

Q3

JANUARY – SEPTEMBER 2013

- ▶ Sales amounted to SEK 2,573.8 million (2,534.1)
- ▶ Operating profit amounted to SEK 169.5 million (165.4)
- ▶ Profit after financial items amounted to SEK 150.5 million (141.2)
 - ▶ Profit after tax amounted to SEK 114.4 million (110.1)
 - ▶ Earnings per share amounted to SEK 6.16 (6.53)
- ▶ Cash flow from operating activities was SEK -1.9 million (132.7)
- ▶ Net debt amounted to SEK 1,008 million (1,010)

INTERIM REPORT JANUARY – SEPTEMBER 2013

IMPORTANT EVENTS

- ITAB's fully automatic self-checkout system EasyFlow now up and running in shop environment

IMPORTANT EVENTS AFTER THE END OF THE PERIOD

- Agreement for installation of self-checkout systems with one of the larger grocery chains in Sweden
- Breakthrough order for ITAB's self-checkout system on the Russian market

JANUARY - SEPTEMBER 2013

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- Operating profit amounted to SEK 169.5 million (165.4).
- Profit after financial items amounted to SEK 150.5 million (141.2).
- Profit after tax amounted to SEK 114.4 million (110.1).
- Earnings per share amounted to SEK 6.16 (6.53).
- Cash flow from operating activities was SEK -1.9 million (132.7).
- Net debt amounted to SEK 1,008 million (1,010).

JULY - SEPTEMBER 2013

- Sales amounted to SEK 935.1 million (933.6).
- Operating profit amounted to SEK 84.5 million (78.5).
- Profit after financial items amounted to SEK 74.3 million (70.9).
- Profit after tax amounted to SEK 55.0 million (55.0).
- Earnings per share amounted to SEK 3.10 (3.11).
- Cash flow from operating activities was SEK 38.6 million (29.2).
- Net debt amounted to SEK 1,008 million (1,010).

CEO ULF ROSTEDT'S COMMENTS

Currency-adjusted sales figures have risen during the period by 5% compared with last year and profit after financial items rose by 7%.

Third quarter sales amounted to SEK 935.1 million (933.6) and profit after financial items was SEK 74.3 million (70.9), an increase of 5% compared with last year. In terms of profits, this year's third quarter is the best third quarter so far.

Sales for the first nine-month period in UK & Ireland outperformed last year's figures. Benelux report considerably lower figures than last year, primarily because larger customers have made significant cutbacks in their investment schemes. The Group has responded to these developments by making modifications. Other countries have performed on par with last year.

Exchange rate developments had a negative impact on the Group's profit by almost SEK 20 million. During the period, we have intensified our market expansion activities and marketing activities in lighting and self-checkouts, which has also had an impact. The purpose of these activities is to further strengthen our market position in future as an all-inclusive supplier of store concepts. Expansion of our Russia-based organisation to include warehousing and distribution in conjunction with larger customer agreements has resulted in a temporary increase in costs. Despite increased marketing and business investments during the period, we have improved our profits

compared with last year. The profit increase can primarily be ascribed to an improved gross margin but also somewhat higher sales volumes.

During the period, we increased our capacity in China to handle future demands for greater volumes of store fittings and lighting systems. Sales of lighting systems to the retail sector surpassed last year's in most markets. During the period we have established and integrated the lighting business into our companies in Sweden, Norway, Denmark, Finland, Lithuania, Russia, Germany, Poland, the Netherlands, Belgium and UK, which strengthens our all-inclusive offer to customers. Lighting is an important aspect of the interior design concept for creating attractive store environments. The right lighting means substantial energy savings and lower maintenance costs for retail chains, something we believe will be even more important in future.

