

VBG GROUP AB (publ) in Vänersborg is the Parent Company of an international engineering Group with wholly-owned companies in Europe, China, India, and the USA. The Group's operations are divided into three divisions – VBG TRUCK EQUIPMENT, EDSCHA TRAILER SYSTEMS and RINGFEDER POWER TRANSMISSION – with products that are marketed under strong, well-known brands. VBG GROUP AB's Series B share was introduced on the stock exchange in 1987 and is listed on Nasdaq OMX Nordic Exchange Small Cap.

YEAR-END REPORT 2011

Fourth quarter 2011:

- **The Group's net turnover increased by 2.0 per cent to SEK 284.3 M (278.7)**
- **Operating profit increased to SEK 23.1 M (20.1)**
- **Profit after financial items increased to SEK 23.8 M (20.9)**

Full year 2011:

- **The Group's net turnover increased by 15.6 per cent to SEK 1,181.1 M (1,021.3)**
- **Operating profit doubled to SEK 138.3 M (68.6)**
- **Profit after financial items increased to SEK 130.9 M (82.4)**
- **The Group's profit after tax increased to SEK 94.5 M (55.7)**
- **Earnings per share increased by 70 per cent to SEK 7.56 (4.46)**
- **The Board proposes increasing the dividend to SEK 2.25 per share (1.50)**

Group	Q4 2011	Q4 2010	Full year 2011	Full year 2010
Net turnover, SEK M	284.3	278.7	1,181.1	1,021.3
Operating profit, SEK M	23.1	20.1	138.3	68.6
Operating margin, %	8.1	7.2	11.7	6.7
Profit after financial items, SEK M	23.8	20.9	130.9	82.4
Profit margin, %	8.4	7.5	11.1	8.1
Profit after tax, SEK M	17.9	13.0	94.5	55.7
Earnings per share, SEK	1.43	1.04	7.56	4.46
Return on capital employed (ROCE), cumulative, %			18.6	8.7
Return on equity (ROE), cumulative, %			15.7	9.6
Equity/assets ratio, %			64.7	58.2

VBG GROUP – with a new organisational structure

On 1 October, a new organisational structure was introduced in the Group entailing a more customer- and market-oriented subdivision of the Group's operations into three divisions. Besides providing strategic guidance for the three divisions, the Parent Company will focus on continued profitable international expansion with the ambition of growing by acquiring additional business areas as well.

For the first time, this quarterly and year-end report accounts for the former business area VBG GROUP TRUCK EQUIPMENT as two separate divisions, where figures for earlier quarters have also been calculated. During 2012 the divisions will be legally organised under the Parent Company as three sub-groups.

VBG TRUCK EQUIPMENT – big, stable and strategically important

It started in Vänersborg in 1951 with the firm Vänersborgskopplingen, and now, sixty years later, VBG TRUCK EQUIPMENT is the Group's biggest division and, with an annual turnover of SEK 600 M and good profitability, comprises the solid and stable core of the Group. The head office, with Division Manager Anders Erkén and the management group, is in Vänersborg.

With the VBG brand, which has a completely dominant position in Scandinavia and the UK, and with the RINGFEDER brand, which has a leading position on other geographic markets, the VBG TRUCK EQUIPMENT division is the world's biggest supplier of trailer couplings.

The year began with a very strong first quarter, followed by two stable quarters. Despite the uncertainty in the European economy in particular during the second half of 2011, the division finished the year with a strong fourth quarter. Altogether for the year, the operating margin was over 15 per cent.

EDSCHA TRAILER SYSTEMS – world leader in sliding roofs

EDSCHA TRAILER SYSTEMS, which in 1969 developed the market's first sliding roof for trailers, was brought into the Group on 1 October 2005 and has since then been a part of the VBG GROUP TRUCK EQUIPMENT business area before now forming its own separate division. Together with the complementary Sesam brand, Edscha currently accounts for about 50 per cent of the world market in sliding roofs.

When the market came to a screeching halt at the end of 2008 and shrank by nearly 80 per cent in 2009, the result was two loss-making years, 2009 and 2010. The market then took off during the first two quarters of 2011, resulting in good turnover and good earnings. During the second half of the year, customers became cautious in response to the uncertain economic situation in Europe. The result was a slowdown during the third and fourth quarters, which is however only expected to be a temporary setback. Nevertheless, it resulted in lower turnover and lower profitability for these quarters. But 2011 was nevertheless quite satisfactory as a whole with an operating margin of 7.6 per cent. The 2011 operating profit includes development costs of SEK 5 M, which have been invested in an extensive and long-term product development programme. The programme aims to develop a whole new generation of sliding roofs and will continue into 2012.

Today Division Manager Per Ericson, the management group, R&D and marketing/sales comprise a part of VBG Group Truck Equipment GmbH in Krefeld, Germany. As a step in the establishment of the new legal structure, a new German "parent company" will be formed for the division during 2012. Production and distribution are handled by the division's Czech company.

