

Lindab International AB (publ) Interim Report

First quarter 2017

- Net sales increased by 6 percent to SEK 1,858 m (1,752), of which organic growth amounted to 4 percent.
- Operating profit increased by 13 percent to SEK 79 m (70), excluding one-off items* of SEK -1 m (-2). Operating profit increased to SEK 78 m (68).
- Operating margin, excluding one-off items, increased to 4.3 percent (4.0).
- Profit for the period increased by 31 percent to SEK 42 m (32).
- Earnings per share increased to SEK 0.55 (0.42).
- Cash flow from operating activities amounted to SEK -40 m (-79).
- Net debt/equity ratio amounted to 0.4 (0.5) at the end of the period.

*See Reconciliations on page 14.

A word from the CEO

Strong growth in Products & Solutions

For the fourteenth consecutive quarter, Lindab increased its sales compared with the corresponding quarter of the previous year. Products & Solutions continues to develop positively with organic growth of 10 percent, while Building Systems had a weak quarter with a negative sales trend. Despite the weak performance within Building Systems, the Group's operating profit increased by 13 percent and earnings per share increased by 31 percent to SEK 0.55.

Products & Solutions began 2017 with a good quarter. Net sales increased by 11 percent and operating profit increased by more than 50 percent, resulting in an operating margin of 6.9 percent (5.0). This is the best first quarter for Products & Solutions since the economic boom in 2008. Products & Solutions continued to grow in line with our strategic plan, with good sales growth and increased profit margin. The highest organic growth was seen in Ireland and Hungary. Sweden and Denmark, the two largest markets, continued to show good growth.

As expected, Building Systems had a weak first quarter. Net sales fell by 27 percent, and an operating loss was recorded. The weak performance is mainly due to low delivery volumes, but also higher steel prices putting pressure on the margin. We are beginning to see the effects of the business review and the subsequent initiatives and measures that have been conducted.

During the quarter, Lindab attended the ISH fair in Frankfurt, Germany, where we successfully introduced a number of new products to the market. We presented Lindab Connect, a cloud-based solution for controlling and optimising ventilation in buildings, based on Lindab's complete ventilation system.

We ended the first quarter with continued good development for Products & Solutions, but a weak result in Building Systems. We continue to execute on our strategy and the activities planned for 2017.

Grevie, May 2017



Anders Berg



Comments on the report

Sales and markets

Net sales increased by 6 percent to SEK 1,858 m (1,752) during the first quarter. Currency effects increased sales by 2 percent, resulting in organic growth of 4 percent. The quarter was the fourteenth consecutive quarter with positive sales growth for the Group.

The sales trend during the quarter remained very good in the Products & Solutions segment with organic growth of 10 percent. Organically, sales fell by 33 percent within Building Systems, partially due to particularly large deliveries to Africa the previous year.

Profit

Operating profit for the first quarter, excluding one-off items, increased to SEK 79 m (70). One-off items amounted to SEK -1 m (-2) and related to a governance project, see Reconciliations. Operating margin, excluding one-off items, increased to 4.3 percent (4.0).

The higher operating profit for the Group is due to increased volumes in the Products & Solutions segment, whose operating profit increased by 54 percent to SEK 117 m (76). The result for the Building Systems segment was negatively impacted by reduced volumes and amounted to SEK -26 m (2).

Profit for the period increased by 31 percent to SEK 42 m (32), and earnings per share increased to SEK 0.55 (0.42).

Seasonal variations

Lindab's business is affected by seasonal variations in the construction industry, and the highest proportion of net sales is normally seen during the second half of the year.

There is normally a deliberate stock build-up of mainly finished goods during the first six months, which gradually becomes a stock reduction during the second half of the year as a result of increased activity within the construction market.

Depreciation/amortisation and impairments

The depreciation and amortisation for the quarter is in line with the previous year and amounted to SEK 41 m (42), of which SEK 9 m (9) relates to intangible assets.

Tax

Tax expenses for the quarter amounted to SEK 28 m (26). Earnings before tax amounted to SEK 70 m (58). The effective tax rate was 40 percent (45). The average tax rate was 18 percent (22). The lower effective tax rate during the period compared with the previous year is mainly due to reassessment

of deferred tax. The higher effective tax rate compared with the average tax rate can mainly be attributed to carry-forward tax losses not being fully utilised.

Cash flow

Cash flow from operating activities improved to SEK -40 m (-79) in the first quarter.

Operating profit for the period amounted to SEK 78 m (68) and cash flow from operating activities before the change in working capital improved to SEK 83 m (53). The change in working capital also positively impacted the comparison with the previous year and amounted to SEK -123 m (-132). The development in working capital is mainly due to a strong cash flow from operating liabilities, while other items are in line with the previous year.

Financing activities for the quarter resulted in a cash flow of SEK 86 m (40).

Cash flow from investing activities is explained under the headings Investments and Business combinations below.

Investments

Investments in intangible assets and tangible fixed assets for the quarter amounted to SEK 31 m (21), of which SEK 8 m (4) refers to investments in intangible assets related to IT projects. The higher level of investment in tangible fixed assets for the quarter is mainly related to investments in machinery in production facilities. Disposals amounted to SEK 0 m (1). Net cash flow from investing activities amounted to SEK -31 m (-20), excluding acquisitions and divestments of subsidiaries.

Business combinations

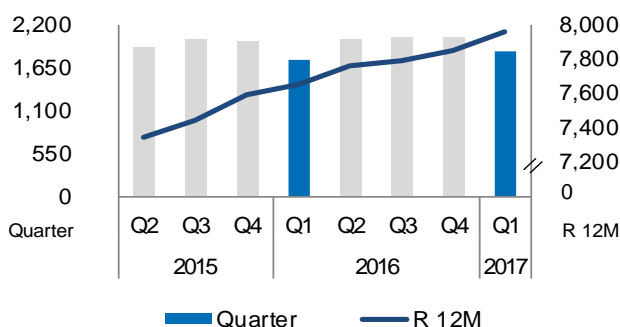
No acquisitions or divestments were made in the current or previous year.