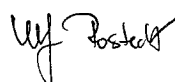
Several installations of our Twinflow and Moveflow self-checkout systems* have been carried out during the period and have been well received by our customers. The first installation of our EasyFlow self-checkout system is operating in a store environment and the second in a test environment. The installations have met our expectations and we are now ready to take the next step in the process and the task of targeting a broader market is underway. Several major retail chains in Europe have taken an interest in our self-checkout concept due to the substantial

streamlining and cost-saving potential in stores. After the end of the period, we signed two agreements on the installation of our self-checkout system. The agreements are strategically significant as the installations will be performed in the chains' new store concept and will be a central part of the checkout aisle.

The future

By and large, the market is still somewhat sluggish and difficult to assess this year as it was last year. The current international financial crisis makes it difficult to predict how our markets will develop in the short term. 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. Our working model, our geographical presence and our all-inclusive offer which now also includes professional lighting systems and self-checkouts – prioritised investment areas for several of our customers – will lead to better business for both ITAB and our customers.

Jönköping 5 November 2013



Ulf Rostedt, CEO ITAB Shop Concept

*For explanations, see page 4

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 JUL-SEP 2013	3 MONTHS JUL-SEP 2012	9 MONTHS JAN-SEP 2013	9 MONTHS JAN-SEP 2012	12 MONTHS JAN-DEC 2012	12 MONTHS OCT-SEP 2012/2013
Sales	SEK m	935.1	933.6	2,573.8	2,534.1	3,511.4	3,551.2
Operating profit	SEK m	84.5	78.5	169.5	165.4	235.2	239.3
Operating margin	%	9.0	8.4	6.6	6.5	6.7	6.7
Profit after financial items	SEK m	74.3	70.9	150.5	141.2	202.5	211.9
Profit margin	%	8.0	7.6	5.8	5.6	5.8	6.0
Net profit for the year	SEK m	55.0	55.0	114.4	110.1	161.8	166.1
Earnings per share	SEK	3.10	3.11	6.16	6.53	9.47	9.10
Dividends per share	SEK	-	-	-	-	2.50	-
Equity per share	SEK	55.10	48.12	55.10	48.12	52.17	55.10
Return on equity p.a	%	23.1	26.5	15.6	19.8	20.7	17.5
Portion of risk-bearing capital	%	38.3	35.6	38.3	35.6	40.6	38.3
Share price on closing day	SEK	129.00	101.50	129.00	101.50	101.50	129.00
Average no. of employees	no.	2,293	2,202	2,250	2,197	2,194	2,221

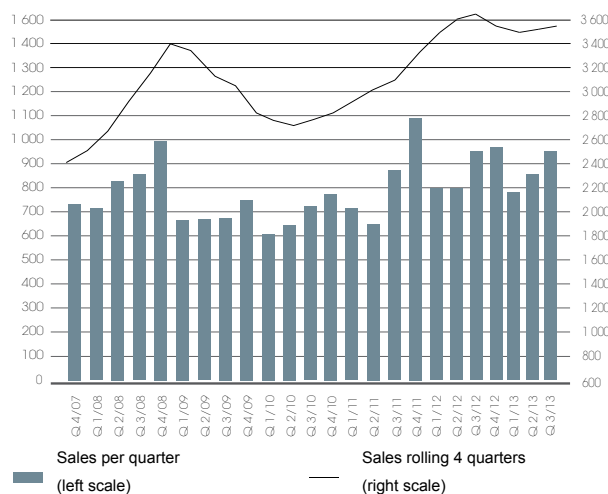
ABOUT ITAB

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 organisations in Europe.

