

NIBE

– world-class solutions in sustainable energy



- **SALES** totalled SEK 6,957.5 million (Q3 2012: SEK 6,696.3 million)
- **PROFIT AFTER NET FINANCIAL ITEMS** was SEK 713.6 million (SEK 681.4 million)
- **PROFIT AFTER TAX** was SEK 547.8 million (SEK 511.2 million)
- **EARNINGS** per share before and after dilution were SEK 4.97 (SEK 4.64)
- **ACQUISITION OF**
 - 60% of shares in the Stovax Heating Group Ltd, UK
 - Eltwin Group, Denmark

Interim report 3 · 2013

January – September



Gerteric Lindquist
Managing Director and CEO

Chief Executive's Report

Stable NIBE sees signs of improvement in the economy

Group sales for the first nine months of the year grew by 3.9%. However, acquired growth accounted for 8.9% of total sales, which means that organic growth was negative and declined by 5.0%. During the corresponding period in 2012 overall sales rose by 24.9% while organic growth fell by 4.1%. Sales this year have also been negatively affected by the strength of the Swedish krona.

While the market in Europe as a whole is still suffering the effects of low levels of new builds, we have seen some signs of an improvement in the state of the economy in recent months.

The North American market, on the other hand, has continued to develop in a positive direction. This is good news for NIBE Element, as North America now accounts for a significant portion of the business area's sales. NIBE Element also reports brisk demand in market segments such as infrastructure, oil and gas, and stable demand from commercial and industrial customers

NIBE Energy Systems has been heartened to see signs over the past few months of a recovery in the Swedish heat-pump market after several quarters with falling demand. The main reasons for this appear to be a slight increase in the numbers of new homes being built and greater willingness to invest in energy-efficiency products. It is also encouraging to see some growth in the German heat-pump market, again fuelled mainly by a rise in the production of new homes.

For NIBE Stoves the best news comes once again from the UK, which is now the business area's largest market. The market in Germany remains stable, and sales in France have improved, despite a slow start to the year. In Sweden, however, the market continues to be cautious.

This year's strategy for coping with the traditional second-half peak season has involved building up slightly lower levels of stocks in the spring and increasing production hours in the autumn. This has worked well, assuring customers of good delivery reliability even with smaller stocks of finished goods.

As always, we have continued to defend our margins by adapting both fixed and variable costs to the prevailing situation. We are, however, careful not to compromise opportunities for our future expansion and have therefore ring-fenced our investments in product development and sales.

Throughout the year all three business areas have introduced new products with a high level of innovation. This, together with the positive reception these products have met from the market, fills us with confidence in the future. We believe that our continued success in the market owes much to the consistency of our approach, with frequent product launches, a strong market presence and good quality.

We continue to search for suitable takeover can-

didates. Since the start of the year we have acquired three companies with aggregate annual sales of just over SEK 750 million. The number of attractive companies that are available is increasing, and we believe that our genuine industrial profile and stable profitability appeal to potential vendors.

During the first nine months of the year operating profit rose by 3.0% compared with the corresponding period in 2012, while the operating margin of 10.9% was just fractionally below last year's figure of 11.0%. It is important to point out, however, that these are comparisons with last year's relatively strong first-half performance and a relatively weak third quarter. This year, the situation is the reverse. The strong Swedish krona has also had a negative impact on operating profit. Profit after net financial items rose by 4.7%, and the profit margin was 10.3% compared with 10.2% for the corresponding period in 2012.

Investments in existing operations totalled SEK 245.9 million during the first nine months, compared with a figure of SEK 144.7 million last year and planned depreciation of SEK 286.6 million. It is anticipated that the rate of investment for the year as a whole will be slightly below the planned rate of depreciation.

Outlook for 2013

Our corporate philosophy and our product programme with their focus on sustainability and saving energy are well suited to the times in which we are living.

In terms of markets, most of our exposure is towards countries with strong economies.

Our financial position remains robust, which means that we are well placed to make new acquisitions.

Fourth paragraph – previous wording

While we wait for demand to pick up once again, our operational focus will be on defending our margins through continual initiatives to improve productivity and by observing great caution with regard to our fixed costs.

Fourth paragraph – new wording

We will continue to defend our margins through initiatives to improve productivity and by observing great caution with regard to our fixed costs. It is our opinion that the improvement we have seen during the autumn will be sustained throughout the year.

Markaryd, Sweden, 15 November 2013

Gerteric Lindquist
Managing Director and CEO

Financial targets

- Average annual sales growth of 20%
- Average operating profit of at least 10% of sales over a full business cycle in each business area
- Average return on equity of at least 20% after standard deductions for tax over a full business cycle
- Equity/assets ratio of at least 30%.

Calendar

15 November 2013

09.15 (C.E.T.) Telephone conference (in English).

The CEO presents the Interim Report by phone and answers questions.

