

Kährs Holding AB (publ)

Interim report – Q3-2013



13 November 2013



Chief Executive's comments

Net sales in the third quarter came in 3% below last year partly due to a slightly weaker market, but also due to the appreciated Swedish Krona. The operating result excl. non-recurring items (Adj. EBIT) of 24 MSEK or 4.1% was 1 MSEK better than last year's level despite lower net sales. This result was achieved through a higher gross margin of 34.5% and lower fixed costs than last year.

Net sales were lower than last year (pro forma) in Q3 due to a slightly weaker market in Russia/CIS and also in Finland/Baltics. In addition, the strong Swedish Krona had a negative impact on net sales. To a large extent, this sales loss was compensated by an improved sales development in the Nordics, Americas and Other markets.



The net sales decline in Q3 was compensated by a higher gross margin at 34.5% vs. 33.5% last year and on top of this the fixed cost levels were reduced. Continued high focus on profitable business in combination with a strengthened product mix supported the result improvement. The operating result excl. non-recurring items (Adj. EBIT) were 1 MSEK better than Q3-2012 (pro forma) and reached 24 MSEK or 4.1% compared with 23 MSEK or 3.8% the same period last year.

We have a continued high focus on NWC after an increase of 67 MSEK during the first nine months 2013. This increase has mainly been driven by higher accounts receivables due to seasonal sales pattern, but also an increased inventory due to safety stock build up for the factory shutdowns in Finland. In the third quarter, NWC decreased by 33 MSEK due to reductions in accounts receivables and higher account payables. The main reduction potential in NWC is still within the inventory and also in a continued reduction of the number of SKUs.

During the third quarter, the shutdown process of the wood flooring production units in Finland entered the execution phase. Most of the parquet volumes previously produced in Kuopio, Finland have now been transferred to our largest production site in Nybro, Sweden and this activity will optimize the group's production footprint. The other Finnish wood flooring production unit in Tuupovaara has been scaled down during the last quarter to produce only a smaller volume of a specific design range.



Christer Persson
President and CEO



Financial highlights and key ratios

In Kährs Holding AB's consolidated financials, Karelia-Upofloor Oy is included since December 3, 2012, when 100% of the shares were acquired. In immediate connection with this acquisition, the owner of Kährs Group, Nanna II S.C.A., contributed 100% of the shares in Oak Norge AS. The contribution appeared on December 3, 2012 and Oak Norge AS is also included in the financial statements of Kährs Holding AB group from that date.

Third quarter in brief

Comparative figures below are pro forma and show third quarter and YTD as if Kährs, Karelia-Upofloor and Oak Norge had been consolidated since 1 January 2012.

- Net sales for the group amounted to 584 MSEK (605), a decline of 21 MSEK or 3%. Most part of this decline was related to currency fluctuations.
- The operating profit excl. non-recurring items (Adj. EBIT) amounted to 24 MSEK (23) or 4.1% (3.8).
- Profit after tax for the group amounted to -5 MSEK (25) in the third quarter and -3 MSEK (53) for the period January to September. The main reasons for the negative deviation are higher restructuring costs related to Finland and a negative finance net due to increased interest expenses and FX impact on shareholder loans to Nanna II S.C.A. denominated in EUR.
- The factory shutdown in Finland has progressed as planned and most production volumes have been transferred to the production site in Nybro, Sweden during the third quarter.
- The corporate bond issued by Kährs Holding AB (publ) in December 2012, was listed on the Corporate Bond List at NASDAQ OMX Stockholm on October 4, 2013.