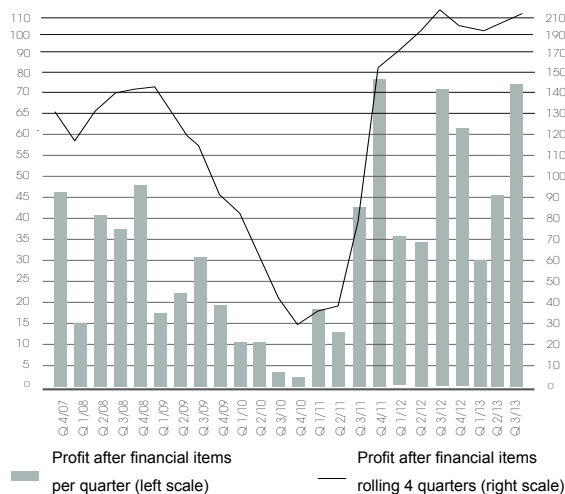
ITAB has organisations in 19 countries and 14 production facilities in Northern Europe and in China. ITAB also has various partners throughout Europe. In close collaboration with its customers, ITAB contributes its extensive experience and expertise to the specific needs and requests of its customers. 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 2013

The Group's currency-adjusted sales figures have risen by 5% during the year compared with the same period in 2012. UK & Ireland have improved their sales compared with last year. Benelux has seen a reduction in sales compared with last year, while the other countries have performed on par with last year.

The Group's operating profit amounted to SEK 169.5 million (165.4), an increase of SEK 4.1 million compared with last year. The profit increase is primarily due to an improved gross margin as well as somewhat increased sales volumes. The profits have been affected by exchange rate fluctuations of almost SEK 20 million and intensified marketing activities in primarily lighting and self-checkouts.

The results in UK & Ireland were better than last year, while Benelux reported figures below those of last year. Other countries have performed on par with last year.

Cash flow from current operations amounted to SEK -1.9 million (132.7). Cash flow and wor-

king capital have been affected by increased warehouse levels for the fourth quarter's deliveries as well as an increased need for working capital.

INVESTMENTS

The Group's net investments amounted to SEK 62 million (76), of which SEK 3 (27) million refers to corporate transactions.

FINANCING AND LIQUIDITY

The company's net debt amounted to SEK 1,008 million (1,010). The Group's cash and cash equivalents, including granted but unutilised credit facilities amounted to SEK 385 million (339) on closing day.

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 year-end report for the period January through December 2013 will be presented on Wednesday 5 February 2014.

Jönköping 5 November 2013

Ulf Rostedt, CEO ITAB Shop Concept AB

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 JUL-SEP 2013	3 MONTHS JUL-SEP 2012	9 MONTHS JAN-SEP 2013	9 MONTHS JAN-SEP 2012	12 MONTHS JAN-DEC 2012	12 MONTHS OCT-SEP 2012/2013
Sales	935.1	933.6	2,573.8	2,534.1	3,511.4	3,551.2
Cost of goods sold	-672.1	-700.6	-1,895.3	-1,894.2	-2,614.4	-2,615.6
Gross profit	263.0	233.0	678.5	639.9	897.0	935.6
Selling expenses	-133.3	-120.1	-377.4	-373.7	-521.1	-524.8
Administrative expenses	-39.7	-36.0	-121.2	-108.8	-152.0	-164.4
Other operating income/expenses	-5.5	1.6	-10.4	8.0	11.3	-7.1
Operating profit	84.5	78.5	169.5	165.4	235.2	239.3
Financial income	-1.3	1.0	5.9	1.8	2.8	6.9
Financial expenses	-8.9	-8.6	-24.9	-26.0	-35.5	-34.3
Profit after financial items	74.3	70.9	150.5	141.2	202.5	211.9
Taxes for the period	-19.3	-15.9	-36.1	-31.1	-40.7	-45.8
NET PROFIT FOR THE PERIOD	55.0	55.0	114.4	110.1	161.8	166.1
Profit attributable to:						
Parent company's shareholders	52.6	52.4	104.5	103.7	152.8	153.5
Non-controlling interests	2.4	2.6	9.9	6.4	9.0	12.6
Depreciation represents	19	20	57	62	83	77
Tax on the periods profit amounts to	26%	22%	24%	22%	20%	22%
Earnings per share						
before dilution, SEK	3.10	3.11	6.16	6.53	9.47	9.10
after dilution, SEK	3.06	3.04	6.10	5.98	8.88	9.00
Average number of outstanding shares						
before dilution, thousands	16 953	16 887	16 953	15 896	16 140	16 953
after dilution, thousands	17 278	17 396	17 278	17 396	17 278	17 278

