

# CEO'S COMMENTS

## STRONG GROWTH IN POSITIVE MARKETS

The market was very strong during the quarter and the Group had an organic increase in sales of 9 percent and an improved operating margin. Our Components and Industrial Process business areas improved their earnings and operating margins as a result of organic growth and acquisitions. The Energy and Power Solutions business areas also experienced growth and continue to provide high operating margins.

The overall demand for our products and solutions was at a high level in most of the markets in which our businesses operate. From a geographical perspective, the highest rate of growth was in Finland, while the business situation also improved from an already high level in both Denmark and Sweden. In Norway, demand was overall stable and business outside the Nordic region remained good.

Sales of production components to manufacturing companies continued to increase, especially in customer segments such as special vehicles, wind power and shipping. Demand was also good from customers in the areas of machine manufacturing, medical technology and electronics, while it was slightly weaker in telecom and oil & gas. Demand for aftermarket products for the production and process industry was positive, with increased sales to the sawmill industry, paper & pulp and machine manufacturers.

Demand from Nordic electricity grid companies, in both electricity transmission and electricity distribution, remained stable at a high level. Sales of electricity-related products within building and installation developed positively.

## ACQUISITIONS

We continuously evaluate acquisitions of independent, profitable technology companies with market-leading niche positions and smaller bolt-on acquisitions that can strengthen the market positions of our existing companies. Since the beginning of the financial year, we have completed six acquisitions, three of which were made after the end of the quarter. The acquisitions together contribute annual sales of approximately SEK 480 million. We have good opportunities to make further acquisitions, not least in view of our strong balance sheet.

Johan Sjö  
President and CEO