Financial position

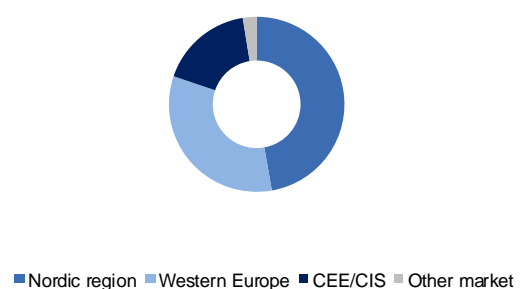
Net debt amounted to SEK 1,459 m (1,760) on 31 March 2017. Currency effects reduced net debt by SEK -6 m (6). The equity/asset ratio amounted to 51 percent (49) and the net debt/equity ratio amounted to 0.4 (0.5). Financial items for the quarter amounted to SEK -8 m (-10). The reduction is primarily due to lower net debt.

The current credit limits of SEK 1,600 m with Nordea/SEB and SEK 500 m with Svensk Exportkredit run until the first quarter of 2019. The agreements contain covenants, which are monitored quarterly. Lindab fulfils all the terms of these credit agreements.

NET SALES, SEK m



BREAKDOWN OF NET SALES BY REGION, LAST 12 MONTHS



Pledged assets and contingent liabilities

There have not been any significant changes to pledged assets and contingent liabilities in 2017.

Parent company

Net sales for the quarter amounted to SEK 1 m (1). The loss for the period amounted to SEK -6 m (-6).

Significant risks and uncertainties

There have been no significant changes to what was stated by Lindab in its Annual Report for 2016 under Risks and Risk Management (pages 62-64).

Employees

The number of employees, calculated as full-time equivalent employees, amounted to 5,143 (5,100) at the end of the quarter which can primarily be attributed to higher volumes in Products & Solutions.

The Lindab Share

The highest price paid for Lindab shares during the period January-March was SEK 78.25 on 17 February, and the lowest was SEK 70.55 on 9 January. The closing price on 31 March was SEK 76.10. The average daily trading volume of the Lindab share was 132,784 shares per day (170,512).

Lindab holds 2,375,838 (2,375,838) treasury shares, equivalent to 3.0 percent (3.0) of the total number of Lindab shares. The number of outstanding shares totals 76,331,982 (76,331,982), while the total number of shares is 78,707,820 (78,707,820).

The largest shareholders at the end of the quarter in relation to the number of outstanding shares were Lannebo Fonder with 10.4 percent (8.1), Creades AB with 10.3 percent (10.3), Fjärde AP-fonden with 8.0 percent (8.0), Handelsbanken Fonder with 6.5 percent (6.6) and Skandia with 5.3 percent (5.5). The ten largest holdings constitute 58.0 percent (54.5) of the shares, excluding Lindab's own holding.

Annual General Meeting

The Board has decided that the Annual General Meeting will be held on 9 May 2017. Notice to attend the meeting has been sent out in due order.

Proposed dividend to shareholders

Lindab's Board of Directors proposes that the Annual General Meeting on 9 May 2017 approve a dividend of SEK 1.40 per share, which is in line with the company's dividend policy and provides a dividend payout totalling SEK 107 m. It is proposed that the record date for the right to a dividend payout be 11 May 2017, with the dividends expected to be paid to shareholders on 16 May.

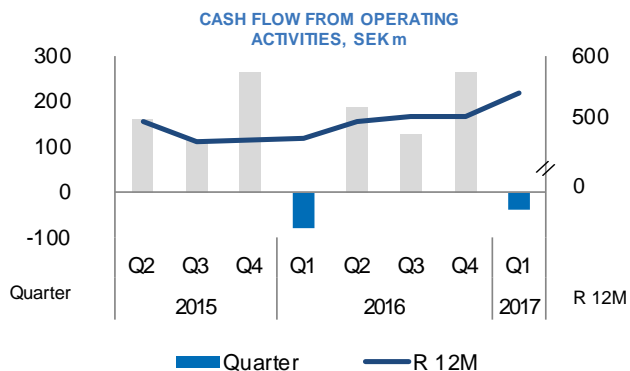
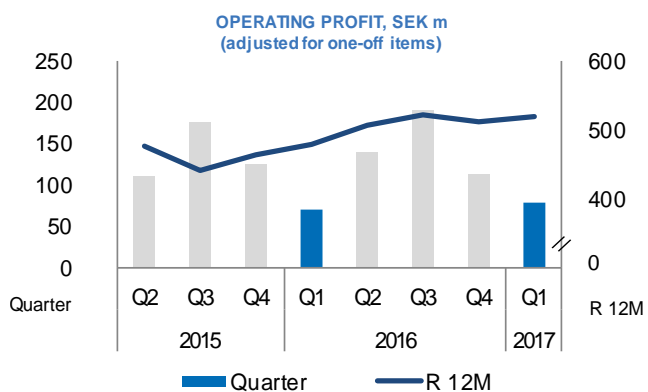
Events after the reporting period

To further strengthen the execution capabilities, Lindab now creates the function Energy and Climate Solutions to manage the expansion of Lindab's overall product and solution development with sales and marketing as well as driving the development of the "digital value chain". To lead the newly established function of Lindab's Energy and Climate Solutions, Lindab has recruited Olof Christensson. In this capacity Olof Christensson will be part of Lindab's Executive Management Team. Simultaneously, additional focus will be addressed to the long term development of Lindab's products and solutions with a responsibility to strengthen Lindab's R&D capacities to be fit for the future. The organisation will be operational as soon as possible and fully effective in early autumn this year.

