

Q2

JANUARY – JUNE 2014

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- ▶ Operating profit amounted to SEK 126.4 million (85.0)
- ▶ Profit after financial items amounted to SEK 111.7 million (76.1)
 - ▶ Profit after tax amounted to SEK 84.9 million (59.4)
 - ▶ Earnings per share amounted to SEK 2.27 (1.53)
- ▶ Cash flow from operating activities was SEK 46.8 million (-40.5)
 - ▶ Net debt amounted to SEK 955 million (1,018)

INTERIM REPORT JANUARY – JUNE 2014

IMPORTANT EVENTS

- ITAB supplies the EasyFlow self-checkout system to Lidl
- Through subsidiaries, ITAB has reached agreement with Dressmann regarding the supply of complete shop concepts
- ITAB's convertible heavily oversubscribed

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- Net debt amounted to SEK 955 million (1,018)

APRIL - JUNE 2014

- Sales amounted to SEK 898.5 million (853.2)
- Operating profit amounted to SEK 68.0 million (50.0)
- Profit after financial items amounted to SEK 61.5 million (45.8)
- Profit after tax amounted to SEK 46.7 million (35.7)
- Earnings per share amounted to SEK 1.25 (0.93)
- Cash flow from operating activities was SEK 67.2 million (-3.5)
- Net debt amounted to SEK 955 million (1,018)

CEO ULF ROSTEDT'S COMMENTS

This year has started well in many ways. The Group has had its strongest first half-year to date, both in terms of sales and earnings. The installation of our EasyFlow self-checkout system at Lidl has proceeded in accordance with our expectations. We are now taking the next step in the process, expanding with another installation in Sweden.

Currency-adjusted sales figures during the first half-year period have risen by 5% compared with last year. Sales have developed better than last year in all market areas, with the exception of parts of Scandinavia where developments have been on a par with last year. Sales of lighting systems have continued to develop positively on those markets where we have established and integrated operations.

Income after financial items increased by 47% compared with last year. Income has developed better than last year, primarily in Benelux, Central Europe and Scandinavia. The other sales areas are reporting figures that are in line with last year. Income from our lighting business has also developed on a par with last year. The gross margin during the period has been strengthened, principally as a result of increased capacity in our production facilities, but also due to the long-term rationalisation work being implemented in the Group.

During the first half-year, we have continued our market expansion and marketing activities, above all in lighting and self-checkouts. We are beginning to see the effects of the initiatives

that were carried out last year. Several of our customers are showing an interest in our lighting range, above all in our new LED products. Several major retail chains in Europe are showing an interest in our self-checkout concept due to the substantial streamlining and cost-saving potential in stores.

Important events

ITAB has installed the EasyFlow self-checkout system in Lidl during the period. This installation is extremely important for ITAB, as it is the first store run by a leading supermarket chain in Europe that will have EasyFlow for consumers.

During the period, ITAB has agreed a two-year collaboration with Dressmann, part of the Varner Group and one of Scandinavia's leading players in the field of clothing. Dressmann has selected ITAB as its sole supplier of complete shop concepts.

Euroshop 2014

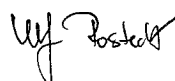
The Global Trade Fair Euroshop took place in Düsseldorf at the start of 2014. ITAB participated at the fair, where it was one of the major players. During the fair, we were able to show off our all-inclusive offer to the market, and we believe that most of our customers have gained a greater awareness of our offer. Our offer has considerable potential, and we have strategically strengthened our market position in recent years, both through acquisitions and an expanded range of concepts and products.

The future

The majority of our markets have developed positively compared to last year. Despite this, the future market situation remains somewhat uncertain. In the long term, we believe that our customers will be on the look-out for more effective solutions, both for stores but also for the process of establishing stores. As in previous years, volumes are expected to be lower at the start of the year before gradually increasing. We will continue our long-term work aimed at streamlining all parts of our operation, in order to improve our offer.

Our all-inclusive offer, which includes shop fitting concepts, checkouts, self-checkout systems and professional lighting systems, alongside our working model and geographic presence, will lead to better business both for ITAB and for our customers.

Jönköping 9th of July 2014



Ulf Rostedt, CEO ITAB Shop Concept

ITAB's BUSINESS CONCEPT

ITAB will offer complete shop concepts for retail chain stores. With its expertise, long-term business relationships and innovative products, ITAB will secure a market-leading position in selected markets.