Tel +46 (0)8-505 564 77

Capital Markets Day

13 February 2014

Summary of the Annual Report 2013

April 2014

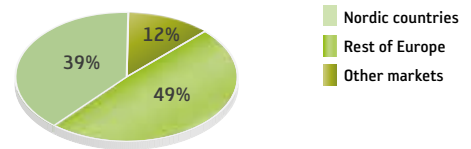
Annual Report 2013

15 May 2014

Q1 Report, Jan – March 2014

Annual General Meeting 2014

Group sales by geographical region



Sales

Group net sales for the period January–September totalled SEK 6,957.5 million (Q1–Q3 2012: SEK 6,696.3 million), a rise of 3.9%. Acquired sales accounted for SEK 593.1 million of this total, which means that organic growth for the reporting period fell by 5.0%.

Earnings

Profit for the period after net financial items was SEK 713.6 million. Compared with the figure of SEK 681.4 million for the corresponding period in 2012, this equates to an increase in earnings of 4.7%. Profit for the period has been charged with acquisition expenses of SEK 8.1 million, as opposed to a figure of SEK 5.4 million last year.

Return on equity was 16.2% (17.3%).

Acquisitions

At the end of January 2013 NIBE acquired a 60% stake in the UK wood-stove manufacturer, Stovax Heating Limited, which has annual sales equivalent to some SEK 380 million and an operating margin of approximately 15%. With a product range that includes both wood-fired and gas-fired stoves, Stovax commands a leading position in its domestic market. Stovax operations were consolidated into the NIBE Stoves business area in February 2013. The acquisition value is still provisional. Agreement has also been reached on the acquisition of the remaining 40% of shares in the company in 2016.

In accordance with a memorandum of understanding from June 2012 NIBE acquired the Eltwin Group in Denmark in February 2013. Eltwin produces steering and control technology for the energy sector and has annual sales of some SEK 85 million and an operating margin of approximately 9%. It was consolidated into the NIBE Element business area in March 2013. The acquisition value is still provisional.

Investments

Group investments for the period January–September amounted to SEK 835.2 million (SEK 213.7 million). A total of SEK 589.3 million (SEK 69.0 million) of this sum relates to corporate acquisitions. The remaining SEK 245.9 million (SEK 144.7 million) is mainly investments in machinery and equipment in existing operations. The investment with regard to acquisitions is based on initial purchase prices as well as assumptions about the price for the remaining 40% stake in the Stovax Heating Group and an estimate of the additional consideration to be paid for the Eltwin Group.

Cash flow and financial position

Cash flow from operating activities before changes in working capital amounted to SEK 865.1 million (SEK 675.3 million). Cash flow after changes in working capital was SEK 531.5 million (SEK 289.9 million).

Interest-bearing liabilities at the end of the reporting period totalled SEK 4,706.5 million, compared with SEK 4,517.6 million at the start of the year.

At the end of September the Group had liquid funds of SEK 1,857.4 million as against SEK 1,710.1 million at the start of the year.

The equity/assets ratio at the end of the reporting period was 40.3%, compared with 41.9% at the start of the year and 39.2% at the corresponding point last year.

Parent

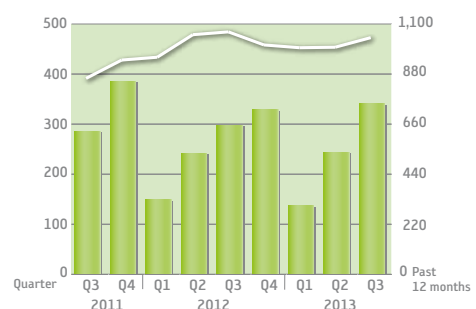
Parent activities comprise Group executive management functions, certain shared Group functions and the financing of corporate acquisitions. Sales for the period totalled SEK 6.3 million (SEK 3.9 million) and profit after financial items was SEK 480.9 million (SEK 537.9 million). At the end of September, the parent company had liquid funds of SEK 824.8 million, compared with SEK 480.7 million at the start of the year.

NIBE Group Key figures		2013	2012	Past	2012
		Q 1-3	Q 1-3	12 mths	full year
Net sales	SEK m	6,957.5	6,696.3	9,453.5	9,192.3
Growth	%	3.9	24.9	- 0.2	12.9
of which acquired	%	8.9	29.0	6.5	19.4
Operating profit	SEK m	756.1	734.0	1,061.2	1,039.1
Operating margin	%	10.9	11.0	11.2	11.3
Profit after net financial items	SEK m	713.6	681.4	1,037.6	1,005.4
Profit margin	%	10.3	10.2	11.0	10.9
Equity/assets ratio	%	40.3	39.2	40.3	41.9
Return on equity	%	16.2	17.3	16.7	15.9

Net sales
Past nine quarters (in millions of SEK)

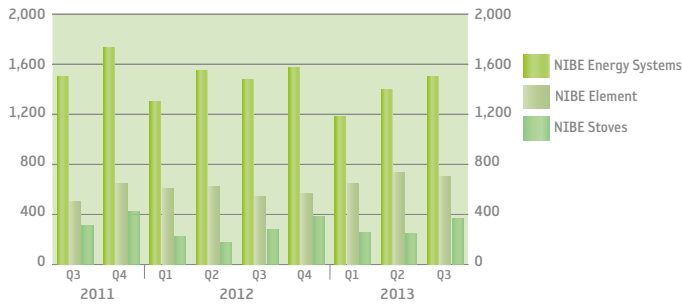


Profit after financial items
Past nine quarters (in millions of SEK)