General information

Unless otherwise specified in this interim report, all statements refer to the Group. Figures in parentheses indicate the result for the corresponding period of the previous year. Unless otherwise stated, amounts are in SEK m.

This is a translation of the Swedish original report. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.



Segments

Products & Solutions

- Net sales during the first quarter amounted to SEK 1,695 m (1,529), an increase of 11 percent. Organic growth increased by 10 percent.
- Operating margin for the first quarter, excluding one-off items, increased to 6.9 percent (5.0).

Sales and markets

Net sales for Products & Solutions increased by 11 percent to SEK 1,695 m (1,529) during the first quarter. Organic growth was 10 percent, and currency effects impacted sales positively by 1 percent. All regions recorded sales growth, and for the fourteenth consecutive quarter the segment as a whole reported positive organic growth.

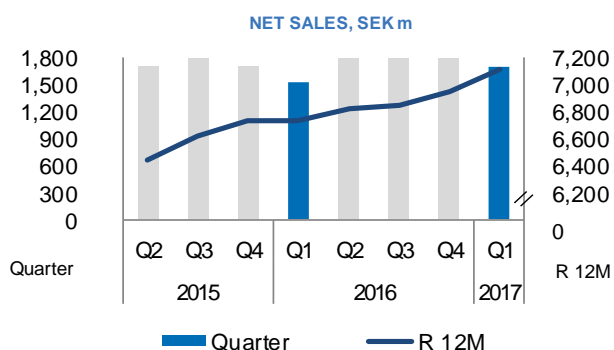
Sales continued to develop very well in the Nordic region with organic growth in all markets. Growth was particularly strong in Norway and Denmark. Sweden, the segment's largest market, also continued to show good growth.

Organic growth increased in most markets in Western Europe, with the highest growth being recorded in Ireland and France. The UK, the region's largest market, also demonstrated good growth, while sales to Germany was in line with the previous year.

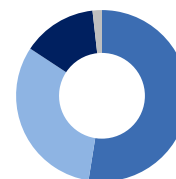
Sales in CEE/CIS increased slightly during the quarter, with organic growth in the region's four largest markets, Poland, Hungary, the Czech Republic and Romania.

For the segment as a whole the good sales trend in ventilation continued, with strong growth in the two largest product areas Ventilation Products and Indoor Climate Solutions. However, sales fell slightly within Fire & Smoke.

Both Rainwater & Building Products and the more project-based product area Building Solutions reported positive organic growth which also had a positive impact on the quarter.



BREAKDOWN OF NET SALES BY REGION, LAST 12 MONTHS



■ Nordic region ■ Western Europe ■ CEE/CIS ■ Other market

Profit

Products & Solutions' operating profit for the first quarter increased by 54 percent to SEK 117 m (76), excluding one-off items. The operating margin increased to 6.9 percent (5.0).

Both operating profit and operating margin were the highest for a first quarter since the economic boom in 2008. The improved operating profit is attributable to increased sales volumes.

Activities - Products & Solutions

During the quarter, Lindab attended the leading ventilation, construction and energy technology trade fair, ISH in Frankfurt, Germany, which had more than 200,000 visitors. Lindab's exhibition was very well received and featured a complete concept where a complete ventilation system was in operation with everything from units, fire safety and measurement technology to sealed ducts and diffusers, was demonstrated. The entire system was controlled via Lindab Connect, a new cloud-based and user-friendly solution for optimising ventilation in buildings.

During the quarter, a large order for Finland worth SEK 8 m was concluded where Lindab is to deliver air ducts and indoor climate and fire safety solutions for a large office complex.

Building Systems

- Net sales during the first quarter amounted to SEK 163 m (223), a reduction of 27 percent. Organically, sales declined by 33 percent.
- Operating margin for the first quarter, excluding one-off items, amounted to -16.0 percent (0.9).

Sales and markets

Net sales for Building Systems fell by 27 percent to SEK 163 m (223) during the first quarter. Organically, sales declined by 33 percent.

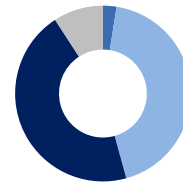
The lower sales during the quarter can partially be attributed to particularly large projects, delivered mainly to Africa but also Italy, in the prior year. Sales were also negatively affected by the fact that the average delivery time for orders at the start of the period was longer than in the previous year.

Sales to CEE fell, while the market environment in Russia improved slightly, with increased sales and order intake, although from low levels.

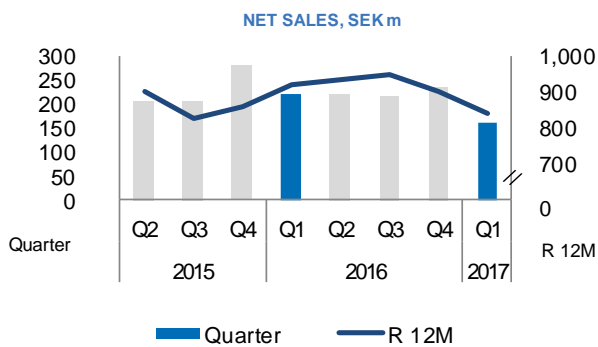
In Western Europe, sales fell mainly due to large deliveries to Italy the previous year, but also due to lower sales to Germany, the segment's largest market.

The order intake during the quarter was in line with the previous year, and the total order volume at the end of the period was higher than in the corresponding period of the previous year. Average delivery time for orders at the end of the period was longer than the previous year.

BREAKDOWN OF NET SALES BY REGION, LAST 12 MONTHS



■ Nordic Region ■ Western Europe ■ CEE/CIS ■ Other Markets



Profit

Operating profit for Building Systems, excluding one-off items, amounted to SEK -26 m (2) during the quarter, and the operating margin, excluding one-off items, amounted to -16.0 percent (0.9).