THE ITAB GROUP IN FIGURES

		3 MONTHS	3 MONTHS	6 MONTHS	6 MONTHS	12 MONTHS	12 MONTHS
		APR-JUN	APR-JUN	JAN-JUN	JAN-JUN	JAN-DEC	JUL-JUN
		2014	2013	2014	2013	2013	2013/2014
Sales	SEK m	898.5	853.2	1,761.6	1,638.7	3,574.0	3,696.9
Operating profit	SEK m	68.0	50.0	126.4	85.0	245.8	287.2
Operating margin	%	7.6	5.9	7.2	5.2	6.9	7.8
Profit after financial items	SEK m	61.5	45.8	111.7	76.1	217.1	252.7
Profit margin	%	6.8	5.4	6.3	4.6	6.1	6.8
Net profit for the year	SEK m	46.7	35.7	84.9	59.4	162.2	187.7
Earnings per share	SEK	1.25	0.93	2.27	1.53	4.49	5.23
Dividends per share	SEK	-	-	-	-	3.00	-
Equity per share	SEK	30.78	26.16	30.78	26.16	29.39	30.78
Return on equity p.a	%	16.4	14.3	15.1	11.8	16.6	18.1
Portion of risk-bearing capital	%	42.1	37.6	42.1	37.6	42.5	42.1
Share price on closing day	SEK	135.50	53.00	135.50	53.00	86.00	135.50
Average no. of employees	no.	2,358	2,283	2,352	2,228	2,277	2,339

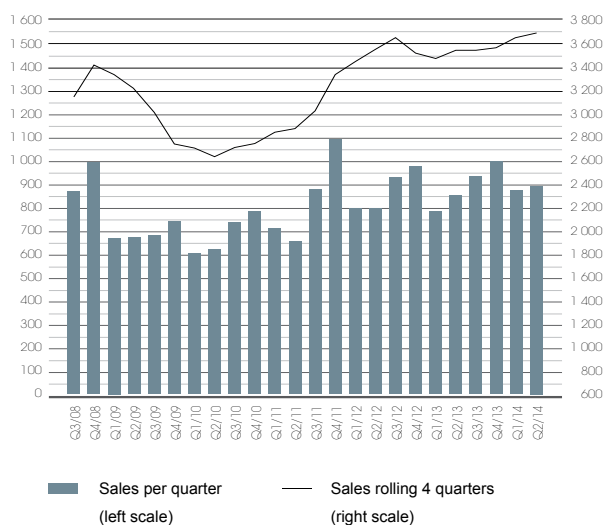
ABOUT ITAB

ITAB Shop Concept sells, develops, manufactures and installs complete shop concepts for retail chain stores. The all-inclusive offer includes custom-made fitting concepts, innovative solutions for the checkout arena and professional lighting systems. The customers represent the largest retail organizations in Europe.

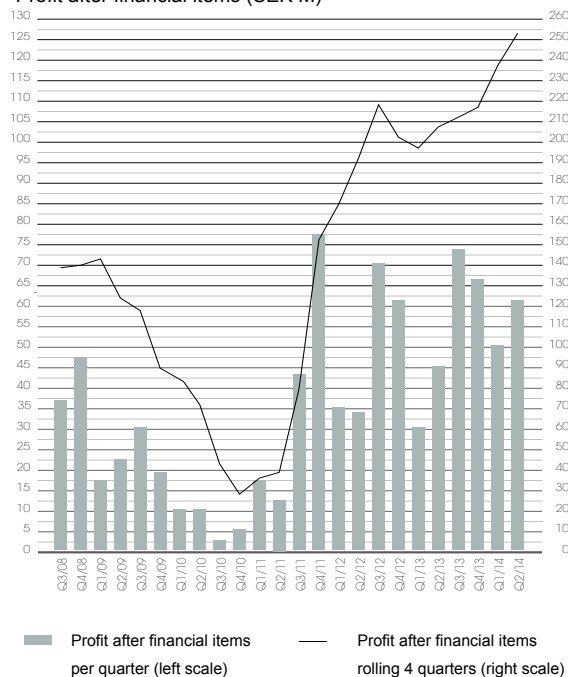
ITAB has organizations in 20 countries and 14 production facilities in Northern Europe and in China. ITAB also has various partners throughout Europe. In close collaboration with its customers, ITAB contributes its extensive experience and expertise to the specific needs and requests of its customers. Business operations are founded on long-term business

relationships and delivery reliability in combination with streamlined production resources. ITAB is the market leader of checkouts to retailers in Europe, and one of Europe's largest supplier of shop fittings and professional lighting systems.