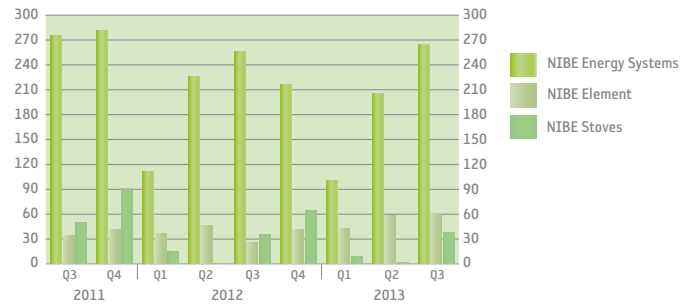


Business Area trends

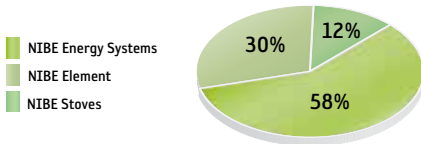
Sales by business area
Past 9 quarters (in millions of SEK)



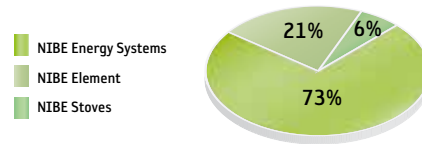
Operating profit by business area
Past 9 quarters (in millions of SEK)



Business area contributions to sales



Business area contributions to profit



Since the spring we have carried out a large number of in-depth product training sessions to teach our customers both in Sweden and abroad more about the innovations and advances we have made in the product range.

Sales and profit

Sales for the period totalled SEK 4,081.9 million, compared with SEK 4,330.0 million for the corresponding period last year. Acquired sales accounted for SEK 40.0 million of this sum, which means that organic growth was negative and declined by 6.7%

Operating profit totalled SEK 571.4 million, compared with SEK 594.9 million for the corresponding period last year. The operating margin was 14.0%, compared with 13.7% the previous year. This brings the operating margin for the past 12 months to 13.9%.

Market

The European heat-pump market continues to be affected by the sluggish economy, persistent financial uncertainty and continued low levels of new builds.

With market trends in Europe suggesting that the focus is increasingly shifting towards energy recovery from outdoor and indoor air, our current programme of introducing new products in this sector would appear to be well attuned to the times in which we are living. The EU Commission's decision to include exhaust-air heat pumps in the regulatory framework for calculating renewable energy from heat pumps also works in our favour and presents this product category with further potential for growth.

The differing levels of demand in Europe broadly reflect the economic situation in the respective country. The heat-pump market in Germany that is so important for us is showing some improvement, as the number of new homes under construction rises, albeit only modestly. The UK market has also stabilised after the weaker performance of recent years, and it seems safe to assume that interest in heat pumps will pick up here when grants for energy-saving investments in private homes are introduced. Our most recently launched products are considered to have good potential in this market. In Eastern Europe, however, market trends remain weak.

As far as the Nordic countries are concerned, it is the Swedish heat-pump market that has been the quickest to recover after last year's steep dip. The downturn gradually slowed over the first six months, flattening out at a lower level than in previous years, but the third quarter brought renewed signs of market growth. The slight increase in the number of new builds in Sweden has had a positive knock-on effect on our sales of exhaust-air heat pumps and, taken all round, we continue to enjoy a very strong position in all product segments.

Thanks to our track record of delivery reliability, several of our Swedish customers have chosen not to build up their own stocks prior to the autumn. As a result of this decision the sales curve should rise more steeply during the coming peak season.

As far as traditional electric water-heaters are concerned, demand from the Nordic and European markets remains stable, while sales of conventional domestic boilers continue to be weak. With the introduction of stricter energy-efficiency legislation regulating the production of hot water, the market for heat pumps used solely for heating hot water looks set to expand. Obviously, we see this as a good opportunity for us to grow our business.

Operations

The introduction of many new products in virtually all product segments, together with the respective product training initiatives, is continuing throughout the autumn. Our new generation of products provides us with the springboard we need to increase our market shares in Europe.

The synergies of our acquisitions in recent years are also more obviously apparent when we can now launch products through more channels and in more markets than ever before.

The business area's marketing organisation has been reinforced to give us greater insights into future changes in energy policy and to enable us to make our influence felt in tomorrow's European heat-pump market.

We are continually adapting production capacity in our plants and reviewing our cost structure to meet fluctuations in demand. These measures have meant that, despite a drop in sales, we have still been able to improve our operating margin.

NIBE Energy Systems		2013	2012	Past	2012
Key figures		Q 1-3	Q 1-3	12 mths	full year
Net sales	SEK m	4,081.9	4,330.0	5,653.1	5,901.1
Growth	%	- 5.7	33.1	- 6.8	18.3
Operating profit	SEK m	571.4	594.9	783.9	807.4
Operating margin	%	14.0	13.7	13.9	13.7
Assets	SEK m	8,032.1	8,286.3	8,032.1	8,108.3
Liabilities	SEK m	7,094.4	7,504.8	7,094.4	7,069.0
Investment in fixed assets	SEK m	130.7	98.2	208.7	176.2
Depreciation	SEK m	177.6	183.4	241.2	247.0



Martin Forsén, who joined NIBE Energy Systems in the third quarter, will further reinforce the organisation with his extensive international experience and in-depth technical knowledge in the field of heat pumps. As Manager for International Affairs, Martin will be responsible for the business area's involvement in international energy policy issues.