RINGFEDER POWER TRANSMISSION – the vanguard into growth markets

In December 2010, the division decided to wind up a more than twenty year old trading business in the USA in order to focus the American company completely on the division's own brands and thereby ensure slow, profitable growth. In the short term, the decision entails a deliberate reduction in annual volume of about SEK 40–50 M in the USA. The change went into effect in February of 2011, and as a consequence of organisational changes effected in the American company, costs were quickly adjusted so that the operating margin could be kept virtually unchanged.

At the end of December, the division's parent company, Ringfeder Power Transmission GmbH, was relocated from Grosswallstadt south of Frankfurt to new, more practical premises in nearby Gross-

Umstadt. The branch office in Krefeld is expected to close during the first part of 2012. After negotiations, it became clear that a number of persons would not be coming along, as a result of which the fourth quarter was charged with personnel-related restructuring costs of SEK 4.5 M.

RINGFEDER POWER TRANSMISSION is developing stably, and in spite of the lower turnover, the operating margin was 13 per cent. The division operates within many market segments, is constantly developing new applications and is eminently positioned to establish itself on a number of interesting growth markets.

The VBG GROUP – moving towards new goals

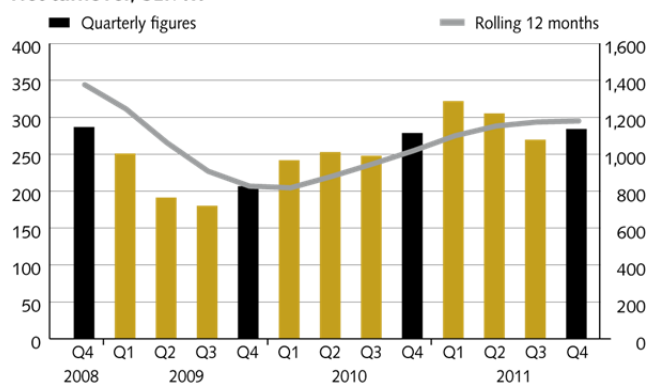
All in all, 2011 was a very good fiscal year with increased turnover and improved profitability, which means that the Group fortified its already very good financial position. The introduction of the new organisational structure was an important step, and each division is now fully focused and well equipped to meet new challenges.

During the year the Group Management, together with the Board of Directors, has devoted its efforts to Group-wide strategy issues. Meanwhile, the Group's communications strategy has also been overhauled, and now the plan is to present and communicate clearer financial goals in early 2012 while at the same time describing the road map for the years to come.

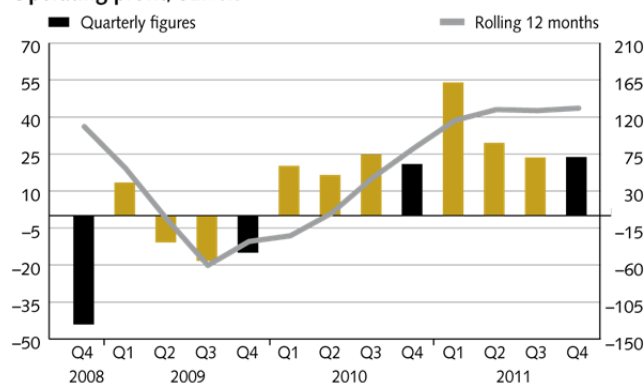
Anders Birgersson
Managing Director and CEO

Group trend (SEK M)	Full year 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Full year 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Net turnover	1,181.1	284.3	269.6	305.3	321.9	1,021.3	278.7	247.9	252.9	241.8
Operating profit	138.3	23.1	26.6	33.4	55.2	68.6	20.1	18.6	13.9	16.0
Operating margin, %	11.7	8.1	9.9	10.9	17.1	6.7	7.2	7.5	5.5	6.6
Profit after financial items	130.9	23.8	23.6	29.5	54.0	82.4	20.9	24.8	16.5	20.2
Profit margin, %	11.1	8.4	8.8	9.7	16.8	8.1	7.5	10.0	6.5	8.4
Profit after tax	94.5	17.9	17.5	21.0	38.1	55.7	13.0	16.2	11.8	14.7
Earnings/share, SEK	7.56	1.43	1.40	1.68	3.05	4.46	1.04	1.30	0.94	1.18
ROCE (cumulative), %	18.6	18.6	20.1	23.7	29.8	8.7	8.7	8.0	7.2	7.7
ROE (cumulative), %	15.7	15.7	16.9	20.0	26.2	9.6	9.6	9.8	9.1	10.0
Equity/assets ratio, %	64.7	64.7	60.9	59.5	60.0	58.2	58.2	55.7	54.6	54.3

Net turnover, SEK M



Operating profit, SEK M



Consolidated turnover and earnings

Fourth quarter 2011

At SEK 284.3 M (278.7), turnover was 2.0 per cent higher than for the fourth quarter of 2010, and when the small changes in exchange rates between the quarters are taken into account, the actual volume increase was 2.4 per cent.

Operating profit for the quarter was SEK 23.1 M (20.1), with an operating margin of 8.1 per cent (7.2).