MSEK	Pro forma			Pro forma		
	Jul-Sep 2013	Jul-Sep 2012	Jul – Sep 2012	Jan - Sep 2013	Jan-Sep 2012	Jan – Sep 2012
Sale of goods	584	348	605	1,830	1,140	1,990
Operating profit excl. depreciation (EBITDA)	38	19	49	146	69	150
Operating profit excl. non-recurring items (Adj. EBIT)	24	12	23	84	44	71
Operating profit (EBIT)	12	8	20	66	35	61
Profit before tax	-4	20	32	-2	41	60
Profit for the period	-5	17	25	-3	39	53
Operating profit excl. depreciation (EBITDA), %	6.5%	5.5%	8.1%	8.0%	6.1%	7.5%
Operating profit excl. non-recurring items (Adj. EBIT), %	4.1%	3.4%	3.8%	4.6%	3.9%	3.6%
Operating profit (EBIT), %	2.1%	2.3%	3.3%	3.6%	3.1%	3.1%

* Pro forma is presented as if Kährs, Karelia-Upofloor and Oak Norge had been consolidated since 1 January 2012



Kährs Group, third quarter 2013 and September YTD

In Kährs Holding AB's consolidated financials, Karelia-Upofloor Oy is included since December 3, 2012, when 100% of the shares were acquired. In immediate connection with this acquisition, the owner of Kährs Group, Nanna II S.C.A., contributed 100% of the shares in Oak Norge AS. The contribution appeared on December 3, 2012 and Oak Norge AS is also included in the financial statements of Kährs Holding AB group from that date.

Below comparison figures for last year show the group's development for the third quarter 2012 and January to September 2012 as formally reported in the Provisional IFRS Financial Statement 2012 (i.e. not pro forma). The group's result development pro forma is presented on page 5-7.

Net sales

Third quarter

Total group net sales amounted to 584 MSEK (348) in Q3-13.

January-September

The net sales for the group per September YTD amounted to 1,830 MSEK (1,140).

Operating profit

Third quarter

The operating profit (EBIT) during the third quarter amounted to 12 MSEK (8). The operating profit excl. non-recurring items (Adj. EBIT) amounted to 24 MSEK (12) or 4.1% (3.4).

January-September

September YTD, the operating profit (EBIT) reached 66 MSEK (35). The operating profit excl. non-recurring items (Adj. EBIT) amounted to 84 MSEK (44) or 4.6% (3.9).

Net financial cost

Third quarter

The net financial cost was -16 MSEK (12), and the change is mainly related to the new 500 MSEK bond financing, but also due to FX impact on shareholder loans to Nanna II S.C.A. denominated in EUR.

January-September

The net financial cost during the first nine months was -68 MSEK (6), with the same reason as described for the third quarter.

Cash flow and Investments

Third quarter

Operating cash flow in the third quarter amounted to 37 MSEK (6). Net working capital decreased by 33 MSEK, while net investments in Q3-13 amounted to 34 MSEK (8).

January-September

During the period January to September the operating cash flow amounted to -8 MSEK (38). Net working capital has increased by 67 MSEK due to higher accounts receivables and also safety stock build up for the factory shutdowns in Finland. Net investments per September YTD amounted to 76 MSEK (31).



Financial position

Total assets of the group amounted to 2,247 MSEK per 30 September 2013 (2,261 MSEK per 31 December 2012) and the Equity ratio was 20% excl. shareholder loans to Nanna II S.C.A (21% per 31 December 2012).

The net debt of the group amounted to 176 MSEK per September 2013 to be compared with 101 MSEK per December 2012. The net debt to EBITDA ratio amounted per September 2013 to 1.1 and the ratio of EBITDA to net finance charges amounted to 3.9.

Consolidated cash and cash equivalents per September 30, 2013 was 317 MSEK compared with 391 MSEK per December 31, 2012. Due to the excess cash position, and no material acquisitions planned in 2013, the Group is currently planning for a repayment of 130 MSEK of the shareholder loans during the fourth quarter.

The corporate bond issued by the Kährs Holding AB (publ) in December 2012, was listed on the Corporate Bond List at NASDAQ OMX Stockholm on October 4, 2013.