Sales (SEK M)



Profit after financial items (SEK M)



DEVELOPMENT 2014

The Group's currency-adjusted sales figures have risen by approximately 5% during the year compared with last year. Sales have developed better than last year in all market areas, with the exception of parts of Scandinavia where developments have been on a par with last year. Sales of lighting systems have continued to develop positively.

The Group's operating profit amounted to SEK 126.4 million (85.0), an increase of 49% compared with last year. The profit increase is primarily due to an improved gross margin as well as increased sales volumes. Earnings primarily in Benelux, Central Europe and Scandinavia were better than last year, while other market areas have developed on a par with last year. Income from our lighting business has also developed on a par with last year.

Cash flow from current operations amounted to SEK 46.8 million (-40.5). The improvement compared to last year is a result of an improved operating profit of SEK 41.4 million, at the same time as the Group has grown with a low level of tied-up capital.

INVESTMENTS

The Group's net investments amounted to SEK 33 million (40), of which SEK 3 million (3) refers to corporate transactions.

FINANCING AND LIQUIDITY

The company's net debt amounted to SEK 955 million (1,018). An additional repayment has

been made during the period. The Group's cash and cash equivalents, including granted but utilised credit facilities amounted to SEK 242 million (408) on closing day.

SHARE SPLIT 2:1

At the AGM on 7 May 2014, it was decided to split the company's shares 2:1, which means that each share was divided into two shares of the same type. The record date for the share split was 23 May 2014. After the completed split, the number of shares in ITAB totalled 33,906,410, of which 7,800,000 are Class A shares and 26,106,410 are Class B shares.

CONVERTIBLE DEBENTURE LOAN

During the period 22 May to 2 June 2014, a subscription for convertible shares was carried out in which all ITAB employees had the right to subscribe, for a maximum total of SEK 30 million. The offer was considerably oversubscribed. The allocation totalled 100,334 convertibles, and during the period 1 June 2018 to 11 June 2018 each convertible can be converted to two Class B shares at a conversion rate of SEK 149.50 (the conversion has taken place as a result of the implemented share split 2:1).

ACCOUNTING PRINCIPLES

This interim report have been prepared in accordance with IAS 34, Interim Financial Reporting, the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities. The accounting

principles that have been applied coincide with those accounting principles used for preparing the latest Annual Report.

NEXT REPORT

The interim report for the period January through September 2014 will be presented on Tuesday 4th of November 2014.

This interim report has not been subject to review by the company's auditor.

Jönköping 9th of July 2014

Tord Johansson
Chairman

Anna Benjamin
Board member

Sune Lantz
Board member

Anders Moberg
Board member

Fredrik Rapp
Board member

Stig-Olof Simonsson
Board member

Lottie Svedenstedt
Board member

Ulf Rostedt
CEO

SELF-CHECKOUT

Self-checkout lets the consumers quickly, conveniently and reliably check out and scan their items themselves at the checkout.

EASYFLOW

A fully automatic self-checkout system based on barcode-free identification of items.

TWINFLOW

A self-checkout system adapted for retail chains where customers primarily use shopping trolleys and the number of items per customer is high.

MOVEFLOW

A self-checkout system specially designed for stores where customers primarily use shopping baskets and the number of items per customer is low.

EXITFLOW

An automatic gate designed specifically for ITAB's self-checkout systems.