The VBG TRUCK EQUIPMENT division increased its turnover to SEK 152.5 M (148.8). Operating profit amounted to SEK 22.0 M (14.5) with a margin of 14.4 per cent (9.7).

The EDSCHA TRAILER SYSTEMS division increased its turnover to SEK 64.9 M (57.0). Operating profit turned into a loss of SEK 0.7 M (profit: 2.6), but last year's result included a capital gain of SEK 4.6 M from the sale of an industrial property in Belgium.

Turnover for the RINGFEDER POWER TRANSMISSION division declined to SEK 66.9 M (72.9) due to the winding-up of the trading business that constituted a large portion of the division's American company and accounted for SEK 13.9 M during the fourth quarter of last year. Operating profit was SEK 4.4 M (5.5) after being charged with personnel-related restructuring costs of SEK 4.5 M.

Group-wide overheads that have not been allocated out from the Parent Company amounted to SEK 2.6 M (2.5).

The net interest expense for the quarter was SEK 1.7 M (1.5), but the Swedish krona was strengthened during the fourth quarter, which positively affected the Swedish companies' euro-denominated credits and resulted in a currency effect of SEK 2.4 M (2.3). Altogether, this resulted in a net financial income of SEK 0.7 M (0.8) and a thereby profit after financial items of SEK 23.8 M (20.9).

Profit after tax increased to SEK 17.9 M (13.0) and earnings per share amounted to 1.43 (1.04).

Full year 2011

The Group's turnover for the full year increased by 15.6 per cent to SEK 1,181.1 M (1,021.3), and the actual volume increase for the full year was 21.0 per cent after changes in exchange rates between the years are taken into account.

The Group's operating profit doubled to SEK 138.3 M (68.6), with a margin of 11.7 per cent (6.7).

The VBG TRUCK EQUIPMENT division increased its turnover by 14 per cent during the year to SEK 613.7 M (539.5). Operating profit doubled to SEK 94.0 M (50.5), with a margin of 15.3 per cent (9.4).

The EDSCHA TRAILER SYSTEMS division increased its turnover by all of 71 per cent, from a historic low last year to SEK 294.8 M (172.7). Operating profit was once again positive after two loss-making years, amounting to SEK 22.5 M (loss: 10.8) with a margin of 7.6 per cent (-6.3).

Turnover for the RINGFEDER POWER TRANSMISSION division declined by 11.8 per cent to SEK 272.6 M (309.1), of which SEK 41.7 M (more than half the decrease) is attributable to the winding-up of the trading business, which previously accounted for 40 per cent of turnover in the division's American company. Operating profit amounted to SEK 35.4 M (41.5), with a largely unchanged margin of 13.0 per cent (13.4).

The consolidated operating profit also includes Group-wide overheads of SEK 13.6 M (12.6) that have not been allocated among the different divisions.

The net interest expense for the full year was SEK 6.3 M (6.5), and the Swedish companies' euro-denominated credits were slightly negatively affected, with a currency effect of SEK -1.1 M (+20.3). Taken together, this resulted in a net financial financial loss of SEK 7.4 M (income: 13.8), and the profit after financial items was SEK 130.9 M (82.4) with a margin of 11.1 per cent (8.1).

Profit after tax increased by 70 per cent to SEK 94.5 M (55.7), while earnings per share after tax increased to SEK 7.56 (4.46).

Return on capital employed rose to 18.6 per cent (8.7), and return on equity amounted to 15.7 per cent (9.6). The Group's equity/assets ratio increased compared with the end of last year to 64.7 per cent (58.2).

Tax expense

The year's tax expense was SEK 36.4 M (26.7), of which current tax comprised SEK 27.0 M (30.1) and deferred tax comprised SEK 9.4 M (-3.4). The tax expense corresponds to a tax rate for the Group of 27.8 per cent (32.4).

Capital expenditures

The Group's capital expenditures during the year amounted to SEK 21.5 M (11.3).

Financial position

Profit after tax for the full year increased to SEK 94.5 M (55.7) and total translation differences amounted to SEK -4.5 M (-79.2), which added up to a comprehensive income of SEK 90.0 M (loss: 23.5). This meant that equity increased to SEK 636.6 M (565.3) after dividends paid to shareholders of SEK 18.7 M (6.2).

The equity/assets ratio increased during the year to 64.7 per cent (58.2).

Cash and cash equivalents amounted to SEK 65.2 M (46.1) at year-end, and there are unutilised credit facilities of SEK 121.9 M (67.6), giving an available liquidity of SEK 187.1 M (113.7).

The Group's interest-bearing net debt decreased by SEK 92.1 M during the year, amounting to SEK 95.9 M at year-end (188.0).

The ratio of interest-bearing net debt to equity was 0.15 at 31 December 2011 (0.33 at 31 December 2010).

The Group's aggregate goodwill amounted to SEK 250.9 M (252.3), which in relation to equity was a ratio of 0.39 (0.45).

