

Interim report January–March 2012

Nederman continues to strengthen its position

- Incoming orders amounted to SEK 493.7m (485.8), which adjusted is a decrease by 4.3 %*.
- Net sales amounted to SEK 505.9m (459.0), which adjusted is an increase by 4.9 %*.
- Operating profit excluding acquisition and restructuring costs was SEK 36.5m (32.2)**. The adjusted operating margin was 7.2% (7.0)**.
- Operating profit was SEK 29.6m (5.7). The operating margin was 5.9% (1.2).
- Net result was SEK 18.5m (-3.3).
- Earnings per share were SEK 1.58 (-0.28).

* adjusted for currency effects and acquisitions

** adjusted for capital gain on disposal of subsidiary

CEO's comments

“After a very strong finish to 2011 and a good start to 2012, Q1 ended weaker than expected. The general economic picture remains complex, even if some of the more troubled countries are reaching firmer ground. Our reading of demand for Nederman’s solutions and products continues to be positive although we must remember that orders received in the first half of 2011 were strong.

A higher share of project sales affected operating margins during the quarter as did the investments made by the Group in order to increase its presence on growth markets.

At the start of the quarter Nederman announced that it had strengthened its positions in the Netherlands and Turkey through two acquisitions. These operations are now being integrated according to plan.”

Sven Kristensson, CEO

Key figures, Group

Operating key figures, Group

Excluding restructuring/integration costs, acquisition costs and capital gain on disposal of subsidiaries, 2011.

SEK m	1 Jan – 31 March		Full year	April-March
	2012	2011	2011	12 months
Net sales	505.9	459.0	2,000.9	2,047.8
EBITDA	47.1	42.9	209.1	213.3
EBITDA-margin, %	9.3	9.3	10.5	10.4
Operating profit	36.5	32.2	167.0	171.3
Operating margin, %	7.2	7.0	8.3	8.4
Operating cash flow	31.8	2.5	112.8	142.1
Return on operating capital, %	15.2	14.6	18.2	18.5
EBITDA/net financial items, multiple			6.4	7.5
Net debt/EBITDA, multiple			1.8	1.9

Financial key figures, Group

SEK m	1 Jan – 31 March		Full year	April-March
	2012	2011	2011	12 months
Operating profit	29.6	5.7	140.5	164.4
Operating margin, %	5.9	1.2	7.0	8.0
Profit/loss before tax	24.0	-4.3	107.8	136.1
Net profit/loss	18.5	-3.3	86.8	108.6
Earnings per share, SEK	1.58	-0.28	7.41	9.27
Return on shareholders' equity, %	13.1	Neg.	16.5	20.7
Net debt	401.0	401.1	386.7	401.0
Net debt/equity ratio, %			69.5	70.1

Development per operating segment

EMEA

Sweden reported good sales during the quarter although orders received were slightly lower at the end of the period. We continue to be positive about the year as a whole.

In **Denmark** orders received are lower than expected. This is specifically attributable to the poor development of the wind power sector.

The **Norwegian** market has reported stable invoicing and orders received. Demand from vehicle workshops was good during the quarter.

The economy in **the UK** remains weak, but both orders received and invoicing are above last year's levels. In **Ireland**, which is included in the same sales company, the trend was positive during the quarter.

Belgium reported stable orders received despite some concerns about general economic conditions.

In **the Netherlands** Nederman views the market potential to be significant but the company has not previously had comprehensive coverage. At the start of the quarter Nederman acquired Lebon & Gimbrair, establishing a platform that will enable

Nederman's complete range of products, complete solutions and services to be marketed. The acquired company reported good orders received during first quarter.

In **Germany**, home to Nederman's largest sales company, the trend for invoicing and orders received remained positive during the quarter. The market is strong and there is significant market potential primarily in the metal processing and machining sectors. Several of our German customers are also of great interest for us in other markets.

In **Poland**, we saw weaker development during the quarter, but overall we view the market potential here as being very high. Nederman reinforced its sales organisation during the quarter and for the full year we see good opportunities in connection with investments in infrastructure and the energy sector.

In the **Czech Republic** orders received in the quarter were good for solutions for exhaust fume extraction from emergency vehicles and vehicle workshops and in welding-related industry. Going forward we see growing opportunities in the metal processing and machining sectors.