Sales and profit

Sales for the period totalled SEK 2,088.8 million, compared with SEK 1,768.7 million for the corresponding period last year. Sales rose by SEK 320.1 million, of which SEK 309.2 million was attributable to acquired businesses, so organic growth was 0.6%.

Operating profit totalled SEK 160.7 million, compared with SEK 109.3 million for the corresponding period last year. The operating margin for the first nine months rose from 6.2% in 2012 to 7.7%. This means that the operating margin for the past 12 months is also 7.7%.

Market

On the whole demand on the international element market has picked up during the year, with volumes for comparable units now slightly higher than for the corresponding period in 2012. However, variation in demand remains relatively great from product area to product area and market to market.

As the European construction industry in general continues to underperform, sales of products linked to this sector remain subdued. The trend right now is weakest in France, while the markets in Northern Europe have stabilised. In North America, on the other hand, we have noted an increase in demand from both the comfort sector and the white goods sector.

Sales to product areas related to the automotive industry have remained stable over the year, although here, too, the most positive signs have come from the North American market. We have launched several innovative products for manufacturers this year and we anticipate that these will help to boost sales for some years to come. The expansion of rail infrastructure and the investments required to fund this work are currently at high levels in most parts of the world, and this has contributed to increased sales for us in this sector.

It is expected that sales to commercial and industrial customers will remain stable, while product segments related to the oil and gas industries are showing good growth.

Sales of resistors, a product area that serves many customers in the energy-efficiency and renewable energy segments, have continued to develop positively.

According to our estimates, customers' stock levels have returned to normal, but customers are still exhibiting a great deal of caution and uncertainty about future trends in demand.

We are continuing our commitment to R&D work and launching new

products with an enhanced system content, thus gradually increasing the proportion of products that, in addition to the heating elements themselves, incorporate functions for measuring and control. The acquisition of the Eltwin Group earlier in the year has helped to strengthen our capacity in this field.

Operations

Following the acquisition of the North American company, Springfield Wire, at the start of the year, work has continued across a broad front to integrate the new units and restructure the entire North American organisation by concentrating operations to fewer production and administrative units. This has also led to a degree of specialisation in the plants in the USA and Mexico, opening up opportunities for rationalisation and improving competitiveness in terms of technology and customer service.

Now we are intensifying marketing efforts directed at key commercial and industrial segments of the North American and Asian markets in order to further increase our market shares.

During the year we have also extended our production plant in Poland; this is yet another step in the process of paving the way to our cost-effective future expansion.

With no let-up in the turmoil around raw material prices and exchange rates and the significant impact this has on pricing and competitiveness, it is an advantage for us to have production units in different currency zones.

Our restructuring programmes and growth in certain profitable industrial segments have together contributed to an improved operating margin.

NIBE Element		2013	2012	Past	2012
Key figures		Q 1-3	Q 1-3	12 mths	full year
Net sales	SEK m	2,088.8	1,768.7	2,657.0	2,336.8
Growth	%	18.1	20.0	9.8	10.0
Operating profit	SEK m	160.7	109.3	203.9	152.5
Operating margin	%	7.7	6.2	7.7	6.5
Assets	SEK m	2,693.1	2,276.4	2,693.1	2,425.0
Liabilities	SEK m	2,482.5	2,128.7	2,482.5	2,244.8
Investment in fixed assets	SEK m	59.7	47.1	95.5	82.9
Depreciation	SEK m	69.3	60.1	88.7	79.5



Restructuring in the USA and Mexico has paved the way for improved competitiveness – not only through rationalisations and the use of new technology, but also in the form of a broader and better customer service offer.

Sales and profit

Sales for the period totalled SEK 872.1 million, compared with SEK 678.4 million for the corresponding period last year. The increase in sales was SEK 193.7 million, but as acquired sales accounted for SEK 244.0 million, organic growth was negative and declined by 7.4%

Operating profit totalled SEK 48.8 million, compared with SEK 51.4 million for the corresponding period last year. The operating margin for the first nine months was 5.6%, as against 7.6% for the period January to September 2012. This brings the operating margin for the past 12 months to 9.0%.

Market

The market for wood stoves in Europe remains cautious as the region's economic uncertainty continues to undermine consumer readiness to invest in capital goods. The very low levels of new homes being built is also impacting on demand. Nevertheless, within the larger picture there are relatively large variations in terms of markets and the different types of wood-stove products.

The acquisition of the Stovax Heating Group, coupled with continued strong organic growth in other businesses means that the UK is now our largest single market. Overall demand has risen here, partly as a consequence of the extended spring season following a long, cold winter. British consumers are showing greater willingness than those in most other countries to invest in wood-stove products to meet part of their primary heating needs and reduce energy costs.

Demand from the Nordic markets has remained weak. Although there have recently been signs of more positive trends in Norway and Denmark, we have seen no such improvement in Sweden. Nevertheless, we have successfully continued to defend our stable position as a market leader in the Nordic region.