Cash flow

Cash flow from operating activities amounted to SEK 130.9 million (100.8). Capital expenditures during the year amounted to SEK 25.9 M (12.2). The Group's total borrowings and current financial liability decreased during the year by a net of SEK 66.4 M (71.0). Dividends distributed to the shareholders amounted to SEK 18.7 M (6.2). Net cash flow during the year was thereby SEK 19.9 M (11.4).

Outlook for 2012

During 2011 the Group further strengthened its financial position and is now well equipped for 2012, where the focus for the Parent Company is to create structural growth by acquisition of new businesses.

The 2012 market prospects for the Group's three divisions are difficult to assess on account of the financial unrest in Europe in particular. However, all divisions expect to fortify or advance their market positions during 2012 and thereby defend their profitability as well.

Personnel

On 31 December 2011 there were 492 employees (437) in the VBG GROUP, including 175 (162) in Sweden.

During 2011 the Group employed an average of 477 persons (432). Of these, 174 (165) were active in Sweden. The cost of salaries and social security contributions was SEK 252.6 M (250.4).

Per share data

Earnings per share for the year increased by 70 per cent to SEK 7.56 (4.46). Equity per share at 31 December 2011 was SEK 50.92, compared with SEK 45.22 a year earlier.

The number of shareholders decreased slightly during the year, amounting at year-end to 4,327 (4,529).

VBG TRUCK EQUIPMENT

Fourth quarter 2011:

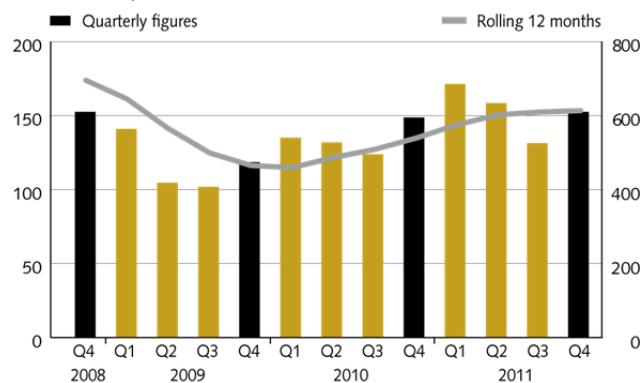
- Turnover increased by 2.5 per cent to SEK 152.5 M (148.8)
- Operating profit increased to SEK 22.0 M (14.5)

Full year 2011:

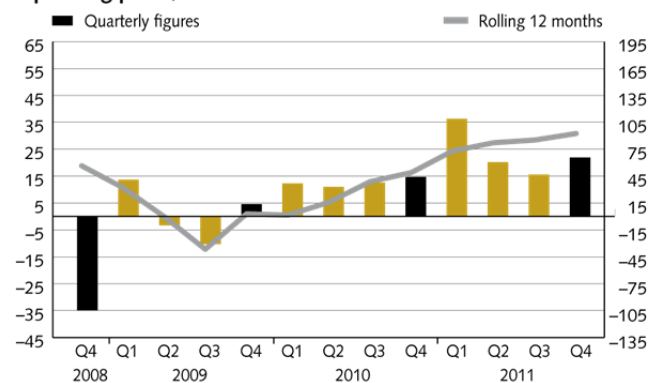
- Turnover increased by 13.8 per cent to SEK 613.7 M (539.5)
- Operating profit increased to SEK 94.0 M (50.5)

	Full year 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Full year 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
VBG TE(SEK M)										
Net turnover	613.7	152.5	131.3	158.5	171.4	539.5	148.8	123.8	131.9	135.0
Operating profit	94.0	22.0	15.5	20.2	36.3	50.5	14.5	12.6	11.0	12.4
Operating margin %	15.3	14.4	11.8	12.7	21.2	9.4	9.7	10.2	8.3	9.2

Net turnover, SEK M



Operating profit, SEK M



Fourth quarter 2011

VBG TRUCK EQUIPMENT reported a stable quarter and increased its turnover by 2.5 per cent compared with the same period last year to SEK 152.5 M (148.8). Translation of the turnover of foreign Group companies to SEK had a negative effect, so the actual volume increase was 3.0 per cent.

Operating profit increased to SEK 22.0 M (14.5), and the profit margin rose to 14.4 per cent (9.7).

Full year 2011

Turnover for the full year increased by 13.8 per cent to SEK 613.7 M (539.5). Taking exchange rate changes into account, the actual volume increase was 17.3 per cent. The division's biggest market, Sweden, increased by 21.6 per cent and accounted, together with the rest of the Nordic market, for nearly half of the division's turnover. Operating profit for the business area increased sharply to SEK 94.0 M (50.5) with an operating margin of 15.3 per cent (9.4).

