Fixed assets	337 858	232 259	297 474	189 838
Inventories	466 695	401 525		
Other current receivables	583 630	413 465	227 493	241 011
Cash and bank balances	55 893	58 078	10 004	27 346
Total assets	1 444 076	1 105 327	534 971	458 196
Equity and liabilities				
Equity	783 551	690 985	309 652	288 786
Untaxed reserves			31 140	12 740
Interest-bearing liabilities	242 720	60 829	180 663	140 726
Other liabilities	417 805	353 513	13 515	15 944
Total equity and liabilities	1 444 076	1 105 327	534 971	458 196
Equity ratio	54%	63%	58%	63%

1) For the parent company, we have reported gross intercompany balances comparative year have been adjusted accordingly. This in turn has affected the reported financial equity ratio.

Cash Flow Analysis (KSEK)

	Group		Parent company	
	Acc 2012	Acc 2011	Acc 2012	Acc 2011
Net operating profit/loss	117 234	122 264	43 404	31 909
Result from financial items	-2 439	-3 884	4 025	-349
Income tax paid	-19 678	-25 039	-2	-2
Non-cash transactions	50 365	44 226	-200	0
Changes in working capital	-91 224	-36 829	-20 374	-15 726
Cash flow from investing	-149 452	-40 659	-84 699	2 538
Cash flow from financing activities	91 601	-30 252	40 562	1 315
Increase/reduction of liquid funds	-3 592	29 826	-17 283	19 726
Liquid funds at beginning of year	58 078	25 400	27 346	7 458
Exchange rate difference in liquid funds	1 407	2 852	-59	162
Liquid funds at end of period	55 893	58 078	10 004	27 346

Equity (KSEK)

Group				Profit/ Loss brought forward	Sub-total	Minority share- holding	Total Equity
	Share-capital	Other paid-in capital	Trans- lation reserve				
Equity, 01/01/2011	35 918	30 691	-792	557 568	623 385	1 316	624 701
Paid dividends				-19 755	-19 755		-19 755
Purchased minority				-11 202	-11 202		-11 202
Transl.diff. in foreign comp.			3 128		3 128	1	3 129
Net profit				95 345	95 345	-1 233	94 112
Equity, 01/01/2012	35 918	30 691	2 336	621 956	690 901	84	690 985
New share issue	150	3 323			3 473		3 473
Through acquisitions				22 028	22 028		22 028
Paid dividends				-23 347	-23 347		-23 347
Transl.diff. in foreign comp.			-8 178		-8 178	-44	-8 221
Net profit				98 531	98 531	103	98 633
Equity, 31/12/2012	36 068	34 014	-5 842	719 168	783 408	143	783 551
	Restricted equity			Non - restricted equity			
Parent company	Share-capital	Statutory reserve	Sub-total	Share premium reserve	Fair value reserve	Oth. Non- restr. EQ	Total Equity
Equity, 01/01/2011	35 918	1 156	37 075	30 691		208 757	239 448
Paid dividends						-19 755	-19 755
Net profit						32 018	32 018
Equity, 01/01/2012	35 918	1 156	37 075	30 691		221 020	251 711
New share issue	150		150	3 323			3 323
Paid dividends						-23 347	-23 347
Net profit						40 740	40 740
Equity, 31/12/2012	36 068	1 156	37 225	34 014		238 413	272 427

All shares /18 034 058 pcs/ are A-shares with equal voting rights - 40 000 pcs were under registration per 31/12/2013.

Personnel

Employees	Bulgaria	China	Denmark	Estonia	India	Italy	Lithuania	Mexico	Norway	Poland	Sweden	Total
12/31/2012	784	486	1	193	20	5	507	95	5	360	847	3 303

**Annual Report for 2012 will be available on www.aktietorget.se from 10 April 2013.
Annual General Meeting held April 24, 2013, at 18.00 in Västerås.**

Future Reporting Dates

Interim Report Q1, 2013	April 24, 2013
Interim Report Q2, 2013	July 19, 2013
Interim Report Q3, 2013	October 22, 2013
Year-end 2013	February 20, 2014
Annual Report	April 2014

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