THE GROUP - SUMMARY

INCOME STATEMENT

(SEK M)	3 MONTHS APR-JUN 2014	3 MONTHS APR-JUN 2013	6 MONTHS JAN-JUN 2014	6 MONTHS JAN-JUN 2013	12 MONTHS JAN-DEC 2013	12 MONTHS JUL-JUN 2013/2014
Sales	898.5	853.2	1,761.6	1,638.7	3,574.0	3,696.9
Cost of goods sold	-637.2	-628.8	-1,255.3	-1,223.2	-2,627.6	-2,659.7
Gross profit	261.3	224.4	506.3	415.5	946.4	1,037.2
Selling expenses	-139.8	-126.9	-272.9	-244.0	-525.4	-554.3
Administrative expenses	-47.5	-42.1	-95.3	-81.5	-165.7	-179.5
Other operating income and expenses	-6.0	-5.4	-11.7	-5.0	-9.5	-16.2
Operating profit	68.0	50.0	126.4	85.0	245.8	287.2
Financial income	1.6	3.7	1.9	7.3	4.6	2.8
Financial expenses	-8.1	-7.9	-16.6	-16.2	-33.3	-37.3
Profit after financial items	61.5	45.8	111.7	76.1	217.1	252.7
Taxes for the period	-14.8	-10.1	-26.8	-16.7	-54.9	-65.0
NET PROFIT FOR THE PERIOD	46.7	35.7	84.9	59.4	162.2	187.7
Profit attributable to:						
Parent company's shareholders	42.4	31.5	77.0	52.0	152.3	177.3
Non-controlling interests	4.3	4.2	7.9	7.4	9.9	10.4
Depreciation represents	21	18	41	38	77	80
Tax on the periods profit amounts to	24%	22%	24%	22%	25%	26%
Earnings per share						
before dilution, SEK	1.25	0.93	2.27	1.53	4.49	5.23
after dilution, SEK	1.23	0.92	2.23	1.52	4.44	5.15
Average number of outstanding shares						
before dilution, thousands	33,906	33,906	33,906	33,906	33,906	33,906
after dilution, thousands	34,757	34,557	34,757	34,557	34,557	34,757

1) At the AGM on 7 May 2014, it was decided to split the company's shares 2:1, which means that each share was divided into two shares of the same type. The record date for the share split was 23 May 2014. After the completed split, the number of shares in ITAB totalled 33,906,410, of which 7,800,000 are Class A shares and 26,106,410 are Class B shares. All comparative figures have been updated.

The Group has two outstanding convertible debenture schemes. In the first scheme, which runs during the period 1 July 2012 to 30 June 2016, conversion to a maximum of 650,406 Class B shares can take place during the period 1-10 June 2016 at a subscription price of SEK 61.50. In the second scheme, a subscription for convertible shares for employees was carried out during June 2014. The scheme runs during the period 1 July 2014 to 30 June 2018 and conversion to a maximum of 200,668 Class B shares can take place during the period 1-11 June 2018 at a subscription price of SEK 149.50. The total number of shares after full dilution will then be 34,757,484.

STATEMENT OF COMPREHENSIVE INCOME

(SEK M)	3 MONTHS APR-JUN 2014	3 MONTHS APR-JUN 2013	6 MONTHS JAN-JUN 2014	6 MONTHS JAN-JUN 2013	12 MONTHS JAN-DEC 2013	12 MONTHS JUL-JUN 2013/2014
Net profit for the period	46.7	35.7	84.9	59.4	162.2	187.7
Other comprehensive income:						
Items that will not be reclassified to the income statement						
Actuarial gains and losses on defined-benefit pension commitments	-	-	-	-	-2.3	-2.3
Tax relating to items that will not be reclassified	-	-	-	-	0.6	0.6
	-	-	-	-	-1.7	-1.7
Items that may be reclassified to the income statement						
Translation difference	31.9	29.0	30.7	1.4	6.2	35.5
Hedging of net investment	-2.9	-5.9	-3.7	-7.8	-7.1	-3.0
Cash flow hedges	-6.2	3.1	-7.8	-0.8	5.2	-1.8
Tax relating to items that may be reclassified	2.1	0.7	2.6	1.9	0.5	1.2
	24.9	26.9	21.8	-5.3	4.8	31.9
Other comprehensive income, net of tax	24.9	26.9	21.8	-5.3	3.1	30.2
Total comprehensive income for the period	71.6	62.6	106.7	54.1	165.3	217.9
The period's comprehensive income attributable to:						
Shareholders of the Parent Company	65.5	56.8	98.1	44.9	154.5	207.7
Non-controlling interests	6.1	5.8	8.6	9.2	10.8	10.2