Turnover by market (SEK M)	Full year 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Full year 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Sweden	192.6	50.2	36.8	49.3	56.3	158.4	45.1	34.1	40.0	39.2
Other Nordic countries	104.2	26.4	21.9	26.5	29.4	91.9	28.0	16.5	24.6	22.8
Germany	124.9	29.3	28.0	34.2	33.4	125.1	34.0	32.0	30.6	28.5
Other European countries	134.3	31.7	28.7	32.0	41.9	114.7	30.2	27.8	26.3	30.4
Rest of world	57.7	14.9	15.9	16.5	10.4	49.4	11.5	13.4	10.4	14.1
VBG TE	613.7	152.5	131.3	158.5	171.4	539.5	148.8	123.8	131.9	135.0

EDSCHA TRAILER SYSTEMS

Fourth quarter 2011:

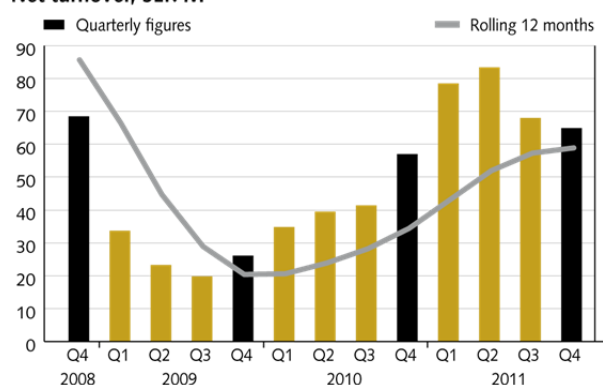
- Turnover increased by 13.9 per cent to SEK 64.9 M (57.0)
- An operating loss of SEK 0.7 M (profit: 2.6) was reported

Full year 2011:

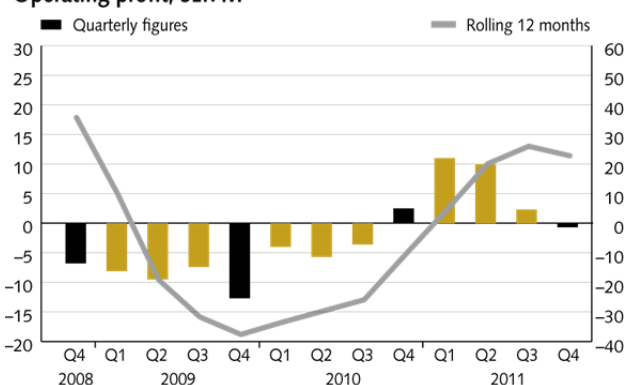
- Turnover increased by 70.7 per cent to SEK 294.8 M (172.7)
- Operating profit increased to SEK 22.5 M (loss: 10.8)

EDSCHA (SEK M)	Full year 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Full year 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Net turnover	294.8	64.9	68.0	83.4	78.5	172.7	57.0	41.4	39.5	34.8
Operating profit/loss	22.5	-0.7	2.3	9.9	11.0	-10.8	2.6	-3.6	-5.7	-4.1
Operating margin %	7.6	-1.1	3.4	11.9	14.0	-6.3	4.6	-8.7	-14.4	-11.8

Net turnover, SEK M



Operating profit, SEK M



Fourth quarter 2011

EDSCHA TRAILER SYSTEMS increased its turnover by 13.9 per cent compared with the same period last year to SEK 64.9 M (57.0). Translation of the turnover of foreign Group companies to SEK had a negative effect, so the actual volume increase was 15.5 per cent.

Compared with the first and second quarter, a certain degree of caution and restraint was noticeable among some of the major customers, which was reflected in the turnover for the fourth quarter.

A long-term, far-reaching product development programme was launched at the beginning of the year with the aim of developing a whole new generation of sliding roofs, where external resources have also been engaged. The quarter was charged with SEK 1.2 M for this project, and recognition of inventory impairment losses of SEK 1.3 M in December resulted in an operating loss of SEK 0.7 M (profit: 2.6). It should be noted that the result for the same quarter last year included a capital gain of SEK 4.6 M from the sale of an industrial property in Belgium.

Full year 2011

Turnover for the full year increased by 70.7 per cent to SEK 294.8 M (172.7). Taking into account exchange rate changes, the actual volume increase was 80.3 per cent. The dominant market was Germany, which accounted for 61 per cent of the turnover. The cost for the product development programme during the year amounted to SEK 4.9 M, and the division's operating profit increased to SEK 22.5 M (loss: 10.8) with an operating margin of 7.6 per cent (-6.3).

Turnover by market (SEK M)	Full year 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Full year 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Sweden	0.9	0.2	0.2	0.1	0.4	0.6	0.1	0.1	0.2	0.2
Other Nordic countries	1.1	0.2	0.2	0.3	0.4	1.3	0.5	0.2	0.2	0.4
Germany	179.7	42.3	44.2	50.5	42.7	94.6	32.4	25.9	20.2	16.1
Other European countries	112.3	21.6	23.3	32.4	35.0	75.0	23.4	15.0	18.9	17.7
Rest of world	0.8	0.6	0.1	0.1	0.0	1.2	0.6	0.2	0.0	0.4
Edscha TS	294.8	64.9	68.0	83.4	78.5	172.7	57.0	41.4	39.5	34.8

RINGFEDER POWER TRANSMISSION

Fourth quarter 2011:

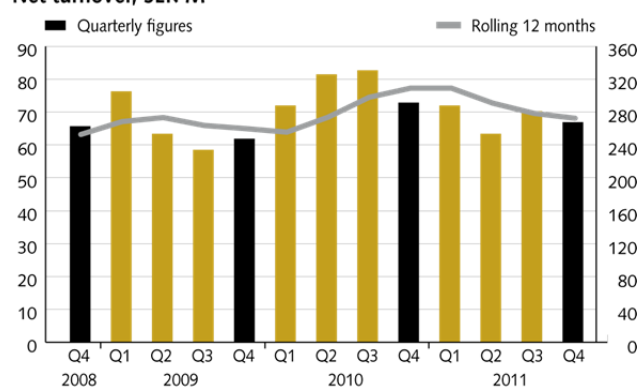
- Turnover decreased by 8.2 per cent to SEK 66.9 M (72.9)
- Operating profit decreased to SEK 4.4 M (5.5)

Full year 2011:

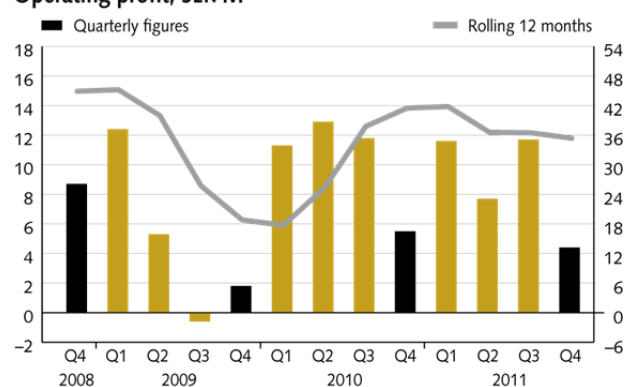
- Turnover decreased by 11.8 per cent to SEK 272.6 M (309.1)
- Operating profit decreased to SEK 35.4 M (41.5)

RINGFEDER PT (SEK M)	Full year 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Full year 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Net turnover	272.6	66.9	70.3	63.4	72.0	309.1	72.9	82.7	81.5	72.0
Operating profit	35.4	4.4	11.7	7.7	11.6	41.5	5.5	11.8	12.9	11.3
Operating margin %	13.0	6.6	16.6	12.1	16.1	13.4	7.5	14.3	15.8	15.7

Net turnover, SEK M



Operating profit, SEK M



Fourth quarter 2011

Sales decreased in the fourth quarter by 8.2 per cent to SEK 66.9 M (72.9), and if exchange rate changes are taken into account the decrease was 8.9 per cent. The reason for the decline in sales was the planned winding-up of the trading business in the USA, which previously accounted for nearly 40 per cent of the turnover in the division's American company or SEK 13.9 M in the fourth quarter of 2010. In a comparable structure, turnover thus increased by more than 13 per cent.

Operating profit amounted to SEK 4.4 M (5.5) with a margin of 6.6 per cent (7.5). The profit was charged with personnel-related restructuring costs of SEK 4.5 M, a consequence of the decision to relocate the head office in Grosswallstadt and the German branch office in Krefeld to new, more practical joint premises in Gross-Umstadt, just south of Frankfurt.

Full year 2011

Turnover for the full year declined by 11.8 per cent to SEK 272.6 M (309.1), but when the year's exchange rate changes are taken into account in translating to Swedish kronor, the actual volume decrease was 5.7 per cent.

In a comparable structure, corrected for the discontinued trading business, turnover increased by about 2 per cent.

The division succeeded in adjusting costs rapidly during the year after the trading business in the USA was wound up in February. Operating profit decreased to SEK 35.4 M (41.5), but with an only slightly lower operating margin of 13.0 per cent (13.4).

Turnover by market (SEK M)	Full year 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Full year 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Europe	140.8	31.5	39.6	33.2	36.5	129.9	29.6	35.1	30.6	34.6
North America	82.6	19.7	18.7	17.7	26.5	131.4	32.3	34.9	35.7	28.5
Rest of world	49.2	15.7	12.0	12.5	9.0	47.8	11.0	12.7	15.2	8.9
Power Transmission	272.6	66.9	70.3	63.4	72.0	309.1	72.9	82.7	81.5	72.0

Parent Company

VBG GROUP AB's operations are focused on managing, developing and coordinating the Group. The assets in the Parent Company consist primarily of shares in subsidiaries and trademarks. The company also owns the industrial property in Vänersborg that is rented by the subsidiary VBG GROUP TRUCK EQUIPMENT AB.

The objective is that the Group's intellectual property in the form of trademarks and other rights should be gathered in the Parent Company. VBG GROUP AB focuses on maintaining and developing all the Group's trademarks and rights.

The Parent Company's net turnover pertains primarily to intra-Group services, licence revenues and rentals and amounted to SEK 28.6 M during the year (25.1). The operating loss for the year was SEK 7.7 M (loss: 8.0). The loss after dividends from Group companies and financial items declined, however, amounting to SEK 48.6 M (profit: 59.0). The main reason for the lower profit was recognition of an impairment loss on shares in subsidiaries of SEK 70.7 M occasioned by the restructurings effected in the Group. In addition, last year's profit included a positive currency exchange difference of SEK 25 M, where the equivalent difference for 2011 amounted to SEK -1.0 M. Finally, this year's dividends from Group companies, SEK 12 M, were lower than last year's.