The weak performance is mainly due to low delivery volumes, but also higher steel prices putting pressure on the margin.

Activities - Building Systems

The review of the business continued during the quarter, particularly relating to project management and tendering, as well as the pricing model.

During the quarter, Building Systems concluded agreements on five major orders, each worth more than SEK 10 m; a parking complex for Germany, a production facility for Lithuania, a commercial building for Mongolia, a warehouse for Russia and a warehouse for Poland.

NET SALES AND GROWTH

<i>SEK m</i>	2017		2016		2016	
	Jan-Mar		Jan-Mar		Jan-Dec	
Net sales	1,858		1,752		7,849	
Change	106		58		260	
Change, %	6		3		3	
Of which						
Organic, %	4		5		4	
Acquisitions/divestments, %	-		0		0	
Currency effects, %	2		-2		-1	

NET SALES PER REGION

<i>SEK m</i>	2017		2016		2016	
	Jan-Mar	%	Jan-Mar	%	Jan-Dec	%
Nordic region	888	48	785	45	3,654	47
Western Europe	638	34	615	35	2,600	33
CEE/CIS	281	15	261	15	1,352	17
Other markets	51	3	91	5	243	3
Total	1,858	100	1,752	100	7,849	100

NET SALES PER SEGMENT

<i>SEK m</i>	2017		2016		2016	
	Jan-Mar	%	Jan-Mar	%	Jan-Dec	%
Products & Solutions	1,695	91	1,529	87	6,949	89
Building Systems	163	9	223	13	900	11
Other operations	-	-	-	-	-	-
Total	1,858	100	1,752	100	7,849	100
Gross internal sales all segments	0		0		3	

OPERATING PROFIT, OPERATING MARGIN AND EARNINGS BEFORE TAX

<i>SEK m</i>	2017		2016		2016	
	Jan-Mar	%	Jan-Mar	%	Jan-Dec	%
Products & Solutions	117	6.9	76	5.0	565	8.1
Building Systems	-26	-16.0	2	0.9	-12	-1.3
Other operations	-12	-	-8	-	-42	-
Operating profit, excluding one-off items	79	4.3	70	4.0	511	6.5
One-off items*	-1	-	-2	-	-28	-
Operating profit, including one-off items*	78	4.2	68	3.9	483	6.2
Net financial income	-8	-	-10	-	-38	-
Earnings before tax	70	-	58	-	445	-

*) One-off items are described in Reconciliations.

NUMBER OF EMPLOYEES

	2017		2016		2016	
	Jan-Mar		Jan-Mar		Jan-Dec	
Products & Solutions	4,395		4,355		4,392	
Building Systems	683		688		688	
Other operations	65		57		56	
Total	5,143		5,100		5,136	

Consolidated income statement

<i>SEK m</i>	2017 Jan-Mar	2016 Jan-Mar	Rolling 12 M 2016 Apr- 2017 Mar	Rolling 12 M 2015 Apr- 2016 Mar	2016 Jan-Dec
Net sales	1,858	1,752	7,955	7,647	7,849
Cost of goods sold	-1,361	-1,279	-5,792	-5,559	-5,710
Gross profit	497	473	2,163	2,088	2,139
Other operating income	14	11	75	96	72
Selling expenses	-267	-258	-1,070	-1,026	-1,061
Administrative expenses	-133	-127	-522	-522	-516
R & D expenses	-18	-15	-68	-60	-65
Other operating expenses	-15	-16	-85	-93	-86
Total operating expenses	-419	-405	-1,670	-1,605	-1,656
Operating profit*	78	68	493	483	483
Interest income	3	2	12	14	11
Interest expenses	-10	-11	-42	-48	-43
Other financial income and expenses	-1	-1	-6	-1	-6
Financial items	-8	-10	-36	-35	-38
Earnings before tax	70	58	457	448	445
Tax on profit for the period	-28	-26	-141	-138	-139
Profit for the period	42	32	316	310	306
–attributable to the parent company's shareholders	42	32	316	310	306
–attributable to non-controlling interest	0	0	0	0	0
Earnings per share, SEK**	0.55	0.42	4.15	4.06	4.02

*) One-off items, which are included in operating profit, are described in Reconciliations.

**) Based on the number of outstanding shares, i.e excluding treasury shares.

Consolidated statement of comprehensive income

<i>SEK m</i>	2017 Jan-Mar	2016 Jan-Mar	Rolling 12 M 2016 Apr- 2017 Mar	Rolling 12 M 2015 Apr- 2016 Mar	2016 Jan-Dec
Profit for the period	42	32	316	310	306
Items that will not be reclassified to the income statement					
Actuarial gains/losses, defined benefit plans	-	-	-27	23	-27
Deferred tax attributable to defined benefit plans	-	-	6	-6	6
Sum	-	-	-21	17	-21
Items that can later be reclassified to the income statement					
Translation differences, foreign operations	28	22	199	-163	193
Hedging of net investments	2	-11	-44	15	-57
Tax attributable to hedging of net investments	-1	2	9	-4	12
Sum	29	13	164	-152	148
Other comprehensive income, net of tax	29	13	143	-135	127
Total comprehensive income	71	45	459	175	433
–attributable to the parent company's shareholders	71	45	459	175	433
–attributable to non-controlling interest	0	0	0	0	0