In Germany demand has stabilised at a relatively high level, thanks mainly to the strength of the German economy. Our consistent and systematic marketing strategy, supported by a well-established dealer network, has enabled us to build up a strong position over the years in the German market.

Demand for wood-stove products has also risen slightly in France, another country in which we have slowly but surely built a stable platform for our marketing activities.

Operations

During the first six months of the year we launched a large number of new products for all of our different brands, which were, without exception, well received by our customers. Most of the new products were also ready for delivery during the all-important peak season that starts in September. Production of some models has, however, been slightly delayed, which has had some impact on sales during the reporting period.

Throughout the year production capacity has been closely matched to current demand. However, after having built up certain levels of stocks during the spring and stepped up production in the autumn, we feel confident about our ability to ensure a high degree of delivery reliability in the crucial fourth quarter.

Progress for the Stovax Heating Group in the UK, acquired at the start of the year, has been very good. Stovax is now used as the distribution channel for the UK and Ireland for some of our other brands that have hitherto not been available in these markets.

The reduced operating profit is attributable to two factors: on the one hand, lower sales volumes for existing units as a result of the weak market for wood-stove products, on the other, a conscious decision not to reduce our long-term investment in product development and marketing.

NIBE Stoves		2013	2012	Past	2012
Key figures		Q 1-3	Q 1-3	12 mths	full year
Net sales	SEK m	872.1	678.4	1,258.2	1,064.4
Growth	%	28.6	- 6.9	14.1	- 7.7
Operating profit	SEK m	48.8	51.4	113.2	115.8
Operating margin	%	5.6	7.6	9.0	10.9
Assets	SEK m	1,616.0	1,120.0	1,616.0	1,037.6
Liabilities	SEK m	1,130.6	654.7	1,130.6	525.5
Investment in fixed assets	SEK m	18.9	13.8	26.1	21.0
Depreciation	SEK m	39.7	31.9	49.8	42.0

Highly positive sales trends for the Stovax Heating Group coupled with strong organic growth in our other UK operations have meant that the UK is now NIBE Stoves' largest single market.



Income Statement summaries

(in millions of SEK)	Group						Parent	
	Q 3 2013	Q 3 2012	Jan-Sept 2013	Jan-Sept 2012	Past 12 mths	Full year 2012	Jan-Sept 2013	Jan-Sept 2012
Net sales	2,544.9	2,271.2	6,957.5	6,696.3	9,453.5	9,192.3	6.3	3.9
Cost of goods sold	- 1,653.8	- 1,472.1	- 4,616.0	- 4,423.4	- 6,224.7	- 6,032.1	0.0	0.0
Gross profit	891.1	799.1	2,341.5	2,272.9	3,228.8	3,160.2	6.3	3.9
Selling expenses	- 428.0	- 400.0	- 1,250.5	- 1,253.6	- 1,706.3	- 1,709.4	0.0	0.0
Administrative expenses	- 136.2	- 125.2	- 418.9	- 396.3	- 565.1	- 542.5	- 27.5	- 20.7
Other income	30.3	38.4	84.0	111.0	103.8	130.8	0.0	0.0
Operating profit	357.2	312.3	756.1	734.0	1,061.2	1,039.1	- 21.2	- 16.8
Net financial items	- 19.3	- 16.6	- 42.5	- 52.6	- 23.6	- 33.7	502.1	554.7
Profit after net financial items	337.9	295.7	713.6	681.4	1,037.6	1,005.4	480.9	537.9
Tax	- 74.8	- 72.6	- 165.8	- 170.2	- 237.5	- 241.9	0.0	0.0
Net profit	263.1	223.1	547.8	511.2	800.1	763.5	480.9	537.9
Net profit attributable to Parent shareholders	263.1	223.1	547.8	511.2	800.1	763.5	480.9	537.9
<i>Includes depreciation according to plan as follows</i>	<i>98.7</i>	<i>89.7</i>	<i>286.6</i>	<i>275.4</i>	<i>379.6</i>	<i>368.4</i>	<i>0.0</i>	<i>0.0</i>
<i>Net profit per share before and after dilution in SEK</i>	<i>2.39</i>	<i>2.02</i>	<i>4.97</i>	<i>4.64</i>	<i>7.26</i>	<i>6.93</i>		

Statement of comprehensive income

Net profit	263.1	223.1	547.8	511.2	800.1	763.5	480.9	537.9
Other comprehensive income								
Items that will not be reclassified to profit or loss ¹⁾								
Actuarial gains and losses in retirement benefit plans	0.0	0.0	0.0	0.0	-64.1	- 64.1	0.0	0.0
Tax	0.0	0.0	0.0	0.0	13.2	13.2	0.0	0.0
	0.0	0.0	0.0	0.0	- 50.9	- 50.9	0.0	0.0
Items that may be reclassified to profit or loss ¹⁾								
Cash flow hedges	2.0	5.9	- 3.9	8.6	- 11.0	1.5	0.0	0.0
Hedge of net investment	9.6	140.9	6.0	160.7	- 84.8	69.9	5.9	151.0
Exchange differences	- 28.3	- 278.0	- 67.7	- 333.5	73.0	- 192.8	0.0	0.0
Tax	- 2.8	- 38.4	- 0.2	- 43.9	36.8	- 6.9	- 1.3	- 39.7
	- 19.5	- 169.6	- 65.8	- 208.1	14.0	- 128.3	4.6	111.3
Total other comprehensive income	- 19.5	- 169.6	- 65.8	- 208.1	- 36.9	- 179.2	4.6	111.3
Total comprehensive income	243.6	53.5	482.0	303.1	763.2	584.3	485.5	649.2
Total comprehensive income attributable to Parent shareholders	243.6	53.5	482.0	303.1	763.2	584.3	485.5	649.2

1) For further information relating to changes in IAS 1, please refer to page 10 under the heading "Accounting policies".