Notable events after the end of the fiscal year

In January 2012, the VBG TRUCK EQUIPMENT division decided to relocate stocks and distribution of trailer couplings and the division's other products from Krefeld in Germany to Beringen in Belgium. The move, whose purpose is to further rationalise and streamline operations, affects some 15 persons in the German company and will be carried out during 2012. Negotiations have been initiated with union representatives. Further information on the costs of the re-organisation will be provided in the interim report for the first quarter of 2012.

Risks and uncertainty factors

The Group's and the Parent Company's significant risk and uncertainty factors include business-related operational risks in the form of commodity risks, product risks, development risks, intellectual property risks, environmental risks, political risks, business interruption and property risks, cyclical risks, IT security risks and legal risks. To these can be added financial risks such as financing risks, liquidity risks, interest rate risks, currency risks and credit and counterparty risks.

For a more detailed description of the Group's risks and risk management, see the VBG GROUP AB's annual report for 2010, Note 2.

Proposed dividend

The Board of Directors of VBG GROUP AB (publ) proposes that the 2012 AGM resolve to raise the dividend to SEK 2.25 per share (1.50) for financial year 2011. The proposed dividend entails a total distribution of funds from the Parent Company equivalent to 4.4 per cent of the Group's equity at year-end. The Group reported a post-tax profit equivalent to SEK 7.56 per share, which means that the proposed dividend comprises 29.8 per cent of the net profit for the year.

Annual General Meeting and annual report

The 2012 Annual General Meeting will be held on 26 April at 5.00 p.m. in the company's offices at Herman Kreftings gata 4 in Vänersborg. The annual report will be published on the company's website at the end of March 2012 and will also be available at VBG GROUP AB's offices in Vänersborg.

Financial information 2012/2013

Interim report 3 months	26 April 2012
AGM in Vänersborg	26 April 2012
Interim report 6 months	22 August 2012
Interim report 9 months	23 October 2012
Year-end report 2012	February 2013

Related party transactions

There have been no related party transactions in 2011 that have significantly affected the company's financial position and results. Related party transactions in 2010 are disclosed in Note 5 in the annual report for 2010.

Accounting principles

The VBG GROUP applies International Financial Reporting Standards (IFRSs) as adopted by the EU in its consolidated accounts. This report has been prepared in accordance with IAS 34, Interim Financial Reporting, and the Swedish Annual Accounts Act.

The Parent Company's financial statements have been prepared in accordance with the the Swedish Annual Accounts Act and RFR 2.

The accounting principles that have been applied in the preparation of this report, as well as definitions of key figures etc., are described in Note 1 of VBG GROUP AB's annual report for 2010.

Vänersborg, 16 February 2012

VBG GROUP AB (publ)

The Board of Directors

NOTE

The information in this report is of the type that VBG GROUP AB is obligated to disclose in accordance with the Swedish Securities Exchange and Clearing Operations Act and/or the Financial Instruments Trading Act. The information was submitted for publication on 16 February 2012.

For further information please contact:

Anders Birgersson, Managing Director and CEO
Telephone: +46 521 27 77 67, +46 702 27 77 78
E-mail: anders.birgersson@vbggroup.com

Consolidated Income Statement and Statement of Comprehensive Income – Highlights (SEK M)	Q4 Oct-Dec 2011	Q4 Oct-Dec 2010	Full year 2011	Full year 2010
Net turnover	284.3	278.7	1,181.1	1,021.3
Cost of goods sold	-177.4	-183.5	-749.6	-660.8
Selling expenses	-47.9	-48.5	-177.5	-185.2
Administrative expenses	-20.4	-23.9	-86.6	-87.1
Research and development costs	-13.2	-6.7	-28.5	-22.4
Other operating income/expenses	-2.3	4.0	-0.6	2.8
Operating profit	23.1	20.1	138.3	68.6
Net financial items	0.7	0.8	-7.4	13.8
Profit after financial items	23.8	20.9	130.9	82.4
Tax	-5.9	-7.9	-36.4	-26.7
Profit for the period²	17.9	13.0	94.5	55.7
Depreciation and amortisation charged to profit	-9.4	-7.4	-34.5	-36.5
²) Attributable to:				
Parent Company's shareholders	17.9	13.0	94.5	55.7
Earnings per share after tax	1.43	1.04	7.56	4.46
Number of shares at end of period ('000)	12,502	12,502	12,502	12,502
Average number of shares during the period	12,502	12,502	12,502	12,502
Number of own shares at end of period	1,192	1,192	1,192	1,192
Average number of own shares	1,192	1,192	1,192	1,192
Other comprehensive income/loss				
Profit for the period	17.9	13.0	94.5	55.7
Translation differences pertaining to foreign operations	-25.6	-12.2	-4.6	-86.4
Translation differences pertaining to hedge accounting for net investments in foreign operations	0.7	0.5	0.1	7.2
Other comprehensive income/loss, net after tax	-24.9	-11.7	-4.5	-79.2
Total comprehensive income/loss for the period³	-7.0	1.3	90.0	-23.5
³) Attributable to:				
Parent Company's shareholders	-7.0	1.3	90.0	-23.5