France reported a good level of orders received during the quarter, mainly in welding-related industry and vehicle workshops.

Countries in **Southern Europe** remain burdened by the debt crisis and high unemployment. In Spain and Portugal we saw further weakening in orders received during first quarter.

Turkey reported good orders received and we consider this country to be of increasing interest. During the quarter we reinforced our position in Turkey through the acquisition of a business that has now been fully integrated with Nederman.

In the **Middle East** Nederman has a very small but growing share of its total sales. We expect demand to increase primarily for solutions for vehicle workshops and emergency vehicle stations as well as the composite-processing sector.

SEK m	1 Jan- 31 March 2012	31 March 2011	Full year 2011	April-March 12 months
Incoming Orders	357.7	341.1	1,418.7	1,435.3
Net sales	363.7	330.0	1,410.8	1,444.5
Depreciation	-5.6	-5.4	-20.9	-21.1
Operating profit	32.1	31.5	140.2	140.8

Incoming orders over the quarter amounted to SEK 357.7m, which is a decrease of 2.1 per cent adjusted for currency effects and acquisition, compared to the same quarter last year.

Net sales over the quarter amounted to SEK 363.7m, which is an increase of 4.3 per cent adjusted for currency effects and acquisition, compared to the same quarter last year.

International

In **China**, orders received from underlying product sales were good in the quarter. However, the timing of bookings for larger projects was unfavourable. The market overall remains good, but there are economic worries and GNP growth has faltered. Companies focusing, like Nederman, on the Chinese domestic market, have been affected less than exporting companies. Nederman's sales organisation and retailer network are being continually expanded.

The market in **Thailand** was hit hard by last year's flooding and the negative impact on orders received in the quarter was significant. GNP is expected to be minus 10 per cent for the full year. We do however anticipate a recovery later in the year.

The other markets in **South East Asia** are experiencing growth, which for Nederman is being reflected in higher activity levels among vehicle workshops and foundries. In **Indonesia** the forecast for economic growth was recently adjusted upwards. Nederman is involved in a number of projects here, mainly in the foundry sector. To meet growing demand, Nederman has strengthened its organisation in Indonesia and will strengthen it further in second quarter. In **Malaysia** Nederman has now established a local sales organisation. We have also started to form a retailer network.

Orders received in **India** progressed well in first quarter. This market remains strong overall even though we are noting some signs of caution regarding investment. Activity levels are high in the foundry sector with many projects planned. Nederman has continued to expand its retailer network in order to drive product sales and generate information about larger projects.

In **Australia**, we noted good levels of orders received and sales in first quarter. The market has been stable with activity especially high in the mining industry. We consider the market potential is promising for larger filter solutions.

In **Brazil**, the economy cooled off during the quarter and investment decisions are taking longer. Nederman reported good invoicing during the quarter, although the rate of orders has faltered slightly.

In **the US**, both orders received and sales have shown stable development. The investment climate has improved, although the coming Presidential election and rising oil prices will cause some uncertainty on the market.

In **Canada**, we are generally positive although orders received are not yet hitting our targets.

SEK m	1 Jan- 31 March		Full year 2011	April-March 12 months
	2012	2011		
Incoming Orders	136.0	144.7	605.8	597.1
Net sales	142.2	129.0	590.1	603.3
Depreciation	-2.8	-3.3	-12.8	-12.3
Operating profit	14.3	8.8	67.4	72.9

Incoming orders over the quarter amounted to SEK 136.0m, which is a decrease of 9.3 per cent adjusted for currency effects and acquisition, compared to the same quarter last year.

Net sales over the quarter amounted to SEK 142.2m, which is an increase of 6.4 per cent adjusted for currency effects and acquisition, compared to the same quarter last year.

Integration of acquisition

At the start of January 2012 Nederman acquired Lebon & Gimbrair in the Netherlands. The purpose of this acquisition is to consolidate and strengthen Nederman's presence on the Dutch market.

Nederman also acquired a business in Turkey in order to strengthen the company's presence on this very attractive growth market.

Both acquisitions were consolidated from January. The acquisitions have resulted in a restructuring cost of SEK 5 m and an acquisition cost of SEK 1.9 m, which affected earnings in first quarter. Goodwill in relation to the above mentioned acquisitions totals SEK 2.8m.

