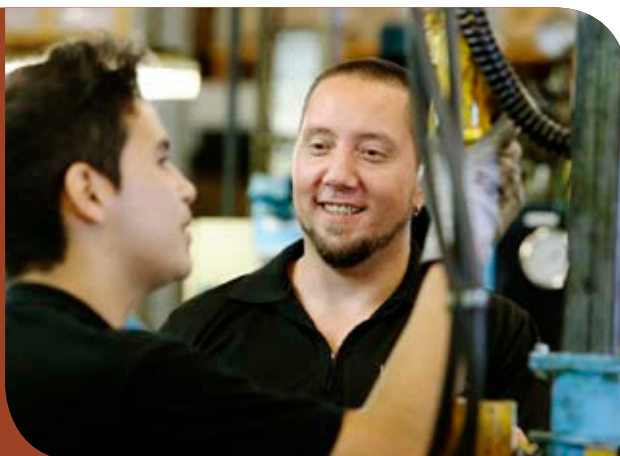


VBG Group  
Interim report January–September



2015 Q3

# Interim report January – September 2015



## Third quarter of 2015:

- The Group's net turnover increased by 5.5 per cent to **SEK 305.7 M** (289.9)
- Operating profit, before items affecting comparability, rose to **SEK 38.8 M** (24.7)
- Items affecting comparability during the quarter, which amounted to a negative **SEK 6.9 M**, related to acquisition costs (in the year-earlier period, earnings were positively impacted by SEK 48.6 M relating to negative goodwill)
- Operating profit was **SEK 31.9 M** (71.5), with a margin of 10.4 per cent (24.7)
- Profit after financial items amounted to **SEK 31.4 M** (70.1), with a profit margin of 10.3 per cent (24.2)
- The Group's profit after tax totalled **SEK 23.0 M** (64.2)
- Earnings per share amounted to **SEK 1.85** (5.13)
- On 1 October 2015, the Brazilian company Henfel Indústria Metalúrgica Ltda was acquired

## First nine months of 2015:

- The Group's net turnover increased by 12.3 per cent to **SEK 992.3 M** (883.4)
- Operating profit, before items affecting comparability, rose to **SEK 125.2 M** (96.3)
- Items affecting comparability amounted to a negative **SEK 6.9 M** (pos: 52.8).
- Operating profit was **SEK 118.3 M** (149.1), with a margin of 11.9 per cent (16.9)
- Profit after financial items amounted to **SEK 116.7 M** (142.4), with a profit margin of 11.8 per cent (16.1)
- The Group's profit after tax totalled **SEK 84.2 M** (116.7)
- Earnings per share amounted to **SEK 6.74** (9.33)

## KEY FIGURES

	Q3 2015	Q3 2014	9 MON 2015	9 MON 2014	FULL-YEAR 2014
Net turnover, SEK M	305.7	289.9	992.3	883.4	1,186.8
Operating profit before items affecting comparability, SEK M	38.8	24.7	125.2	96.3	128.1
Operating margin before items affecting comparability, %	12.7	8.5	12.6	10.9	10.8
Items affecting comparability, SEK M	-6.9 <sup>6</sup>	46.8 <sup>2</sup>	-6.9 <sup>6</sup>	52.8 <sup>3</sup>	-7.2 <sup>5</sup>
Operating profit, SEK M	31.9	71.5	118.3	149.1	120.9
Operating margin, %	10.4	24.7	11.9	16.9	10.2
Profit after financial items, SEK M	31.4	70.1	116.7	142.4	112.7
Profit margin, %	10.3	24.2	11.8	16.1	9.5
Profit after tax, SEK M	23.0	64.2	84.2	116.7	78.9
Cash flow after investing activities	40.7	34.7	72.4	43.9	97.3
Earnings per share, SEK	1.85	5.13	6.74	9.33	6.31
Equity per share			69.73	66.87	65.40
Return on capital employed (ROCE), cumulative, %			15.0	20.4	12.5
Return on equity (ROE), cumulative, %			13.3	19.8	10.1
Equity/assets ratio, %			67.4	68.7	67.6

Items affecting comparability:

<sup>1</sup> Capital gains of SEK 6.0 M in connection with the divestment of the Armaton product area (Q2 2014).

<sup>2</sup> Negative goodwill of SEK 46.8 M in connection with the acquisition of Tschan (Q3 2014).

<sup>3</sup> Combined effect of <sup>1+2</sup>.

<sup>4</sup> Cost for impairment of consolidated goodwill in Edscha Trailer Systems in the negative amount of SEK 60 M (Q4 2014).

<sup>5</sup> Combined negative net effect of SEK 7.2 M for full-year 2014, total of items <sup>1+2+4</sup>.

<sup>6</sup> Acquisition costs for purchase of Henfel Indústria Metalúrgica Ltda., Brazil, on 1 October 2015 (Q3 2015).

# This is the VBG Group

VBG Group AB (publ) in Vänersborg is the Parent Company of an international engineering Group with wholly owned companies in Europe, the USA, India, China and Brazil. 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 today on the Nasdaq OMX Stockholm Mid Cap list.

## **Vision**

We are number one or two globally in the industrial niches in which we are active. We make a difference by creating the products and services of the future.

## **Business concept**

The VBG Group will, within selected product and market segments, acquire, own and develop industrial companies in business-to-business commerce with strong brands and good growth potential. Based on a long-term commitment and with a focus on growth and profitability, the VBG Group's shareholders will be offered attractive value growth.

## **Goals**

- Minimum average annual turnover growth of 10 per cent.
- Minimum average operating margin of 10 per cent.
- Average return on capital employed of 18 per cent.

## **Strategies**

The Parent Company, VBG Group AB, is responsible for the strategic governance of the Group as a whole. This entails the approval and follow-up of divisional targets and strategies.

The responsibility also includes identifying and implementing strategic acquisitions and providing support in the form of industrial expertise, the allocation of capital, strategic HR work to ensure that the operations' long-term competency requirements are secured, as well as strategic IT work and the operation of all shared IT systems.







## *Strategies for the divisions:*

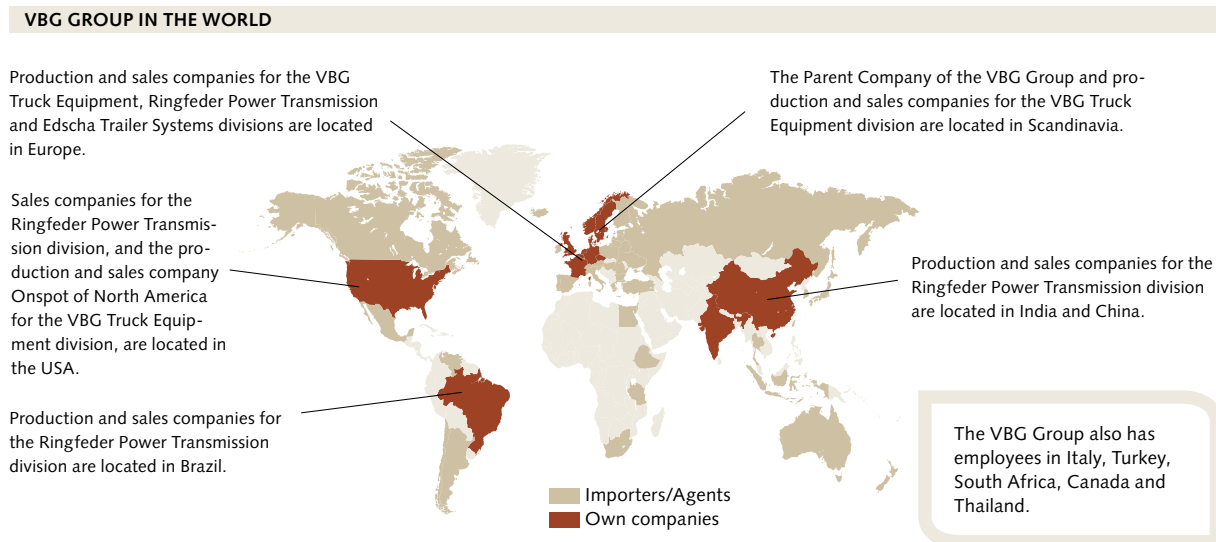
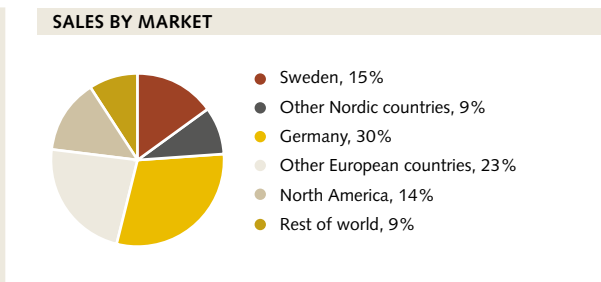
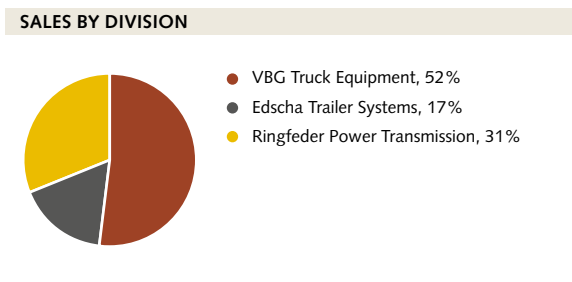
- Strong brands and leading market positions in selected niches.
- High customer value in the products.
- Diversified customer base.
- International expansion.

