

Interim report

1 January – 30 September 2012



- Net sales rose 2.7%* to SEK 309.5 M (299.4). Order bookings totalled SEK 327.1 M (324.5), up 0.6%*.
- Operating profit amounted to SEK 7.7 M (14.8). The result has been affected by the delay of the capacity expansion in Tianjin, China. During the quarter, the delivery rate increased for the company's operations in China. The enhancement measures in Timmersdala started to show the positive effects during the quarter. Earnings for the quarter were charged with SEK 1.9 M to cover the cost of the staffing reductions according to taken decisions.
- After financial items, a loss of SEK 0.5 M was reported (profit: 11.1). Net financial items were negatively affected by exchange-rate differences of SEK -1.8 M (1.6) that were entirely attributable to the strength of the SEK in the quarter.
- The consolidated loss after tax was SEK 0.8 M (profit: 8.7), corresponding to a loss of SEK 0.15 (earnings: 1.44) per share.

President Göran Brorsson's comments:

"Current trends in our business environment are giving rise to uncertainty in several of our market segments in Medical Technology, particularly those areas where our customers finance treatment themselves. This resulted in growth underperforming our expectations. During the quarter, we took actions to reduce the cost base at our facilities in Timmersdala and Göröse. In Tianjin, we have during the quarter increased our delivery volumes and thereby better used our production capacity. The actions taken in the business area will now gradually improve our earnings. Development work on our own product range continued.

Demand in the Metrology business area has been negatively impacted by increased sluggishness in the decision-making process, which was particularly evident in China and parts of Europe, while North America remains positive. In 2012, we are actively investing in product development to further strengthen our existing favourable market position. I am convinced that the new products resulting from this initiative will further strengthen our market position."

	Jul-Sep 2012	Jul-Sep 2011	Jan-Sep 2012	Jan-Sep 2011	Oct-Sep 2011/12	Jan-Dec 2011
Net sales, SEK M	99.7	102.9	309.5	299.4	424.3	414.2
Growth,%*	-3.5	35.5	2.7	19.5	5.4	18.5
Operating profit/loss, SEK M	4.2	7.2	7.7	14.8	15.5	22.6
Operating margin, %	4.2	7.0	2.5	4.9	3.7	5.5
Profit/loss after financial items, SEK M	-0.3	6.4	-0.5	11.1	6.3	17.9
Profit/loss after tax, SEK M	-0.5	5.1	-0.8	8.7	3.3	12.8
Earnings/loss per share before dilution, SEK	-0.10	0.84	-0.15	1.44	0.53	2.11

* Adjusted for exchange-rate fluctuations during the year

Operations in general

The Group operates in two business areas – Medical Technology and Metrology. The emphasis is on Medical Technology. Since the autumn of 2010, the establishment of Medical Technology operations in Tianjan, China, has been ongoing. During 2011, the offering within Medical Technology was strengthened through the acquisition of Microplast AB, which is active in injection moulding of products for the biotech and medical technology industries.

Invoicing and earnings July – September 2012

The Group's net sales declined during the quarter to SEK 99.7 M (102.9). Adjusted for exchange-rate fluctuations, the decrease was approximately 3.5%. Order bookings increased marginally to SEK 97.3 M (95.0). Adjusted for exchange-rate fluctuations, the rise was about 3.3%. Net sales and order bookings rose for the Medical Technology business area, while net sales and order bookings declined for the Metrology business area.

The company's operating result deteriorated during the quarter and amounted to profit of SEK 4.2 M (7.2). Earnings were negatively impacted by a cost of SEK 1.9 M for staffing cuts as the main part of the ongoing cost-savings programme. The second part of the programme consists of a review and reduction of other expenses. The full effect of the measures will be achieved from the start of next year. The weak volume trend, particularly at the Görlöse facility, also had a negative impact on earnings. Trend in our business environment is giving a weakened demand weakened during the quarter.

Due to the strength of the SEK, the Group's net financial items were negatively affected by exchange-rate differences of SEK 2.4 M (positive: 1.2) and amounted to an expense of SEK 4.5 M (expense: 0.8). The loss after financial items was SEK 0.3 M (profit: 6.4). The loss after tax was SEK 0.5 M (profit: 5.1), equal to a loss of SEK 0.10 per share before dilution (earnings: 0.84).

The Group reported a comprehensive loss of SEK 3.8 M (income: 9.9). The comprehensive loss per share before dilution was SEK 0.64 (income: 1.64).