Consolidated statement of cash flow

<i>SEK m</i>	2017 Jan-Mar	2016 Jan-Mar	Rolling 12 M 2016 Apr- 2017 Mar	Rolling 12 M 2015 Apr- 2016 Mar	2016 Jan-Dec
OPERATING ACTIVITIES					
Operating profit	78	68	493	483	483
Reversal of depreciation/amortisation	41	42	173	169	174
Reversal of capital gains (-) / losses (+) reported in operating profit	0	0	-14	-5	-14
Provisions, not affecting cash flow	-1	-11	-14	-14	-24
Adjustment for other items not affecting cash flow	2	-8	5	-27	-5
Total	120	91	643	606	614
Interest received	3	2	12	12	11
Interest paid	-9	-11	-39	-46	-41
Tax paid	-31	-29	-112	-105	-110
Cash flow before change in working capital	83	53	504	467	474
Change in working capital					
Stock (increase - /decrease +)	-63	-58	-82	88	-77
Operating receivables (increase - /decrease +)	-92	-95	-33	-10	-36
Operating liabilities (increase + /decrease -)	32	21	149	-81	138
<i>Total change in working capital</i>	-123	-132	34	-3	25
Cash flow from operating activities	-40	-79	538	464	499
INVESTING ACTIVITIES					
Acquisition of Group companies	-	-	-	-115	-
Divestment of Group companies	-	-	-	88	-
Investments in intangible assets	-8	-4	-25	-21	-21
Investments in tangible fixed assets	-23	-17	-110	-115	-104
Change in financial fixed assets	0	0	0	3	0
Disposal of intangible assets	0	0	0	-4	0
Disposal of tangible fixed assets	0	1	32	30	33
Cash flow from investing activities	-31	-20	-103	-134	-92
FINANCING ACTIVITIES					
Proceeds from borrowings	86	40	86	-169	40
Repayment of borrowings	-	-	-235	-91	-235
Shares for allocation, incentive programme	-	-	-	-2	-
Dividends to shareholders	-	-	-95	-84	-95
Cash flow from financing activities	86	40	-244	-346	-290
Cash flow for the period	15	-59	191	-16	117
Cash and cash equivalents at start of the period	418	285	230	257	285
Effect of exchange rate changes on cash and cash equivalents	4	4	16	-11	16
Cash and cash equivalents at end of the period	437	230	437	230	418

Consolidated statement of financial position

SEK m	31 Mar 2017	31 Mar 2016	31 Dec 2016
ASSETS			
Non-current assets			
Goodwill	2,966	2,903	2,963
Other intangible assets	122	119	123
Tangible fixed assets	1,301	1,299	1,299
Financial interest-bearing fixed assets	45	47	45
Other financial fixed assets	74	106	75
Total non-current assets	4,508	4,474	4,505
Current assets			
Stock	1,226	1,107	1,159
Accounts receivable	1,326	1,258	1,250
Other current assets	175	176	159
Other interest-bearing receivables	20	2	12
Cash and cash equivalents	437	230	418
Total current assets	3,184	2,773	2,998
TOTAL ASSETS	7,692	7,247	7,503
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity attributable to parent company shareholders	3,919	3,554	3,848
Non-controlling interests	1	2	1
Total shareholders' equity	3,920	3,556	3,849
Non-current liabilities			
Interest-bearing provisions for pensions and similar obligations	211	190	211
Liabilities to credit institutions	1,625	1,722	1,625
Provisions	109	131	112
Other non-current liabilities	3	5	4
Total non-current liabilities	1,948	2,048	1,952
Current liabilities			
Other interest-bearing liabilities	125	127	35
Provisions	15	23	17
Accounts payable	856	794	837
Other current liabilities	828	699	813
Total current liabilities	1,824	1,643	1,702
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	7,692	7,247	7,503

Financial instruments

SEK m	31 Mar 2017		31 Mar 2016		31 Dec 2016	
	Total carrying amount	Fair value	Total carrying amount	Fair value	Total carrying amount	Fair value
Disclosures regarding the fair value by class						
Financial assets						
Derivative receivables	19	19	1	1	11	11
Financial liabilities						
Liabilities to credit institutions	1,590	1,592	1,687	1,692	1,591	1,594
Derivative liabilities	1	1	7	7	2	2

Description of fair value

Derivatives relate to forward exchange contracts which are valued at fair value by discounting the difference between the contracted forward rate and the rate that can be subscribed for on the balance sheet date for the remaining contract term. The fair value of interest-bearing liabilities is provided for the purposes of disclosure and is calculated by discounting the future cash flows of principals and interest payments, discounted at current market interest rates.

The derivative assets, derivative liabilities and interest-bearing liabilities that exist can all be found at Level 2 in the valuation hierarchy.

For other financial assets and liabilities, the carrying amount is deemed to be a reasonable approximation of fair value. Group holdings of unlisted shares the fair value of which cannot be calculated reliably are recognised at acquisition cost. The carrying amount is SEK 1 m (1).

Consolidated statement of changes in equity

<i>SEK m</i>	Parent company shareholders	Non- controlling interest	Total shareholders' Equity
Opening balance, 1 January 2016	3,509	2	3,511
Profit for the period	32	0	32
Other comprehensive income, net of tax	13	0	13
Closing balance, 31 March 2016	3,554	2	3,556
Profit for the period	274	0	274
Other comprehensive income, net of tax	115	-1	114
Dividends to shareholders	-95	-	-95
Closing balance, 31 December 2016	3,848	1	3,849
Opening balance, 1 January 2017	3,848	1	3,849
Profit for the period	42	0	42
Other comprehensive income, net of tax	29	0	29
Closing balance, 31 March 2017	3,919	1	3,920

Share capital

The share capital of SEK 78,707,820 is divided among 78,707,820 shares with a face value of SEK 1.00. Lindab International AB (publ) holds 2,375,838 (2,375,838) treasury shares, corresponding to 3.0 percent (3.0) of the total number of Lindab shares.

Proposed appropriation of profits

Lindab's Board of Directors proposes that the Annual General Meeting on 9 May 2017 approve a dividend of SEK 1.40 per share and that the remaining retained earnings be carried forward.