Outlook

As statistics show the world's economies entering lower rates of growth, it becomes more complicated to predict how demand will develop for Nederman's solutions and products. Our general view remains positive and activities to further strengthen the groups presence in growth markets continue accordingly.

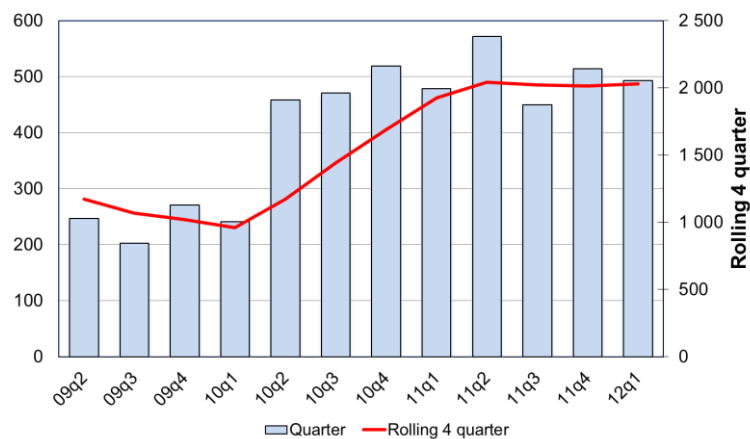
Quarter 1

Sales and incoming orders

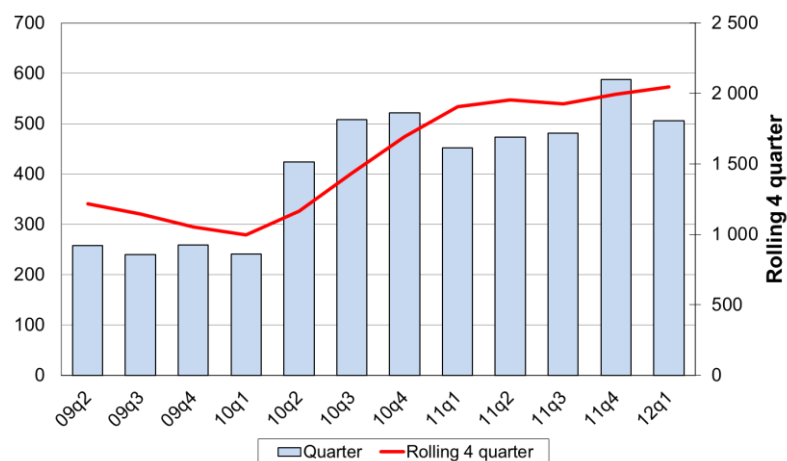
Incoming orders totalled SEK 493.7m (485.8), which adjusted for currency effects and acquisitions is a decrease of 4.3 per cent compared to the same quarter last year.

Net sales amounted to SEK 505.9m (459.0), which adjusted for currency effects and acquisitions is an increase of 4.9 per cent compared to the same quarter last year.

**Quarterly Orders Received
SEKm**



**Quarterly Invoicing
SEKm**



Earnings

The **Operating profit** for the first quarter was SEK 29.6m (5.7). Adjusted for acquisition and restructuring costs, the operating profit was SEK 36.5m (32.2), giving an operating margin of 7.2 per cent (7.0),

The **profit before tax** was SEK 24.0m (-4.3).

The **net profit** was **SEK** 18.5m (-3.3), giving earnings per share of **SEK** 1.58 (-0.28).

Operating cash flow and capital expenditure

The **operating cash flow** was **SEK** 31.8m (2.5).

Capital expenditure during the quarter was **SEK** 4.8m (4.3).

Other financial information

Liquidity: At the end of the period the Group had **SEK** 137.6m in cash and cash equivalents as well as **SEK** 80.6m in available but unutilised overdraft facilities. In addition there was a credit facility of **SEK** 312.6m, which is a part of Nederman's loan agreement with SEB.

The equity in the Group as of 31 March 2012 amounted to **SEK** 572.0m (476.5). The total number of shares was 11,715,340 at the end of the quarter.