## **Stable ownership situation**

The VBG Group's principal owners comprise three foundations that were established by the Group's founder, Herman Krefting. In accordance with their regulations, the foundations may not divest their shares in the VBG Group. This structure has historically provided us with a high degree of financial stability and continuity in the implementation of the Group's strategy which, in turn, has resulted in solid total returns for shareholders.

cont. This is the VBG Group

DIVISIONS	BRANDS
	<p><b>VBG Truck Equipment</b></p> <p>By virtue of its own strong brands, the division is an internationally leading supplier of coupling equipment for trucks with heavy trailers, where the division accounts for more than 50 per cent of the global market via the Ringfeder and VBG brands. The division also has Onspot – automatic tyre chains with a world-leading position in its niche.</p> 
	<p><b>Edscha Trailer Systems</b></p> <p>By virtue of its own strong brands, the division is an internationally leading supplier of equipment for trailers. The division accounts for more than 40 per cent of the global market for sliding roofs via the Edscha Trailer Systems and Sesam brands.</p> 
	<p><b>Ringfeder Power Transmission</b></p> <p>By virtue of its own strong brands, the division is a recognised global market leader in selected niches within mechanical power transmission and energy and shock absorption. The division's brands are Ringfeder, Tschan, Henfel and Gerwah. Customers are found in such widely disparate industrial markets as construction, machinery, power and mining.</p> 





# VBG Group takes the step into Brazil

Overall, consolidated turnover for the third quarter was highly satisfactory, particularly given that two out of three divisions are operating in a depressed economic situation. When I look at the Group's operating profit, before items affecting comparability, the quarter was in fact very strong, with a much better result than in the preceding year and an operating margin of nearly 13 per cent.


It is, of course, extremely gratifying that we could successfully conclude the acquisition of a first-rate company in Brazil. The operations of Henfel Indústria Metalúrgica Ltda are based in the city of Jaboticabal in the Sao Paulo region. For many years now, we have been contemplating establishing operations in Brazil and, for a period of about one and a half years, we have been engaged in discussions with Henfel regarding a collaboration or, alternatively, an acquisition. Our entry into Brazil is a long-term venture that will impact the Group positively and create more opportunities for our businesses, not just in Brazil, but ultimately also in other parts of South America. The current financial and political turmoil in Brazil was naturally also discussed internally and was taken into consideration in our decision-making process. I am convinced that the acquisition will create major benefits in the long term and provide the conditions necessary to grow in one of the major global economies.

## **VBG Truck Equipment – another highly robust quarter**

In the last interim report, I referred to VBG Truck Equipment as the Group's "engine room." There is no reason to change this opinion after the third quarter. VBG Truck Equipment continued to perform at a high level and it is naturally important that the Group's largest division delivers healthy earnings. It is reassuring to know that the divisional management and all of the personnel are not sitting back, but are working consistently to develop the business at all levels. I expect the trend for VBG Truck Equipment to remain stable.

## **Edscha Trailer Systems – positive earnings and slight sales increase**

Despite a continued weak market, Edscha Trailer Systems successfully increased its sales by a few per cent during the third quarter. Combined with effective cost control, this played a part in the division reversing last year's operating loss and turning it into a profit of just over SEK 2 M, with an operating margin of 4 per cent. For the nine-month period, the division



I hope that we will be able to complete further acquisitions in 2016.

achieved an operating margin of just over 6 per cent, which is on the right side of the 5 per cent level set as an absolute minimum requirement for the Group's target for profitability. However, the Group's target for each of the divisions, and the Group as a whole, is an operating margin of at least 10 per cent over a business cycle, and Edscha Trailer Systems is not at this level just yet.

To further increase operating profit and improve operating margins, we must grow our sales volumes. This could take place with the help of an improved market situation or by Edscha Trailer Systems succeeding with the introduction of new products and updated existing products in the market. We are reviewing various alternatives for the division to ensure that its return will ultimately meet the requirements we have for our businesses.

**Ringfeder Power Transmission – favourable earnings and profitability in a difficult economy**

The downturn in economic activity persisted in the mining, oil and gas industries, which are among the most important market segments for Ringfeder Power Transmission. Consequently, third-quarter turnover declined by 5 per cent (currency adjusted: 13 per cent) compared with the preceding year. Despite the lower turnover, the division was able to improve its underlying operating profit (before items affecting comparability) and deliver an operating margin of 13 per cent.

In this context, I am disregarding the negative item affecting comparability of SEK 6.9 M that represents the acquisition cost for the purchase of Henfel.

In the years ahead, Ringfeder Power Transmission has major potential to grow both in terms of turnover and earnings, since the division has now developed its offering to the market globally with last year's acquisition of Tschan and this year's

acquisition of Henfel. At the same time, it will be a major challenge for the divisional management to coordinate the operations around the world and capture synergies in order to be even more efficient.

As we enter 2016, the division now has a business which, on an annual basis, has a turnover of approximately SEK 500 M, with nearly 400 employees and proprietary operations via companies in Germany, the Czech Republic, the USA, India, China and Brazil. This is a huge difference compared with how the business was just ten years ago, when two companies and 40 employees generated a turnover of SEK 150 M.

Naturally, the period ahead may be difficult, depending on how the markets perform, but I believe that Ringfeder Power Transmission has excellent prospects to continue growing its business with favourable earnings.

**VBG Group – opportunities for further acquisitions in 2016**

As I mentioned, it was extremely gratifying that we could complete the acquisition of Henfel, which was one of the acquisitions on which we spent a great deal of time. Moving forward, we will intensify our acquisition activities, primarily to identify an acquisition candidate that will qualify as a new division of the VBG Group. In this respect, we are seeking a company with international operations that is among the leaders in its industry and, preferably, has its main operations in Sweden, Germany or another of the Nordic countries. Through intensified internal activity, utilization of more channels and a greater number of candidates for evaluation, I hope that we will be able to complete further acquisitions in 2016.