1) In June 2012, a subscription for convertible shares for the employees was carried out in which 325,203 convertibles were subscribed for. The scheme will run during the period 1 July 2012 to 30 June 2016. One convertible can be converted to one share during the period 1 June 2016 to 10 June 2016 at a conversion price of SEK 123. The total amount of shares after full dilution will then be 17,278,408.

STATEMENT OF COMPREHENSIVE INCOME

(SEK M)	3 MONTHS JUL-SEP 2013	3 MONTHS JUL-SEP 2012	9 MONTHS JAN-SEP 2013	9 MONTHS JAN-SEP 2012	12 MONTHS JAN-DEC 2012	12 MONTHS OCT-SEP 2012/2013
Net profit for the period	55.0	55.0	114.4	110.1	161.8	166.1
Other comprehensive income:						
Items that will not be reclassified to the income statement						
Actuarial gains and losses on defined-benefit pension commitments	-	-	-	-	15.3	15.3
Tax relating to items that will not be reclassified	-	-	-	-	-4.3	-4.3
	-	-	-	-	11.0	11.0
Items that may be reclassified to the income statement						
Translation difference	-11.1	-29.9	-9.7	-32.1	-22.3	0.1
Hedging of net investment	2.7	10.8	-5.1	12.3	11.2	-6.2
Cash flow hedges	2.5	-8.8	1.7	-14.0	-12.2	3.5
Tax relating to items that may be reclassified	-1.1	-0.6	0.8	0.4	-1.1	-0.7
	-7.0	-28.5	-12.3	-33.4	-24.4	-3.3
Other comprehensive income, net of tax	-7.0	-28.5	-12.3	-33.4	-13.4	-7.7
Total comprehensive income for the period	48.0	26.5	102.1	76.7	148.4	173.8
The period's comprehensive income attributable to:						
Shareholders of the Parent Company	47.2	25.6	92.1	72.0	140.9	161.0
Non-controlling interests	0.8	0.9	10.0	4.7	7.5	12.8

STATEMENT OF FINANCIAL POSITION

(SEK M)	2013 30-SEP	2012 30-SEP	2012 31-DEC
Assets			
Intangible fixed assets	597.5	575.4	583,4
Tangible fixed assets	497.8	517.6	516,1
Financial fixed assets and deferred tax assets	19.8	27.1	22,0
Total fixed assets	1,115.1	1,120.1	1 121,5
Inventories	765.2	718.3	681,9
Current receivables	762.9	726.3	573,3
Cash and cash equivalents	157.5	85.1	133,7
Total current assets	1,685.6	1,529.7	1 388,9
TOTAL ASSETS	2,800.7	2,649.8	2 510,4
Equity and liabilities			
Equity attributable to the Parent company's shareholders	934.2	815.8	884,5
Holdings without controlling influence	41.4	28.6	31,4
Long-term liabilities	284.6	338.3	304,2
Current liabilities	1,540.5	1,467.1	1 290,3
TOTAL EQUITY AND LIABILITIES	2,800.7	2,649.8	2 510,4
Interest-bearing net debt amount to:	1,008	1,010	896
of which convertible debenture loans make up	40	40	40

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

(SEK M)	2013 30-SEP	2012 30-SEP	2012 31-DEC
Opening balance	884,5	558,9	558,9
Total comprehensive income attributable to shareholders	92,1	72,0	140,9
Dividends paid	-42,4	-25,0	-25,0
Acquisition of holdings without controlling influence	-	-10,3	-10,4
Subscription for shares due to warrants	-	2,0	2,0
Conversion of convertible debenture loan KV 2B	-	225,0	225,0
Repurchase of warrants	-	-6,8	-6,9
Closing balance	934,2	815,8	884,5

