

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 today on the Nasdaq OMX Nordic Exchange Stockholm, Small Cap list.

INTERIM REPORT January – MARCH 2012

- **The Group's net turnover decreased by 6.5 per cent to SEK 301.1 M (321.9)**
- **Operating profit was charged with SEK 10.6 M in restructuring cost**
- **Operating profit amounted to SEK 31.3 M (55.2) with a margin of 10.4 per cent (17.1)**
- **Profit after financial items amounted to SEK 31.0 M (54.0) with a profit margin of 10.3 per cent (16.8)**
- **The Group's profit after tax was SEK 22.8 M (38.1)**
- **Earnings per share amounted to SEK 1.83 (3.05)**

Group	Q1 2012	Q1 2011	Full year 2011
Net turnover, SEK M	301.1	321.9	1,181.1
Operating profit, SEK M	31.3	55.2	138.3
Operating margin, %	10.4	17.1	11.7
Profit after financial items, SEK M	31.0	54.0	130.9
Profit margin, %	10.3	16.8	11.1
Profit after tax, SEK M	22.8	38.1	94.5
Earnings per share, SEK	1.83	3.05	7.56
Return on capital employed (ROCE), cumulative, %	16.9	29.8	18.6
Return on equity (ROE), cumulative, %	14.2	26.2	15.7
Equity/assets ratio, %	63.7	60.0	64.7

VBG GROUP opens with a strong first quarter

The Group has started off 2012 with a good first quarter, even though total turnover was about six per cent lower than last year's very strong first quarter. Due to the relative uncertainty prevailing in much of the world, not least Europe, we notice a certain measure of caution in certain segments, geographical markets or large individual customers. At the same time, several segments and markets are currently performing strongly. It looks like my previous prediction that EDSCHA TRAILER SYSTEMS would experience continued but weak growth during the first half of the year, and that VBG TRUCK EQUIPMENT would continue at the same stable turnover level as in the fourth quarter, will turn out to be right. Happily, RINGFEDER POWER TRANSMISSION also lived up to expectations, largely thanks to its broad customer base, and showed during the first quarter that there is still a potential for continued sales increases.

All three divisions are successfully developing their own organisation and their internal processes while maintaining a full focus on their business performance.

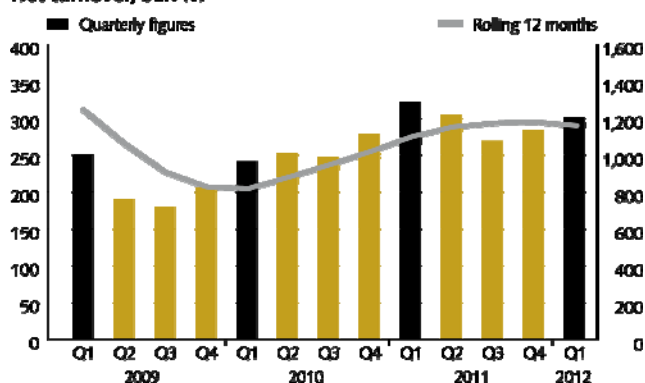
A restructuring project is under way in VBG TRUCK EQUIPMENT within logistics and distribution which will entail that distribution from Krefeld, Germany will be discontinued and that all supply of products to Central and Western Europe will take place as from the fourth quarter from the division's company in Beringen, Belgium. Negotiations for the approximately fifteen persons being dismissed in the Germany company were concluded during the first quarter, which has entailed a charge to the operating profit of about SEK 10 million.

The VBG GROUP and its divisions stand well equipped and are planning for a long-term increase in demand. As I mentioned above, the market situation is difficult to assess, which means that we are also fully prepared to deal with a possible slowdown in the market in the short-term perspective.