Parent company

Income statement

<i>SEK m</i>	2017	2016	2016
	Jan-Mar	Jan-Mar	Jan-Dec
Net sales	1	1	4
Administrative expenses	-1	-1	-4
Other operating income/costs	0	0	0
Operating profit	0	0	0
Profit from subsidiaries	-	-	34
Interest expenses, internal	-8	-8	-33
Earnings before tax	-8	-8	1
Tax on profit for the period	2	2	0
Profit/Loss for the period*	-6	-6	1

*) Comprehensive income corresponds to profit for all periods.

Balance sheet

<i>SEK m</i>	31 Mar 2017	31 Mar 2016	31 Dec 2016
ASSETS			
Fixed assets			
<i>Financial fixed assets</i>			
Shares in Group companies	3,467	3,467	3,467
Financial interest-bearing fixed assets	6	7	6
Deferred tax assets	2	2	2
Total fixed assets	3,475	3,476	3,475
Current assets			
Receivables from Group companies	0	0	34
Current tax assets	2	2	0
Cash and cash equivalents	0	0	0
Total current assets	2	2	34
TOTAL ASSETS	3,477	3,478	3,509
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
<i>Restricted shareholders' equity</i>			
Share capital	79	79	79
Statutory reserve	708	708	708
<i>Non-restricted shareholders' equity</i>			
Share premium reserve	90	90	90
Profit brought forward	330	424	329
Profit/Loss for the period*	-6	-6	1
Total shareholders' equity	1,201	1,295	1,207
Provisions			
Interest-bearing provisions	6	7	6
Total provisions	6	7	6
Non-current liabilities			
Interest-bearing liabilities to Group companies	2,206	2,174	2,198
Total non-current liabilities	2,206	2,174	2,198
Current liabilities			
<i>Non-interest-bearing liabilities</i>			
Liabilities to Group companies	62	0	96
Accrued expenses and deferred income	2	2	2
<i>Total non-interest-bearing liabilities</i>	64	2	98
Total current liabilities	64	2	98
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3,477	3,478	3,509

*) Comprehensive income corresponds to profit for all periods.

Key performance indicators

SEK m	2017		2016			2015			
	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Net sales	1,858	2,039	2,042	2,016	1,752	1,980	2,008	1,907	1,694
Growth, %	6	3	2	6	3	8	5	9	12
of which organic	4	1	4	8	5	3	-1	3	5
of which acquisitions/divestments	0	0	-1	1	0	5	5	3	3
of which currency effects	2	2	-1	-3	-2	0	1	3	4
Operating profit before depreciation and amortisation	119	155	211	181	110	143	248	151	95
Operating profit	78	112	165	138	68	100	205	110	54
Operating profit, excluding one-off items	79	112	190	139	70	124	175	110	54
Earnings before tax	70	102	157	128	58	91	196	103	41
Profit for the period	42	79	109	86	32	63	146	68	27
Operating margin, %	4.2	5.5	8.1	6.8	3.9	5.1	10.2	5.8	3.2
Operating margin, excluding one-off items, %	4.2	5.5	9.3	6.9	4.0	6.3	8.7	5.8	3.2
Profit margin, %	3.8	5.0	7.7	6.4	3.3	4.6	9.8	5.4	2.4
Cash flow from operating activities	-40	265	126	187	-79	266	117	160	-83
Cash flow from operating activities per share, SEK	-0.52	3.47	1.65	2.45	-1.03	3.48	1.53	2.10	-1.09
Investments intangible assets and tangible fixed assets	31	39	32	33	21	45	44	27	36
Number of shares outstanding, thousands	76,332	76,332	76,332	76,332	76,332	76,332	76,332	76,332	76,332
Average number of shares outstanding, thousands	76,332	76,332	76,332	76,332	76,332	76,332	76,332	76,332	76,332
Earnings per share, SEK	0.55	1.04	1.43	1.13	0.42	0.82	1.91	0.89	0.35
Shareholders' equity attributable to parent company shareholders	3,919	3,848	3,768	3,593	3,554	3,509	3,537	3,397	3,442
Shareholders' equity attributable to non-controlling interests	1	1	1	2	2	2	2	-	-
Shareholders' equity per share, SEK	51.34	50.41	49.37	47.08	46.56	45.98	46.34	44.50	45.09
Net debt	1,459	1,396	1,647	1,716	1,760	1,657	1,922	1,957	1,999
Net debt/equity ratio, times	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.6	0.6
Equity/asset ratio, %	51.0	51.3	48.1	48.3	49.1	49.1	45.7	45.4	46.1
Return on equity, %	8.5	8.4	8.1	9.3	8.9	8.8	8.3	8.5	9.1
Return on capital employed, %	8.8	8.8	8.6	9.3	8.8	8.6	8.2	8.3	8.6
Interest coverage ratio, times	8.3	10.6	16.2	13.0	6.2	9.2	14.6	9.9	4.3
Net debt/EBITDA, excluding one-off items	2.4	2.5	2.5	2.7	2.9	3.1	3.2	3.1	3.0
Number of employees	5,143	5,136	5,216	5,140	5,100	5,066	5,109	4,866	4,769