Invoicing and earnings January – September 2012

The Group's net sales during the period rose to SEK 309.5 M (299.4). Adjusted for exchange-rate fluctuations, the increase was approximately 2.7%. Order bookings increased marginally to SEK 327.1 M (324.5). Adjusted for exchange-rate fluctuations, the increase was about 0.6%. Net sales and order bookings rose for the Medical Technology business area, partly as a result of last year's acquisition of Microplast, while sales and order bookings declined for the Metrology business area.

Operating profit deteriorated to SEK 7.7 M (14.8). The poorer outcome is a consequence due to delays during the half year of the capacity expansion in Tianjin and the weak volume trend, especially at the facility in Görlöse. The ongoing enhancement work at the facility in Timmersdala is beginning to pay dividends. Earnings were also negatively impacted by a cost of SEK 1.9 M for staffing reductions as part of the ongoing cost-cutting programme.

The Group's net financial items were negatively impacted by exchange-rate differences of SEK 1.8 M (positive: 1.6) and amounted to an expense of SEK 8.2 M (expense: 3.7). After financial items, a loss of SEK 0.5 M (profit: 11.1) was reported. The loss after tax was SEK 0.8 M (profit: 8.7), equal to a loss of SEK 0.15 per share before dilution (earnings: 1.44). The Group reported a comprehensive loss of SEK 4.1 M (income: 10.6). The comprehensive loss per share before dilution was SEK 0.69 (income: 1.75).

Medical Technology

This business area is one of Europe's leading partners in the development and production of precision products used in medical technology and components, such as dental and orthopaedic implants and instruments. The business area is collectively marketed as Elos Medtech and has operations in Sweden, Denmark and China. Customers consist primarily of international medical-technology companies in the following market segments: Dental, Orthopaedics, Medical Devices and Diagnostics.

SEK M	Jul-Sep 2012	Jul-Sep 2011	Jan-Sep 2012	Jan-Sep 2011	Oct-Sep 2011/12	Jan-Dec 2011
Net sales	74.5	72.4	235.1	211.1	319.6	295.6
Growth, %*	2.3	30.2	10.4	15.1	6.9	18.3
Operating profit	-1.5	-0.6	-4.4	-1.6	-3.2	-0.4
Operating margin, %	-2.0	-0.8	-1.9	-0.8	-1.0	-0.1

* Adjusted for exchange-rate fluctuations during the year

The level of activity in a number of the segments in which Elos Medtech operates was affected by the uncertainty prevalent in the business environment. The dental implant market remained weak in Europe, while other parts of the world reported a certain degree of growth. Trends in the orthopaedic markets vary according to segment. The trauma segment reported a seemingly stable trend. The diabetes market posted continued healthy growth. The trend in Microplast's core markets – cardiovascular and blood analyses – remained favourable. Other segments in the business area posted lower growth.

Although the delivery of new products and the capacity expansion of operations in Tianjin have been delayed, it was possible to increase delivery levels in line with expectations at the end of the quarter. The increase in delivery levels will have a positive effect on the trend at the facility. The establishment, which is part of the Group's strategy to grow geographically, will provide a base for supplies to the Group's medical-technology customers who are now establishing themselves in the Chinese market.

The Group's strategy in this business area is to develop proprietary products as a complement to the core operations of the Group's customers. Products that were introduced during 2010 and 2011 now account for 5% (4) of the business area's net sales. Supplementary products that facilitate patient-specific CAD/CAM solutions for the construction of dental implants will be introduced towards the end of 2012.

Net sales amounted to SEK 235.1 M (211.1), an increase of 10.4% after adjustment for exchange-rate fluctuations. The increase in volume was primarily attributable to the acquisition of Microplast and to effects from the operations in Tianjin. Order bookings, which have been slow in recent months, increased to SEK 250.7 M (238.4), an increase of 4.9% adjusted for exchange-rate fluctuations.

The business area posted an operative loss of SEK 4.4 M (loss: 1.6), corresponding to an operating margin of minus 1.9% (neg: 0.8). The poorer outcome is a consequence due to delays during the half year of the capacity expansion in Tianjin and the weak volume trend, especially at the unit in Görölse. The ongoing enhancement work at the plant in Timmersdala is beginning to pay dividends, particular on productivity and delivery reliability. Since growth in the business area has not matched expectations, a cost-cutting programme has been implemented at the facilities in Timmersdala and Görölse. Full effect will be reached for the programme from the end of the year. The decision resulted in costs of SEK 1.9 M for staffing reductions being charged against third-quarter earnings.