Turnover and earnings by segment (SEK M)		VBG TRUCK EQUIPMENT	EDSCHA TRAILER SYSTEMS	RINGFEDER POWER TRANSMISSION	Group-wide	Group
2011:						
Q4 Oct – Dec:	Net turnover	152.5	64.9	66.9		284.3
	Operating profit/loss	22.0	-0.7	4.4	-2.6	23.1
	Operating margin, %	14.4	-1.1	6.6		8.1
	Net financial items				0.7	0.7
	Profit after fin. items					23.8
12 months:						
	Net turnover	613.7	294.8	272.6		1,181.1
	Operating profit/loss	94.0	22.5	35.4	-13.6	138.3
	Operating margin, %	15.3	7.6	13.0		11.7
	Net financial items				-7.4	-7.4
	Profit after fin. items					130.9
2010:						
Q4 Oct – Dec:	Net turnover	148.8	57.0	72.9		278.7
	Operating profit/loss	14.5	2.6	5.5	-2.5	20.1
	Operating margin, %	9.7	4.6	7.5		7.2
	Net financial items				0.8	0.8
	Profit after fin. items					20.9
12 months:						
	Net turnover	539.5	172.7	309.1		1,021.3
	Operating profit/loss	50.5	-10.8	41.5	-12.6	68.6
	Operating margin, %	9.4	-6.3	13.4		6.7
	Net financial items				13.8	13.8
	Profit after fin. items					82.4

Consolidated Balance Sheet – Highlights (SEK M)	31/12 2011	31/12 2010
Goodwill	250.9	252.3
Other intangible assets	57.5	59.5
Property, plant and equipment	168.9	181.9
Long-term investments	1.0	8.4
Total non-current assets	478.3	502.1
Inventories	243.1	235.7
Receivables	196.9	187.9
Cash on hand, demand deposits and short-term investments	65.2	46.1
Total current assets	505.2	469.7
TOTAL ASSETS	983.5	971.8
Equity	636.6	565.3
Non-current liabilities	179.6	196.5
Current liabilities	167.3	210.0
TOTAL EQUITY AND LIABILITIES	983.5	971.8

Changes in Group equity (SEK M)	Full year 2011	Full year 2010
Opening equity according to Balance Sheet at 31 December	565.3	595.0
Total comprehensive income/loss for the period	90.0	-23.5
Dividend	-18.7	-6.2
Equity at end of period	636.6	565.3

Cash Flow Statement – Highlights (SEK M)	Full year 2011	Full year 2010
Cash flow from operating activities before changes in working capital	132.3	83.4
Change in working capital	-1.4	17.4
Cash flow from operating activities	130.9	100.8
Cash flow from investing activities	-25.9	-12.2
Cash flow from financing activities	-85.1	-77.2
Cash flow for the year	19.9	11.4
Cash and cash equivalents at start of year	46.1	37.7
Translation difference, cash and cash equivalents	-0.8	-3.0
Cash and cash equivalents at end of period	65.2	46.1
Unutilised overdraft facilities	121.9	67.6
Total cash and cash equivalents available	187.1	113.7

Key figures for Group	Full year 2011	Full year 2010
Profit margin (ROS), %	11.1	8.1
Return on equity (ROE), %	15.7	9.6
Return on capital employed (ROCE), %	18.6	8.7
Equity/assets ratio, %	64.7	58.2
Equity per share, SEK	50.92	45.22
Cash flow per share (before change in working capital), SEK	10.58	6.67
Share price at end of period, SEK	75.75	102.00
Number of employees, average	477	432

Parent Company Income Statement (SEK M)	Full year 2011	Full year 2010
Net turnover	28.6	25.1
Operating expenses	-36.3	-33.1
Operating profit/loss	-7.7	-8.0
Net financial items	-40.9	67.0
Profit/loss after financial items	-48.6	59.0
Appropriations	1.6	-2.0
Tax	-0.2	-3.4
Profit/loss after tax	-47.2	53.6

Parent Company Balance Sheet (SEK M)	31/12 2011	31/12 2010
Intangible assets	14.2	16.3
Property, plant and equipment	7.3	8.0
Long-term investments	501.9	572.7
Total non-current assets	523.4	597.0
Receivables	92.3	85.6
Cash on hand, demand deposits and short-term investments	18.8	12.6
Total current assets	111.1	98.2
TOTAL ASSETS	634.5	695.2
Equity	341.4	407.4
Untaxed reserves	27.1	28.8
Provisions	9.8	8.7
Non-current liabilities	22.5	18.0
Current liabilities	233.7	232.3
TOTAL EQUITY AND LIABILITIES	634.5	695.2