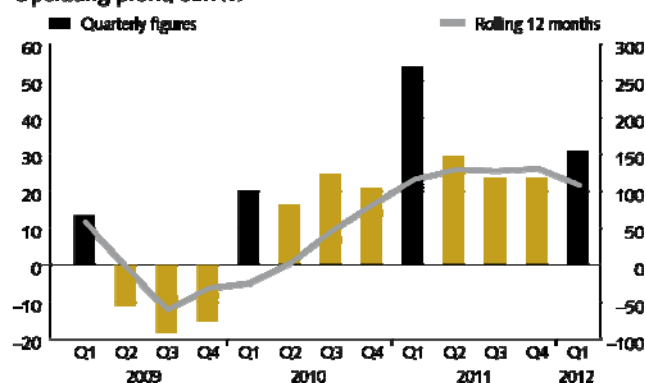
Anders Birgersson
Managing Director and CEO

Group trend (SEK M)	Q1 2012	Full year 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Full year 2010	Q4 2010	Q3 2010	Q2 2010
Net turnover	301.1	1,181.1	284.3	269.6	305.3	321.9	1,021.3	278.7	247.9	252.9
Operating profit	31.3	138.3	23.1	26.6	33.4	55.2	68.6	20.1	18.6	13.9
Operating margin, %	10.4	11.7	8.1	9.9	10.9	17.1	6.7	7.2	7.5	5.5
Profit after fin. items	31.0	130.9	23.8	23.6	29.5	54.0	82.4	20.9	24.8	16.5
Profit margin, %	10.3	11.1	8.4	8.8	9.7	16.8	8.1	7.5	10.0	6.5
Profit after tax	22.8	94.5	17.9	17.5	21.0	38.1	55.7	13.0	16.2	11.8
Earnings per share, SEK	1.83	7.56	1.43	1.40	1.68	3.05	4.46	1.04	1.30	0.94
ROCE (cumulative), %	16.9	18.6	18.6	20.1	23.7	29.8	8.7	8.7	8.0	7.2
ROE (cumulative), %	14.2	15.7	15.7	16.9	20.0	26.2	9.6	9.6	9.8	9.1
Equity/assets ratio, %	63.7	64.7	64.7	60.9	59.5	60.0	58.2	58.2	55.7	54.6

Net turnover, SEK M



Operating profit, SEK M



Consolidated turnover and earnings

The turnover of SEK 301.1 M (321.9) was 6.5 per cent lower than in the first quarter of 2011, and taking into account changes in the exchange rates between the quarters, the actual volume decrease was 6.9 per cent.

The Group reported a profit of SEK 31.3 M, the next-best quarterly result since 2008, even though it was clearly lower than for the very strong first quarter last year (55.2). The profit has been charged with SEK 10.6 M for staff reduction costs related to the restructuring of the VBG TRUCK EQUIPMENT division's German company announced in the year-end report. The operating profit includes Group-wide overheads in the Parent Company of SEK 3.9 M (3.7) that have not been allocated to the divisions.

The operating margin amounted to 10.4 per cent (17.1).

Net financial items for the quarter amounted to SEK -0.3 M (-1.2), and profit after financial items was thereby SEK 31.0 M (54.0).

Profit after tax was SEK 22.8 M (38.1), and earnings per share was SEK 1.83 (3.05).

Return on capital employed was 16.9 per cent (29.8) and return on equity was 14.2 per cent (26.2). The Group's equity/assets ratio declined slightly from the end of the year to 63.7 per cent (64.7).

Capital expenditures

The Group's capital expenditures during the first quarter amounted to SEK 6.5 M (1.8).

Financial position

Profit after tax for the first quarter amounted to SEK 22.8 M (38.1), and total translation differences amounted to SEK -6.0 M (-5.7), which added up to a comprehensive income of SEK 16.8 M (32.4).

This mean that equity increased to SEK 653.4 M (636.6 at year-end).

The equity/assets ratio declined slightly and was 63.7 per cent at 31 March (64.7).

Cash and cash equivalents amounted to SEK 75.8 M at the end of the quarter (65.2 at year-end), and there were unutilized credit facilities of SEK 128.8 M (121.9), which entailed an available liquidity of SEK 204.6 M (187.1).