Balance Sheet summaries

(in millions of SEK)	Group			Parent		
	30 Sep 2013	30 Sep 2012	31 Dec 2012	30 Sep 2013	30 Sep 2012	31 Dec 2012
Intangible assets	6,005.3	5,387.9	5,598.2	0.0	0.0	0.0
Tangible assets	1,864.2	1,815.2	1,880.8	0.0	0.0	0.0
Financial assets	173.1	134.9	152.3	8,235.2	7,126.7	7,148.9
Total non-current assets	8,042.6	7,338.0	7,631.3	8,235.2	7,126.7	7,148.9
Inventories	1,816.8	1,795.9	1,685.0	0.0	0.0	0.0
Current receivables	1,755.2	1,681.3	1,338.8	61.2	193.3	22.9
Cash and bank balances	1,096.7	862.4	934.3	424.8	50.8	80.7
Total current assets	4,668.7	4,339.6	3,958.1	486.0	244.1	103.6
Total assets	12,711.3	11,677.6	11,589.4	8,721.2	7,370.8	7,252.5
Equity	5,119.5	4,576.7	4,857.9	3,384.5	3,108.1	3,119.4
Untaxed reserves	0.0	0.0	0.0	1.1	0.0	1.1
Non-current liabilities and provisions, non-interest bearing	1,280.5	941.3	893.6	525.3	218.2	187.5
Non-current liabilities and provisions, interest bearing	4,327.5	4,227.8	4,013.6	4,649.1	3,668.7	3,530.0
Current liabilities and provisions, non-interest bearing	1,604.8	1,440.8	1,320.3	23.1	11.4	29.7
Current liabilities and provisions, interest bearing	379.0	491.0	504.0	138.1	364.4	384.8
Total equity and liabilities	12,711.3	11,677.6	11,589.4	8,721.2	7,370.8	7,252.5

Key figures

		Jan-Sept 2013	Jan-Sept 2012	Full year 2012
Growth	%	3.9	24.9	12.9
Operating margin	%	10.9	11.0	11.3
Profit margin	%	10.3	10.2	10.9
Investments in fixed assets	SEK m	835.2	213.7	477.5
Unappropriated liquid assets	SEK m	1,857.4	1,395.1	1,710.1
Working capital, incl. cash and bank balances as share of net sales	SEK m %	2,685.0 28.4	2,407.8 25.4	2,133.8 23.2
Working capital, excl. cash and bank balances as share of net sales	SEK m %	1,588.3 16.8	1,545.4 16.3	1,199.5 13.0
Interest-bearing liabilities/Equity	%	91.9	103.1	93.0
Solidity (Equity/Assets ratio)	%	40.3	39.2	41.9
Return on capital employed	%	11.8	12.6	11.8
Return on equity	%	16.2	17.3	15.9
Net debt/EBITDA	times	2.5	2.6	2.5
Interest coverage ratio	times	11.1	9.6	11.0

Data per share

		Jan-Sept 2013	Jan-Sept 2012	Full year 2012
Net profit per share ¹⁾ (total 110,253,638 shares)	SEK	4.97	4.64	6.93
Equity per share	SEK	46.43	41.51	44.06
Closing day share price	SEK	122.40	108.25	93.75

1) Directed issue of 214,201 shares in April 2012. Net profit per share has been calculated on a weighted average of the number of shares outstanding. The average number of shares was 110,253,638 in the first nine months of 2013 compared with 110,158,438 shares in the first nine months of 2012.

Financial instruments measured at fair value

	30 Sept 2013	30 Sept 2012	31 Dec 2012
(MSEK)			
Current receivables			
Currency futures	2.4	4.5	2.6
Raw materials futures	0.0	1.0	0.1
Total	2.4	5.5	2.7
Current liabilities and provisions, non interest-bearing			
Currency futures	4.1	0.7	1.7
Raw materials futures	1.2	0.1	0.0
Total	5.3	0.8	1.7

No instruments have been offset in the statement of financial position, so all instruments are recognised at their gross value. For a detailed account of the measurement process, see Note 2 in the Annual Report for 2012. In respect of other financial assets and liabilities in the Group, the carrying amounts represent a reasonable approximation of their fair value. A specification of the financial assets and liabilities involved is given in Note 7 in the Annual Report for 2012.