Metrology

This business area consists of Elos Fixturlaser, which develops, manufactures and markets laser-based alignment and positioning systems. The company is regarded as a market leader in its segment, with a global market share of about 30%. Products are primarily sold through a worldwide network of distributors.

SEK M	Jul-Sep 2012	Jul-Sep 2011	Jan-Sep 2012	Jan-Sep 2011	Oct-Sep 2011/12	Jan-Dec 2011
Net sales	25.2	30.5	74.4	88.3	104.7	118.6
Growth, %	-17.4	50.5	-15.7	31.6	-11.7	18.8
Operating profit	6.7	9.8	17.1	23.5	26.3	32.7
Operating margin, %	26.6	32.1	22.9	26.6	25.1	27.6

Implemented product launches have contributed strongly to the business area's successes in recent years. The positive trend noted in 2011 was dampened somewhat during 2012, largely due to the general, global economic scenario. Demand in North America remained satisfactory, while the trend in Asia, particularly China, was significantly weaker than in 2011. In 2012, significant investments are made in developing the business area's product range. Positive impact from this investment is expected in the second half of 2013.

Net sales for the business area amounted to SEK 74.4 M (88.3), down approximately 15.7%. Order bookings totalled SEK 76.3 M (86.1). Operating profit amounted to SEK 17.1 M (23.5). The operating margin was 22.9% (26.6).

Investments

The Group's investments in buildings, land, machinery and equipment amounted to SEK 30.3 M (33.1). The build-up of medical-technology operations in Tianjin, the efficiency-enhancing investments in operations in Timmersdala and the expansion of production and warehouse space at the facility in Skara accounted for a significant part of these investments.

In addition, SEK 8.9 M (2.4) has been invested in capitalised development expenditure and SEK 1.8 M (0) in other intangible fixed assets.

Financial position and liquidity

Total consolidated assets increased by SEK 5 M during the period to SEK 538 M (533).

The Group's shareholders' equity amounted to SEK 203 M (216). Shareholders' equity per share was SEK 33.55 (35.74). Risk-bearing equity at the close of the period amounted to SEK 231 M (243), corresponding to 42.9% (45.6) of total capital. The Group's equity/assets ratio was 37.7% (40.6).

The Group's cash flow from operating activities was SEK 14.9 M (15.0). Cash flow after investments and sales of fixed assets amounted to a negative SEK 21.1 M (negative: 28.3).

The Group's net borrowing increased during the period and amounted to SEK 227 M (196) at the close of the quarter. The Group's cash and cash equivalents, including unutilised overdraft facilities, amounted to SEK 46.2 M (73.0).

Personnel

At the end of the period, the Group had 436 (396) full-time employees.

Convertible debentures program

The Annual General Meeting of Elos AB on 3 May 2011 approved the Board's motion to issue convertible debentures in a nominal maximum amount of SEK 13,500,000, which are convertible into Class B shares. The conversion price was set at SEK 85 per share and the issue amount at no more than SEK 13,498,000, corresponding to 158,800 convertible debentures with a term extending from 1 July 2011 through 30 June 2014. Disapplying the preferential rights of shareholders, the right to subscribe for the convertible debentures accrued to persons who, at the expiration of the subscription period on 3 June 2011, were permanently employed by Elos AB or its subsidiaries, and who at that time had not served or received notice terminating their employment. The right to subscribe also accrued to persons who, no later than during the subscription period, had reached agreement on forthcoming permanent employment at Elos AB or its subsidiaries. Subscription acceptances were made during the period 23 May to 3 June 2011. Employees of the Elos Group subscribed for Elos 2011/2014 convertible debentures in a total amount of SEK 10,999,000, corresponding to 129,400 convertible debentures at a conversion price of SEK 85. Debentures were allotted in line with the subscription acceptances. If all convertible debentures are converted to shares, the dilution effect will be 2.1% of the share capital and 0.8% of the voting rights, based on the current number of registered shares. The interest rate on the convertible debentures is set at STIBOR 360 + 1.60 percentage points, which corresponds to 4.61%, based on the STIBOR rate as of 12 May 2011. During the period from 1 May to 13 June 2014, each convertible may be converted to one Class B share in Elos AB. Transactions in connection with the convertible debentures were conducted in July 2011 and are included in the Group's subsequent reporting. The equity share was calculated according to IAS 32. Since the interest rate on the convertible debentures essentially matches the market interest rate, the Group's shareholders' equity is not affected.