Anders Birgersson  
Managing Director and CEO

# Group trend

SEK M	9 mon 2015	Q3 2015	Q2 2015	Q1 2015	Full-year 2014	Q4 2014	9 mon 2014	Q3 2014	Q2 2014	Q1 2014	Full-year 2013	Q4 2013
Net turnover	992.3	305.7	331.5	355.1	1,186.8	303.4	883.4	289.9	277.1	316.4	1,171.4	294.4
Operating profit before items affecting comparability	125.2	38.8	30.7	55.7	128.1	31.8	96.3	24.7	21.0	50.6	162.8	37.4
Operating margin before items affecting comparability	12.6	12.7	9.3	15.7	10.8	10.5	10.9	8.5	7.6	16.0	13.9	12.7
Items affecting comparability	-6.9 <sup>6</sup>	-6.9 <sup>6</sup>	—	—	-7.2 <sup>5</sup>	-60.0 <sup>4</sup>	52.8 <sup>3</sup>	46.8 <sup>2</sup>	6.0 <sup>1</sup>	—	—	—
Operating profit/loss	118.3	31.9	30.7	55.7	120.9	-28.2	149.1	71.5	27.0	50.6	162.8	37.4
Operating margin, %	11.9	10.4	9.3	15.7	10.2	-9.3	16.9	24.7	9.7	16.0	13.9	12.7
Profit/loss after financial items	116.7	31.4	29.8	55.5	112.7	-29.7	142.4	70.1	23.6	48.7	151.7	33.1
Profit margin, %	11.8	10.3	9.0	15.6	9.5	-9.8	16.1	24.2	8.5	15.4	13.0	11.2
Profit/loss after tax	84.2	23.0	20.7	40.5	78.9	-37.8	116.7	64.2	17.0	35.5	112.5	25.8
Earnings per share, SEK	6.74	1.85	1.65	3.24	6.31	-3.02	9.33	5.13	1.36	2.84	9.0	2.07
Equity per share	69.73	69.73	66.65	68.92	65.40	65.40	66.87	66.19	62.28	61.92	58.99	58.99
Cash flow after investing activities	72.4	40.7	13.2	18.5	97.3	53.4	43.9	34.7	-8.7	17.9	136.7	66.6
ROCE (cumul.), %	15.0	15.0	16.8	21.2	12.5	12.5	20.4	20.4	16.7	21.8	18.5	18.5
ROE (cumul.), %	13.3	13.3	14.8	19.3	10.1	10.1	19.8	19.8	13.9	18.8	16.5	16.5
Equity/assets ratio, %	67.4	67.4	66.8	67.1	67.6	67.6	68.7	68.7	69.0	68.2	68.8	68.8

<sup>1</sup> Capital gains of SEK 6.0 M in connection with the divestment of the Armaton product area (Q2 2014).

<sup>2</sup> Negative goodwill of SEK 46.8 M in connection with the acquisition of Tschan GmbH (Q3 2014).

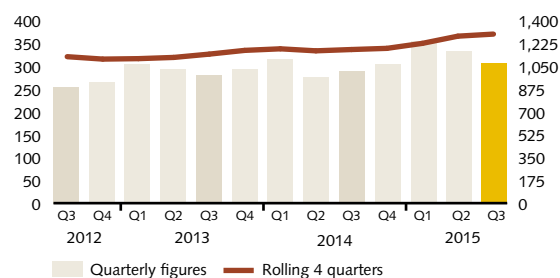
<sup>3</sup> Combined effect of <sup>1+2</sup>.

<sup>4</sup> Cost for impairment of consolidated goodwill in Edscha Trailer Systems in the negative amount of SEK 60 M (Q4 2014).

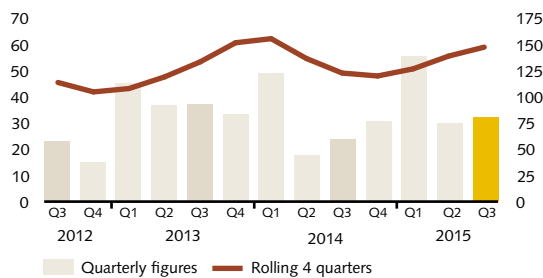
<sup>5</sup> Combined negative net effect of SEK 7.2 M for full-year 2014, total of items <sup>1+2+4</sup>.

<sup>6</sup> Acquisition costs for purchase of Henfel Indústria Metalúrgica Ltda., on 1 October 2015 (Q3 2015).

NET TURNOVER, SEK M



PROFIT AFTER FINANCIAL ITEMS\*, SEK M



\* Excluding items affecting comparability.

## Turnover and earnings

### Third quarter of 2015

The turnover of SEK 305.7 M (289.9) was 5.5 per cent higher compared with the third quarter of 2014. Taking into account changes in exchange rates between the quarters, the organic volume decrease was 0.9 per cent.

Consolidated operating profit, before items affecting comparability, increased sharply to SEK 38.8 M (24.7), with an operating margin of 12.7 per cent (8.5). Operating profit in the third quarter was charged with an item affecting compar-

ability of a negative SEK 6.9 M for costs attributable to the acquisition of the Brazilian company Henfel Indústria Metalúrgica Ltda, which was completed on 1 October 2015.

Reported operating profit was a net amount of SEK 31.9 M (71.5), with an operating margin of 10.4 per cent (24.7). In this respect, it should be noted that the third quarter of 2014 also included an item affecting comparability of a full SEK 46.8 M, which positively impacted earnings. This item related to negative goodwill that arose in conjunction with the acquisition of

the German company Tschan GmbH, where the value of its net assets significantly exceeded the size of the purchase consideration.

The operating profit included Group-wide overheads in the Parent Company of SEK 2.6 M (2.2) that were not allocated to the divisions.

Net financial items for the quarter amounted to an expense of SEK 0.5 M (expense: 1.4), and, accordingly, profit after financial items was SEK 31.4 M (70.1).

Profit after tax totalled SEK 23.0 M (64.2) and earnings per share amounted to SEK 1.85 (5.13).

#### First nine months of 2015

The turnover of SEK 992.3 M (883.4) was 12.3 per cent higher year-on-year. Acquired operations (Tschan GmbH) accounted for SEK 44.4 M of the increase, corresponding to 5.0 percentage points. Actual organic volume growth was 1.0 per cent after adjustment for changes in exchange rates between the 2015 and 2014 periods.

Operating profit, before items affecting comparability, totalled SEK 125.2 M (96.3), with an operating margin of 12.6 per cent (10.9). Reported operating profit amounted to a net SEK 118.3 M (149.1), where earnings in the year-earlier period, aside from negative goodwill of SEK 46.8 M, also included an item affecting comparability of SEK 6.0 M relating to a capital gain in conjunction with the sale of the Armaton product area in the second quarter of 2014. Operating profit included Group-wide overheads in the Parent Company of SEK 7.9 M (10.7) that were not allocated to the divisions.

Net financial items for the first nine months of the year amounted to an expense of SEK 1.6 M (expense: 6.7), and, accordingly, profit after financial items was SEK 116.7 M (142.4).

Profit after tax totalled SEK 84.2 M (116.7) and earnings per share amounted to SEK 6.74 (9.33).

Return on capital employed was 15.0 per cent (20.4) and return on equity was 13.3 per cent (19.8). The Group's equity/assets ratio remained largely unchanged compared with year-end 2014 at 67.4 per cent (67.6).

#### Capital expenditures

The Group's new capital expenditures during the third quarter amounted to SEK 6.5 M (60.1, of which 51.0 related to acquired non-current assets in Tschan GmbH), while total new capital expenditures for the first nine months of the year amounted to SEK 20.2 M (71.9).

#### Financial position

Profit after tax for the nine-month period amounted to SEK 84.2 M (116.7). Other comprehensive income was SEK 7.4 M (7.6), corresponding to a total operating profit of SEK 91.6 M (124.3). After the payment of dividends totalling SEK 37.5 M (34.4) to the shareholders, equity amounted to SEK 871.7 M at 30 September (817.6 at year-end).

The equity/assets ratio remained largely unchanged compared with year-end 2014 at 67.4 per cent (67.6).

Cash and cash equivalents at the end of September amounted to SEK 231.7 M (195.6 at year-end), and there were unutilised credit facilities of SEK 140.4 M (144.1), resulting in an available liquidity of SEK 372.1 M (339.7 at year-end).

The Group's interest-bearing net debt (including pension liability) declined by SEK 42.0 M during the third quarter, meaning that the Group once again reported net cash assets of SEK 25.1 M. (At year-end, the Group had a net debt of 16.3.)