The Group's interest-bearing net debt decreased by SEK 22.4 M during the quarter, amounting to SEK 73.5 M at the end of the quarter (95.9).

The ratio of interest-bearing net debt to equity was 0.11 at 31 December 2012 (0.15 at 31 December 2011).

The Group's aggregate goodwill amounted to SEK 247.8 M (250.9), which in relation to equity was a ratio of 0.38 (0.39).

Cash flow

Cash flow from operating activities amounted to SEK 27.1 million (37.5). Capital expenditures during the quarter amounted to SEK 7.7 M (3.0). The Group's total borrowings and current financial liability decreased during the quarter by a net of SEK 9.3 M (33.8). Net cash flow during the period was thereby SEK 10.1 M (0.7).

Personnel

On 31 March 2012 there were 503 employees (492 at year-end) in the VBG GROUP, including 174 (175) in Sweden.

During the first quarter, the Group employed an average of 502 persons (456 during the same period last year). Of these, 176 (175) were active in Sweden. The cost of salaries and social security contributions was SEK 66.4 M (62.4).

Per share data

Earnings per share for period declined to SEK 1.83 (3.05). Equity per share was SEK 52.26 on 31 March 2012, compared with SEK 47.81 on the same date last year and SEK 50.92 at year-end.

The number of shareholders decreased slightly during the period, amounting at the end of the quarter to 4,305 (4,327).

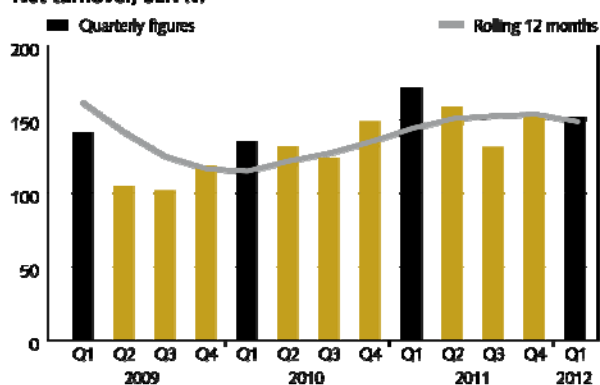
VBG TRUCK EQUIPMENT

First quarter 2012:

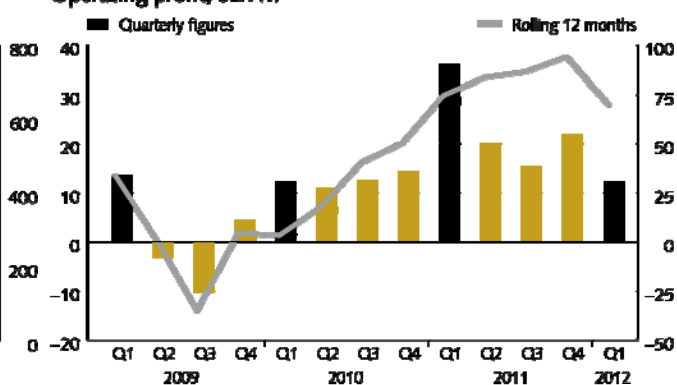
- Turnover decreased by 11.6 per cent to SEK 151.6 M (171.4)
- Operating profit amounted to SEK 12.4 M (36.3) with a margin of 8.2 per cent (21.2)
- Operating profit was charged with SEK 10.6 M in staff-related restructuring costs in Germany

VBG TE(SEK M)	Q1 2012	Full year 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Full year 2010	Q4 2010	Q3 2010	Q2 2010
Net turnover	151.6	613.7	152.5	131.3	158.5	171.4	539.5	148.8	123.8	131.9
Operating profit	12.4	94.0	22.0	15.5	20.2	36.3	50.5	14.5	12.6	11.0
Operating margin %	8.2	15.3	14.4	11.8	12.7	21.2	9.4	9.7	10.2	8.3

Net turnover, SEK M



Operating profit, SEK M



Turnover for VBG TRUCK EQUIPMENT declined by 11.6 per cent to SEK 151.6 M (171.4).