Parent Company

In addition to central management issues, the Parent Company also provides Group-wide support activities, such as technical support, finance and financial control.

The Parent Company's net sales amounted to SEK 7.2 M (4.2). After financial items, a loss of SEK 4.8 M (loss: 8.0) was reported.

The share of risk-bearing equity was 69.9% (79.6). The equity/assets ratio was 69.9% (79.5). The Parent Company's cash and cash equivalents, including unutilised overdraft facilities, amounted to SEK 31.6 M (49.5).

The Parent Company reported a comprehensive income of SEK 1.7 M (loss: 6.7).

As a consequence of changed accounting policies for the Parent Company, comparative figures for comprehensive income for the first, second and third quarters of 2011 have been adjusted.

Significant risks and uncertainties

The Group's significant risks and uncertainties include business risks associated with customers and suppliers, and other external factors, such as risks related to the prices of input goods. Financial risks also arise in conjunction with changes in exchange and interest rates. A detailed description of the Group's risks and uncertainties, and how they are managed, is presented in the Board of Directors' Report in the 2011 Annual Report.

Related-party transactions

The company has not had any transactions with related parties.

Accounting policies

The consolidated financial statements for 2012, similar to the year-end accounts for 2011, were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU and with the Swedish Annual Accounts Act. The Parent Company's accounts were prepared in accordance with the Annual Accounts Act and recommendation RFR 2 Reporting for Legal Entities, issued by the Swedish Financial Reporting Board.

This interim report was prepared in accordance with IAS 34. The term IFRS in this document includes application of both IAS and IFRS standards, as well as interpretations of these standards as published by the IASB's Standards Interpretation Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

The Group applies the same accounting policies as those described in the 2011 Annual Report. New or revised recommendations with application from 2012 are not considered to have any significant impact on the financial statements.

A review has been made for the parent company's financing of subsidiary Elos Medtech Tianjin, which includes intercompany loans deemed to form part of the Group's net investment in the subsidiary. As a consequence, exchange-rate differences (SEK -0.9 M including tax) related to these loans is from Q3 reported in other comprehensive income. The first half year these exchange-rate differences amount to SEK -1.0 M, including tax.

For increased transparency in the income statement, exchange-rate differences have been separated from financial income and expenses. This has also been performed for current comparative figures.

Other items

During 2012, the first part of the additional purchase consideration for the acquisition of Microplast was paid by SEK 1 M.

Forecast for 2012

The market trend in the Medical Technology business area has weakened during the year and become more difficult to assess. Overall, we expect a positive volume trend for medical technology operations in 2012. Actions are being implemented to improve the business area's profitability. As reported previously, the market trend remains difficult to assess for the Metrology business area, which significantly improved its market position in 2011.

Financial Information

The year-end report for 2012 will be published on 22 February 2013.

The interim report for January - March 2013 will be published on 25 April 2013.

The interim report for January - June 2013 will be published on 21 August 2013.

The interim report for January - September 2013 will be published on 23 October 2013.

Lidköping, 26 October 2012

Elos AB (publ)

Göran Brorsson
President and CEO

For further information, contact:

Göran Brorsson, President and CEO, +46 (0)510-48 43 65, +46 (0)705-11 78 60, e-mail:

goran.brorsson@elos.se

Ulrica Ehn, CFO, +46 (0)510-48 43 67, +46 (0)702-72 11 61, e-mail: ulrica.ehn@elos.se

The information in this interim report is such that Elos AB (publ) must disclose in accordance with the Swedish Securities Market Act and/or the Financial Instruments Trading Act.

The information was released on 26 October 2012 at 8:00 a.m. (CET).

CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

SEK M	Jul-Sep 2012	Jul-Sep 2011	Jan-Sep 2012	Jan-Sep 2011	Oct-Sep 2011/12	Jan-Dec 2011
Net sales	99,7	102,9	309,5	299,4	424,3	414,2
Cost of goods sold	-70,8	-72,9	-226,3	-209,3	-304,1	-287,1
Gross profit	28,9	30,0	83,2	90,1	120,2	127,1
Selling expenses	-8,6	-8,2	-28,5	-26,5	-39,3	-37,3
Administration expenses	-11,4	-12,4	-37,8	-34,6	-51,9	-48,7
Development expenses	-2,6	-3,6	-10,3	-17,0	-15,1	-21,8
Other operating income/expenses	-2,1	1,4	1,1	2,8	1,6	3,3
Operating profit	4,2	7,2	7,7	14,8	15,5	22,6
Financial income	0,0	0,0	0,1	0,8	0,2	0,9
Financial expenses	-2,1	-2,0	-6,5	-6,1	-8,7	-8,3
Exchange-rate differences	-2,4	1,2	-1,8	1,6	-0,7	2,7
Profit before taxes	-0,3	6,4	-0,5	11,1	6,3	17,9
Income tax	-0,2	-1,3	-0,3	-2,4	-3,0	-5,1
Net profit for the year	-0,5	5,1	-0,8	8,7	3,3	12,8
Profit attributable to:						
Parent company shareholders	-0,5	5,1	-0,8	8,7	3,3	12,8
Statements of comprehensive income						
Result for the period	-0,5	5,1	-0,8	8,7	3,3	12,8
Other comprehensive income						
Translation difference including taxes	-6,4	5,8	-8,0	6,3	-12,6	1,7
Remeasurement IAS	0,0	0,0	0,0	-1,3	1,3	0,0
Hedging of net investment including taxes	3,1	-1,0	4,7	-3,1	8,3	0,5
Total comprehensive income	-3,8	9,9	-4,1	10,6	0,3	15,0
Result attributable to:						
Equity holders of the parent	-3,8	9,9	-4,1	10,6	0,3	15,0
EBITDA	13,4%	15,2%	11,4%	13,0%	12,3%	13,4%
EBIT	4,2%	7,0%	2,5%	4,9%	3,7%	5,5%
Depreciation charged against earnings	9,2	8,4	27,5	24,2	36,7	33,4
Earnings per share, before dilution	-0:10	0:84	-0:15	1:44	0:53	2:11
Earnings per share, after dilution *	-0:10	0:83	-0:15	1:39	0:53	2:11
Number of shares (thousands) before dilution	6 051	6 051	6 051	6 051	6 051	6 051
Number of shares (thousands) after dilution**	6 180	6 180	6 180	6 335	6 180	6 193
Number of shares end of period (thousands)	6 051	6 051	6 051	6 051	6 051	6 051

* Attributable to parent company shareholders' share of net income.

** Considerations to convertibles issued 2011-07-01

CONDENSED CONSOLIDATED BALANCE SHEET

SEK M	2012-09-30	2011-09-30	2011-12-31
Assets			
Intangible fixed assets	64,8	57,3	59,7
Tangible fixed assets	242,0	243,4	244,3
Other current assets	216,0	205,2	199,0
Cash and bank balances	15,3	19,0	29,8
Total assets	538,1	524,9	532,8
Shareholders' equity and liabilities			
Shareholders' equity	203,0	211,9	216,2
Long-term liabilities	206,7	198,3	200,5
Current liabilities	128,4	114,7	116,1
Total shareholders' equity and liabilities	538,1	524,9	532,8
Pledged assets	185,5	192,2	195,7
Contingency	0,4	0,3	0,4

KEY FIGURES

SEK M		Jan-Sep 2012	Jan-Sep 2011 *	Jan-Dec 2011
Return on capital employed	%	2,4	5,7	6,1
Return on shareholders' equity	%	-0,6	5,5	6,0
Share of risk-bearing capital	%	42,9	45,1	45,6
Equity/assets ratio	%	37,7	40,4	40,6
Net debt	SEK M	226,5	203,9	196,0
Investments excluding shares	SEK M	41,0	69,4	85,7
Number of employees		419	360	373
Shareholders' equity per share	SEK	33:55	35:02	35:74
Dividends	SEK	1:50	1:50	1:50

* Comparative figures are unchanged from previous reports where otherwise indicated.