STATEMENT OF FINANCIAL POSITION

(SEK M)	2014 30-JUN	2013 30-JUN	2013 31-DEC
Assets			
Intangible assets	635.2	590.8	612.7
Tangible fixed assets	496.2	503.4	500.7
Financial fixed assets and deferred tax assets	27.1	21.1	25.6
Total fixed assets	1,158.5	1,115.3	1,139.0
Inventories	791.2	768.3	710.1
Current receivables	748.8	711.5	663.4
Cash and cash equivalents	106.0	136.0	142.4
Total current assets	1,646.0	1,615.8	1,515.9
TOTAL ASSETS	2,804.5	2,731.1	2,654.9
Equity and liabilities			
Equity attributable to the Parent company's shareholders	1,043.8	887.0	996.6
Holdings without controlling influence	49.1	40.6	42.3
Long-term liabilities	189.8	307.7	218.6
Current liabilities	1,521.8	1,495.8	1,397.4
TOTAL EQUITY AND LIABILITIES	2,804.5	2,731.1	2,654.9
Interest-bearing net debt amount to:	955	1,018	890
of which convertible debenture loans make up	40	40	40

STATEMENT OF CHANGES IN EQUITY ATTRIBUTABLE TO THE PARENT COMPANY'S SHAREHOLDERS

(SEK M)	2014 30-JUN	2013 30-JUN	2013 31-DEC
Opening balance	996.6	884.5	884.5
Total comprehensive income attributable to shareholders	98.1	44.9	154.5
Dividends paid	-50.9	-42.4	-42.4
Closing balance	1,043.8	887.0	996.6

STATEMENT OF CASH FLOW

(SEK M)	3 MONTHS APR-JUN 2014	3 MONTHS APR-JUN 2013	6 MONTHS JAN-JUN 2014	6 MONTHS JAN-JUN 2013	12 MONTHS JAN-DEC 2013	12 MONTHS JUL-JUN 2013/2014
Operating profit	68.0	50.0	126.4	85.0	245.8	287.2
Interest received and paid, tax paid and adjustments for items not included in the cash flow	-6.3	6.2	-16.7	6.2	-10.2	-33.1
Change in working capital	5.5	-59.7	-62.9	-131.7	-98.9	-30.1
Cash flow from operating activities	67.2	-3.5	46.8	-40.5	136.7	224.0
Net investments	-17.5	-26.1	-33.0	-40.1	-90.4	-83.3
Cash flow after investing activities	49.7	-29.6	13.8	-80.6	46.3	140.7
Financing activities	-74.7	38.0	-52.7	79.0	-39.3	-171.0
Cash flow for the period	-25.0	8.4	-38.9	-1.6	7.0	-30.3
Cash and cash equivalents at the start of the period	125.7	122.2	142.4	133.7	133.7	136.0
Translation difference in cash and cash equivalents	5.3	5.4	2.5	3.9	1.7	0.3
Cash and cash equivalents at the end of the period	106.0	136.0	106.0	136.0	142.4	106.0

KEY RATIOS

	3 MONTHS APR-JUN 2014	3 MONTHS APR-JUN 2013	6 MONTHS JAN-JUN 2014	6 MONTHS JAN-JUN 2013	12 MONTHS JAN-DEC 2013	12 MONTHS JUL-JUN 2013/2014
Operating margin, %	7.6	5.9	7.2	5.2	6.9	7.8
Profit margin, %	6.8	5.4	6.3	4.6	6.1	6.8
Return on equity p.a, %	16.4	14.3	15.1	11.8	16.6	18.1
Return on capital employed p.a, %	13.9	11.6	13.0	10.1	13.4	14.7
Return on total capital p.a, %	10.0	8.2	9.3	7.1	9.5	10.4
Interest-coverage ratio, multiple	9.1	6.7	8.3	5.7	7.5	8.8
Equity/assets ratio, %	39.0	34.0	39.0	34.0	39.1	39.0
Portion of risk-bearing capital, %	42.1	37.6	42.1	37.6	42.5	42.1
Equity attributable to the Parent company's shareholders, SEK M	1,043.8	887.0	1,043.8	887.0	996.6	1,043.8
Equity capital per share, SEK	30.78	26.16	30.78	26.16	29.39	30.78
Share price on closing day, SEK	135.50	53.00	135.50	53.00	86.00	135.50
Earnings per share before dilution, SEK	1.25	0.93	2.27	1.53	4.49	5.23
Earnings per share after dilution, SEK	1.23	0.92	2.23	1.52	4.44	5.15
Net investments, SEK M	17	26	33	40	91	84
Net investments (excl. acquisitions), SEK M	14	23	30	37	88	81
Average number of employees	2,358	2,283	2,352	2,228	2,277	2,339