The ratio of interest-bearing net debt to equity was negative 0.03 at 30 September (pos: 0.02 at 31 December 2014).

The Group's aggregate goodwill amounted to SEK 269.6 M (266.8 at year-end), which in relation to equity was a ratio of 0.31 (0.33).

#### Cash flow

Cash flow from operating activities during the first nine months of the year amounted to SEK 96.4 M (74.2 for the corresponding period in 2014). Paid new capital expenditures during the period amounted to SEK 24.0 M (30.3). Dividends totalling SEK 37.5 M (34.4) were paid to the shareholders. The Group's total non-current and current financial liabilities decreased during the first nine months of the year by a net of SEK 0.5 M (3.8). Consequently, net cash flow for the period was SEK 34.4 M (5.7).

#### Personnel

At 30 September 2015, there were 619 employees in the VBG Group (612 at year-end), including 184 (175) in Sweden.

During the first nine months of the year, the Group employed an average of 594 persons (566 during the year-earlier period). Of these, 184 (185) were active in Sweden. The cost of salaries and social security contributions was SEK 266.5 M (222.5).

#### Per share data

Earnings per share for the first nine months of the year was SEK 6.74 (9.33). Equity per share was SEK 69.73 at 30 September 2015, compared with SEK 66.87 at the same time last year and SEK 65.40 at year-end.

The number of shareholders fell by five during the third quarter and amounted to 4,204 at 30 September (4,001 at year-end).



## VBG Truck Equipment



### Third quarter of 2015:

- Turnover increased by 12.4 per cent to **SEK 158.9 M** (141.4)
- Operating profit was **SEK 26.3 M** (17.2), with a margin of 16.6 per cent (12.2)

### First nine months of 2015:

- Turnover increased 10.7 per cent to **SEK 520.1 M** (469.7)
- Operating profit was **SEK 90.7 M** (74.2 including a positive item affecting comparability of SEK 6.0 M), with a margin of 17.4 per cent (15.8)

### Third quarter of 2015

Turnover in VBG Truck Equipment increased 12.4 per cent to SEK 158.9 M (141.4).

The translation of the turnover of foreign subsidiaries to SEK had a positive impact and the actual volume increase was 6.9 per cent.

The division increased its operating profit to SEK 26.3 M (17.2) and the operating margin improved to 16.6 per cent (12.2).

### First nine months of 2015

Turnover increased 10.7 per cent to SEK 520.1 M (469.7).

Taking into account the translation of the turnover of foreign subsidiaries to SEK, the actual volume increase was 6.0 per cent.

Operating profit increased to SEK 90.7 M (74.2), with an operating margin of 17.4 per cent (15.8). Earnings in the year-earlier period included a positive item affecting comparability from the second quarter of SEK 6.0 M in capital gains from the sale of the Armaton product area.

NET TURNOVER AND OPERATING PROFIT												
SEK M	9 mon 2015	Q3 2015	Q2 2015	Q1 2015	Full-year 2014	Q4 2014	9 mon 2014	Q3 2014	Q2 2014	Q1 2014	Full-year 2013	Q4 2013
Net turnover	520.1	158.9	172.6	188.6	636.6	166.9	469.7	141.4	152.6	175.7	650.2	167.3
Operating profit before item affecting comparability	90.7	26.3	25.0	39.4	97.7	29.5	68.2	17.2	17.3	33.7	116.2	29.9
Operating margin before item affecting comparability	17.4	16.6	14.5	20.9	15.3	17.7	14.5	12.2	11.3	19.2	17.9	17.9
Item affecting comparability	—	—	—	—	6.0 <sup>1</sup>	—	6.0 <sup>1</sup>	—	6.0 <sup>1</sup>	—	—	—
Operating profit	90.7	26.3	25.0	39.4	103.7	29.5	74.2	17.2	23.3	33.7	116.2	29.9
Operating margin, %	17.4	16.6	14.5	20.9	16.3	17.7	15.8	12.2	15.3	19.2	17.9	17.9

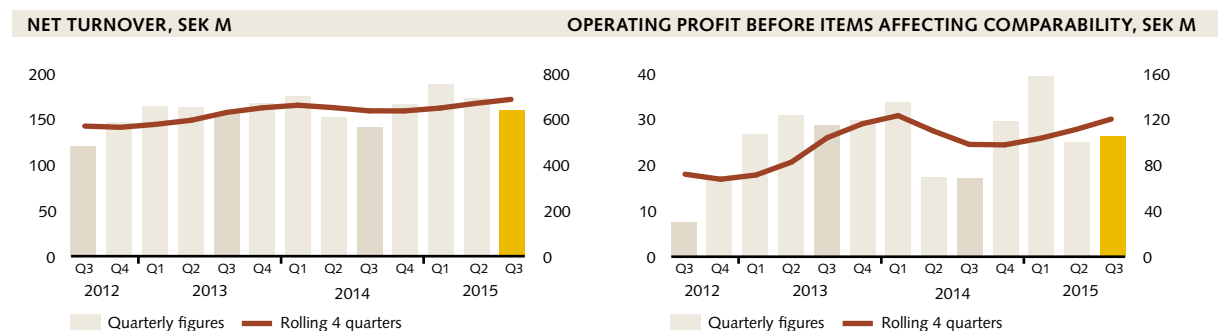
<sup>1</sup> Item affecting comparability, SEK 6.0 M in capital gains in connection with the divestment of the Armaton product area (Q2 2014.)

VBG GROUP INTERIM REPORT  
JANUARY–SEPTEMBER 2015

9

cont'd. VBG Truck Equipment

TURNOVER BY MARKET												
SEK M	9 mon 2015	Q3 2015	Q2 2015	Q1 2015	Full-year 2014	Q4 2014	9 mon 2014	Q3 2014	Q2 2014	Q1 2014	Full-year 2013	Q4 2013
Sweden	143.4	45.6	48.0	49.8	174.4	42.1	132.3	35.5	44.6	52.2	168.4	41.6
Other Nordic countries	87.1	22.8	30.9	33.4	106.8	24.9	81.9	22.7	26.7	32.5	116.2	32.0
Germany	76.5	25.4	24.7	26.4	90.8	20.7	70.1	23.7	22.2	24.2	100.6	24.5
Other European countries	121.0	35.2	39.3	46.5	143.8	37.3	106.5	32.9	34.9	38.7	150.0	39.3
North America	53.2	19.5	15.6	18.1	59.1	21.2	37.9	13.6	10.8	13.5	56.9	19.1
Rest of world	38.9	10.4	14.1	14.4	61.7	20.7	41.0	13.0	13.4	14.6	58.1	10.8
<b>VBG Truck Equipment</b>	<b>520.1</b>	<b>158.9</b>	<b>172.6</b>	<b>188.6</b>	<b>636.6</b>	<b>166.9</b>	<b>469.7</b>	<b>141.4</b>	<b>152.6</b>	<b>175.7</b>	<b>650.2</b>	<b>167.3</b>



## Edscha Trailer Systems



### Third quarter of 2015:

- Turnover increased by 7.3 per cent to **SEK 48.4 M** (45.1)
- Operating profit was **SEK 2.1 M** (loss: 1.2), with a margin of 4.3 per cent (neg: 2.7)

### First nine months of 2015:

- Turnover decreased by 3.2 per cent to **SEK 165.2 M** (170.6)
- Operating profit was **SEK 10.2 M** (8.9), with a margin of 6.2 per cent (5.2)

### Third quarter of 2015

Edscha Trailer Systems' turnover increased by 7.3 per cent compared with the year-earlier period to SEK 48.4 M (45.1). The translation of the turnover of foreign subsidiaries to SEK had a positive impact, resulting in an actual volume increase of 3.3 per cent. The division reversed last year's loss in the third quarter to an operating profit of SEK 2.1 M (loss: 1.2), with an operating margin of 4.3 per cent (neg: 2.7).