The **equity/assets ratio** for the Group was 34.8 per cent as of 31 March 2012 (29.5). The net financial debt/equity ratio, calculated as net debt in relation to equity was 70.1 per cent (84.2).

Number of employees

The average number of **employees** during the quarter was 1,519 (1,412). The number of employees at the end of the quarter was 1,514 (1,418).

Risks and uncertainties

The Nederman Group and the parent company are exposed to a number of risks, mainly due to purchasing and selling of products in foreign currencies. The risks and uncertainties are described in detail in the Directors' Report on page 33 and in note 26 of the 2011 Annual Report. No circumstances have arisen to change the assessment of identified risks.

Nominations committee

According to guidelines adopted by the AGM a nominations committee has been appointed comprising Göran Espelund, chairman (Lannebo Fonder), Jan Svensson (Investment AB Latour) and Fabian Hielte (Ernstström & C:o AB) ahead of the AGM in 2012.

For questions concerning the work of the nominations committee, please contact: goran.espelund@lannebofonder.se

Accounting policies

The consolidated financial statements are prepared in accordance with IAS 34 Interim Financial Reporting. The report for the parent company has been prepared in accordance with Swedish Annual Accounts Act and RFR 2.3. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as approved by the EU commission. Nederman applies the same accounting policies and valuation principles as described in the annual report 2011, pages 43-46.

Consolidated income statement

SEK m	1 Jan - 31 March 2012	2011	Full year 2011	April-March 12 months
Net sales	505.9	459.0	2,000.9	2,047.8
Cost of goods sold	-293.6	-264.7	-1,170.8	-1,199.7
Gross profit	212.3	194.3	830.1	848.1
Selling expenses	-139.8	-119.6	-509.3	-529.5
Administrative expenses	-30.6	-35.0	-123.2	-118.8
Research and development expenses	-5.7	-5.8	-25.4	-25.3
Acquisition costs	-1.9	-0.4	-0.4	-1.9
Restructuring and integration costs	-5.0	-35.6	-35.6	-5.0
Other operating income/expenses	0.3	7.8	4.3	-3.2
Operating profit	29.6	5.7	140.5	164.4
Financial income	0.4	0.5	3.7	2.6
Financial expenses	-6.0	-10.5	-36.4	-30.9
Net financial income/expenses	-5.6	-10.0	-32.7	-28.3
Profit/loss before taxes	24.0	-4.3	107.8	136.1
Taxes	-5.5	1.0	-21.0	-27.5
Net profit/loss	18.5	-3.3	86.8	108.6
Net profit/loss attributable to:				
The parent company's shareholders	18.5	-3.3	86.8	108.6
Earnings per share				
before dilution (SEK)	1.58	-0.28	7.41	9.27
after dilution (SEK)	1.58	-0.28	7.41	9.27

Consolidated statement of comprehensive income

SEK m	1 Jan – 31 March 2012	2011	Full year 2011	April-March 12 months
Net profit/loss	18.5	-3.3	86.8	108.6
Other comprehensive income				
Translation differences	-3.3	-18.3	-10.6	4.4
Other comprehensive income for the period	-3.3	-18.3	-10.6	4.4
Total other comprehensive income for the period	15.2	-21.6	76.2	113.0
Total comprehensive income attributable to:				
The parent company's shareholders	15.2	-21.6	76.2	113.0

Consolidated statement of financial position

SEK m	31 March 2012	31 March 2011	31 Dec 2011
Assets			
Goodwill	465.2	460.0	464.4
Other intangible fixed assets	48.5	50.8	48.4
Tangible fixed assets	172.7	181.3	170.5
Long-term receivables	0.8	0.8	0.8
Deferred tax assets	60.4	57.2	56.0
Total fixed assets	747.6	750.1	740.1
Inventories	252.0	212.9	232.9
Accounts receivable	359.1	331.6	398.6
Other receivables	146.4	117.1	132.8
Cash and cash equivalents	137.6	201.9	149.1
Total current assets	895.1	863.5	913.4
Total assets	1,642.7	1,613.6	1,653.5
Equity	572.0	476.5	556.8
Liabilities			
Long-term interest bearing liabilities	491.1	461.0	490.6
Other long-term liabilities	14.5	17.3	15.1
Provision for pensions	42.2	41.8	41.8
Deferred tax liabilities	16.6	29.6	17.4
Total long-term liabilities	564.4	549.7	564.9
Current interest bearing liabilities	5.2	100.2	3.4
Accounts payable	118.0	116.8	129.9
Other liabilities	383.1	370.4	398.5
Total current liabilities	506.3	587.4	531.8
Total liabilities	1,070.7	1,137.1	1,096.7
Total equity and liabilities	1,642.7	1,613.6	1,653.5