Employees

The number of employees per 30 September 2013 was 1,581, which is a decrease of 31 employees from 1,612 employees per 31 December 2012. The number of employees outside Sweden at the end of the period was 831 compared with 866 at the beginning of 2013.

Net sales and result pro forma in summary

To increase the comparability between current period and previous periods, net sales, operative result and segment development below are presented as pro forma on page 5-7.

Net Sales

Net sales for the group in Q3-13 amounted to 584 MSEK (605), a decline of 21 MSEK or 3%. Most part, 15 MSEK, of this decline was related to currency fluctuations.

Group net sales per September YTD amounted to 1,830 MSEK (1,990). The decline of 160 MSEK was partly due to negative currency movements amounting to 46 MSEK.

Net Sales by Product Group

Hardwood flooring continued to show a mixed development in the regions and during the third quarter 2013 the hardwood sales dropped by 5% compared with LY to 502 MSEK.

The resilient flooring business reached a net sales in Q3 of 62 MSEK and this is an increase by 9% compared with the same period LY. Net sales for other business, including flooring accessories, did decline by 5% in Q3 to 20 MSEK.

Sales YTD within hardwood flooring amounted to 1,581 MSEK (1,703), a decline of 7%, while sales within resilient flooring business amounted to 187 MSEK (223), a decline of 16%.

Net sales YTD for other business, i.e. flooring accessories, during the period January to September was 62 MSEK (64), a decline of 3%.

Net Sales by region

The regions showed a mixed development also in the third quarter with Americas as the strongest region with 16% sales growth followed by the Nordics at 6% growth compared with the same period last year. The development in the Nordics was driven by favorable market growth but also taken market shares from competitors. Strong net sales increase of 38% was also achieved in the region Other markets.

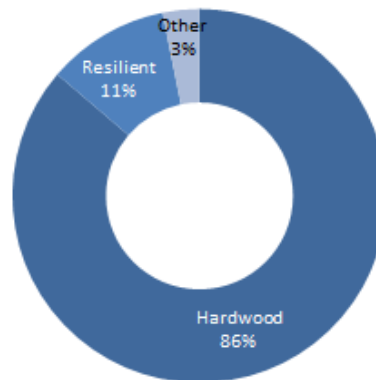
Central Europe showed a flat net sales development in the third quarter while Finland/Baltics and the Russia/CIS region showed a negative sales performance of -10% and -14% respectively due to weaker market conditions.

Operating result (EBIT)

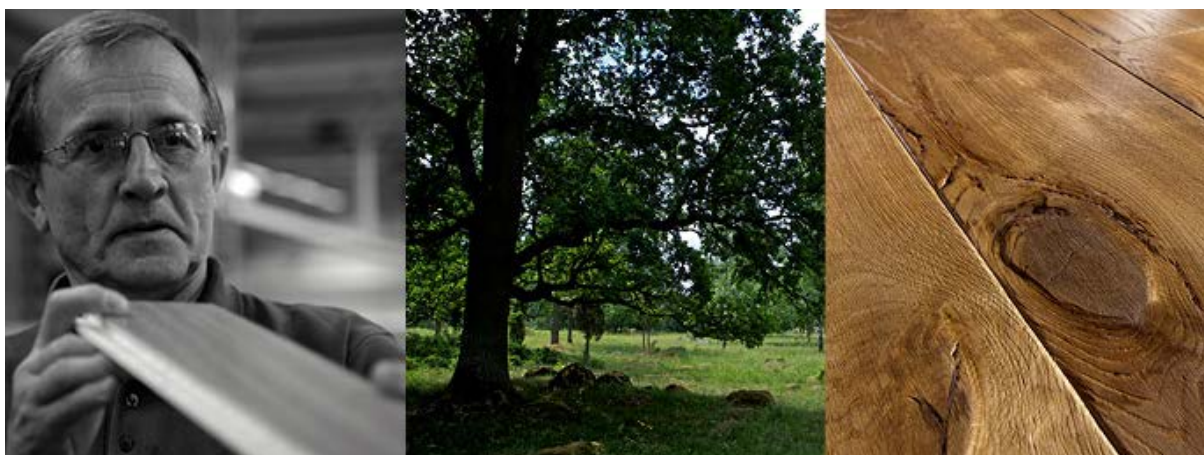
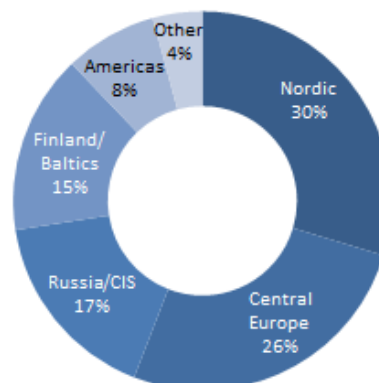
The operating profit (EBIT) during the third quarter amounted to 12 MSEK (20). Main reason for this lower result is the higher restructuring costs related to the factory shutdowns in Finland during second half of 2013. The operating profit excl. non-recurring items (Adj. EBIT) amounted to 24 MSEK (23) or 4.1% (3.8).