### First nine months of 2015

Throughout the year, Edscha Trailer Systems has operated in a continued soft market where turnover for the first nine months of the year declined 3.2 per cent (neg: 6.6 per cent after adjustment for exchange rate changes) to SEK 165.2 M (170.6). Despite the lower turnover, operating profit improved to SEK 10.2 M (8.9), with an operating margin of 6.2 per cent (5.2), on account of lower costs.

NET TURNOVER AND OPERATING PROFIT												
SEK M	9 mon 2015	Q3 2015	Q2 2015	Q1 2015	Full-year 2014	Q4 2014	9 mon 2014	Q3 2014	Q2 2014	Q1 2014	Full-year 2013	Q4 2013
Net turnover	165.2	48.4	58.4	58.4	219.8	49.2	170.6	45.1	56.8	68.7	254.6	62.0
Operating profit/loss before item affecting comparability	10.2	2.1	3.2	4.9	7.3	-1.6	8.9	-1.2	2.9	7.2	22.9	4.7
Operating margin before item affecting comparability	6.2	4.3	5.5	8.4	3.3	-3.3	5.2	-2.7	5.1	10.5	9.0	7.6
Item affecting compar- ability	—	—	—	—	-60.0 <sup>1</sup>	-60.0 <sup>1</sup>	—	—	—	—	—	—
Operating profit/loss	10.2	2.1	3.2	4.9	-52.7	-61.6	8.9	-1.2	2.9	7.2	22.9	4.7
Operating margin, %	6.2	4.3	5.5	8.4	-24.0	-125.2	5.2	-2.7	5.1	10.5	9.0	7.6

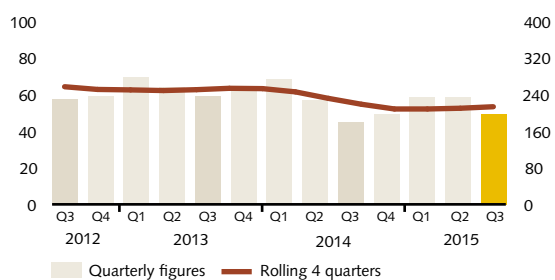
<sup>1</sup> Item affecting comparability, negative SEK 60.0 M in impairment of consolidated goodwill in Edscha Trailer Systems (Q4 2014)

cont'd. Edscha Trailer Systems

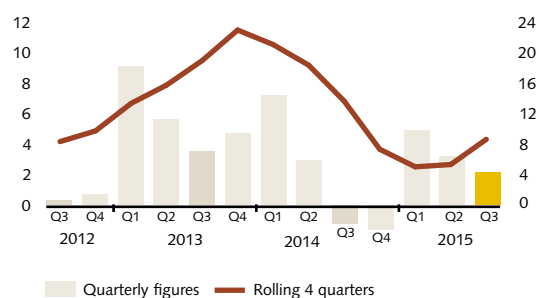
**TURNOVER BY MARKET**

SEK M	9 mon 2015	Q3 2015	Q2 2015	Q1 2015	Full-year 2014	Q4 2014	9 mon 2014	Q3 2014	Q2 2014	Q1 2014	Full-year 2013	Q4 2013
Sweden	0.2	0.0	0.1	0.1	0.3	0.1	0.2	0.0	0.1	0.1	0.5	0.1
Other Nordic countries	0.8	0.2	0.3	0.3	0.6	0.2	0.4	0.1	0.2	0.1	1.0	0.2
Germany	96.2	24.3	38.6	33.3	136.3	33.3	103.0	28.7	32.4	41.9	140.0	34.1
Other European countries	67.1	23.9	19.0	24.2	82.3	15.6	66.7	16.1	24.0	26.6	112.5	27.3
Rest of world	0.9	0.0	0.4	0.5	0.3	0.0	0.3	0.2	0.1	0.0	0.6	0.3
<b>Edscha Trailer Systems</b>	<b>165.2</b>	<b>48.4</b>	<b>58.4</b>	<b>58.4</b>	<b>219.8</b>	<b>49.2</b>	<b>170.6</b>	<b>45.1</b>	<b>56.8</b>	<b>68.7</b>	<b>254.6</b>	<b>62.0</b>

**NET TURNOVER, SEK M**



**OPERATING PROFIT BEFORE ITEMS AFFECTING COMPARABILITY, SEK M**



## Ringfeder Power Transmission



### Third quarter of 2015:

- Turnover decreased by 4.8 per cent to **SEK 98.4 M** (103.4)
- Operating profit, before items affecting comparability, amounted to **SEK 13.0 M** (10.9)
- Items affecting comparability during the quarter, which amounted to a negative **SEK 6.9 M**, related to acquisition costs (in the year-earlier period, earnings were positively impacted by SEK 46.8 M relating to negative goodwill)
- Operating profit was **SEK 6.1 M** (57.7), with a margin of 6.2 per cent (55.8)
- On 1 October 2015, the Brazilian company Henfel Indústria Metalúrgica Ltda was acquired

### Third quarter of 2015

In the third quarter, turnover decreased by 4.8 per cent to SEK 98.4 M (103.4). Adjusted for currency fluctuations, the actual volume decrease was 13.3 per cent. Despite the actual volume decrease, Ringfeder Power Transmission succeeded in improving its underlying operating profit, before items affecting comparability, to SEK 13.0 M (10.9) and the margin to 13.2 per cent (10.5). The acquisition of the Brazilian company Henfel Indústria Metalúrgica Ltda on 1 October 2015 involved significant acquisition costs in the third quarter. This was due in part to the thorough due diligence process. This item affecting comparability impacted operating profit in the amount of SEK 6.9 M. The reported operating profit thus totalled SEK 6.1 M (57.7), with an operating margin of 6.1 per cent (55.8). Earnings in the year-earlier period were significantly affected by an item affecting comparability relating to negative goodwill of SEK 46.8 M attributable to the acquisition of the German company Tschan GmbH.

### First nine months of 2015:

- Turnover increased by 26.3 per cent to **SEK 307.0 M** (243.1)
- Operating profit, before items affecting comparability, amounted to **SEK 36.2 M** (29.9)
- Item affecting comparability from the third quarter totalling a negative **SEK 6.9 M** (pos: SEK 46.8 M)
- Operating profit was **SEK 29.3 M** (76.7), with a margin of 9.5 per cent (31.6)

### First nine months of 2015

Turnover increased by 26.3 per cent to SEK 307.0 M (243.1). Tschan, which was acquired on 1 July 2014, accounted for 18.3 percentage points of the volume increase and the underlying organic growth thus amounted to 8.0 per cent. Following adjustments for exchange rate changes, the actual organic volume decrease was 3.3 per cent.

Operating profit before items affecting comparability for the first nine months of the year amounted to SEK 36.2 M (29.9), with an operating margin of 11.8 per cent (12.3). The reported operating profit amounted to a net SEK 29.3 M (76.7) and the margin was 9.5 per cent (31.6).