CHANGES IN SHAREHOLDERS' EQUITY

SEK M	30 Sep 2012	31 Dec 2011
Opening balance	216,2	210,3
Dividends	-9,1	-9,1
Total earnings	-4,1	15,0
Closing balance, shareholders' equity	203,0	216,2

CONSOLIDATED CASH FLOW STATEMENT

SEK M	Jul-Sep 2012	Jul-Sep 2011	Jan-Sep 2012	Jan-Sep 2011	Oct-Sep 2011/12	Jan-Dec 2011
Profit after net financial items	-0,3	6,4	-0,5	11,1	6,3	17,9
Reversal of depreciation	9,2	8,4	27,5	24,2	36,7	33,4
Adjustment items	-0,1	3,1	2,4	2,3	-0,2	-0,3
Income tax paid	-1,1	-1,3	-4,1	-2,4	-3,0	-1,3
Change in working capital	5,3	-17,9	-10,4	-19,9	-5,8	-15,3
Cash flow from remaining operations	13,0	-1,3	14,9	15,3	34,0	34,4
Investments in other fixed assets	-9,1	-25,4	-36,0	-44,4	-47,6	-56,0
Sales of other fixed assets	0,0	0,0	0,0	0,8	0,1	0,9
Balance after investments in fixed assets	3,9	-26,7	-21,1	-28,3	-13,5	-20,7
Change in interest-bearing loans	-1,5	7,4	16,1	-6,3	19,3	-3,1
Dividends	0,0	0,0	-9,1	-9,1	-9,1	-9,1
Cash flow for the year	2,4	-19,3	-14,1	-43,7	-3,3	-32,9
Liquid funds at beginning of the year	13,2	38,3	29,8	62,7	19,0	62,7
Exchanges-rate differences in liquid funds	-0,3	0,0	-0,4	0,0	-0,4	0,0
Liquid funds at end of the period	15,3	19,0	15,3	19,0	15,3	29,8

NET SALES AND OPERATING PROFIT/LOSS PER BUSINESS AREA

SEK M	Jul-Sep 2012	Jul-Sep 2011	Jan-Sep 2012	Jan-Sep 2011	Oct-Sep 2011/12	Jan-Dec 2011
Net sales						
Medical Technology	74,5	72,4	235,1	211,1	319,6	295,6
Metrology	25,2	30,5	74,4	88,3	104,7	118,6
Other	0,0	0,0	0,0	0,0	0,0	0,0
Total net sales	99,7	102,9	309,5	299,4	424,3	414,2

SEK M	Jul-Sep 2012	Jul-Sep 2011	Jan-Sep 2012	Jan-Sep 2011	Oct-Sep 2011/12	Jan-Dec 2011
Operating profit/loss						
Medical Technology	-1,5	-0,6	-4,4	-1,6	-3,2	-0,4
Metrology	6,7	9,8	17,1	23,5	26,3	32,7
Other	-1,0	-2,0	-5,0	-7,1	-7,6	-9,7
Total operating profit/loss	4,2	7,2	7,7	14,8	15,5	22,6

QUARTERLY FIGURES - GROUP

	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
SEK M	2012	2012	2012	2011	2011	2011	2011	2010	2010	2010	2010
Net sales	99,7	109,7	100,1	114,8	102,9	99,8	96,7	99,9	78,6	94,3	85,4
Cost of goods sold	-70,8	-83,5	-72,0	-77,8	-72,9	-72,4	-64,0	-68,6	-54,7	-65,1	-58,5
Gross profit	28,9	26,2	28,1	37,0	30,0	27,4	32,7	31,3	23,9	29,2	26,9
Selling adm. and developm.expens.	-22,6	-27,2	-26,7	-29,7	-24,2	-27,5	-26,4	-26,2	-18,6	-22,9	-22,4
Other operating items	-2,1	0,7	2,5	0,5	1,4	0,8	0,6	-0,5	1,1	0,1	1,0
Operating profit/loss	4,2	-0,3	3,9	7,8	7,2	0,7	6,9	4,6	6,4	6,4	5,5
Net financial items	-2,1	-2,0	-2,3	-2,1	-2,0	-1,4	-1,9	-1,6	-1,6	-1,7	-1,8
Exchange-rate differences	-2,4	2,1	-1,5	1,1	1,2	0,1	0,3	0,0	0,0	0,0	0,0
Profit/loss after financial items	-0,3	-0,2	0,1	6,8	6,4	-0,6	5,3	3,0	4,8	4,7	3,7
Taxes	-0,2	0,0	-0,2	-2,7	-1,3	0,3	-1,4	-1,2	-1,7	-0,9	-0,8
Profit/loss after taxes remaining operations	-0,5	-0,2	-0,1	4,1	5,1	-0,3	3,9	1,8	3,1	3,8	2,9