September YTD, the operating profit (EBIT) reached 66 MSEK (61). The operating profit excl. non-recurring items (Adj. EBIT) amounted to 84 MSEK (71) or 4.6% (3.6).

Net sales per product segment Q3-13



Net sales per region Q3-2013



Segment development (pro forma)

Hardwood flooring

MSEK	Jul-Sep 2013	Jul-Sep 2012	Jan-Sep 2013	Jan-Sep 2012
Segment revenue				
External customers	502	527	1 581	1 703
Operating profit excl. non-recurring items (Adj. EBIT)	16	15	55	41
Operating profit excl. non-recurring items (Adj. EBIT), %	3,2%	2,8%	3,5%	2,4%
Operating profit, (EBIT)	4	12	38	31
Operating profit (EBIT), %	0,9%	2,2%	2,4%	1,8%

Resilient products

MSEK	Jul-Sep 2013	Jul-Sep 2012	Jan-Sep 2013	Jan-Sep 2012
Segment revenue				
External customers	62	57	187	223
Operating profit excl. non-recurring items (Adj. EBIT)	4	3	14	15
Operating profit excl. non-recurring items (Adj. EBIT), %	6,6%	5,2%	7,5%	6,5%
Operating profit, (EBIT)	3	3	13	15
Operating profit (EBIT), %	5,4%	5,2%	7,0%	6,5%

Other

MSEK	Jul-Sep 2013	Jul-Sep 2012	Jan-Sep 2013	Jan-Sep 2012
Segment revenue				
External customers	20	21	62	64
Operating profit excl. non-recurring items (Adj. EBIT)	4	5	15	15
Operating profit excl. non-recurring items (Adj. EBIT), %	21,4%	24,9%	24,2%	24,2%
Operating profit, (EBIT)	5	5	15	15
Operating profit (EBIT), %	23,0%	24,4%	24,2%	23,8%



General information

Accounting principles in 2013

This interim report is prepared in accordance with the Swedish Annual Accounts Act and IAS34, Interim Financial Reporting. For information regarding the accounting policies applied, see the Provisional IFRS Consolidated Financial Statements for fiscal year 2012.

Related-party transactions

Transactions with related parties are priced in accordance with market terms and prices. Related parties refer to companies over which Kährs Holding AB (publ) has a controlling or significant influence in terms of the operational and financial decisions. Related parties also includes those companies and individuals who have the ability to control or exercise significant influence over the Group's financial and operational decisions.

Risk and uncertainty factors

Kährs is a global company represented in many countries and as such exposed to a number of commercial and financial risks. Accordingly, risk management is an important process for Kährs in its work to achieve established targets.

Efficient risk management is an ongoing process conducted within the framework of business controlling, and is a continuing review of the operations and forward-looking assessments of the business.