Translation of the turnover of foreign Group companies to SEK had a marginal effect, and the actual volume increase was 11.8 per cent.

Operating profit was charged with staff-related restructuring costs of SEK 10.6 M for the approximately 15 persons who have to leave the German company when stocks and distribution are moved during the year to the division's Belgian company, where a central warehouse for Central and Western Europe is being established.

As a consequence of the lower turnover and the restructuring costs, operating profit decreased to SEK 12.4 M (36.3) and the operating margin was 8.2 per cent (21.2).

Turnover by market (SEK M)	Q1 2012	Full year 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Full year 2010	Q4 2010	Q3 2010	Q2 2010
Sweden	46.9	192.6	50.2	36.8	49.3	56.3	158.4	45.1	34.1	40.0
Other Nordic countries	31.2	104.2	26.4	21.9	26.5	29.4	91.9	28.0	16.5	24.6
Germany	29.4	124.9	29.3	28.0	34.2	33.4	125.1	34.0	32.0	30.6
Other European countries	31.7	134.3	31.7	28.7	32.0	41.9	114.7	30.2	27.8	26.3
Rest of world	12.4	57.7	14.9	15.9	16.5	10.4	49.4	11.5	13.4	10.4
VBG TE	151.6	613.7	152.5	131.3	158.5	171.4	539.5	148.8	123.8	131.9

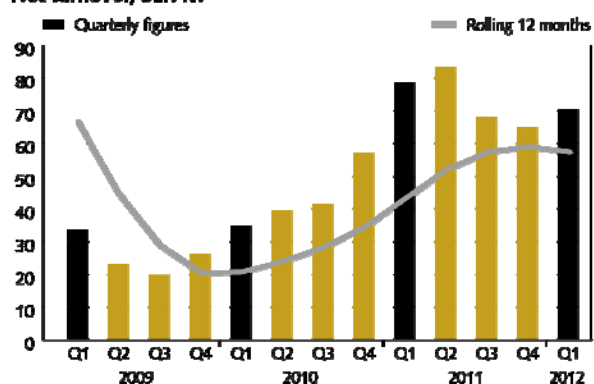
EDSCHA TRAILER SYSTEMS

First quarter 2012:

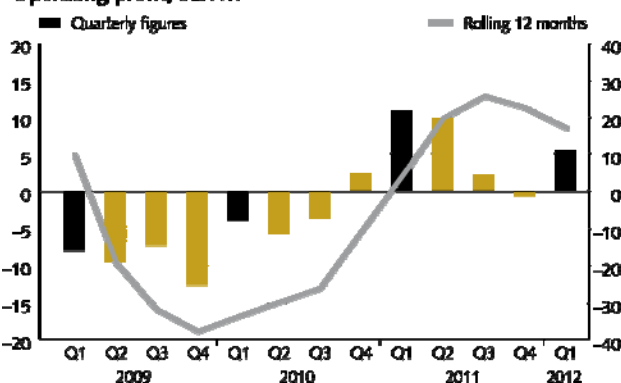
- Turnover decreased by 10.3 per cent to SEK 70.4 M (78.5)
- Operating profit amounted to SEK 5.5 M (11.0) with a margin of 7.8 per cent (14.0)

EDSCHA TS (SEK M)	Q1 2012	Full year 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Full year 2010	Q4 2010	Q3 2010	Q2 2010
Net turnover	70.4	294.8	64.9	68.0	83.4	78.5	172.7	57.0	41.4	39.5
Operating profit/loss	5.5	22.5	-0.7	2.3	9.9	11.0	-10.8	2.6	-3.6	-5.7
Operating margin %	7.8	7.6	-1.1	3.4	11.9	14.0	-6.3	4.6	-8.7	-14.4

Net turnover, SEK M



Operating profit, SEK M



EDSCHA TRAILER SYSTEMS saw its turnover decline by 10.3 per cent compared with the same period last year to SEK 70.4 M (78.5). Translation of the turnover of foreign Group companies to SEK had a marginal effect, and the actual volume increase was 10.1 per cent. The pace of sales has been stable over the past six months, and there are no signs of a slowdown in the market; rather, weak growth is expected. However, the economic outlook for the trailer industry for the remainder of 2012 is still uncertain.