STATEMENT OF CASH FLOW

(SEK M)	3 MONTHS JUL-SEP 2013	3 MONTHS JUL-SEP 2012	9 MONTHS JAN-SEP 2013	9 MONTHS JAN-SEP 2012	12 MONTHS JAN-DEC 2012	12 MONTHS OCT-SEP 2012/2013
Operating profit	84.5	78.5	169.5	165.4	235.2	239.3
Interest received and paid, tax paid and adjustments for items not included in the cash flow	0.1	6.0	6.3	23.3	23.1	6.1
Change in working capital	-46.0	-55.3	-177.7	-56.0	13.5	-108.2
Cash flow from operating activities	38.6	29.2	-1.9	132.7	271.8	137.2
Net investments	-21.6	-20.2	-61.7	-76.1	-92.0	-77.6
Cash flow after investing activities	17.0	9.0	-63.6	56.6	179.8	59.6
Financing activities	9.4	63.0	88.4	27.1	-41.2	20.1
Cash flow for the period	26.4	72.0	24.8	83.7	138.6	79.7
Cash and cash equivalents at the start of the period	136.0	13.1	133.7	1.4	1.4	85.1
Translation difference in cash and cash equivalents	-4.9	0.0	-1.0	0.0	-6.3	-7.3
Cash and cash equivalents at the end of the period	157.5	85.1	157.5	85.1	133.7	157.5

KEY RATIOS

	3 MONTHS JUL-SEP 2013	3 MONTHS JUL-SEP 2012	9 MONTHS JAN-SEP 2013	9 MONTHS JAN-SEP 2012	12 MONTHS JAN-DEC 2012	12 MONTHS OCT-SEP 2012/2013
Operating margin, %	9.0	8.4	6.6	6.5	6.7	6.7
Profit margin, %	8.0	7.6	5.8	5.6	5.8	6.0
Return on equity p.a, %	23.1	26.5	15.6	19.8	20.7	17.5
Return on capital employed p.a, %	17.3	17.0	12.6	12.2	12.9	13.3
Return on total capital p.a, %	12.0	12.2	8.8	8.8	9.4	9.3
Interest-coverage ratio, multiple	9.5	9.2	7.0	6.4	6.7	7.2
Equity/assets ratio, %	34.8	31.9	34.8	31.9	36.5	34.8
Portion of risk-bearing capital, %	38.3	35.6	38.3	35.6	40.6	38.3
Equity attributable to the Parent company's shareholders, SEK M	934.2	815.8	934.2	815.8	884.5	934.2
Equity capital per share. SEK	55.10	48.12	55.10	48.12	52.17	55.10
Share price on closing day, SEK	129.00	101.50	129.00	101.50	101.50	129.00
Earnings per share before dilution, SEK	3.10	3.11	6.16	6.53	9.47	9.10
Earnings per share after dilution, SEK	3.06	3.04	6.10	5.98	8.88	9.00
Net investments, SEK M	22	20	62	76	91	77
Net investments (excl. acquisitions), SEK M	22	20	59	49	64	74
Average number of employees	2,293	2,202	2,250	2,197	2,194	2,221