Kährs long-time risk exposure is not assumed to deviate from the inherent exposure associated with Kährs ongoing business operations.

Parent company

The parent company, Kährs Holding AB (publ) was established in 1996 and is a limited liability company with its registered office in Nybro, Sweden.

The revenue for the interim period January to September was 0 MSEK (0) with a Profit after tax of -14 MSEK (2). The parent company's income statement and financial position are presented on page 13-14 in this interim report.

Events after balance sheet date

No significant events have taken place after the balance sheet date.

Consolidated Income Statement

MSEK	Jul-Sep 2013	Jul-Sep 2012	Jan-Sep 2013	Jan-Sep 2012	Jan-Dec 2012
Sale of goods	584	348	1,830	1,140	1,561
Cost of goods sold	-487	-283	-1,477	-913	-1,279
Gross profit	97	65	353	227	282
<i>% of Sale of goods</i>	<i>16.6%</i>	<i>18.7%</i>	<i>19.3%</i>	<i>19.9%</i>	<i>18.1%</i>
Selling and distribution expenses	-66	-45	-213	-143	-191
Administrative expenses	-21	-11	-72	-39	-54
Other operating income	2	1	4	1	258
Other operating expenses	0	-2	-6	-11	-48
Operating profit	12	8	66	35	247
<i>% of Sale of goods</i>	<i>2.1%</i>	<i>2.3%</i>	<i>3.6%</i>	<i>3.1%</i>	<i>15.8%</i>
Financial income	2	19	10	29	21
Financial expenses	-18	-7	-78	-23	-45
Profit before tax	-4	20	-2	41	223
Income tax expense	-1	-3	-1	-2	-16
Profit for the period	-5	17	-3	39	207

Consolidated statement of comprehensive income

Profit for the period	-5	17	-3	39	207
Other comprehensive income					
Items that can be reclassified into profit and loss:					
Translation differences	-13	0	-23	-1	-7
Other comprehensive income, net of tax	-18	17	-26	38	200
Total comprehensive income for the period	-18	17	-26	38	200
Attributable to shareholders of the Parent Company	-18	17	-26	38	200
Attributable to non-controlling interests	-	-	-	-	-
Total	-18	17	-26	38	200
Earnings per share before and after dilution	-0,2	0,6	-0,1	1,3	6,9

Consolidated statement of financial position

MSEK	30 Sep 2013	30 Sep 2012	31 Dec 2012
ASSETS			
Non-current assets			
Intangible assets	5	-	6
Property, plant and equipment	756	393	771
Financial assets	6	5	6
Deferred tax assets	108	18	99
Total non-current assets	875	416	882
Current assets			
Inventories	652	415	630
Trade receivables	339	168	286
Derivatives	4	20	16
Other current assets	60	61	56
Cash and cash equivalents	317	140	391
Total current assets	1,372	804	1,379
TOTAL ASSETS	2,247	1,220	2,261
EQUITY AND LIABILITIES			
Equity			
Share capital	0	0	0
Other reserves	-29	-1	-7
Retained earnings	473	295	477
Total	444	294	470
Non-controlling interests	-	-	-
Total equity	444	294	470
Non-current liabilities			
Interest bearing liabilities	1,182	539	1,177
Provisions for pensions	1	-	1
Other provisions	13	4	17
Deferred tax liabilities	30	6	26
Total non-current liabilities	1,226	549	1,221
Current liabilities			
Interest bearing liabilities	3	3	3
Other provisions	48	14	48
Trade payables	194	112	186
Income tax payable	1	4	1
Derivatives	7	1	11
Other current liabilities	324	243	321
Total current liabilities	577	377	570
TOTAL EQUITY AND LIABILITIES	2,247	1,220	2,261