VBG GROUP INTERIM REPORT  
JANUARY–SEPTEMBER 2015

13

cont'd Ringfeder Power Transmission

NET TURNOVER AND OPERATING PROFIT												
SEK M	9 mon 2015	Q3 2015	Q2 2015	Q1 2015	Full-year 2014	Q4 2014	9 mon 2014	Q3 2014	Q2 2014	Q1 2014	Full-year 2013	Q4 2013
Net turnover	307.0	98.4	100.5	108.1	330.4	87.3	243.1	103.4	67.7	72.0	266.6	65.1
Operating profit before item affecting comparability	36.2	13.0	7.7	15.5	36.2	6.3	29.9	10.9	6.1	12.9	35.3	5.7
Operating margin before item affecting comparability	11.8	13.2	7.7	14.3	11.0	7.2	12.3	10.5	9.0	17.9	13.2	8.8
Item affecting comparability	-6.9 <sup>2</sup>	-6.9 <sup>2</sup>	—	—	46.8 <sup>1</sup>	—	46.8 <sup>1</sup>	46.8 <sup>1</sup>	—	—	—	—
Operating profit	29.3	6.1	7.7	15.5	83.0	6.3	76.7	57.7	6.1	12.9	35.3	5.7
Operating margin, %	9.5	6.2	7.7	14.3	25.1	7.2	31.6	55.8	9.0	17.9	13.2	8.8

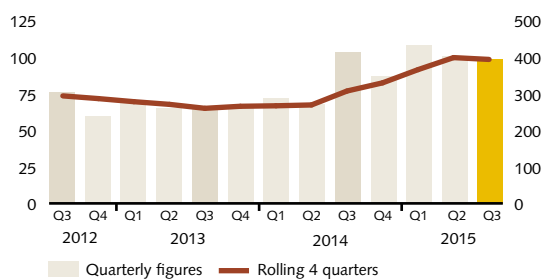
Items affecting comparability:

<sup>1</sup> Includes SEK 46.8 M in negative goodwill from the acquisition of Tschan (Q3 2014)

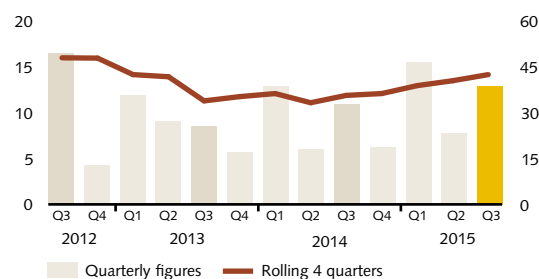
<sup>2</sup> Acquisition costs for purchase of Henfel Indústria Metalúrgica Ltda., Brazil, on 1 October 2015 (Q3 2015)

TURNOVER BY MARKET												
SEK M	9 mon 2015	Q3 2015	Q2 2015	Q1 2015	Full-year 2014	Q4 2014	9 mon 2014	Q3 2014	Q2 2014	Q1 2014	Full-year 2013	Q4 2013
Sweden	3.7	1.2	1.4	1.1	4.1	1.4	2.7	1.2	0.9	0.6	4.1	1.0
Other Nordic countries	4.7	1.9	1.4	1.4	3.3	1.2	2.1	1.1	0.4	0.6	1.5	0.2
Germany	124.7	40.6	40.5	43.6	127.8	33.2	94.6	44.8	22.1	27.7	90.6	20.4
Other European countries	43.4	14.2	13.6	15.6	42.5	9.9	32.6	14.5	9.8	8.3	32.9	7.8
North America	83.1	23.5	28.0	31.6	96.1	27.0	69.1	24.8	21.6	22.7	81.3	18.2
Rest of world	47.4	17.0	15.6	14.8	56.6	14.6	42.0	17.0	12.9	12.1	56.2	17.5
<b>Ringfeder Power Transmission</b>	<b>307.0</b>	<b>98.4</b>	<b>100.5</b>	<b>108.1</b>	<b>330.4</b>	<b>87.3</b>	<b>243.1</b>	<b>103.4</b>	<b>67.7</b>	<b>72.0</b>	<b>266.6</b>	<b>65.1</b>

NET TURNOVER, SEK M



OPERATING PROFIT BEFORE ITEMS AFFECTING COMPARABILITY, SEK M



# Other information

## 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 15.4 M (14.9) during the first nine months of the year. The operating loss for the year was SEK 15.2 M (loss: 10.8). Profit after dividends from Group companies and net financial items totaled SEK 55.7 M (55.0).

## Acquisition of Henfel

On 1 October, the Group's Parent Company completed the acquisition of the Brazilian company Henfel Indústria Metalúrgica Ltda. The acquired company was consolidated into the Ringfeder Power Transmission division as of 1 October 2015. The purchase consideration for all shares in the company amounted to BRL 52.0 M for a debt-free company with a normalised working capital. In conjunction with the takeover on 1 October, a preliminary purchase consideration was paid and, on the basis of the approved annual accounts on 30 September 2015, the final purchase consideration will be established. An early and initial preliminary assessment of the company's balance sheet on 30 September has formed the basis for the preliminary acquisition plan presented below. During 2015, the Brazilian currency has weakened considerably, from a level in excess of SEK 3.00 at the beginning of the year to SEK 2.08 in conjunction with the takeover on 1 October. In the acquisition plan, we have applied a rate of SEK 2.08.

The acquired company, which has an annual turnover of

approximately SEK 65 M and some 115 employees, should be able to contribute a net operating profit during the October–December period. This is subject to some reservation that the costs for integrating the company into the Group may reduce the effect.

	Group, SEK M
Preliminary purchase consideration	104
Value of acquired net assets	–45
<b>Goodwill</b>	<b>59</b>

Goodwill is attributable to the acquired operation's profitability and solid market position in Brazil. Goodwill is also attributable to the important synergy effects that are expected to arise with the existing operations in Ringfeder Power Transmission, as well as the conditions the acquisition creates for the other divisions. This relates primarily to VBG Truck Equipment's future establishment in Brazil and South America, which was taken into consideration and valued when the decision was made to acquire the company.

The carrying amount of identifiable assets and liabilities included in the acquisition were preliminarily as follows:

	Fair value, SEK M
Cash and cash equivalents	10
Property, plant and equipment	21
Intangible assets	14
Inventories	6
Receivables	10
Liabilities	–16
<b>Acquired net assets</b>	<b>45</b>
Cash purchase consideration upon takeover	95
Final cash settlement upon approved acquisition balance	9
Cash and cash equivalents in acquired subsidiary	–10
<b>Change in cash and cash equivalents due to acquisition</b>	<b>94</b>

The acquisition plan is preliminary pending the approval of the final acquisition balance sheet per 30 September 2015.

### Accounting policies

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 Swedish Annual Accounts Act and RFR 2.

The accounting policies 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 2014.

### Risks and uncertainty factors

The Group's and the Parent Company's significant risks 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 VBG Group AB's annual report for 2014, Note 2.

### Outlook for 2015

The company makes no forecast.

### Financial information 2015/2016

Year-end report 2015	17 February 2016
Interim report, three months 2016	26 April 2016
Annual General Meeting 2016	26 April 2016
Interim report, six months 2016	24 August 2016
Interim report, nine months 2016	20 October 2016

### Related party transactions

There have been no related party transactions in 2015 that have significantly affected the company's financial position and results. Related party transactions during 2014 are disclosed in Note 6 in the annual report for 2014.

### Significant events after the close of the reporting period.

On 1 October, the Group's Parent Company completed the acquisition of the Brazilian company Henfel Indústria Metalúrgica Ltda.

Vänersborg, 21 October 2015

VBG Group AB (publ)

Anders Birgersson  
Managing Director and CEO

### Note

This information 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 21 October 2015 at 11:00 a.m.

### Press releases during the third quarter of 2015

Interim report Jan–Jun 2015	20 August 2015
VBG Group acquires "first-rate company" in Brazil	10 September 2015

### For further information, please contact:

Anders Birgersson, Managing Director and CEO  
Telephone: +46 (0)521–27 77 67, +46 (0)702–27 77 78  
E-mail: anders.birgersson@vbgroup.com

# Review report

## Introduction

We have reviewed the condensed interim financial information (the interim report) of VBG Group AB (publ), Corp. Reg. No. 556069-0751, as of 30 September 2015 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion regarding this interim financial information based on our review.

## Aim and scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA) and other generally accepted auditing standards in Sweden. The

procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information has not, in all material respects, been prepared in accordance with IAS 34 and the Annual Accounts Act as regards the Group and in accordance with the Annual Accounts Act as regards the Parent Company.