SEK m	2016		2015		2014	
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
Net sales	7,849	7,589	7,003			
Growth, %	3	8	7			
of which organic	4	2	5			
of which acquisitions/divestments	0	4	0			
of which currency effects	-1	2	2			
Operating profit before depreciation and amortisation	657	637	625			
Operating profit	483	469	467			
Operating profit, excluding one-off items	511	463	497			
Earnings before tax	445	431	386			
Profit for the period	306	305	283			
Operating margin, %	6.2	6.2	6.7			
Operating margin, excluding one-off items, %	6.5	6.1	7.1			
Profit margin, %	5.7	5.7	5.5			
Cash flow from operating activities	499	460	278			
Cash flow from operating activities per share, SEK	6.54	6.03	3.64			
Investments intangible assets and tangible fixed assets	125	151	273			
Number of shares outstanding, thousands	76,332	76,332	76,332			
Average number of shares outstanding, thousands	76,332	76,332	76,332			
Earnings per share, SEK	4.02	3.99	3.71			
Shareholders' equity attributable to parent company shareholders	3,848	3,509	3,344			
Shareholders' equity attributable to non-controlling interests	1	2	-			
Shareholders' equity per share, SEK	50.41	45.98	43.81			
Net debt	1,396	1,657	1,746			
Net debt/equity ratio, times	0.4	0.5	0.5			
Equity/asset ratio, %	51.3	49.1	48.0			
Return on equity, %	8.4	8.8	9.0			
Return on capital employed, %	8.8	8.6	8.9			
Interest coverage ratio, times	11.4	9.7	5.9			
Net debt/EBITDA, excluding one-off items	2.5	3.1	2.9			
Number of employees	5,136	5,066	4,536			

NOTE 1 ACCOUNTING POLICIES

The consolidated accounts for the interim report, like the annual accounts for 2016, have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board RFR 1, Supplementary Accounting Rules for Groups.

This interim report has been prepared in accordance with IAS 34. The Group has applied the same accounting policies as described in the Annual Report for 2016.

None of the new or amended standards, interpretations and improvements adopted by the EU have had any significant effect on the Group.

The parent company's financial statements are prepared in accordance with the Annual Accounts Act and RFR 2, Accounting for legal entities, and according to the same accounting policies as were applied to the Annual Report for 2016.

Information reported in accordance with IAS 34 Interim Financial Reporting is provided in the notes and elsewhere in the interim report.

NOTE 2 EFFECTS OF CHANGES IN ACCOUNTING ESTIMATES AND JUDGEMENTS

Significant estimates and judgements are described in Note 4 of the Annual Report for 2016.

No changes have been made to these estimates or judgements which could have a material impact on the interim report.

NOTE 3 OPERATING SEGMENTS

The Group's segments comprise Products & Solutions and Building Systems. The basis for the division into segments is the different customer offerings provided by each segment. Products & Solutions' business is based on a geographically distributed

sales organisation supported by six product and system areas with central production and purchasing functions. The Building Systems segment consists of a separately integrated project organisation. The Other segment comprises parent company functions.

Information about revenues from external customers and operating profit by operating segment, excluding one-off items, is shown in the tables on page 6.

Revenues from other segments contribute only small amounts and a breakdown of this sum by segment is therefore deemed irrelevant.

Inter-segment transfer pricing is determined on an arms-length basis, i.e. between parties that are independent of one another, are well informed and have an interest in the implementation of the transaction. Assets and investments are reported wherever the asset is located.

Assets and liabilities per segment that have changed by more than 10 percent compared with the end of 2016 are shown below:

- Products & Solutions: Other liabilities have decreased by 16 percent.
- Building Systems: Stock has increased by 11 percent, Other assets have decreased by 14 percent, and Other liabilities have increased by 11 percent.

NOTE 4 TRANSACTIONS WITH RELATED PARTIES

Lindab's related parties and the extent of transactions with its related parties are described in Note 29 of the Annual Report for 2016. During the year, there have been no transactions between Lindab and related parties which have had a significant impact on the company's position and profit.

This interim report for Lindab International AB (publ) has been submitted following approval by the Board of Directors.

Båstad, 9 May 2017

Anders Berg
President and CEO

This report has not been subject to examination by Lindab's auditors

Reconciliations, key performance indicators not defined according to IFRS

The company presents certain financial measures in the interim report which are not defined according to IFRS. The company considers these measures to provide valuable supplementary information for investors and the company's management as they enable the assessment of relevant trends. Lindab's definitions of these measures may differ from other companies' definitions of the same terms. These financial measures should therefore be seen as a supplement rather than as a replacement for measures defined according to IFRS. Definitions of measures which are not defined according to IFRS and which are not mentioned elsewhere in the interim report are presented below. Reconciliation of these measures is shown in the tables below. As the amounts in the tables below have been rounded off to SEK m, the calculations do not always add up due to round-off.

Reconciliations

Amounts in SEK m unless otherwise indicated.

	2017	2016	2016
	Jan-Mar	Jan-Mar	Jan-Dec
Interest coverage ratio, times			
Earnings before tax	70	58	445
Interest expenses	10	11	43
Total	80	69	488
Interest expenses	10	11	43
Interest coverage ratio, times	8.3	6.2	11.4

	31 Mar 2017	31 Mar 2016	31 Dec 2016
Net debt			
Non-current interest-bearing provisions for pensions and similar obligations	211	190	211
Non-current liabilities to credit institutions	1,625	1,722	1,625
Current other interest-bearing liabilities	125	127	35
Total liabilities	1,961	2,039	1,871
Financial interest-bearing fixed assets	45	47	45
Other interest-bearing receivables	20	2	12
Cash and cash equivalents	437	230	418
Total assets	502	279	475
Net debt	1,459	1,760	1,396

	2017	2016	2016
	Jan-Mar	Jan-Mar	Jan-Dec
Net debt/EBITDA			
Average net debt	1,626	1,904	1,695
Operating profit excluding one-off items, rolling twelve months	520	479	511
Depreciation/amortisation and impairment losses, rolling twelve months	170	169	174
EBITDA	690	648	685
Net debt/EBITDA, times	2.4	2.9	2.5

	2017	2016	2016
	Jan-Mar	Jan-Mar	Jan-Dec
One-off items			
Operating profit including one-off items	78	68	483
Products & Solutions	-	-	-24
Building Systems	-	-	-
Other operations	-1	-2	-4
Operating profit excluding one-off items	79	70	511

Operating profit has been adjusted by the following one-off items per quarter:

1/2017 SEK -1 m relating to governance projects.

