

STOCKHOLM--([BUSINESS WIRE](#))--Regulatory News:

Nobia AB (STO:NOBI):

Net sales for the third quarter amounted to SEK 2,798 million (2,863). Organic growth totalled 2 per cent (neg: 5). No restructuring costs (26) impacted operating profit for the quarter. Operating profit excluding restructuring costs amounted to SEK 180 million (142), corresponding to an operating margin of 6.4 per cent (5.0). Profit after tax and including restructuring costs totalled SEK 90 million (62), corresponding to earnings per share of SEK 0.55 (0.37). Operating cash flow amounted to SEK 207 million (123).

In total, activity on Nobia's markets remained low during the third quarter. The UK market continued to grow, but from a low level. The Nordic market is estimated to have remained unchanged, while the Continental Europe market weakened.

Organic sales grew by 2 per cent (neg: 5). Currency effects impacted net sales negatively for the quarter in an amount of SEK 34 million (neg: 105). Optifit, which was divested during the second quarter 2013, reported external sales of SEK 74 million in the third quarter 2012.

The gross margin improved to 40.7 per cent (40.1), positively impacted by higher sales values, which more than compensated for negative currency effects.

Operating profit increased primarily due to the strengthened gross margin but also as a result of cost savings.

Currency effects of approximately negative SEK 25 million (pos:10) affected operating profit excluding restructuring costs, of which negative SEK 5 million (neg: 5) comprised translation effects and negative SEK 20 million (pos: 15) transaction effects.

Return on capital employed including restructuring costs amounted to negative 1.7 per cent over the past twelve-month period (Jan-Dec 2012: neg. 5.3).

Operating cash flow improved primarily as a result of higher earnings generation and lower investments compared with the preceding year.

Comments from the CEO

“Nobia’s organic growth remained positive throughout the third quarter. Growth in the UK offset the negative trend in Continental Europe. In the UK, our volumes increased in both B2B and through Magnet stores. Once again, the Nordic region showed profitability that comfortably exceeded the target of a 10-per-cent operating margin for the entire Group. The sales decline in Continental Europe is mainly attributable to the divestment of Optifit and major project deliveries in Poggenpohl during the year-on-year period. However, the trend for Hygena remains negative and we are now implementing a number of changes, yet we realise that these measures will take time to generate results. Our focus on both efficiency and growth stands firm. In parallel with proactive initiatives in all units, we are assessing potential acquisitions in order to create profitable growth,” says Morten Falkenberg, President and CEO.

This information was brought to you by Cision <http://news.cision.com>