Consolidated statement of cash flows

MSEK	Jul-Sep 2013	Jul-Sep 2012	Jan-Sep 2013	Jan-Sep 2012	Jan-Dec 2012
Operating activities					
Profit before tax	-4	21	-3	42	223
Reconciliation between profit before tax & net cash flow	18	-4	85	10	-199
	14	17	82	52	24
Interest received	2	0	4	4	4
Interest paid	-11	0	-33	0	-18
Income tax paid	0	0	-1	0	1
Cash flow from operating activities	5	17	52	56	11
Working capital adjustments					
Changes in inventories	-6	-13	-22	-37	-15
Changes in operating receivables	38	-26	-45	-48	85
Changes in operating liabilities	0	28	7	67	42
Net cash flows from operating activities	37	6	-8	38	123
Investing activities					
Business combinations	-	-	-	-	-71
Purchase of property, plant and equipment	-34	-8	-76	-31	-46
Change in financial assets	0	-1	0	-1	-2
Proceeds from sale of property, plant and equipment	0	4	2	4	6
Net cash flows used in investing activities	-34	-5	-74	-28	-113
Financing activities					
Dividends paid to equity holders of the parent	-	-	-	-	-80
Unconditional shareholders' contribution	-	-	-	-	107
Cash from contributed subsidiary	-	-	-	-	5
Proceeds from borrowings	0	-	1	-	489
Repayment of borrowings	-	-	-	-	-270
Net cash flows from financing activities	-	-	1	-	251
Cash flow for the period	3	1	-81	10	261
Cash and cash equivalents, opening balance	312	142	391	134	134
Exchange - rate differences	2	-3	7	-4	-4
Cash and cash equivalents, closing balance	317	140	317	140	391

Consolidated statement of changes in equity

MSEK	Share capital	Contributions of other capital	Other reserves	Retained earnings	Total equity
As at 1 January 2013	0	0	-7	477	470
Profit for the period				-3	-3
Other comprehensive income			-23		-23
As at 30 September 2013	0	0	-29	474	444

MSEK	Share capital	Contributions of other capital	Other reserves	Retained earnings	Total equity
As at 1 January 2012	0	0	0	255	255
Profit for the period				39	39
Other comprehensive income			-1		-1
As at 30 September 2012	0	0	-1	295	294

MSEK	Share capital	Contributions of other capital	Other reserves	Retained earnings	Total equity
As at 1 January 2012	0	0	0	255	255
Profit for the period				207	207
Other comprehensive income			-7		-7
Transaction with shareholders:					
Dividends				-80	-80
Contribution of Oak Norge Group				-13	-13
Unconditional shareholders' contribution				107	107
As at 31 December 2012	0	0	-7	477	470



Kährs Holding AB (publ) - Income Statement

MSEK	Jul-Sep 2013	Jul-Sep 2012	Jan-Sep 2013	Jan-Sep 2012	Jan-Dec 2012
Sale of goods	-	-	-	-	-
Cost of goods sold	-	-	-	-	-
Gross profit					
<i>% of Sale of goods</i>	-	-	-	-	-
Selling and distribution expenses	-	-	-	-	-
Administrative expenses	0	0	-1	-1	-2
Other operating income	0	0	0	0	0
Other operating expenses	-1	0	-2	0	0
Operating profit	-1	0	-3	-1	-2
<i>% of Sale of goods</i>					
Financial income	10	7	33	11	78
Financial expenses	-14	-2	-44	-8	-11
Profit excl. tax	-5	5	-14	2	65
Income tax expense	0	0	0	0	0
Profit for the period	-5	5	-14	2	65

Kährs Holding AB (publ) - Statement of financial position

MSEK	30 Sep 2013	30 Sep 2012	31 Dec 2012
ASSETS			
Non-current assets			
Financial assets	1,075	465	1,085
Total non-current assets	1,075	465	1,085
Current assets			
Other current assets	1	3	5
Cash and cash equivalents	20	1	8
Total current assets	21	4	13
TOTAL ASSETS	1,096	469	1,098
EQUITY AND LIABILITIES			
Equity			
Share capital	0	0	0
Other reserves	-	-	-
Retained earnings	327	252	342
Total	327	252	342
Non-controlling interests	-	-	-
Total equity	327	252	342
Non-current liabilities			
Interest bearing liabilities	694	189	693
Total non-current liabilities	694	189	693
Current liabilities			
Trade payables	-	-	8
Other current liabilities	75	28	55
Total current liabilities	75	28	63
TOTAL EQUITY AND LIABILITIES	1,096	469	1,098