Operating profit amounted to SEK 5.5 M (11.0) with an operating margin of 7.8 per cent (14.0).

Turnover by market (SEK M)	Q1 2012	Full year 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Full year 2010	Q4 2010	Q3 2010	Q2 2010
Sweden	0.1	0.9	0.2	0.2	0.1	0.4	0.6	0.1	0.1	0.2
Other Nordic countries	0.1	1.1	0.2	0.2	0.3	0.4	1.3	0.5	0.2	0.2
Germany	42.4	179.7	42.3	44.2	50.5	42.7	94.6	32.4	25.9	20.2
Other European countries	27.7	112.3	21.6	23.3	32.4	35.0	75.0	23.4	15.0	18.9
Rest of world	0.1	0.8	0.6	0.1	0.1	0.0	1.2	0.6	0.2	0.0
Edscha TS	70.4	294.8	64.9	68.0	83.4	78.5	172.7	57.0	41.4	39.5

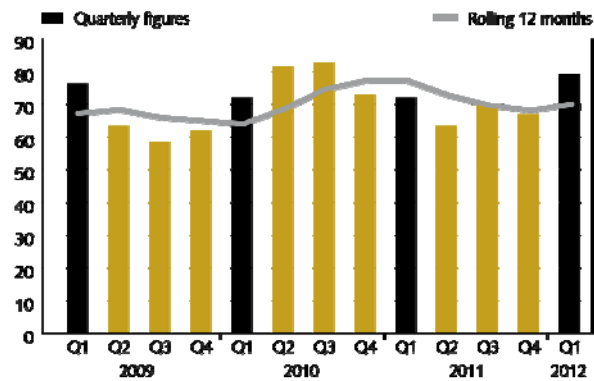
RINGFEDER POWER TRANSMISSION

First quarter 2012:

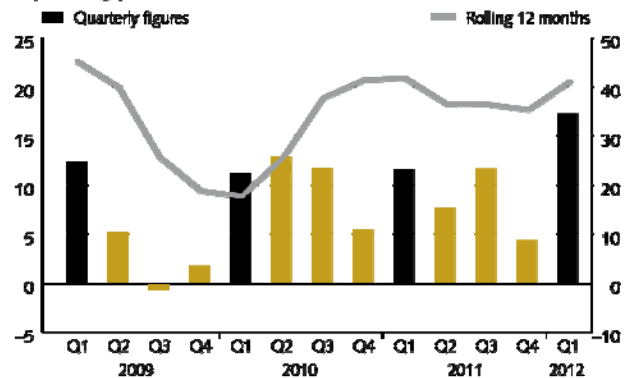
- Turnover increased by 9.9 per cent to SEK 79.1 M (72.0)
- Operating profit amounted to SEK 17.3 M (11.6) with a margin of 21.9 per cent (16.1)

RINGFEDER PT (SEK M)	Q1 2012	Full year 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Full year 2010	Q4 2010	Q3 2010	Q2 2010
Net turnover	79.1	272.6	66.9	70.3	63.4	72.0	309.1	72.9	82.7	81.5
Operating profit/loss	17.3	35.4	4.4	11.7	7.7	11.6	41.5	5.5	11.8	12.9
Operating margin %	21.9	13.0	6.6	16.6	12.1	16.1	13.4	7.5	14.3	15.8

Net turnover, SEK M



Operating profit, SEK M



Turnover increased by 9.9 per cent to SEK 79.1 M (72.0), and taking exchange rate changes into account the increase was 8.1 per cent. Last year's sales figures still included SEK 8.7 M for the American trading operation, which was wound up during the quarter. This means that sales of the division's own brands Ringfeder, Gerwah and Ecoloc increased during the first quarter by about 25 per cent.