QUARTERLY INCOME STATEMENTS

(SEK M)	2013 JUL-SEP	2012 JUL-SEP	2013 APR-JUN	2012 APR-JUN	2013 JAN-MAR	2012 JAN-MAR	2012 OCT-DEC	2011 OCT-DEC
Sales	935.1	933.6	853.2	800.2	785.5	800.4	977.3	1,096.3
Cost of goods sold	-672.1	-700.6	-628.8	-595.7	-594.5	-598.1	-720.2	-805.9
Gross profit	263.0	233.0	224.4	204.5	191.0	202.3	257.1	290.4
Selling expenses	-133.3	-120.1	-126.9	-131.0	-117.1	-122.6	-147.4	-159.1
Administrative expenses	-39.7	-36.0	-42.1	-37.3	-39.4	-35.5	-43.2	-48.0
Other operating income/expenses	-5.4	1.6	-5.4	6.8	0.4	-0.4	3.3	3.7
Operating profit	84.6	78.5	50.0	43.0	34.9	43.8	69.8	87.0
Financial items	-10.2	-7.6	-4.2	-8.3	-4.6	-8.2	-8.5	-9.1
Profit after financial items	74.4	70.9	45.8	34.7	30.3	35.6	61.3	77.9
Taxes for the period	-19.4	-15.9	-10.1	-7.6	-6.6	-7.6	-9.6	-12.4
NET PROFIT FOR THE PERIOD	55.0	55.0	35.7	27.1	23.7	28.0	51.7	65.5
Profit attributable to								
Parent company's shareholders	52.6	52.4	31.5	26.7	20.4	24.6	49.1	63.3
Non-controlling interests	2.4	2.6	4.2	0.4	3.3	3.4	2.6	2.2

PARENT COMPANY - SUMMARY

INCOME STATEMENT

(SEK M)	3 MONTHS JUL-SEP 2013	3 MONTHS JUL-SEP 2012	9 MONTHS JAN-SEP 2013	9 MONTHS JAN-SEP 2012	12 MONTHS JAN-DEC 2012
Net sales	8.7	4.3	26.0	12.3	35.1
Cost of goods sold	-1.4	-2.6	-5.8	-6.6	-8.3
Gross profit	7.3	1.7	20.2	5.7	26.8
Selling expenses	-2.9	-3.8	-12.3	-12.2	-18.2
Administrative expenses	-3.7	-6.3	-14.5	-16.1	-20.5
Other operating income/expenses	-5.1	0.6	-7.7	6.1	9.0
Operating profit	-4.4	-7.8	-14.3	-16.5	-2.9
Result from participations in Group companies	0.0	0.0	24.0	47.4	64.7
Financial items	-1.7	9.0	-5.5	-0.2	-12.1
Profit after financial items	-6.1	1.2	4.2	30.7	49.7
Year-end appropriations	-	-	-	-	7.9
Profit before tax	-6.1	1.2	4.2	30.7	57.6
Taxes	-	-	-	-	1.8
NET PROFIT FOR THE PERIOD ¹⁾	-6.1	1.2	4.2	30.7	59.4

BALANCE SHEET

(SEK M)	2013 30-SEP	2012 30-SEP	2012 31-DEC
Tangible fixed assets	0.6	0.8	0.7
Financial fixed assets and deferred tax assets	1,122.8	1,171.5	1,145.3
Total fixed assets	1,123.4	1,172.3	1,146.0
Current receivables	284.0	253.4	274.1
Cash and cash equivalents	0.0	0.0	0.0
Total current assets	284.0	253.4	274.1
TOTAL ASSETS	1,407.4	1,425.7	1,420.1
Shareholders' equity	562.4	572.1	600.6
Untaxed reserves	0.1	0.1	0.1
Long-term liabilities	218.4	194.4	256.7
Current liabilities	626.5	659.1	562.7
TOTAL EQUITY AND LIABILITIES	1,407.4	1,425.7	1,420.1

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

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

Review report

ITAB Shop Concept AB, org. nr 556292-1089

Introduction

We have reviewed the condensed interim report for ITAB Shop Concept AB (publ.) as at September 30, 2013 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the 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 Reports 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 aspects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Jönköping, 5 November 2013

Ernst & Young AB

Håkan Sundberg

Authorized Public Accountant

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 11:30 a.m. 5th November, 2013.

The logo for ITAB, consisting of the letters 'ITAB' in a stylized, outlined font. A red line graphic curves around the logo from the left and bottom.

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