Gothenburg, 21 October 2015  
Öhrlings PricewaterhouseCoopers AB

Fredrik Göransson  
Authorised Public Accountant

## Consolidated Income Statement and Statement of Comprehensive Income – Highlights

SEK M	Q3 Jul-Sep 2015	Q3 Jul-Sep 2014	9 mon Jan-Sep 2015	9 mon Jan-Sep 2014	Full-year 2014
<b>Net turnover</b>	<b>305.7</b>	289.9	<b>992.3</b>	883.4	1,186.8
Cost of goods sold	-178.0	-182.8	-573.4	-531.1	-718.0
<b>Gross profit</b>	<b>127.7</b>	107.1	<b>418.9</b>	352.3	468.8
Selling expenses	-50.3	-45.9	-158.0	-137.8	-190.1
Administrative expenses	-37.2 <sup>6</sup>	-29.0	-113.9 <sup>6</sup>	-94.2	-120.3
Research and development costs	-8.3	-9.3	-30.0	-26.8	-36.2
Other operating income and expenses	0.0	48.6 <sup>2</sup>	1.3	55.6 <sup>3</sup>	-1.3 <sup>5</sup>
<b>Operating profit</b>	<b>31.9</b>	71.5	<b>118.3</b>	149.1	120.9
Net financial items	-0.5	-1.4	-1.6	-6.7	-8.2
<b>Profit after financial items</b>	<b>31.4</b>	70.1	<b>116.7</b>	142.4	112.7
Tax	-8.4	-5.9	-32.5	-25.7	-33.8
<b>Profit for the period</b>	<b>23.0</b>	64.2	<b>84.2</b>	116.7	78.9
Net profit for the period attributable to Parent Company shareholders	23.0	64.2	84.2	116.7	78.9
Depreciation and amortisation charged to profit	-10.4	-10.3	-31.3	-27.3	-37.5
<b>Other comprehensive income</b>					
Profit for the period	23.0	64.2	84.2	116.7	78.9
<b>Items that will not be reversed in the Income Statement</b>					
Effect of translation of defined-benefit pension plans, net after tax	0.0	-23.0	0.0	-23.0	-28.7
<b>Items that may later be reversed in the Income Statement</b>					
Translation differences pertaining to foreign operations	18.7	9.3	9.2	33.1	68.6
Translation differences pertaining to hedge accounting for net investments in foreign operations	-3.2	-1.7	-1.8	-2.5	-4.3
<b>Other comprehensive income, net after tax</b>	<b>15.5</b>	-15.4	<b>7.4</b>	7.6	35.6
<b>Comprehensive income for the period</b>	<b>38.5</b>	48.8	<b>91.6</b>	124.3	114.5
Comprehensive income for the period attributable to Parent Company shareholders	38.5	48.8	91.6	124.3	114.5
<b>Earnings per share, basic and diluted, SEK</b>	<b>1.88</b>	5.13	<b>6.77</b>	9.33	6.31
Number of shares at end of period ('000)	12,502	12,502	12,502	12,502	12,502
Average number of shares during the period	12,502	12,502	12,502	12,502	12,502
Number of own shares at end of period	1,192	1,192	1,192	1,192	1,192
Average number of own shares	1,192	1,192	1,192	1,192	1,192

Includes the following items affecting comparability:

<sup>1</sup> Capital gains of SEK 6.0 M in connection with the divestment of the Armaton product area (Q2).

<sup>2</sup> Negative goodwill of SEK 46.8 M in connection with the acquisition of Tschan (Q3).

<sup>3</sup> Combined effect of <sup>1+2</sup> above, a positive item of SEK 52.8 M.

<sup>4</sup> Cost for impairment of consolidated goodwill in Edscha Trailer Systems in the negative amount of SEK 60 M (Q4).

<sup>5</sup> Combined net effect of items <sup>1+2+4</sup> included in the negative amount of SEK 7.2 M for full-year 2014.

<sup>6</sup> Acquisition costs of SEK 6.9 for purchase of Henfel Indústria Metalúrgica Ltda., Brazil, on 1 October 2015 (Q3 2015).



## Turnover and earnings by segment

SEK M		VBG Truck Equipment	Edscha Trailer Systems	Ringfeder Power Transmission	Group- wide	Group
<b>2015</b>						
Q3 Jul – Sep:	Net turnover	158.9	48.4	98.4		305.7
	Operating profit/loss before items affecting comparability	26.3	2.1	13.0	-2.6	38.8
	Operating margin before items affecting comparability, %	16.6	4.3	13.2		12.7
	Items affecting comparability	—	—	-6.9 <sup>1</sup>	—	-6.9 <sup>1</sup>
	Operating profit/loss	26.3	2.1	6.1	-2.6	31.9
	Operating margin, %	16.6	4.3	6.2		10.4
	Net financial items				-0.5	-0.5
	Profit after financial items					31.4
9 MON Jan – Sep:	Net turnover	520.1	165.2	307.0		992.3
	Operating profit/loss before items affecting comparability	90.7	10.2	36.2	-11.9	125.2
	Operating margin before items affecting comparability, %	17.4	6.2	11.8		12.6
	Items affecting comparability	—	—	-6.9 <sup>1</sup>	—	-6.9 <sup>1</sup>
	Operating profit/loss	90.7	10.2	29.3	-11.9	118.3
	Operating margin, %	17.4	6.2	9.5	-1.6	11.9
	Net financial items					-1.6
	Profit after financial items					116.7
<b>2014</b>						
Q3 Jul – Sep:	Net turnover	141.4	45.1	103.4		289.9
	Operating profit/loss before items affecting comparability	17.2	-1.2	10.9	-2.2	24.7
	Operating margin before items affecting comparability, %	12.2	-2.7	10.5		8.5
	Items affecting comparability	—	—	46.8 <sup>2</sup>	—	46.8 <sup>2</sup>
	Operating profit/loss	17.2	-1.2	57.7	-2.2	71.5
	Operating margin, %	12.2	-2.7	55.8		24.7
	Net financial items				-1.4	-1.4
	Profit after financial items					70.1
9 MON Jan – Sep:	Net turnover	469.7	170.6	243.1		883.4
	Operating profit/loss before items affecting comparability	68.2	8.9	29.9	-10.7	96.3
	Operating margin before items affecting comparability, %	14.5	5.2	12.3		10.9
	Items affecting comparability	6.0 <sup>3</sup>	—	46.8 <sup>2</sup>	—	52.8 <sup>4</sup>
	Operating profit/loss	74.2	8.9	76.7	-10.7	149.1
	Operating margin, %	15.8	5.2	31.6		16.9
	Net financial items				-6.7	-6.7
	Profit after financial items					142.4

<sup>1</sup> Acquisition costs for purchase of Henfel Indústria Metalúrgica Ltda., Brazil, on 1 October 2015 (Q3 2015).

<sup>2</sup> Negative goodwill of SEK 46.8 M in connection with the acquisition of Tschan (Q3).

<sup>3</sup> Capital gains of SEK 6.0 M in connection with the divestment of the Armaton product area (Q2).

<sup>4</sup> Combined effect of <sup>2+3</sup> above, a positive item of SEK 52.8 M.

## Consolidated Balance Sheet – Highlights

SEK M	30 Sep 2015	30 Sep 2014	31 Dec 2014
Goodwill	269,6	312,7	266,8
Other intangible assets	50,9	59,4	57,7
Property, plant and equipment	193,8	195,0	200,8
Long-term investments	20,8	14,1	20,6
<b>Total non-current assets</b>	<b>535,1</b>	<b>581,2</b>	<b>545,9</b>
Inventories	272,8	256,3	251,1
Receivables	252,8	245,0	216,1
Cash on hand, demand deposits and short-term investments	231,7	140,5	195,6
<b>Total current assets</b>	<b>757,3</b>	<b>641,8</b>	<b>662,8</b>
<b>TOTAL ASSETS</b>	<b>1,292,4</b>	<b>1,223,0</b>	<b>1,208,7</b>
<b>Equity</b>	<b>871,7</b>	<b>827,4</b>	<b>817,6</b>
Non-current liabilities	242,5	211,9	253,8
Current liabilities	178,2	183,7	137,3
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,292,4</b>	<b>1,223,0</b>	<b>1,208,7</b>