At the same time as the division's American company managed to reallocate the costs related to the discontinued trading business, gross margins were also better for the own brands' products. During the first quarter of 2012, RINGFEDER POWER TRANSMISSION also received SEK 1.8 M as a final settlement for the trading business. Altogether, the volume increase, the better gross margins and the final settlement contributed to a sharp increase in operating profit to SEK 17.3 M (11.6), with one of the highest margins for a single quarter: 21.9 per cent (16.1).

Turnover by market (SEK M)	Q1 2012	Full year 2011	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Full year 2010	Q4 2010	Q3 2010	Q2 2010
Europe	39.5	140.8	31.5	39.6	33.2	36.5	129.9	29.6	35.1	30.6
North America	23.8	82.6	19.7	18.7	17.7	26.5	131.4	32.3	34.9	35.7
Rest of world	15.8	49.2	15.7	12.0	12.5	9.0	47.8	11.0	12.7	15.2
Power Transmission	79.1	272.6	66.9	70.3	63.4	72.0	309.1	72.9	82.7	81.5

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 5.2 M (5.4) during the first quarter. The operating loss for the quarter was SEK 3.2 M (loss: 5.1). The loss after dividends from Group companies and financial items was SEK 2.8 M (loss: 4.8).

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 2011.

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 VBG GROUP AB's annual report for 2011, Note 2.

Outlook for 2012

The company makes no forecast

Financial information 2012/2013

Interim report 6 months	22 August 2012
Interim report 9 months	23 October 2012
Year-end report 2012	February 14
Interim report 3 months 2013	25 April 2013
Annual General Meeting 2013	25 April 2013

Related party transactions

There have been no related party transactions in 2012 that have significantly affected the company's financial position and results. Related party transactions during 2011 are disclosed in Note 5 in the annual report for 2011.

Vänersborg, 26 April 2012

VBG GROUP AB (publ)

**Anders Birgersson
Managing Director and CEO**

This report has not been subject to review by the company's auditors.

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 26 April 2012 at 3.00 p.m.

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Consolidated Income Statement and Statement of Comprehensive Income – Highlights (SEK M)	Q1 Jan-Mar 2012	Q1 Jan-Mar 2011	Full year 2011
Net turnover	301.1	321.9	1,181.1
Cost of goods sold	-193.4	-199.0	-749.6
Selling expenses	-47.1	-42.9	-177.5
Administrative expenses	-23.9	-19.9	-86.6
Research and development costs	-6.6	-5.0	-28.5
Other operating income and expenses	1.2	0.1	-0.6
Operating profit	31.3	55.2	138.3
Net financial items	-0.3	-1.2	-7.4
Profit after financial items	31.0	54.0	130.9
Tax	-8.2	-15.9	-36.4
Profit for the period²	22.8	38.1	94.5
Net profit for the period attributable to Parent Company shareholders	22.8	38.1	94.5
Depreciation and amortisation charged to profit	-9.1	-8.4	-34.5
Other comprehensive income/loss			
Profit for the period	22.8	38.1	94.5
Translation differences pertaining to foreign operations	-6.2	-5.9	-4.6
Translation differences pertaining to hedge accounting for net investments in foreign operations	0.2	0.2	0.1
Other comprehensive income/loss, net after tax	-6.0	-5.7	-4.5
Total comprehensive income/loss for the period³	16.8	32.4	90.0
Comprehensive income/loss for the period attributable to Parent Company shareholders	16.8	32.4	90.0
Earnings per share, basic and diluted, SEK	1.83	3.05	7.56
Number of shares at end of period (thousands)	12,502	12,502	12,502
Average number of shares during the period	12,502	12,502	12,502
Number of own shares at end of period	1,192	1,192	1,192
Average number of own shares	1,192	1,192	1,192