Notes

Note 1, Accounting policies

This interim report is prepared in accordance with the Swedish Annual Accounts Act and IAS34, Interim Financial Reporting. For information regarding the accounting policies applied, see the Provisional IFRS Consolidated Financial Statements for fiscal year 2012.

The preparation of the financial reports in accordance with IFRS requires management to make judgments and estimates, as well as assumptions, which affect the application of the accounting principles and the carrying amounts in the income statement and balance sheet. Estimates and assumptions are based on historical experience and a number of factors that under current circumstances seem reasonable. The results of these estimates and assumptions are then used to determine the carrying amounts of assets and liabilities that otherwise are not clearly indicated by other sources. Actual outcomes may deviate from these estimates and judgments.

Note 2, Segment

Sale of goods by segment

MSEK	Jul-Sep 2013	Jul-Sep 2012	Jan-Sep 2013	Jan-Sep 2012	Jan-Dec 2012
Hardwood flooring	502	335	1,581	1,099	1,497
Resilient products	62	-	187	-	14
Other	20	13	62	41	50
Sale of goods	584	348	1,830	1,140	1,561

Operating profit excl. non-recurring items (Adj. EBIT) by segment

MSEK	Jul-Sep 2013	Jul-Sep 2012	Jan-Sep 2013	Jan-Sep 2012	Jan-Dec 2012
Hardwood flooring	16	9	55	39	241
Resilient products	4	-	14	-	3
Other	4	3	15	5	13
Operating profit excl. non-recurring items (Adj. EBIT)	24	12	84	44	257

Operating profit (EBIT) by segment

MSEK	Jul-Sep 2013	Jul-Sep 2012	Jan-Sep 2013	Jan-Sep 2012	Jan-Dec 2012
Hardwood flooring	4	6	38	31	231
Resilient products	3	-	13	-	3
Other	5	2	15	4	13
Operating profit (EBIT)	12	8	66	35	247

Note 3, Non-recurring items

MSEK	Jul-Sep 2013	Jul-Sep 2012	Jan-Sep 2013	Jan-Sep 2012	Jan-Dec 2012
Operating profit excl. non-recurring items (Adj. EBIT)	24	12	84	44	257
Effects of acquisitions	-	-	-	-	1
Production footprint changes	-8	-	-13	-	-
Other non-recurring items	-4	-4	-5	-9	-11
Operating profit (EBIT)	12	8	66	35	247

Note 4, Interest bearing liabilities

MSEK	30 Sep 2013	30 Sep 2012	31 Dec 2012
Non-current liabilities			
Shareholder loans ¹	575	321	569
Corporate bond	500	-	500
Financing costs ²	-10	-	-12
Finance lease	117	114	119
Other loans ³	-	104	1
Total non-current interest bearing liabilities	1,182	539	1,177
Current liabilities			
Finance lease	3	3	3
Other loans	-	-	0
Total current interest bearing liabilities	3	3	3
Total interest bearing liabilities	1,185	542	1,180

¹ Shareholder loans to Nanna II S.C.A.

² Financing costs accrued over the corporate bond-loan maturities

³ Loan to Oak Norge group 104 MSEK

Note 5, Change of accounting principles – transition to IFRS

The Group is a first time adopter of IFRS. In accordance with IFRS 1, the opening statement of financial position as at the transition date, 1 January 2012, has been prepared. The main differences in the IFRS opening statement of financial position between the previously applied Swedish accounting principles and IFRS is the identification and accounting of finance leases and financial derivative instruments. As a consequence of the business combination with Karelia Upofloor Group and the contribution by the shareholders of the Oak Norge Group, additional differences between the previously applied Swedish accounting principles and IFRS are affecting the financial statements. In the table below reconciliation is shown for the conversion effects on the Group's equity and net profit/loss after tax between Swedish accounting principles and IFRS.