## Changes in Group equity

SEK M	9 mon 2015	9 mon 2014	Full-year 2014
<b>Opening equity according to balance sheet at 31 December</b>	<b>817.6</b>	<b>737.5</b>	<b>737.5</b>
Total comprehensive income for the period	91.6	124.3	114.5
Dividend	-37.5	-34.4	-34.4
<b>Equity at end of period</b>	<b>871.7</b>	<b>827.4</b>	<b>817.6</b>

## Cash Flow Statement – Highlights

SEK M	9 mon 2015	9 mon 2014	Full-year 2014
<b>Cash flow from operating activities before changes in working capital</b>	<b>111.9</b>	<b>81.7</b>	<b>122.7</b>
Change in working capital	-15.5	-7.5	14.5
<b>Cash flow from operating activities</b>	<b>96.4</b>	<b>74.2</b>	<b>137.2</b>
Cash flow from investing activities	-24.0	-30.3	-39.9
Cash flow from financing activities	-38.0	-38.2	-39.4
<b>Cash flow for the period</b>	<b>34.4</b>	<b>5.7</b>	<b>57.9</b>
Cash and cash equivalents at start of year	195.6	131.5	131.5
Translation difference, cash and cash equivalents	1.7	3.3	6.2
<b>Cash and cash equivalents at end of period</b>	<b>231.7</b>	<b>140.5</b>	<b>195.6</b>
Unutilised overdraft facilities	140.4	141.7	144.1
<b>Available cash and cash equivalents</b>	<b>372.1</b>	<b>282.2</b>	<b>339.7</b>

## Key figures for Group

SEK M	9 mon 2015	9 mon 2014	Full-year 2014
Profit margin (ROS), %	11.8	16.1	9.5
Return on equity (ROE), %	13.3	19.8	10.1
Return on capital employed (ROCE), %	15.0	20.4	12.5
Equity/assets ratio, %	67.4	68.7	67.6
Equity per share, SEK	69.73	66.87	65.40
Cash flow from operating activities per share, SEK	7.71	5.94	10.97
Share price at end of period, SEK	112.00	121.50	103.75
Number of employees, average	594	566	559

## Parent Company Income Statement

SEK M	9 mon 2015	9 mon 2014	Full-year 2014
<b>Net turnover</b>	<b>15.4</b>	<b>14.9</b>	<b>22.0</b>
Operating expenses	-30.6	-25.7	-34.3
<b>Operating loss</b>	<b>-15.2</b>	<b>-10.8</b>	<b>-12.3</b>
Net financial items	70.9	65.8	110.1
<b>Profit after financial items</b>	<b>55.7</b>	<b>55.0</b>	<b>97.8</b>
Appropriations	—	—	18.0
Tax	0.0	0.0	-0.1
<b>Profit after tax and comprehensive income</b>	<b>55.7</b>	<b>55.0</b>	<b>115.7</b>

## Parent Company Balance Sheet

SEK M	30 Sep 2015	30 Sep 2014	31 Dec 2014
Intangible assets	7.0	9.0	8.4
Property, plant and equipment	8.1	6.8	6.8
Long-term investments	558.1	558.1	558.1
<b>Total non-current assets</b>	<b>573.2</b>	<b>573.9</b>	<b>573.3</b>
Receivables	94.1	94.1	90.1
Cash on hand, demand deposits and short-term investments	141.9	52.5	89.9
<b>Total current assets</b>	<b>236.0</b>	<b>146.6</b>	<b>180.0</b>
<b>TOTAL ASSETS</b>	<b>809.2</b>	<b>720.5</b>	<b>753.3</b>
<b>Equity</b>	<b>496.5</b>	<b>417.6</b>	<b>478.4</b>
Untaxed reserves	15.2	20.2	15.2
Provisions	12.3	11.3	12.0
Non-current liabilities	10.5	16.3	15.6
Current liabilities	274.7	255.1	232.1
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>809.2</b>	<b>720.5</b>	<b>753.3</b>

## VBG GROUP

### Sweden

VBG GROUP AB (publ)  
Box 1216  
SE-462 28 Vänersborg  
Tel +46 521 27 77 00  
Street address:  
Herman Kreftings gata 4

## VBG TRUCK EQUIPMENT

### Sweden

VBG GROUP TRUCK EQUIPMENT AB  
Box 1216  
SE-462 28 Vänersborg  
Tel +46 521 27 77 00, Fax +46 521 27 77 90

### Germany

VBG GROUP TRUCK EQUIPMENT GMBH  
Postfach 13 06 55  
DE-47758 Krefeld  
Tel +49 2151 835-0  
Fax +49 2151 835-200/207

### Denmark

VBG GROUP SALES A/S  
Industribuen 20-22  
DK-5592 Ejby  
Tel +45 64 46 19 19  
Fax +45 64 46 10 88

### Norway

VBG GROUP SALES AS  
Postboks 94 Leirdal  
NO-1009 Oslo  
Tel +47 23 14 16 60  
Fax +47 23 14 16 61

### UK

VBG GROUP SALES LIMITED  
Unit 9, Willow Court  
West Quay Road, Winwick Quay  
Warrington, Cheshire WA2 8UF  
Tel +44 1925 23 41 11  
Fax +44 1925 23 42 22

### Belgium

VBG GROUP TRUCK EQUIPMENT NV  
Industrie Zuid Zone 2.2  
Lochtmanweg 50  
BE-3580 Beringen  
Tel +32 11 458 379  
Fax +32 11 458 378

### USA

ONSPOT OF NORTH AMERICA, INC.  
P.O. Box 1077  
North Vernon, IN 47265-5077  
Tel +1 800 224 2467  
Fax +1 812 346 1819

### Branch:

555 Lordship Blvd  
Stratford, CT 06615-7124  
Tel +1 800 766 7768  
Fax +1 203 380 0777

### France

ONSPOT E.U.R.L  
14 Route de Sarrebruck  
FR-57645 Montoy-Flanville  
Tel +33 387 763 080  
Fax +33 387 761 944

## RINGFEDER POWER TRANSMISSION

### Germany

RINGFEDER POWER TRANSMISSION GMBH  
Werner-Heisenberg-Straße 18  
DE-64823 Groß-Umstadt  
Tel +49 6078-9385-0  
Fax +49 6078-9385-100

### RINGFEDER POWER TRANSMISSION

TSCHAN GMBH  
Postfach 2166  
DE-66521 Neunkirchen  
Tel +49 6821 866 0  
Fax +49 6821 866 4111

### Czech Republic

RINGFEDER POWER TRANSMISSION S.R.O.  
Oty Kovala 1172  
CZ-33441 Dobruška  
Tel +420 377 201 511  
Fax +420 377 900 860

### USA

RINGFEDER POWER TRANSMISSION  
USA CORPORATION  
165 Carver Avenue  
Westwood, N.J. 07675  
Tel +1 201 666 3320  
Fax +1 201 664 6053

### India

RINGFEDER POWER TRANSMISSION  
INDIA PRIVATE LTD.  
Plot No. 4, Door No. 220  
Mount Poonamallee High Road  
Kattupakkam  
Chennai-600056  
Tel +91 44 2679 1411  
Fax +91 44 2679 1422

### China

KUNSHAN RINGFEDER POWER  
TRANSMISSION CO., LTD.  
No. 10, Dexin Road  
Zhangpu 215321  
Kunshan, Jiangsu Province  
Tel +86 512 5745 3960  
Fax +86 512 5745 3961

### Brazil

HENFEL INDÚSTRIA METALÚRGICA LTDA.  
Major Hilario Tavares Pinheiro, 3447  
Cep 14871 - 300  
Jaboticabal, SP  
Tel +55 16 3209 3422  
Fax +55 16 3202 3563

## EDSCHA TRAILER SYSTEMS

### Germany

EUROPEAN TRAILER SYSTEMS GMBH  
Im Moerser Feld 1f  
DE-47441 Moers  
Tel +49 2841 6070 700  
Fax +49 2841 6070 777

### Czech Republic

EUROPEAN TRAILER SYSTEMS S.R.O.  
Ke Gabrielce 786  
CZ-39470 Kamenice nad Lipou  
Tel +420 565 422 402  
Fax +420 565 422 405