1/2016 SEK -2 m relating to governance projects.

2/2016 SEK -1 m relating to governance projects.

3/2016 SEK -25 m relating to cost-reduction initiatives and governance projects.

4/2016 SEK 0 m. The quarter has not been affected by one-off items.

	2017	2016	2016
	Jan-Mar	Jan-Mar	Jan-Dec
Operating profit before depreciation/amortisation - EBITDA			
Operating profit	78	68	483
Depreciation/amortisation and impairment losses	41	42	174
Operating profit before depreciation/amortisation - EBITDA	119	110	657

	2017	2016	2016
	Jan-Mar	Jan-Mar	Jan-Dec
Organic growth			
Change Net sales	106	58	260
Of which			
Organic	73	81	322
Acquisitions/divestments	-	8	8
Currency effects	33	-31	-70

Return on capital employed	31 Mar 2017	31 Mar 2016	31 Dec 2016
Total assets	7,692	7,247	7,503
Provisions	109	131	112
Other non-current liabilities	3	5	4
Total non-current liabilities	112	136	116
Provisions	15	23	17
Accounts payable	856	794	837
Other current liabilities	828	699	813
Total current liabilities	1,699	1,516	1,667
Capital employed	5,881	5,595	5,720
Earnings before tax, rolling twelve months	457	448	445
Financial expenses, rolling twelve months	47	52	49
Total	504	500	494
Average capital employed	5,717	5,685	5,642
Return on capital employed, %	8.8	8.8	8.8

Return on shareholders' equity	31 Mar 2017	31 Mar 2016	31 Dec 2016
Profit for the period, rolling twelve months	316	310	306
Average shareholders' equity	3,737	3,488	3,655
Return on shareholders' equity, %	8.5	8.9	8.4

Definitions

Key performance indicator according to IFRS

Earnings per share, SEK

Profit for the period attributable to parent company shareholders to average number of shares outstanding.

Key performance indicators not defined according to IFRS

Cash flow from operating activities per share, SEK

Cash flow from operating activities to number of shares at the end of the period.

Equity/asset ratio

Shareholders' equity including non-controlling interests, expressed as a percentage of total assets.

Interest coverage ratio, times

Earnings before tax plus interest expenses to interest expenses.

Investments in intangible assets and tangible fixed assets

Investments excluding acquisitions and divestments of companies.

Net debt

Interest-bearing provisions and liabilities less interest-bearing assets and cash and cash equivalents.

Net debt/EBITDA

Average net debt in relation to EBITDA, excluding one-off items, based on a rolling twelve-month calculation.

Net debt/equity ratio

Net debt to shareholders' equity including non-controlling interests.

One-off items

Items not included in the regular business transactions and each amount is significant in size and therefore has an effect on the profit or loss and key ratios are classified as one-off items.

Operating margin

Operating profit expressed as a percentage of net sales.

Operating margin, excluding one-off items

Operating profit, excluding one-off items, expressed as a percentage of net sales.

Operating profit

Profit before financial items and tax.

Operating profit before depreciation/amortisation - EBITDA

Operating profit before planned depreciation/amortisation.

Operating profit, excluding one-off items

Profit before financial items and tax adjusted for one-off items.

Organic growth

Change in sales adjusted for currency effects as well as acquisitions and divestments compared with the same period of the previous year.

Profit margin

Earnings before tax expressed as a percentage of net sales.

Return on capital employed

Earnings before tax after adding back financial expenses based on a rolling twelve-month calculation, expressed as a percentage of average capital employed*. Capital employed refers to total assets less non-interest-bearing provisions and liabilities.

Return on shareholders' equity

Profit for the period attributable to parent company shareholders based on a rolling twelve-month calculation, expressed as a percentage of average shareholders' equity* attributable to parent company shareholders.

Shareholders' equity per share, SEK

Shareholders' equity attributable to parent company shareholders to number of shares outstanding at the end of the period.

*) Average capital is based on the quarterly value.

Financial calendar

Annual General Meeting	9 May 2017
Interim Report January-June	20 July 2017
Interim Report January-September	26 October 2017
Year-End report	8 February 2018

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Lindab in brief

The Group had sales of SEK 7,849 m in 2016 and is established in 32 countries with approximately 5,100 employees.

The main market is non-residential construction, which accounts for 80 percent of sales, while residential construction accounts for 20 percent of sales. During 2016, the Nordic market accounted for 47 percent, Western Europe for 33 percent, CEE/CIS (Central and Eastern Europe plus other former Soviet states) for 17 percent and Other markets for 3 percent of total sales.

The share is listed on the Nasdaq OMX Nordic Exchange, Stockholm List, Mid Cap, under the ticker symbol LIAB.

Business concept

Lindab develops, manufactures, markets and distributes products and system solutions for simplified construction and improved indoor climate.

Business model

Lindab's product and solution offering includes products and entire systems for ventilation, cooling and heating, as well as construction products and building solutions such as steel rainwater systems, roofing and wall cladding, steel profiles for wall, roof and beam constructions and large span buildings. Lindab also offers complete, pre-engineered steel construction

systems under the Astron brand. These are complete building solutions comprising the outer shell with the main structure, wall, roof and accessories.

Lindab's products are characterised by high quality, ease of assembly, energy efficiency and environmentally friendly design and are delivered with high levels of service. Altogether, this provides greater customer value.

Lindab's value chain is characterised by a good balance between centralised and decentralised functions. The distribution has been developed in order to be close to the customer. Sales are made through around 140 Lindab branches and just under 3,000 retailers, with the exception of Building Systems, which conducts sales through a network of nearly 300 building contractors.

The information provided here represents information that Lindab International AB (publ) is obliged to make public under the EU's market abuse regulation. This information was made public by the above-mentioned contacts on 9 May 2017 at 13.00 (CET).

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