Consolidated statement of changes in equity in summary

SEK m	31 March 2012	31 March 2011	31 Dec 2011
Opening balance on 1 January	556.8	498.1	498.1
Dividend			-17.5
Total comprehensive income	15.2	-21.6	76.2
Closing balance at the end of period	572.0	476.5	556.8

Consolidated cash flow statements

SEK m	1 Jan – 31 March		Full year	April-March
	2012	2011	2011	12 months
Operating profit	29.6	5.7	140.5	164.4
Adjustment for:				
Depreciation of fixed assets	10.6	10.7	42.1	42.0
Other adjustments	0.2	18.8	-14.8	-33.4
Interest received and paid incl. other financial items	-6.0	-10.5	-33.5	-29.0
Taxes paid	-12.6	-10.3	-25.7	-28.0
Cash flow from operating activities before changes in working capital	21.8	14.4	108.6	116.0
Cash flow from changes in working capital	-9.1	-38.0	-78.9	-50.0
Cash flow from operating activities	12.7	-23.6	29.7	66.0
Net investment in fixed assets	-4.5	-3.7	-20.9	-21.7
Acquired/divested units	-17.6	17.0	16.9	-17.7
Cash flow before financing activities	-9.4	-10.3	25.7	26.6
Dividend paid			-17.5	-17.5
Cash flow from other financing activities	-1.3	-11.4	-85.6	-75.5
Cash flow for the period	-10.7	-21.7	-77.4	-66.4
Cash and cash equivalents at the beginning of the period	149.1	228.0	228.0	201.9
Translation differences	-0.8	-4.4	-1.5	2.1
Cash and cash equivalents at the end of the period	137.6	201.9	149.1	137.6
Operating cash flow				
Operating profit	29.6	5.7	140.5	164.4
Adjustment for:				
Depreciation of fixed assets	10.6	10.7	42.1	42.0
Restructuring and integration costs	3.1	8.6	44.4	38.9
Acquisition costs	1.9	0.4	0.4	1.9
Other adjustments	0.2	18.8	-14.8	-33.4
Cash flow from changes in working capital	-9.1	-38.0	-78.9	-50.0
Net investment in fixed assets	-4.5	-3.7	-20.9	-21.7
Operating cash flow	31.8	2.5	112.8	142.1
Specification of acquisition				
Acquisition price	21.1			
Fair value of acquired net asset	-18.3			
Goodwill	2.8			
Acquired assets and liabilities				
Intangible fixed assets	1.7			
Tangible fixed assets	5.9			
Inventories	7.1			
Customer receivable and other receivables	20.0			
Deferred tax assets	0.4			
Liquid funds	3.7			
Interest bearing liabilities	-4.3			
Accounts payable and other operating liabilities	-16.1			
Net assets	18.3			
Of which liquid funds and acquired units	-3.7			
Fair value of acquired net assets	14.6			
Net sales during ownership period	25.4			
Net profit during ownership period	0.4			
Net sales during January –March for acquired units	25.4			
Net profit during January –March for acquired units	0.4			

Income statement for the parent company in summary

SEK m	1 Jan – 31 March		Full year 2011	April-March 12 months
	2012	2011		
Operating loss	-8.5	-12.6	-43.8	-39.7
Other financial items	-4.7	-7.4	95.3	98.0
Loss after financial items	-13.2	-20.0	51.5	58.3
Appropriations				
Loss before taxes	-13.2	-20.0	51.5	58.0
Taxes	3.5	5.2	12.5	10.8
Net loss	-9.7	-14.8	64.0	69.1

Statement of comprehensive income for the parent company

SEK m	1 Jan – 31 March		Full year 2011	April-March 12 months
	2012	2011		
Net loss	-9.7	-14.8	64.0	69.1
Other comprehensive income	0.0	0.0	0.0	0.0
Total comprehensive income	-9.7	-14.8	64.0	69.1