Equity

MSEK	1 Jan 2012	30 Sep 2012	31 Dec 2012
Equity in accordance with Swedish accounting principles	246	291	466
IAS 17 - leases	-1	-1	-1
IAS 39 – derivative contracts	10	4	9
IAS 39 – corporate bond	-	-	9
IFRS 3 – transaction costs	-	-	-21
IFRS 3 – gain on bargain purchase	-	-	21
IFRS 3 – common control contribution	-	-	-13
IAS 19 - pensions	0	0	0
Equity in accordance with IFRS	255	294	470

Net profit/loss after tax

MSEK	Jul-Sep 2012	Jan-Sep 2012	Jan-Dec 2012
Net profit/loss after tax according to Swedish accounting principles	19	46	-28
IAS 17 - leases	0	-1	-1
IAS 39 – derivative contracts	-2	-6	-1
IAS 39 – corporate bond	-	-	9
IFRS 3 – transaction costs	-	-	-2
IFRS 3 – gain on bargain purchase	-	-	249
IAS 19 - pensions	0	0	0
Net profit/loss after tax according to IFRS	17	39	207
Other comprehensive income			
Translation differences	0	-1	-7
Total comprehensive income for the period	17	38	200

Consolidated key performance indicators

MSEK	Jul-Sep 2013	Jul-Sep 2012	Jan-Sep 2013	Jan-Sep 2012	Jan-Dec 2012
Sale of goods	584	348	1,830	1,140	1,561
Operating profit excl. depreciation (EBITDA), %	6.5%	5.5%	8.0%	6.1%	19.1%
Operating profit excl. non-recurring items (Adj. EBIT), %	4.1%	3.4%	4.6%	3.9%	16.0%
Operating profit (EBIT), %	2.1%	2.3%	3.6%	3.1%	15.8%
Profit for the period, %	-0.9%	4.9%	4.1%	-0.2%	13.3%
Net working capital	797	471	797	471	730
Net debt ¹	176	-137	176	-137	101
Equity ratio	19.8%	24.1%	19.8%	24.1%	20.8%

¹ Corporate bond minus cash and cash equivalents

Financial reporting calendar 2013

Kährs Holding AB (publ)'s interim reporting as well as the year end-report are available on Kährs website www.kahrs.com.

The reporting calendar for fiscal year 2013 is as follows:

- | | |
|---------------------------------|---------------|
| ▪ Interim report Q1 | May 2013 |
| ▪ Interim report Q2 | August 2013 |
| ▪ Interim report Q3 | November 2013 |
| ▪ Interim report Q4 | February 2014 |
| ▪ Statutory report 2013 | April 2014 |
| ▪ Shareholder's general meeting | April 2014 |

Governing text

This report has been translated from Swedish. The Swedish text shall govern for all purposes and prevail in the event of any discrepancy between the versions.



Nybro, 13 November 2013

KÄHRS HOLDING AB (PUBL)

Sven-Gunnar Schough
Chairman

Carl Johan Falkenberg
Board director

Anders Wassberg
Board director

Hannu Paitula
Board director

Bertel Langenskiöld
Board director

Anne Berner
Board director

Stefan Karlsson
Union representative

Jakob Jakobsson
Union representative

Christer Persson
President and CEO

The information in this interim report is what Kährs Holding AB (publ) is obliged to publish under the provisions of the Stock Exchange and Clearing Operations Act and/or the Trading in Financial Instruments Act. The information was released to the media for publication on November 13, 2013 at 1500 CET.

This report has not been reviewed by the company's auditors.

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