Statement of cash flow – summaries

(in millions of SEK)	Jan-Sept 2013	Jan-Sept 2012	Full year 2012
Cash flow from operating activities	865.1	675.3	1,072.5
Change in working capital	- 333.6	- 385.4	- 53.2
Investment activities	- 433.1	- 213.7	- 477.5
Financing activities	73.6	- 155.0	- 586.8
Exchange rate difference in liquid assets	- 9.6	- 65.9	- 27.8
Change in liquid assets	162.4	- 144.7	- 72.8

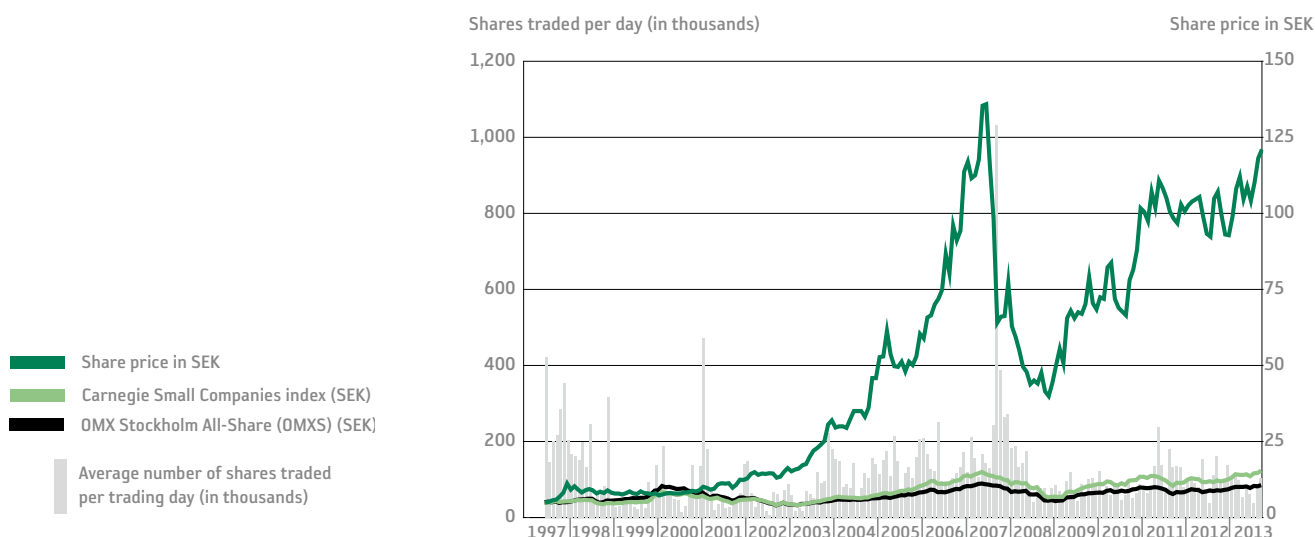
Change in equity – summaries

(in millions of SEK)	Jan-Sept 2013	Jan-Sept 2012	Full year 2012
Equity brought forward	4,857.9	4,487.2	4,487.2
Effect of change in accounting policies ¹⁾	0.0	- 15.0	- 15.0
Adjusted opening equity	4,857.9	4,472.2	4,472.2
Directed issue	0.0	21.8	21.8
Shareholders' dividend	- 220.5	- 220.5	- 220.5
Forfeited shareholders' dividend ²⁾	0.1	0.1	0.1
Total comprehensive income for the period ¹⁾	482.0	303.1	584.3
Equity carried forward	5,119.5	4,576.7	4,857.9

¹⁾ IAS 19 "Employee Benefits" has been applied retroactively. See page 10 under the heading "Accounting policies".

²⁾ Dividends from 2002 and 2013 that have not been redeemed and have therefore expired.

NIBE share performance



Quarterly data

Consolidated Income Statements (in millions of SEK)	2013			2012				2011	
	Q1	Q2	Q3	Q1	Q2	Q3	Q4	Q3	Q4
Net sales	2,062.4	2,350.2	2,544.9	2,106.7	2,318.4	2,271.2	2,496.0	2,281.6	2,777.3
Operating expenses	- 1,918.3	- 2,095.4	- 2,187.7	- 1,948.9	- 2,054.5	- 1,958.9	- 2,190.9	- 1,967.0	- 2,377.7
Operating profit	144.1	254.8	357.2	157.8	263.9	312.3	305.1	314.6	399.6
Net financial expenses	- 9.9	- 13.3	- 19.3	- 11.4	- 24.6	- 16.6	18.9	- 31.2	- 16.1
Profit after net financial expenses	134.2	241.5	337.9	146.4	239.3	295.7	324.0	283.4	383.5
Tax	- 35.4	- 55.6	- 74.8	- 38.1	- 59.5	- 72.6	- 71.7	- 66.2	- 113.1
Net profit	98.8	185.9	263.1	108.3	179.8	223.1	252.3	217.2	270.4
Net Sales – Business Areas									
NIBE Energy Systems	1,185.3	1,397.7	1,498.9	1,303.4	1,548.8	1,477.8	1,571.1	1,498.5	1,735.1
NIBE Element	649.8	734.5	704.5	603.8	624.4	540.5	568.1	500.0	650.1
NIBE Stoves	252.3	251.1	368.7	226.0	175.9	276.5	386.0	313.9	424.6
Elimination of Group transactions	- 25.0	- 33.1	- 27.2	- 26.5	- 30.7	- 23.6	- 29.2	- 30.8	- 32.5
Group	2,062.4	2,350.2	2,544.9	2,106.7	2,318.4	2,271.2	2,496.0	2,281.6	2,777.3
Operating profit – Business Areas									
NIBE Energy Systems	101.1	205.4	264.9	111.6	226.6	256.7	212.5	275.9	281.2
NIBE Element	42.4	58.4	59.9	37.0	46.6	25.7	43.2	33.7	41.3
NIBE Stoves	8.9	1.6	38.3	15.1	0.4	35.9	64.4	49.7	90.7
Elimination of Group transactions	- 8.3	- 10.6	- 5.9	- 5.9	- 9.7	- 6.0	- 15.0	- 44.7	- 13.6
Group	144.1	254.8	357.2	157.8	263.9	312.3	305.1	314.6	399.6