Balance sheet for the parent company in summary

SEK m	31 March 2012	31 March 2011	31 Dec 2011
Assets			
Total fixed assets	983.0	880.6	977.3
Total current assets	73.0	65.8	86.6
Total assets	1,056.0	946.4	1,063.9
Shareholder's equity	386.6	345.0	406.3
Liabilities			
Total long-term liabilities	487.4	458.9	488.9
Total current liabilities	182.0	142.5	168.7
Total liabilities	669.4	601.4	657.6
Total shareholders' equity and liabilities	1,056.0	946.4	1,063.9

Statements of changes in shareholders' equity in summary

SEK m	31 March 2012	31 March 2011	31 Dec 2011
Opening balance on 1 January	406.3	359.8	359.8
Dividend paid			-17.5
Merger effect	-10.0		
Total comprehensive income	-9.7	-14.8	64.0
Closing balance at the end of period	386.6	345.0	406.3

Related parties

SEK m	2012
Subsidiaries	
Other operating income	2.0
Financial income and expenses	0.1
Receivables on 31 March	164.7
Liabilities on 31 March	172.0

Operating segment reporting

Expenses that have not been allocated refer mainly to costs relating to the parent company, Nederman Holding AB, which includes the central head office functions.

Consolidated operating segments

SEK m	1 Jan - 31 March		Full year	April-March
	2012	2011	2011	12 months
EMEA				
Net sales	363.7	330.0	1,410.8	1,444.5
Depreciation	-5.6	-5.4	-20.9	-21.1
Operating profit *	32.1	31.5	140.2	140.8
International				
Net sales	142.2	129.0	590.1	603.3
Depreciation	-2.8	-3.3	-12.8	-12.3
Operating profit *	14.3	8.8	67.4	72.9
Not allocated				
Depreciation	-2.2	-2.0	-8.4	-8.6
Operating profit /loss*	-9.9	-8.1	-40.6	-42.4
Group				
Net sales	505.9	459.0	2,000.9	2,047.8
Depreciation	-10.6	-10.7	-42.1	-42.0
Operating profit *	36.5	32.2	167.0	171.3
Acquisition costs	-1.9	-0.4	-0.4	-1.9
Restructuring and integration costs	-5.0	-35.6	-35.6	-5.0
Capital gain on disposal of subsidiaries		9.5	9.5	
Operating profit	29.6	5.7	140.5	164.4
Result before tax	24.0	-4.3	107.8	136.1
Net result	18.5	-3.3	86.8	108.6

* excluding restructuring/integration costs, acquisition costs and capital gain on disposal of subsidiaries

Dates for the publication of financial information

Interim report Q2 17 July 2012
Interim report Q3 19 October 2012

The interim report provides a true and fair overview of the Parent Company and the Group's operations, position and earnings and describes the material risks and uncertainty factors faced by the Parent Company and the Group.

Helsingborg, 23 April 2012

Sven Kristensson
President and CEO

The report has not been reviewed by the company's auditor.

This report contains forward-looking statements that are based on the current expectations of the management of Nederman. Although management believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove correct. Accordingly, results could differ materially from those implied in the forward-looking statements as a result of, among other factors, changes in economic, market and competitive conditions, changes in the regulatory environment and other government actions, fluctuations in exchange rates and other factors.

Nederman is required to disclose the information provided herein according to the Swedish Securities Exchange and Clearing Operations Act and/or the Financial Instrument Trading Act. The information was submitted for publication on 23 April 2012 at 4 p.m.

Further information can be obtained from

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Facts about Nederman

Nederman is one of the world's leading companies supplying products and services in the environmental technology sector focusing on industrial air filtration and recycling. The company's products and systems are contributing to reducing the environmental effects from industrial production, to creating safe and clean working environments and to boosting production efficiency.

Nederman's offering encompasses everything from the design stage through to installation, commissioning and servicing. Sales are carried out via subsidiaries in 29 countries and agents and distributors in over 30 countries. Nederman develops and produces in its own manufacturing and assembly units in Europe, North America and Asia.

The Group is listed on Nasdaq OMX, Stockholm; it has about 1 500 employees and a turnover of about 2 billion SEK.