QUARTELY FIGURES - BUSINESS AREAS

Net sales	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
SEK M	2012	2012	2012	2011	2011	2011	2011	2010	2010	2010	2010
Medical Technology	74,5	84,1	76,5	84,5	72,4	70,3	68,4	67,2	58,3	69,9	63,0
Metrology	25,2	25,6	23,6	30,3	30,5	29,5	28,3	32,7	20,3	24,4	22,4
Other	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total remaining operations	99,7	109,7	100,1	114,8	102,9	99,8	96,7	99,9	78,6	94,3	85,4
Operating profit/loss	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
SEK M	2012	2012	2012	2011	2011	2011	2011	2010	2010	2010	2010
Medical Technology	-1,5	-3,5	0,6	1,2	-0,6	-3,5	2,5	-0,3	4,9	4,7	4,0
Metrology	6,7	5,8	4,6	8,8	9,8	7,6	6,5	7,0	3,4	3,8	3,5
Other	-1,0	-2,6	-1,4	-2,2	-2,0	-3,4	-2,1	-2,1	-1,9	-2,1	-2,0
Total remaining operations	4,2	-0,3	3,8	7,8	7,2	0,7	6,9	4,6	6,4	6,4	5,5

PARENT COMPANY INCOME STATEMENT

SEK	Jul-Sep 2012	Jul-Sep* 2011	Jan-Sep 2012	Jan-Sep* 2011	Oct-Sep 2011/12	Jan-Dec 2011
Net sales	2,4	1,5	7,2	4,2	9,1	6,1
Cost of goods sold	0,0	0,0	0,0	0,0	0,0	0,0
Gross profit	2,4	1,5	7,2	4,2	9,1	6,1
Administration expenses	-3,4	-3,1	-11,8	-12,1	-16,3	-16,6
Other operating income/expenses	0,0	0,0	0,0	0,0	0,1	0,1
Operating profit	-1,0	-1,6	-4,6	-7,9	-7,1	-10,4
Result fr. participations in group comp.	0,0	0,0	0,0	0,0	12,2	12,2
Result fr. participations in associated comp.	0,0	0,0	0,0	0,3	0,0	0,3
Financial income	0,8	0,4	1,7	0,9	2,5	1,7
Financial expenses	-1,1	-0,6	-1,9	-1,3	-2,7	-2,1
Result after financial items	-1,3	-1,8	-4,8	-8,0	4,9	1,7
Appropriations	0,0	0,0	0,0	0,0	0,8	0,8
Taxes	0,9	1,5	1,2	3,2	-2,1	-0,1
Result for the year	-0,4	-0,3	-3,6	-4,8	3,6	2,4
Result attributable to:						
Parent company shareholders	-0,4	-0,3	-3,6	-4,8	3,6	2,4
Statements of comprehensive income						
Result for the period	-0,4	-0,3	-3,6	-4,8	3,6	2,4
Other comprehensive income						
Hedging of net investment incl. taxes	3,6	-0,7	5,3	-1,9	8,2	1,0
Total comprehensive income	3,2	-1,0	1,7	-6,7	11,8	3,4
Result attributable to:						
Parent company shareholders	3,2	-1,0	1,7	-6,7	11,8	3,4

PARENT COMPANY BALANCE SHEET

SEK	2012-09-30	2011-09-30*	2011-12-31
Assets			
Intangible fixed assets	3,6	-	3,9
Tangible fixed assets	0,5	2,4	0,6
Financial fixed assets	176,0	181,1	182,2
Other current assets	71,9	50,4	36,7
Cash and bank balances	2,5	5,6	9,5
Total assets	254,5	239,5	232,9
Shareholders' equity and liabilities			
Shareholders' equity	177,3	172,6	184,7
Untaxed reserves	0,7	1,5	0,7
Provisions	5,1	5,2	6,2
Long-term liabilities	16,7	16,9	17,3
Current liabilities	54,7	43,3	24,0
Total shareholders' equity and liabilities	254,5	239,5	232,9
Pledged assets	2,0	2,0	2,0
Contingent liabilities**	41,1	28,7	28,8

* Figures for quarter 1,2 and 3 2011 has been adjusted due to changed accounting policy of comprehensive income.

** Contingent liabilities have been supplemented with guarantees for subsidiary.

Report of Review of Interim Financial Information

Introduction

We have reviewed this interim report for the period 1 January 2012 to 30 September 2012 for Elos AB (publ) (Reg No 556021-9650). The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish 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 Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review 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, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do 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, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Göteborg, October 26, 2012
Öhrlings PricewaterhouseCoopers AB

Bror Frid
Authorised Public Accountant