QUARTERLY INCOME STATEMENTS

(SEK M)	2014 APR-JUN	2013 APR-JUN	2014 JAN-MAR	2013 JAN-MAR	2013 OCT-DEC	2012 OCT-DEC	2013 JUL-SEP	2012 JUL-SEP
Sales	898.5	853.2	863.1	785.5	1,000.2	977.3	935.1	933.6
Cost of goods sold	-637.2	-628.8	-618.1	-594.5	-732.3	-720.2	-672.1	-700.6
Gross profit	261.3	224.4	245.0	191.0	267.9	257.1	263.0	233.0
Selling expenses	-139.8	-126.9	-133.1	-117.1	-148.1	-147.4	-133.3	-120.1
Administrative expenses	-47.5	-42.1	-47.8	-39.4	-44.5	-43.2	-39.7	-36.0
Other operating income and expenses	-6.0	-5.4	-5.7	0.4	1.0	3.3	-5.4	1.6
Operating profit	68.0	50.0	58.4	34.9	76.3	69.8	84.6	78.5
Financial items	-6.5	-4.2	-8.2	-4.6	-9.7	-8.5	-10.2	-7.6
Profit after financial items	61.5	45.8	50.2	30.3	66.6	61.3	74.4	70.9
Taxes for the period	-14.8	-10.1	-12.0	-6.6	-18.8	-9.6	-19.4	-15.9
NET PROFIT FOR THE PERIOD	46.7	35.7	38.2	23.7	47.8	51.7	55.0	55.0
Profit attributable to								
Parent company's shareholders	42.4	31.5	34.6	20.4	47.8	49.1	52.6	52.4
Non-controlling interests	4.3	4.2	3.6	3.3	0.0	2.6	2.4	2.6

PARENT COMPANY - SUMMARY

INCOME STATEMENT

(SEK M)	3 MONTHS APR-JUN 2014	3 MONTHS APR-JUN 2013	6 MONTHS JAN-JUN 2014	6 MONTHS JAN-JUN 2013	12 MONTHS JAN-DEC 2013
Net sales	10.6	9.3	21.1	17.3	34.6
Cost of goods sold	-2.7	-2.4	-5.0	-4.4	-7.5
Gross profit	7.9	6.9	16.1	12.9	27.1
Selling expenses	-5.7	-5.3	-10.7	-9.4	-15.9
Administrative expenses	-6.6	-6.0	-12.3	-10.8	-18.8
Other operating income and expenses	-1.4	-3.1	-3.3	-2.6	-15.5
Operating profit	-5.8	-7.5	-10.2	-9.9	-23.1
Result from participations in Group companies	22.8	24.0	78.0	24.0	47.2
Financial items	-19.8	-21.9	-26.0	-3.8	-4.8
Profit after financial items	-2.8	-5.4	41.8	10.3	19.3
Year-end appropriations	-	-	-	-	34.3
Profit before tax	-2.8	-5.4	41.8	10.3	53.6
Taxes	-	-	-	-	-1.5
NET PROFIT FOR THE PERIOD ¹⁾	-2.8	-5.4	41.8	10.3	52.1

BALANCE SHEET

(SEK M)	2014 30-JUN	2013 30-JUN	2013 31-DEC
Tangible fixed assets	0.7	0.7	0.8
Financial fixed assets and deferred tax assets	1,156.7	1,145.3	1,157.1
Total fixed assets	1,157.4	1,146.0	1,157.9
Current receivables	275.6	269.9	359.2
Cash and cash equivalents	0.0	0.0	0.0
Total current assets	275.6	269.9	359.2
TOTAL ASSETS	1,433.0	1,415.9	1,517.1
Shareholders' equity	601.2	568.6	610.3
Untaxed reserves	0.1	0.1	0.1
Long-term liabilities	55.0	229.5	157.4
Current liabilities	776.7	617.7	749.3
TOTAL EQUITY AND LIABILITIES	1,433.0	1,415.9	1,517.1

1) Net profit for the period corresponds with total comprehensive income for the period

The information above is such information that ITAB Shop Concept AB (publ) shall publish in accordance with the Swedish Securities Markets Act and/or the Financial Instruments Trading Act. The information was published at 10.45 a.m. 9th of July 2014.

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