Consolidated Balance Sheet – Highlights (SEK M)	31/03 2012	31/03 2011	31/12 2011
Goodwill	247.8	250.0	250.9
Other intangible assets	57.1	57.5	57.5
Property, plant and equipment	168.4	177.8	168.9
Long-term investments	1.6	8.1	1.0
Total non-current assets	474.9	493.4	478.3
Inventories	247.9	234.2	243.1
Receivables	227.5	222.0	196.9
Cash on hand, demand deposits and short-term investments	75.8	46.2	65.2
Total current assets	551.2	502.4	505.2
TOTAL ASSETS	1,026.1	995.8	983.5
Equity	653.4	597.7	636.6
Non-current liabilities	174.1	187.2	179.6
Current liabilities	198.6	210.9	167.3
TOTAL EQUITY AND LIABILITIES	1,026.1	995.8	983.5

Changes in Group equity (SEK M)	3 mon 2012	3 mon 2011	Full year 2011
Opening equity according to Balance Sheet at 31 December	636.6	565.3	565.3
Total comprehensive income/loss for the period	16.8	32.4	90.0
Dividend			-18.7
Equity at end of period	653.4	597.7	636.6

Cash Flow Statement – Highlights (SEK M)	3 mon 2012	3 mon 2011	Full year 2011
Cash flow from operating activities before changes in working capital	29.0	47.2	132.3
Change in working capital	-1.9	-9.7	-1.4
Cash flow from operating activities	27.1	37.5	130.9
Cash flow from investing activities	-7.7	-3.0	-25.9
Cash flow from financing activities	-9.3	-33.8	-85.1
Cash flow for the period	10.1	0.7	19.9
Cash and cash equivalents at start of year	65.2	46.1	46.1
Translation difference, cash and cash equivalents	0.5	-0.6	-0.8
Cash and cash equivalents at end of period	75.8	46.2	65.2
Unutilised overdraft facilities	128.8	98.1	121.9
Available cash and cash equivalents	204.6	144.3	187.1

Key figures for Group	3 mon 2012	3 mon 2011	Full year 2011
Profit margin (ROS), %	10.3	16.8	11.1
Return on equity (ROE), %	14.2	26.2	15.7
Return on capital employed (ROCE), %	16.9	29.8	18.6
Equity/assets ratio, %	63.7	60.0	64.7
Equity per share, SEK	52.26	47.81	50.92
Cash flow per share (before change in working capital), SEK	2.33	3.78	10.58
Share price at end of period, SEK	88.50	108.00	75.75
Number of employees, average	502	456	477

Parent Company Income Statement (SEK M)	3 mon 2012	3 mon 2011	Full year 2011
Net turnover	5.2	5.4	28.6
Operating expenses	-8.4	-10.5	-36.3
Operating profit/loss	-3.2	-5.1	-7.7
Net financial items	0.4	0.3	-40.9
Profit/loss after financial items	-2.8	-4.8	-48.6
Appropriations			1.6
Tax	0.7	1.3	-0.2
Profit/loss after tax	-2.1	-3.5	-47.2

Parent Company Balance Sheet (SEK M)	31/03 2012	31/03 2011	31/12 2011
Intangible assets	13.7	15.8	14.2
Property, plant and equipment	7.1	7.8	7.3
Long-term investments	502.2	572.7	501.9
Total non-current assets	523.0	596.3	523.4
Receivables	87.4	69.6	92.3
Cash on hand, demand deposits and short-term investments	30.1	15.9	18.8
Total current assets	117.5	85.5	111.1
TOTAL ASSETS	640.5	681.8	634.5
Equity	339.3	403.9	341.4
Untaxed reserves	27.1	28.8	27.1
Provisions	9.9	8.7	9.8
Non-current liabilities	12.2	15.6	22.5
Current liabilities	252.0	224.8	233.7
TOTAL EQUITY AND LIABILITIES	640.5	681.8	634.5