Accounting policies

NIBE Industrier's consolidated accounts are drawn up in accordance with International Financial Reporting Standards (IFRS). NIBE Industrier's interim report for the third quarter of 2013 has been drawn up in accordance with IAS 34 "Interim Financial Reporting". The same accounting policies as those adopted for this report are described on pages 64–66 of the company's Annual Report for 2012 with the exception of the revised versions of IAS 19 ("Employee benefits") and IAS 1 ("Presentation of Financial Statements"). The changes to IAS 19 mean that the Group will cease to apply the "corridor method" and will instead recognise all actuarial gains or losses on a current basis in Other comprehensive income. Past service cost will be recognised immediately. Interest expense and the expected return on plan assets will be replaced by a net interest figure calculated using the discount rate, based on the net surplus or net deficit in the defined-benefit plan. The revision to IAS 19 will be applied retroactively, which means that the figures for equity brought forward in January 2012 has been adjusted by SEK -15.0 million and other comprehensive income for 2012 has been adjusted by SEK -53.1 million after tax. This also means that there has been a redistribution for 2012 between profit or loss, which has fallen by SEK -2.2 million, and other comprehensive income, which has risen by SEK +2.2 million. The most significant change in IAS 1 is the requirement that items recognised in Other comprehensive

income are presented in two compilations, one comprising items that might subsequently be reclassified to profit or loss, the other comprising items that will not be reclassified to profit or loss; for example, translation differences in consolidated assets and liabilities will be reclassified in instances where these are divested. Reporting for the Parent follows the Swedish Annual Accounts Act and recommendation RFR 2 of the Swedish Financial Accounting Standards Council ("Reporting for Legal Entities"). In the case of transactions with associates, these have taken place to the same extent as last year and the same accounting policies apply as those described on page 65 of the company's Annual Report for 2012.

Risks and uncertainties

NIBE Industrier is an international industrial group that is represented in around 40 countries. As such, it is exposed to a number of business and financial risks. Risk management is therefore an important process with regard to the goals that the company has set up. Throughout the NIBE Group, efficient risk management routines are an ongoing process within the framework of the Group's operational management and a natural part of the continual follow-up of activities. It is our opinion that no significant risks or uncertainties have arisen in addition to those described in NIBE Industrier's Annual Report for 2012.

This interim report provides an accurate picture of the business activities, financial position and earnings of the Parent and the Group, and describes any significant risks and uncertainties faced by the Parent and the companies that form part of the Group.

Markaryd, Sweden – 15 November 2013



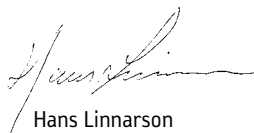
Arvid Gierow
Chairman of the Board



Georg Brunstam
Director



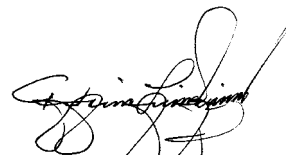
Eva-Lotta Kraft
Director



Hans Linnarson
Director



Anders Pålsson
Director



Gerteric Lindquist
Managing Director & CEO

Introduction

We have reviewed the summary interim financial information (interim report) of Nibe Industrier AB as of 30 September 2013 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 report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the Standard on review engagements SÖG 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information 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 and other generally accepted auditing practices and conse-

quently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Markaryd, Sweden, 15 November 2013
KPMG AB



Alf Svensson
Authorized Public Accountant
Auditor in charge

For other information and definitions, please refer to the company's Annual Report for 2012.



NIBE is an international heating technology company with business operations organised in three separate business areas, NIBE Energy Systems, NIBE Element, and NIBE Stoves. Our vision is to create world-class solutions in sustainable energy. Our mission is to offer energy technology products and solutions that combine high quality with innovation. This work builds on the NIBE Group's wide-ranging expertise in the fields of product development, manufacturing and marketing.

NIBE Industrier AB is obliged by Swedish law (The Securities Market Act and/or The Financial Instruments Trading Act) to publish the information in this interim report. This information was made available to the media for publication at 07.00 (C.E.T.) on 15 November 2013.

Please e-mail any questions you have with regard to this interim report to:
Gerteric Lindquist, MD and Group CEO, gerteric.lindquist@nibe.se;
Hans Backman, CFO, hans.backman@nibe.se

NIBE

NIBE Industrier AB (publ)
Box 14, SE-285 21 Markaryd SWEDEN · Tel +46 433 - 73 000
www.nibe.com · Corporate ID number: 55 63 74 - 8309